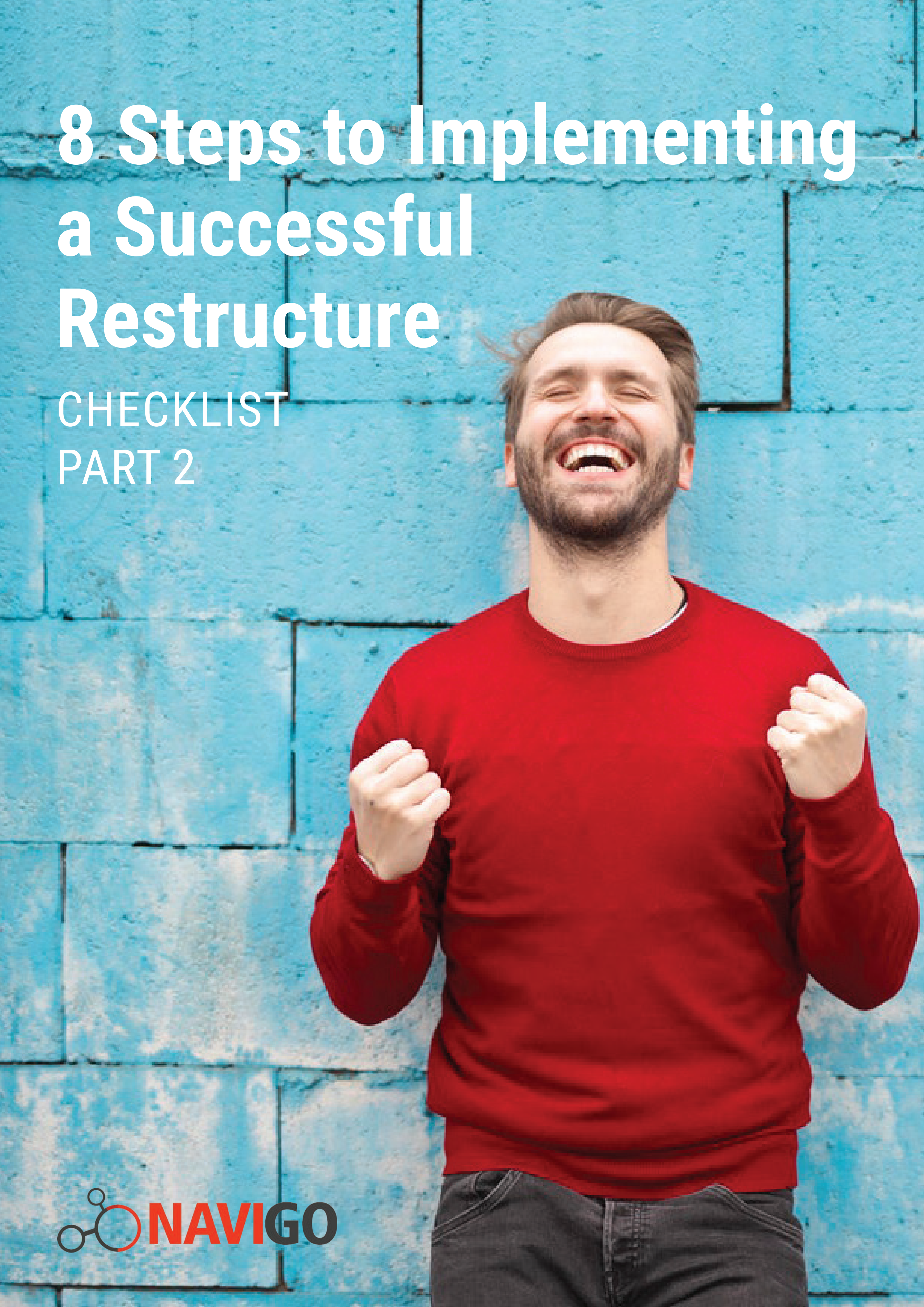


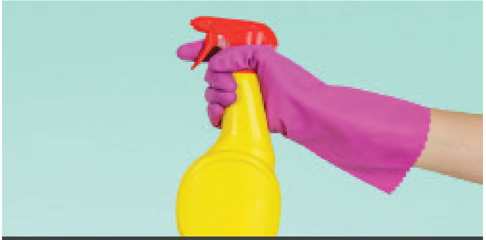
8 Steps to Implementing a Successful Restructure

CHECKLIST
PART 2

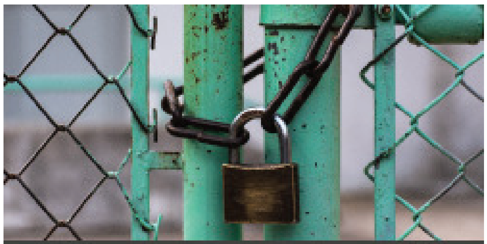
NAVIGO

KEY STEPS

for using workforce modelling to implement a successful restructure



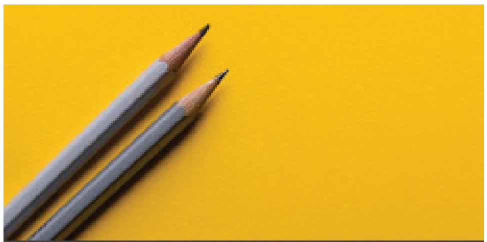
1 ASSESS & CLEAN YOUR HRIS DATA



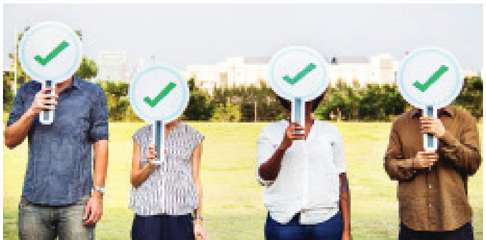
2 SHARE YOUR CURRENT STATE (SECURELY)

3 CREATE FUTURE STATE SCENARIOS

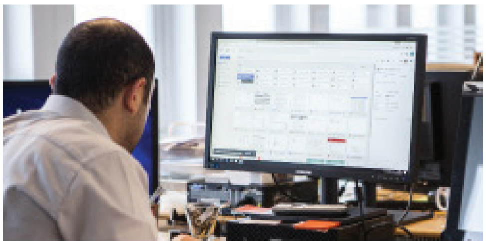
4 MANAGEMENT REVIEW



5 UPDATE SCENARIOS



6 COORDINATE APPROVALS



7 ROLLOUT & HRIS UPDATE

8 REVIEW & HEALTH CHECK

"HR plays an important role in the restructure process. It's important that restructures are designed and implemented carefully."

Andrew Rees, Navigo General Manager

BEFORE YOU START..

SET THE PROJECT SCOPE

This helps to identify challenges you're likely to encounter and set a shared roadmap for a successful project. Time to ask some key questions:

What are the main reasons for the restructure?

Are you moving location or reducing headcount? Who are the high performers? What parts of the business need protection? Are you trying to clean-up the org structure? Is there replication of roles, a combination of businesses or a need to reduce middle management?

What is the timeframe & constraints for the project?

What is driving the timeline? Is it realistic? What is required to be delivered and when? What are the hard deadlines? Does the timeline include deadlines & deliverables for the key stakeholders?

Who is your restructure team?

What resources are available? What are their skillsets? Will the team be internal or external? How do stakeholders like to communicate and make decisions? What internal forces exist? How does the organisation distribute information?

What tools are you using?

Manual tools, such as email, Excel, Word, PowerPoint or Visio? Do you use automated tools connected to live data from your payroll system? What's your plan to manage data accuracy through the project? What HRIS and payroll system do you use for data? Do you have access to a workforce modelling tool?

1 ASSESS & CLEAN YOUR HRIS DATA

When a restructure starts, the first question is often *“show me an accurate org chart”*. This can be an extremely time-consuming task if you have dirty data.

Reasons for dirty data:

- No single source of truth
- Missing data
- Broken hierarchy
- Poor code management
- Multiple systems / sources of truth

Dirty data effects on a restructure:

- Lack of confidence in data
- Incorrect decisions
- Budget implications
- Loss of talent
- Threat to project timeline
- Incorrect data pushed into HRIS / payroll at the end of the project

The data cleaning checklist:

- ☐ Task Line Managers with fixing their data errors
- ☐ Review & fix duplicate ID numbers & people with multiple positions or reporting lines
- ☐ Check that ID numbers are labelled & categorised correctly
- ☐ Find all missing values that may affect data analysis
- ☐ Define min/max amounts for each number field to spot numerical outliers
- ☐ Check that all records are dated
- ☐ Define valid entry format for each field (labels & data ranges) helping to flag incorrect data as you go

If you visualise your employee data in an org structure, this tends to engage employees to reach out to their line manager to correct any errors. This also makes the data ‘clean-up’ much easier for identifying vacancies and orphans (aka data with no reporting relationships, out-of-date data and broken hierarchies).

2 SHARE YOUR CURRENT STATE (SECURELY)

First step is to share the current state for stakeholder analysis, a task easier said than done.

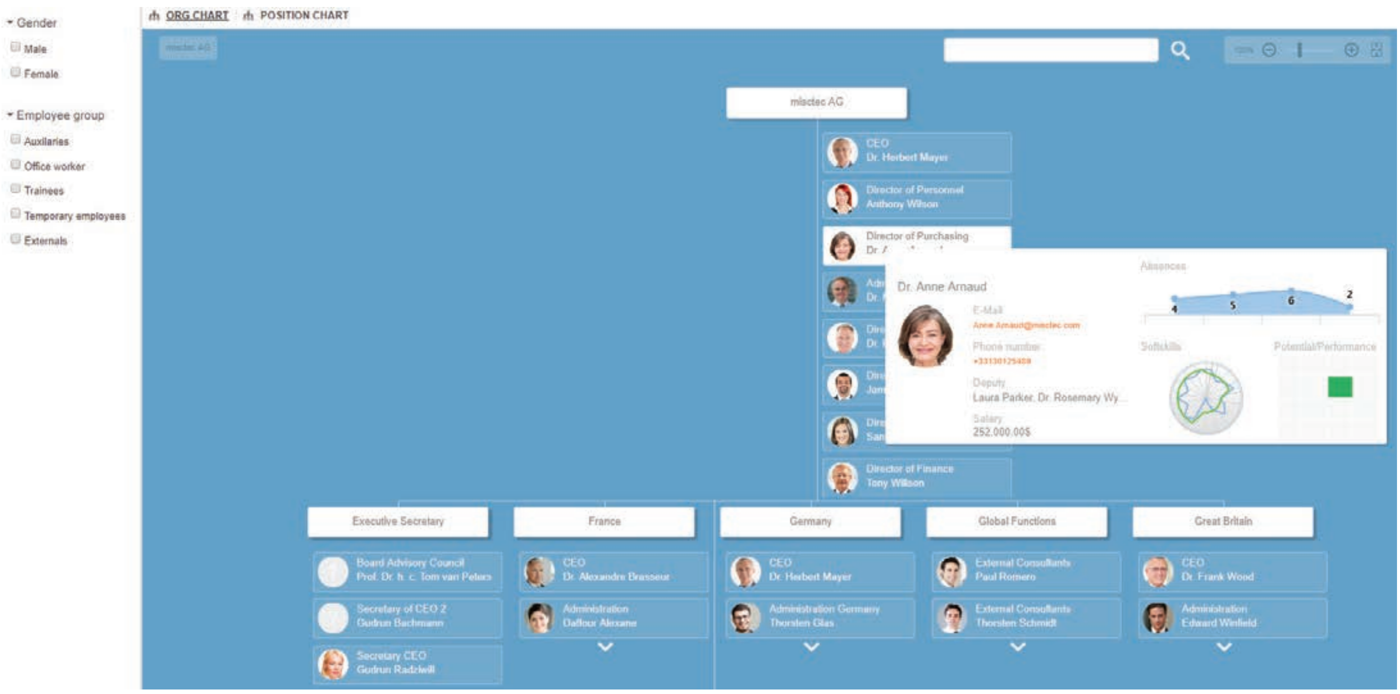
Once your data is clean, the most effective way to share this information is through an org chart based on your company structure. Create multiple chart views to visualise different levels of employee data detail. Make sure to include key data and metrics related to your goals!

Thinking of using a workforce modelling tool? Here's some benefits:

- Avoid manual admin - create org charts instantly from your payroll data
- Use existing user roles to designate access for plan collaboration
- Create charts & views that are relevant to the restructure, stakeholders & team

We suggest:

- Control the different views & think hard about the best way to share information
- Use conditional formatting & highlights to identify your high & low performers, KPIs, gaps & areas of concern
- Share the current state with useful metrics (headcount, salary structure & span of control)



3 CREATE FUTURE STATE SCENARIOS

Tips for creating future state scenarios:

- **Control who is doing what**: get everyone in one place & designate a person to move the employee boxes or sticky notes
- **Speed it up:** use a drag & drop workforce modelling tool for easy scenario design
- **Check KPI & HR metric outcomes:** workforce modelling tools show real-time flow on effects, showing outcomes of each future state scenario (e.g. salaries vs budget)

Ways to share future state scenarios:

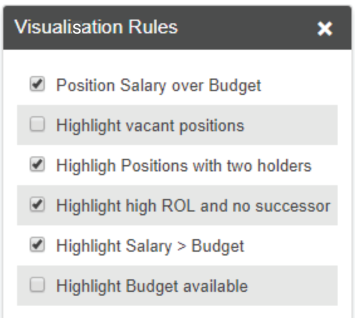
- Image export, copy & paste into email
- Allow certain employees chart access via established role security
- Use a shareable link, allowing senior management access rights to review & edit
- Give managers access to talent & salary data within their reporting line, allowing them to see potential outcomes of changes

When moving positions, controlling the hierarchy is important for maintaining the integrity of the data in your HRIS. Having the ability to move between the position view and the structure view (Position Chart & Org Chart), you can easily control these links and the department hierarchy's underneath.

Some questions that usually come up:

- What are the headcount & budgetary goals?
- What new positions need to be created and when are these positions to be filled?
- Which departments lack headcount or do not have a supervisor?
- Where are our vacancies (unfilled positions)?
- Which departments will be over-budget?
- How are we retaining our high performers?

Visualisation rules allow you to set restructure KPIs that can be turned on and off. These can be simple (no. of vacant positions or setting salary budgets) or complex (high performers, flight risks, key successors or poor performers).



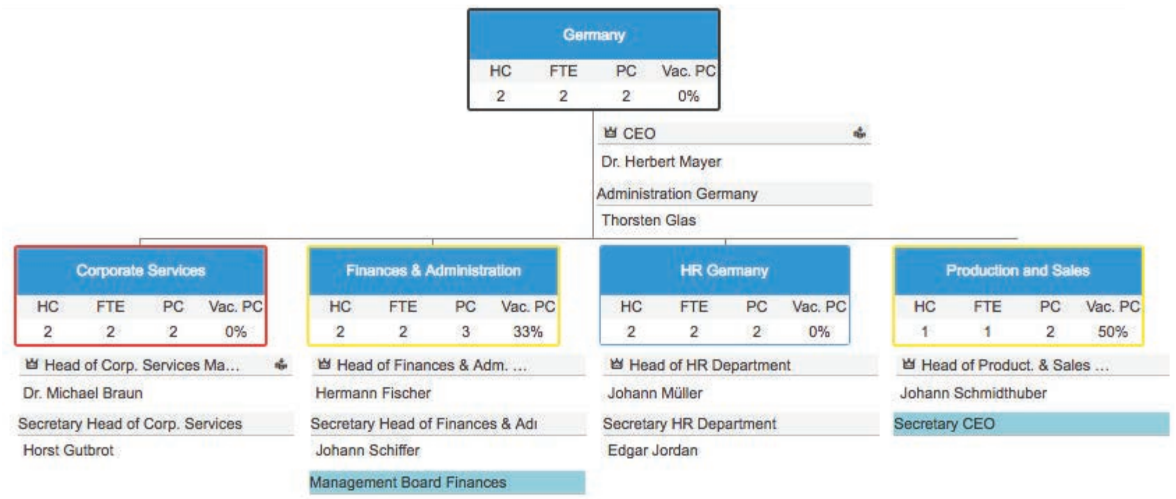
4 MANAGEMENT REVIEW

It's important not to lose momentum by being caught up in formatting or reporting admin. Sometimes this can be out of your control. Often, we see stakeholders make last minute requests for data or charts with alternative metrics or calculations.

To avoid an all-nighter leading up to the review, set up stakeholder access to the data set and reporting. Either train them to make edits or design an intuitive user-face that can be immediately understood. The more self-serve the process can be, the better.

A good workforce modelling tool will provide access to every field in your HRIS, giving you the ability to manipulate HR data using calculations and conditional formatting. Quick filtering of detail levels and limiting data visibility based on the user becomes an easy task.

Being able to quickly deliver accurate information is important to keep everyone on the same page and to maintain control of the project. Another advantage of a workforce modelling tool is the ability to take a snapshot of your scenario and instantly export it to email or to PDF (fully formatted, linked and bookmarked).



5 UPDATE SCENARIOS

This can either be really simple or really painful. A line-by-line change log will keep you on track. This allows you to engage in ‘branching’ or rolling back to desired points in your scenarios, giving you the option to take a scenario in a different direction.

What’s important to track?

- Who made the change? (to defend or reject the change)
- Any changes with positions, divisions or employees
- New positions or additional notes on existing positions

By tracking all your scenarios, you can dive straight back in at any point to move forward or backward through the scenario to update. Then return to your review process and repeat.

6 COORDINATE APPROVALS

Determine the best approval process based on what works for your organisation:

- Individual review & sign-off
- Group approval meeting
- Approval workflow

Those who weren’t involved in designing the restructure should be sent a link, snapshot or PDF with changes highlighted and relevant metrics. Highlighting changes in scenarios allows you to easily cycle through an org chart of the future state, assisting those who are time poor (or with short attention spans).

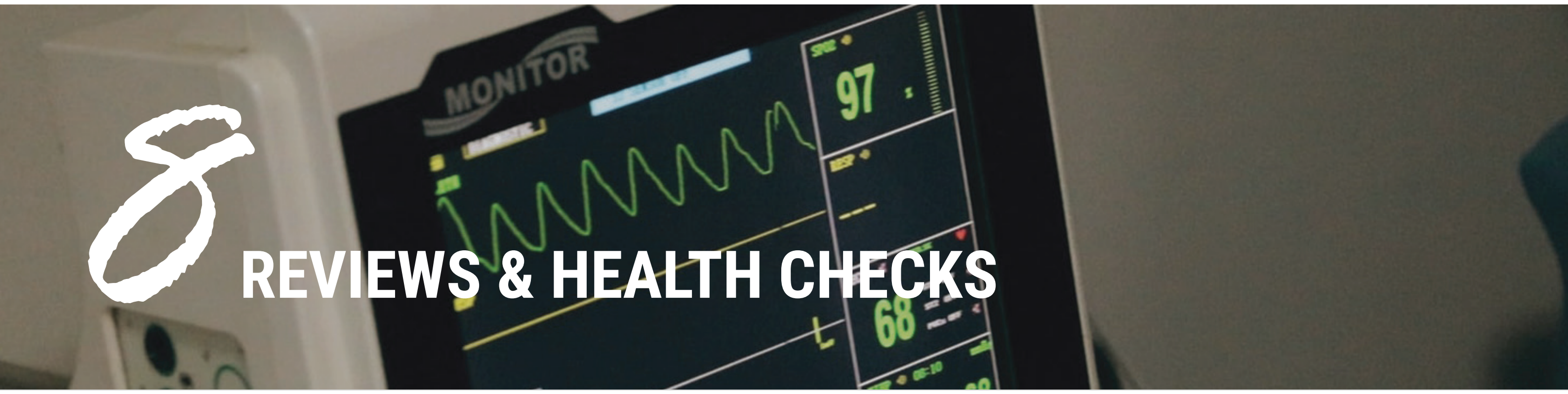
While this is the approval process, late changes or even post approval changes can occur (forced by on-the-ground realities). Expect a couple of new scenarios to be proposed for review during this step.

7 HR ROLLOUT & HRIS UPDATE

Once the pressure filled approval process is over - time to implement. Rolling out changes is often assumed as a simple task by those not involved in the delivery. Putting aside the human impact, actions involved in this process and updating HR systems can be significant. Be sure to plan and resource accordingly, looking for shortcuts to speed up the process.

This is where restructure change and conflict reports come in handy. Approvals often come 30, 60 or 90+ days from when the original org structure was captured. A conflict report compares the approved restructure changes against the current state of your payroll system.

While actioning the various HR outputs required, use your data feed, system tools or internal resources to write this back into your source of truth. Seek assistance from your HR system vendors to speed up the data import.



8 REVIEWS & HEALTH CHECKS

A quarterly review and health check are good practice to track outcomes, employee changes or any gaps or that have occurred. If you save and track your scenarios in your workforce planning tool - you can quickly run a set of summaries using pre-existing metrics.

If unexpected management casualties occur in a restructure, the consolidation of management responsibilities can be easily missed in the overall scope of the project. KPIs that will highlight this are span of control and department headcount.

Org charting tools allow you to easily highlight set KPIs for the project in real-time. For example, the operations department might have had an agreed salary budget, did they meet this in practice? How far under or over are they now the dust has settled?

If you would like to learn more about org charts, HR analytic dashboards or simplifying the restructure progress, visit navigo.com.au or reach out to the Navigo team.

CHECKLIST

1. SET THE PROJECT SCOPE
   DESIGN PROJECT ROADMAP
2. ASSESS & CLEAN HR DATA
   VISUALISE & FIX YOUR HRIS
3. SHARE THE CURRENT STATE
   CURRENT STATE ANALYSIS
4. FUTURE STATE SCENARIOS
   FUTURE WORKFORCE MAPPING
5. MANAGEMENT REVIEW
   SETUP STAKEHOLDER REVIEW
6. SCENARIO UPDATES
   TRACKING CHANGES TO PIVOT
7. COORDINATE APPROVALS
   MINIMISE APPROVAL FRICTION
8. ROLLOUT & HRIS UPDATE
   HR ACTIONS FOR ROLLOUT
9. REVIEW & HEALTH CHECK
   TRACKING OUTCOMES

"Modelling restructure scenarios in an org chart has enabled restructure proposals to be more professional and accurate. This has resulted in the approval process and administering the changes to be substantially more efficient."

CITIC PACIFIC MINING **Colleen Farrell**, HR Systems Analyst

The Navigo team are here to give advice for your next restructure. Any questions? Contact the Navigo team. For more information about workforce modelling tools, visit:

navigo.com.au