The Roles and Attributes of Human Resource Leaders During Organizational Restructuring

Alison Anne Brown

Andrews University

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Andrews University
School of Education

THE ROLES AND ATTRIBUTES OF HUMAN RESOURCE LEADERS DURING ORGANIZATIONAL RESTRUCTURING

A Dissertation
Presented in Partial Fulfillment
of the Requirements for the Degree
Doctor of Philosophy

by
Alison Anne Brown
May 2002
THE ROLES AND ATTRIBUTES OF HUMAN RESOURCE LEADERS DURING ORGANIZATIONAL RESTRUCTURING

A dissertation
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of the requirements for the degree of
Doctor of Philosophy

by
Alison Anne Brown

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ABSTRACT

THE ROLES AND ATTRIBUTES OF HUMAN RESOURCE LEADERS DURING ORGANIZATIONAL RESTRUCTURING

by

Alison Anne Brown

Chair: Shirley Freed
ABSTRACT OF GRADUATE STUDENT RESEARCH

Dissertation

Andrews University

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Title: THE ROLES AND ATTRIBUTES OF HUMAN RESOURCE LEADERS DURING ORGANIZATIONAL RESTRUCTURING

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Problem

As the number of organizations involved in major restructuring increases, Human Resource (HR) leaders find themselves in a labyrinth of evolving roles. How might they facilitate the organization’s desire to successfully wed human needs and experiences to profit expectations and strategies?

Purpose of the Study

This qualitative study seeks to increase understanding of the dual role played by human resource leadership, as they are both survivors and facilitators of organizational restructuring. It answers the overarching question: What are the unique contributions made by HR leaders to the organizational restructuring process?
Methodology

Through a purposive sampling process, 11 HR leaders were identified who had major roles in organizational restructuring within the past 5 years. These HR leaders brought insights from manufacturing, health care, finance, and publishing. Open-ended interview questions explored their perspectives on the challenges of restructuring, specifically in their role of HR leadership. Interviews were audiotaped, transcribed, and analyzed for common themes.

Results

The HR leaders identified five key roles during restructuring processes: strategic business partner, coach/facilitator, implementer, educator, and survivor. Attributes portrayed by HR leaders in their various roles also illuminate the ways in which HR leaders are uniquely positioned to facilitate restructuring. The results of this study blend well with Fullan, Senge, and Greenleaf as a new model of HR leadership roles emerges. Multiple impacts on their personal and professional lives are identified as are suggestions to improve the process of mergers and restructuring to support employees.

Conclusions

As organizations struggle with restructuring, HR leaders, working from a foundation of civility, offer a potent combination of skills and attributes that enable their organizations to heal and optimally restructure. As organizations endeavor to restructure, utilization of the knowledge, skills, and attributes of HR leaders is essential.
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And to my Maker, the glory is to You. Thank you for who I am and all that I may become.
CHAPTER ONE

INTRODUCTION

Some of those [employees] that will be affected have a great deal of value to the organization and the organization is going to be . . . poorer for the loss of the talent . . . they will lose through this restructuring.

—Walt

Background of the Problem

Restructuring, including mergers, change initiatives, and reorganizations, has occurred with increasing frequency since the 1980s. Reed (2001) clarifies restructuring as anything that deals a series of significant changes to the management or financial structure of a company in an attempt to improve efficiency or adapt to evolving markets. Aspects of a restructuring might include a spin-off, recapitalization, or a buyout. (p. 263)

According to Overman (1999), “In 1998, there were more than 7,700 mergers and acquisitions that occurred in the United States” (p. 7). As Orlando (1999) states, “Downsizing is arguably the major business trend of our era” (p. 295). In order for organizations to compete globally and increase profitability, mergers and restructuring are often the method of choice. As O’Connell (1999) asserts,

A volatile economy is forcing employees to become more self-reliant. Megamergers, the global financial crisis and pressure to grow earning per share in a waning bull market have made restructuring a constant threat. Employees now accept that downsizing may be a first resort in the drive for bottom-line competitiveness. (p. 7)
The business reasons for these massive changes are clearly profit-driven and fueled by the need to maintain a competitive edge in the marketplace. Fitz-Enz (2000) reminds us,

As organizations have come under the gun to restructure themselves for greater competitiveness, all units inside have had to do the same. Typically, restructuring in manufacturing companies starts with production processes. Quite often the marketing and sales functions come along shortly thereafter and bring the customer service departments into the game. Eventually the principal staff units—finance, information technology, and human resources—join in. (p. 82)

The Impact of Restructuring on Employees Within Organizations

Each one of us knows people who have been organizational casualties due to restructuring or merger. In very general terms we are aware of the uncertainty, depression, and the effect of ambiguity and lack of engagement on the part of organizational survivors. On a more personal level we see our friends and colleagues struggle to make sense of the organizational restructuring and merger phenomenon. For some people, restructuring is the beginning of something new and exciting. For others restructuring signals the beginning of a long and painful readjustment as they try to adapt to new ways of doing business with a host of strangers.

It is well known by students of business and organizational psychology that the impact of restructuring on the remaining employee group (survivors) is great. According to Noer (1997) in *The New Organizational Reality*,

Layoffs are intended to reduce costs and promote an efficient, lean and mean organization. However, what tends to result is a sad and angry organization, populated by depressed survivors. The basic bind is that the process of reducing staff to achieve increased efficiency and productivity often creates conditions that lead to the opposite result: an organization that is risk averse and less productive. (p. 208)
Studies indicate that attending to the needs of survivors is both good business and, on the softer side, the right thing to do. Caudron (1996) strongly cautions Human Resource (HR) leadership, "The biggest mistake HR can make in these anxious times is to assume that once downsizing and other traumatic workplace events are over that trust will return on its own. Nothing could be further from the truth" (p. 21).

In many organizations there exists an informal, unspoken, and implied expectation. That implication is the expectation that workers put nothing less than their hearts and souls into making a company successful. Service organizations in particular rely on this tenet. For all the organizations with clearly outlined business strategies, without pause to consider the human response, the best strategies are doomed to failure. Ryan (2000) found “only a 50% success rate at integrating cultures, information systems and organizational structures, and 42% said their companies' handling of the integration process and issues was less than optimal” (p. 52).

This should not come as a surprise to any of us. The key to successful mergers and restructuring continues to be people. As Peck (1994) states, "A corporation that is blind to its own problems cannot be healthy. Mental health—the ongoing process of becoming the most that we can be psychospiritually—is the ongoing process of becoming whole" (p. 12). As organizations implement restructuring, employees typically fall into one of two categories. They either leave the organization or stay on and are considered to be ‘survivors’. According to Swanson and Power (2001),

Role stressors, including ambiguities, conflicts of interest and increased workloads may all contribute towards lowered morale for surviving workers post-restructuring. Such increases in workload may occur as a result of coming to grips with new or unfamiliar structures, new responsibilities or technologies, or due to reduced manpower resources and support from managers or colleagues. (p. 162)
The human side of restructured or merged organizations is often painful and
difficult for human resource leadership within those organizations. They are the ones
who ultimately feel the greatest responsibility for those who must leave as well as those
who stay. Their unique perceptions and individual experiences are largely unknown and
often misinterpreted by their employers. Grensing-Pophal (1999) states, “Clearly, for
those in the helping professions, such as HR—burnout can be an occupational hazard” (p.
82).

Downs (1995) further describes the restructured environment in which HR leaders
perform, and admonishes,

A company that endures a layoff mercilessly bleeds critical personnel. It staggers
from the loss of talent, knowledge and morale for months, even years. The loss of
productivity after a layoff is profound. Not only the company loses needed
employees, it loses customers. Layoffs destroy consumer confidence, and that causes
the economy to stagnate. (p. 57)

HR leadership plays a unique and pivotal role as both survivors and facilitators of
restructuring strategies. Swanson and Power (2001) also made this observation, “Support
received in a work context . . . may be particularly important in reducing occupational
stress following organizational change and restructuring” (p. 162).

Full consideration of the impact of restructuring on the lives of HR leadership is
critical to organizations wishing to rapidly implement business strategies to successfully
compete. Curnow (1995) reports, “Some HR practitioners now feel that they are on trial
for their professional lives” (p. 25). Ulrich (2001) further explains,

New realities with customers, technology, industry, and investors shape new rules for
winning. Because of these changes, we are on the brink of new organizational forms
that go by many names. . . . The scope and scale of these new business realities imply
that competitiveness is more than strategy. Competitiveness requires both strategy
AND organization. . . . These capabilities derive from an integrated set of HR
investments, where HR practices of staffing, training, rewards, communication,
organization design, etc. are aligned around building capability. The drivers of the new business reality will inevitably shift the focus of HR. (p. 3)

If we are to successfully wed human needs and experiences to profit expectations and strategies, we must clearly understand the HR leadership experience regarding organizational restructuring. According to Davidson (1999),

There’s no question—it’s a new playing field for HR. The pressures as well as the opportunities have never been so great. Downsizing, rightsizing, reengineering, labor shortages and more have created a virtual survival test for HR—one that’s left casualties along the way, shaking some out of the profession altogether. (p. 68)

Organizations depend upon human capital to push initiatives forward, provide services, and produce goods to sell and trade. If the human resource leadership response to organizational restructuring is misunderstood, a critical force within the organization is misunderstood.

The problem becomes one of adapting to rapid change both on a personal and organizational level for HR leaders. As Gordon (1996) points out, “For those who do survive, the aftermath can bring long work weeks and high stress levels, and these effects can spill over to the organization as a whole” (p. 58). Gordon (1996) goes on to say, “Other research confirms that restructuring undermines employee attachments to the company and makes recruiting and retaining employees more difficult” (p. 58). In addition to acquiring new skills to become a more visible and viable business partner in corporate strategy, the HR leader must cross-train to participate in the ultimate endurance and strength contest. HR leaders must be skilled communicators, knowledgeable business people, change agents, cheerleaders, managers, and, most importantly, sustain themselves throughout this rigorous process.
The Changing Role of Human Resource Leaders

Human Resource (HR) leaders are clearly being looked to as partners in profitability, no longer exclusively accountable to perform administrative tasks such as the processing of payroll and recruitment of employees. This role shift is the ultimate strength and endurance test for HR leaders who choose to take on the organizational marathon. The HR leadership challenge is to implement business strategies while motivating and developing organizational leadership. To say that the HR leadership is pivotal to the attainment of business success merely scratches the surface regarding the importance of their role. Walker and Reif (1999) emphasize that the knowledge and skill base of HR leaders "points to five key capability areas: business knowledge, HR functional capability, managing culture, managing change and personal credibility" (p. 29).

Overman (1999) asserts, "Human resource professionals are realizing that they need training in the intricacies of the M&A [merger and acquisition] process" (p. 7). The need to understand business strategies associated with mergers, acquisitions, and restructuring seems obvious. This refers to the financial underpinnings of business transactions and their impact upon human resource responsibilities. But to be successful, HR leaders must have more than business acumen.

The importance of the HR leadership role cannot be overstated. As Anthony (1995) asserts, Human resources has come to the forefront partly because senior managers failed in the past to align people with the corporate vision, values and strategies. This failure has produced unsatisfactory results from reengineering, TQM and other process improvement elixirs, and the growing disenchantment with such initiatives has focused attention on the role of human resources in the change process. That focus,
in turn, has allowed HR professionals to assume a leadership role in the transformation of organizations that are committed to excellence. (p. 6)

It is clear that HR responsibilities are changing away from administrative tasks associated with hiring and payroll to more global responsibilities. How are HR leaders adapting to these changing expectations?

**Statement of the Problem**

Over the past decade, as organizational restructuring and mergers have occurred, the role of HR leaders has changed radically. There are no studies that document the personal and organizational impact on HR leaders with dual responsibilities to implement major change/restructuring as they survive through that same process.

**Purpose of the Study**

This study seeks to understand the phenomenon of merger and restructuring from the perspective of HR leaders. It is essential to fully explore the complexities associated with the dual roles played by human resource leadership, as both survivors and facilitators of organizational restructuring. Increased understanding of the human experience is vital to support HR leadership as they perform critical and expanded roles as their organizations engage in restructuring activities.

**Questions Worthy of Exploration**

The overarching question that drove this study was: What are the unique contributions made by HR leaders to the organizational restructuring process? The specific research questions are as follows:

1. What are the roles of HR leaders during organizational restructuring?
2. How has restructuring/major change impacted their personal and work lives?

3. How might organizations improve the process of mergers and restructuring to support employees?

Importance of the Study

The literature indicates a major role shift with regard to HR leaders and the business rationale for the change. What is absent in the literature is mention of the requisite personal supports and skills necessary to successfully progress through business restructuring as human beings. Some may perceive this to be obvious, but I suspect it is an oversight, which, if left unattended, has huge consequences to individual HR leaders, their respective organizations, and the field of HR itself. The need to ‘sharpen the tool’ and fully understand the response of HR leaders as they implement and survive ongoing change is imperative to the attainment of successful business strategies.

In many ways HR leaders are at the epicenter of restructuring. As HR leaders interact with various leaders and departments throughout their organizations, they may move forward efficiently with appropriate tools and support, or become stymied due to insufficient support.

Organizational leadership and human resource professionals will benefit from this information as they make operational decisions in a newly restructured or imminently restructured organization. Human resource leaders will richly benefit from the wisdom of their colleagues’ experiences. Facts and figures describe only a portion of the information so eagerly sought after by organizational leadership. It is the stories which embody the whole complex human experience and phenomenon, not a
compartmentalized sequence of events and facts which command our attention and uniquely speak to each of us.

Employee Assistance Professionals will be better educated and equipped to assist Human Resource leaders and their organizations in new and creative ways that are proactive in nature rather than reactive. In business, where civility appears to be on the decline, there may be ways in which HR leaders employ civility to facilitate healing and support during restructuring processes.

My study illuminates ways in which organizations can increase their sensitivity and relevant support to HR leadership as they collaborate with multiple individuals, departments, and functions throughout merger and restructuring activities.

Definition of Terms

For purposes of this study, HR leaders are defined as those in the human resource area with concurrent management and change management responsibilities during an organizational restructuring or merger process occurring in the past 5 years.

Another term used throughout this study is restructuring. In the context of my study, restructuring is used to imply phenomena associated with mergers, acquisitions, downsizing, and bankruptcy of business organizations. Although a brief definition has been given previously in this chapter, a more comprehensive definition is appropriate at this point to facilitate breadth and depth of understanding as this term appears throughout my study. According to Nicholson (1995), restructuring is

the deliberate modification of formal relationships among organizational components. Three concepts are fused together in the word restructuring: re meaning to do again, structure referring to the formal arrangements among organizational components, and in g implying a process. Hence restructuring refers to a process of changing already existing relationships among organizational elements. There are two ways to
two ways to restructure: by changing actual organizational components or by changing the relationships among components. An organization can restructure, in other words, by adding, eliminating, splitting or merging components within a structure; or it can restructure by strengthening, weakening, reversing, or redefining, the relationships among components.

In its most common form, organizational restructuring usually involves actions such as delayering; (removing hierarchical layers from the organization); redesigning work processes (mapping processes and removing the non value-added steps or redundancies); and eliminating structural elements (outsourcing, selling off, or dismissing units, activities, or jobs within the organization). However, restructuring can involve much more than just the manipulation of organizational components. Organizations have a wide variety of structural elements that can be reconfigured, such as financial structures, market structures, technological structures, information structures, and organizational structures. These various types of structures are reconfigured in different ways. (p. 487)

Application of this definition to the term restructuring captures the breadth of restructuring in various contexts as presented throughout my study.

Outplacement is another concept that is discussed and defined in the Merger & Acquisition Handbook (2001) as: Personnel, the process, usually in-house, of finding new employment for workers, frequently executives who have been dismissed or whose jobs have been terminated (p. 224).

In The New Organizational Reality Noer (1998) explains survivors as having the following feelings:

Fear, insecurity, and uncertainty. These feelings clustered together are among the easier ones to identify, and are found in every layoff survivor situation. Frustration, resentment, and anger. Layoff survivors are often unable to express these emotions openly within their organization. The suppression of these emotions creates further problems. Sadness, depression, and guilt. Layoff survivors often mask depression and sadness in order to fit in with group norms that reinforce an artificial sense of bravado and denial. Unfairness, betrayal, and distrust. These feelings are often acted out through coping mechanisms, such as blaming others, and a seemingly insatiable need for information. (p. 212)
Organization of the Study

Chapter 1 consists of the introduction, the statement of the problem, the purpose of the study, research questions, the significance of the study, and how the study is organized.

Chapter 2 describes the research methodology and philosophy of the study. The chapter describes the population, methods of data collection, the instruments used, and initial response statistics.

Chapter 3 discusses the first of four major themes: At the table and Security and Exchange Commission (SEC) issues. Additionally, this chapter partners results from confidential interviews with the literature reviewed to enhance connectivity.

Chapter 4 discusses the second theme of the study concerning the various roles performed by HR leaders during restructuring and the varying levels of involvement. In this chapter I also review the communication issues which arise within each of the roles.

Chapter 5 focuses on the third theme of the study regarding the impact of restructuring on HR leaders and identifies sources of support as identified by HR leaders who have gone through restructuring.

Chapter 6 presents process improvement recommendations about the overall restructuring process, as well as recommendations for HR leaders, EAPs, and CEOs.

Chapter 7 concludes my study with the summary of my findings and recommendations for future research. The goal of this chapter is to summarize for the reader information regarding the impact of restructuring on HR leaders and additional areas of study that may be of value.
CHAPTER TWO

METHODOLOGY

I notice that quite often people have overt aims for doing research when they start, and at some point, if allowed the freedom... to become themselves in their research, then those overt aims often collapse into why it is really important for them to be doing that piece of research.

—Reason

Overview of the Study

The overarching question that drove this study was: What are the unique contributions made by Human Resource (HR) leaders to the organizational restructuring process? The specific research questions are as follows:

1. What are the roles of HR leaders during organizational restructuring?
2. How has restructuring/major change impacted their personal and work lives?
3. How might organizations improve the process of mergers and restructuring to support employees?

My study focused on the perceptions of HR leaders who had been through an organizational restructuring or merger process within the past 5 years. According to Merriam (1998), “Reality is constructed by individuals interacting with their social worlds. Qualitative researchers are interested in understanding the meaning people have constructed, that is, how they make sense of their world and the experiences they have in the world” (p. 6). It is through HR leaders’ unique perceptions and experiences regarding restructuring, from the implementation and survivor aspects, that essential information
regarding ways to better support HR leadership may be gleaned. Of equal importance is the potential of the study to increase our understanding regarding restructuring in order to better inform organizations and key leadership as restructuring is implemented. Themes that emerged from the data gathered via individual interviews were systematically analyzed and categorized.

**Personal Restructuring Reflections**

Another characteristic of qualitative research, according to Merriam (1998), “is that the researcher is the primary instrument for data collection and analysis” (p. 7). As a counselor and practicing EAP professional, I have been through major change as a participant and observer in many organizational structures within the past 5 years. It is due to these mergers/restructuring experiences that I found myself thinking about and having an awareness of major change from multiple perspectives. Reason (1996) describes the thoughts of a conference attendee, Judy:

> For example, one of our Ph.D. students came here saying she wanted to know more about equal opportunities strategies and policies in organizations. But that kind of way of framing her research could not be sustained—somehow it did not have life in it—and after a bit she said what she wanted to know was about Black women’s identity in the U.K. at the moment—hers. So sometimes it’s the honoring of that deeper level of question or that more personal level of question. . . . It’s about legitimatizing one’s own thirst for knowledge at the edge of one’s own world. (p. 17)

I recall colleagues attempting to make sense of new organizational structures and new methods, and to grasp hold of a new culture. Even those who perceived themselves to have a fair amount of job security and good access to reliable information struggled. Perhaps this phenomena is best described by Peck (1994) who stated,

> We humans want to give as well as receive. Most of us have a profound need to be of genuine service to the agencies for which we work, to be truly useful, even essential,
in our jobs.... The problem comes when the organization doesn’t have what we want to receive from it or doesn’t want what we desire to give it. (p. 33)

As I went through restructuring, I know that there were many times that I wondered how I would gather sufficient energy to do what needed to be done, let alone the additional energy required to go above and beyond.

In my private thought life there was an unattractive element of paranoia. Like many others, I found myself wondering if it was safe to trust this person and whom were they linked to within the organization? Although I chastised myself for engaging in this kind of behavior, I recognize today that these were my own survival skills at work. This was my intuition at work, processing critical information necessary to figure out how the new organization worked, in order to better understand its culture. Through trial and error I learned who was solid and who was not, and this information assisted me to navigate within the new culture.

Certainly there were strong elements of grief as well—not just the obvious grief of saying goodbye to colleagues I trusted and respected, but good-byes to familiar ways of doing things. As Bridges (1991) illustrates,

When endings take place, people get angry, sad, frightened, depressed, confused. These emotional states can be mistaken for bad morale, but they aren’t. They are the signs of grieving, the natural sequence of emotions people go through when they lose something that matters to them. You find them among families that have lost a member, and you find them in an organization where an ending has taken place. (p. 24)

Although I adapted, the new ways of doing things produced a feeling of vulnerability within me and I lost confidence and felt fearful. I wondered if I was okay, if I would ‘cut it’ in the new culture and, most importantly, would I be given sufficient opportunity to demonstrate competency. And if I was wondering about and feeling these
things, were others having similar experiences? It is through this filter of my own human experience, both as a survivor and as an EAP professional, that I pursue this study. According to Eisner (1998), "This means that the way in which we see and respond to a situation, and how we interpret what we see, will bear our own signature. This unique signature is not a liability but a way of providing individual insight into a situation" (p. 34).

The Researcher as the Tool; Honing My Skills

In my training as a counselor, I have learned various theories and received instruction regarding use of different techniques. Many of these techniques are designed to quickly develop rapport with individuals or groups, and to be effective, clearly, empathy is key. Two of the most essential tools that I consistently use are active listening and the use of open-ended questions. As Merriam (1998) emphasizes, Being sensitive in the data-gathering phase of the study involves a keen sense of timing—of knowing when enough has been observed. In interviewing it means knowing when to allow for silence, when to probe more deeply, when to change the direction of the interview. Every sense of the investigator must be alert to cues and nuances provided by the contexts. (p. 22)

As in my chosen profession of counseling, effective qualitative research necessitates active listening and well-timed, appropriate, open-ended questions. Patton, as cited in Merriam (1998), states, "It is assumed that meaning is embedded in people's experiences and that this meaning is mediated through the investigator's own perceptions" (p. 6). As a counselor within the field of Employee Assistance Programs (EAPs) I explore the ways in which people cope with various aspects of their work, particularly major change. I wonder how they cope with change and why some people appear to cope better than others. What skills and techniques make the difference?
These questions do not have 'correct' answers. In fact, the responses to these questions are as varied as the individuals themselves. Willis and Neville (1996), in describing features of qualitative studies, state,

Qualitative studies reflect the self as an instrument. The self is the instrument that engages the situation and makes sense of it. It is the ability to see and interpret significant aspects. It is this characteristic that provides unique, personal insight into the experience under study. (p. 27)

Opportunity lies within these unique and varied responses for us to become better educated regarding complex human reactions to various work phenomena, including the impact of mergers and restructuring on HR leadership. Merriam (1998) clarifies, “The key concern is understanding the phenomenon of interest from the participants’ perspective, not the researcher’s. This is sometimes referred to as the emic, or insider’s perspective” (p. 6).

Focus and Philosophy of My Research

The interpretation of merger and major change phenomenon from the unique perspective of HR leaders is the focus of my research. As Patton (1998; as cited in Merriam 1998) describes, I based my research on “the assumption that there is an essence or essences to shared experience. The assumption of essence, like the ethnographer’s assumption that culture exists and is important, becomes the defining characteristic of a purely phenomenological study” (p. 15).

This study is phenomenological in nature due to its focus on the essence of the impact of major organizational change on HR leaders. The interviews were designed to bring forth information regarding the essence of the HR leadership experiences as both survivors and facilitators of major change. According to Merriam (1998),
“Understanding the meaning of the process or experience constitutes the knowledge to be gained from an inductive, hypothesis-or theory-generating (rather than a deductive or testing) mode of inquiry. Multiple realities are constructed socially by individuals” (p. 4). The interview process with individual HR leadership participants for the purpose of exploring the essence of their experiences defined the scope of my qualitative study.

As I conducted thorough and in-depth interviews, I focused on putting interview participants at ease so that participants felt comfortable and safe to be open to the greatest extent possible. With these conditions in place, the likelihood of participants being willing to share their perspectives increased. Merriam (1998) emphasizes, “As a research technique, the study of experience is through stories. Emphasis is on the stories people tell and on how these stories are communicated—on the language used to tell the stories” (p. 157). Face-to-face interviewing was essential to ‘hear’ the body language as well as the spoken words. As Merriam (1998) conveys, “Qualitative research can reveal how all the parts work together to form a whole” (p. 6). My study sought to explore the gestalt of restructuring as experienced through HR leaders in order to enrich the field of change management and organizational development through an enhanced understanding of the phenomenon.

My professional training as a counselor and practicing EAP professional has taught me that I rarely experience the world as being black or white. Every dynamic exists within a continuum, and the environment facilitates and influences interpretation. Ambiguity is ever present. An effective counselor must develop a comfort level regarding the condition of ambiguity. Ambiguity is not a conflict to be addressed, but a condition to reflect upon and ultimately learn more about. Merriam (1998) implores
qualitative researchers to "have enormous tolerance for ambiguity" (p. 20). It is this tolerance for ambiguity that enables the qualitative researcher to build toward theory, rather than to begin with a theory cast in stone.

Questions regarding what the experience of restructuring has been like for them, through their unique filters, eyes, and life experiences, may transport us to new ways of perceiving the role of HR leaders as they implement and survive major change. As Creswell (1998) describes, "In a qualitative study, the research question often starts with a how or a what so that initial forays into the topic describe what is going on" (p. 17). How have they coped? What would they suggest to family or friends who desire to support them as they go through this process? What were the most difficult aspects of restructuring? What may have occurred that they least expected? What was the greatest surprise? What guidance do they have for future HR leaders who have dual responsibility to manage and survive major change? If they had it to do over again, what might they do differently?

These are just some of the questions that were designed to explore the phenomena of the essence of HR leaders' experiences regarding merger/restructuring. According to Kirby and McKenna (1989), "Intensive interviews seek to discover information about the experiences of the interviewee in the language and gesture of that person. Use the research participant's experience itself, as it is shared, as a guide through the interview" (p. 68). Responses to these questions transport us to new levels of awareness and understanding of the phenomena. The essence or fruit, having thoroughly explored the phenomena, is thick description. Eisner (1998) described it in this way: "Thick description is an effort aimed at interpretation, at getting below the surface to that most
enigmatic aspect of the human condition: the construction of meaning” (p. 15). Therein lies the challenge of the study: To go beneath the surface and construct meaning as it is perceived through the experience of this researcher, reflecting upon all the nuances and perceptions, in order to build toward a new understanding.

**Selecting the Sample**

The sampling for my study was a purposive sample that met several criteria. First, participants had to be HR leaders who had been involved with major change within the past 5 years. HR leaders whose experiences with major change occurred prior to the past 5 years might have had different organizational conditions in terms of technological change and management trends. By keeping the criteria during the last half of the 1990s, business conditions and technological trends were similar.

Participants had to have a minimum of 10 years’ HR experience, with significant management responsibilities and experience. To be considered significant management experience, they needed to have had dual responsibilities to drive a change initiative forward in addition to HR leadership responsibilities. A final criterion was that participants needed to be willing to participate in this study.

**Quest for Answers**

HR leaders were identified through a purposive sampling process sent to members of a local chapter of a HR professional organization. The professional organization included HR leaders from various types of organizations including manufacturing, health care, finance, and publishing. A brief questionnaire consisting of nine true/false items was mailed to individual members of the local chapter of a human resource professional
group (Appendix A). In total, 147 questionnaires were mailed. In each questionnaire packet, I included a packet of microwave popcorn and a self-addressed, stamped envelope to encourage returns. The total cost of popcorn and postage was $350.00. One hundred eighteen or 79% of surveys were returned (Appendix B). The questionnaire determined whether or not respondents met the above-mentioned criteria. Seventy-three respondents met the initial criteria and of those 73 respondents, 35 or 30% of the total indicated they were agreeable to be interviewed. I then attempted to contact all 35 respondents to determine if they met the criteria of 10 years or greater in the field of HR.

Not all HR leaders who agreed to be interviewed met the longevity criteria. However, if criteria were met, I then provided a detailed description of the interview format. Due to the nature of the interviews, tape-recorded and varying in length from approximately 90 minutes to 2 hours, not all HR leaders could be interviewed. In some instances, the length of the interviews was viewed as prohibitive and further eliminated HR leaders. It is understandable that not all HR leaders were able to be interviewed and time was the major factor in reaching their decision. In some instances I was not able to make contact with HR leaders. After numerous attempts to make contact, such as leaving messages, I did not pursue it further. Eleven HR leaders met the criteria and consented to be interviewed (Appendix C). The interviewees consisted of five female participants and six males.

Some may wonder if different themes might have emerged had all 35 HR leaders been interviewed. Since the themes clearly emerged across four different types of organizations before I had interviewed even seven participants I did not feel it necessary to interview more than the 11 people who agreed to participate.
A pilot study of two individual HR leaders was conducted to determine the efficacy of the research approach and to refine the response-depth of the questions. According to Merriam (1998),

Pilot interviews are crucial for trying out your questions. Not only do you get some practice in interviewing, you also quickly learn which questions are confusing and need rewording, which questions yield useless data, and which questions, suggested by your respondents, you should have thought to include in the first place. (pp. 75-76)

Results from the pilot interviews prompted me to refine the interview questions. I believe, as Merriam previously stated, the quality of the questions improved due to guidance from the pilot interviews with HR leaders. Editing the questions enabled me to focus more specifically on HR leaders’ experiences and perceptions regarding restructuring. Following revisions made from the pilot interviews I commenced to interview 11 HR leaders. HR leaders who consented to participate in my study were given two pseudonyms to protect confidentiality. These interviews were conducted in a private office setting, tape recorded, and then transcribed. To further ensure confidentiality, a pseudonym was also given to describe the geographical area in which the study occurred.

I conducted my research using the open-ended questions (Appendix D) to focus on the unique perspectives and challenges of restructuring, from the perspectives of HR leaders.

My hope was to capture the perspectives from at least 6 to 12 participants in order to explore and understand how HR leaders respond to restructuring. The responses from 11 participants are included in my study. By the 11th interview I was confident that there would be more than sufficient data. As Merriam (1998) indicates, you know you have
enough data when the "Exhaustion of sources, Saturation of categories, Emergence of regularities and Over-extension" (p. 164) have occurred.

In all, I spoke with 13 HR leaders, 2 of whom provided me with guidance to fine-tune my questions through pilot interviews. Every one of these HR leaders had been through a restructuring experience, with key responsibilities during that restructuring process, meeting the criterion for inclusion in my study. As I interviewed this group of HR leaders, emergence of regularities occurred after three or four participants had been interviewed, meeting criteria described by Merriam. In my study I refer to the emergence of regularities as common themes. As I finished my last few interviews, it became clear that I also had attained saturation of categories as reported by HR leaders interviewed. As Kirby and McKenna (1989) describe,

When categories are saturated, there is enough information to make statements with a comfortable degree of certainty. Just as categories get saturated, so do substantive theories. When no new links between categories emerge, the analytical development at the point in the data gathering is exhausted. (p. 138)

The collected data did not reveal additional issues or phenomena to explore.

Although I did not exhaust my sources in terms of the number of HR leaders in the Northwest geographical area of the United States, and certainly could have interviewed additional HR leaders, those interviewed indicated I had conducted thorough interviews. As I asked each HR leader what questions I needed to add, the majority indicated that they could not think of any additional questions specific to my research topic. A substantive effort was made on my part to thoroughly explore the topic of restructuring as it impacted HR leaders within the final interview group of 11 HR leaders. So while I have not exhausted all sources, the depth of my interviews coupled with
saturation of categories and emergence of regularities indicated that I was ready to further analyze and write up my results.

During my literature review, and throughout the interviews, I let the study guide me to various areas within the topic of restructuring. Kirby and McKenna (1989) write that “intensive interviews are more likely to be guided by the need and intent of the participant” (p. 68). Participants’ comments in combination with information from the literature provided me with a broad perspective to explore the perceptions of HR leaders with regard to restructuring. Different perceptions, based on the context in which the HR leaders worked, contributed to diversity within common themes.

Overextension was another criteria I used to determine if enough data were collected. Lincoln and Guba (1985) offer this definition to describe overextension: “the sense that new information being unearthed is very far removed from the core of any of the viable categories that have emerged and does not contribute usefully to the emergence of additional viable categories” (p. 350).

Analysis of Findings

Interviews were audiotaped, transcribed, analyzed for common themes, using qualitative methodology, and then placed in a notebook. Each interviewee was given a separate section for his or her interview. A summary sheet was developed and included key information regarding each interviewee including two assigned pseudonyms to protect confidentiality. To facilitate even greater confidentiality, transcribed pages of interviews were sequentially paginated to prevent possible identification of interviewees’ comments by section. Sections were then chronologically paginated to organize the 695 pages of raw data, and for ease of access. To further improve accessibility, the interview

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feedback was divided into two volumes. As LeCompte and Schensul (1999) observed, “Developing systematic records and a workable retrieval system will ensure that data are not lost and that the analysis, interpretation, and write-up of data will be done expeditiously” (p. 42).

As I read and re-read transcribed data from study participants, I found that there were commonalities across various participants’ experiences. My first task was to label experiences, identify the common themes, and begin to build a summary sheet on which to record them (Appendix E). This served to highlight the strengths within each of the categories. As each theme was recorded I then assigned a color to each theme and underlined the passages representative of the identified themes within the transcripts. For ease of reference the next step was to combine all the homogenous themes and transfer them onto index cards. These cards included a brief part of the interviewees’ observations along with the corresponding page number. Kirby and McKenna (1989) state: “The codes emerge from the data. That is, when you look closely at a section of a transcript like the one above and have the research question in your mind, what is important will emerge” (p. 140). Major themes that emerged from data gathered were systematically analyzed and categorized.

Categories, which emerged from the data, are: At the Table and in the Loop, Human Resource (HR) Roles, HR Changes, Securities and Exchange Commission (SEC) Concerns, Coping Strategies, Sources of Support and Process Improvement Suggestions for HR Leaders, Chief Executive Officers (CEOs) and Employee Assistance Programs (EAPs). These categories served to provide the framework for reporting and exploring my findings. The narrative focuses on specific trends and issues within these categories.
as experienced and reported by HR leaders during a restructuring process. In vivo codes (Creswell, 1998, p. 241) were paired with chapter headings for emphasis and to guide the reader through the study via interview participants’ own words. In vivo codes take the words of study participants and use their words to draw attention to the various chapters and categories.

Data do not include any identifiers that would compromise individual or organizational confidentiality. Participants were given an overview of the study and an opportunity to opt out at any time. Prior to pilot interviews being conducted or distribution of questionnaires, the study received approval through the Human Subjects Review Board at Andrews University.

Validity

Being true to the intent of the responses given throughout the interviews enabled me to explore and then write my findings in good conscience. As Mason (1996) questions,

Do you actually have the informed consent of research subjects to analyze data gained from them in the way you have, to make connections and construct explanations in the way you have, and to present in some kind of public way data which are sufficiently contextualized for judgements about reliability, validity and generalizability to be made? (p. 159)

To write this in any other way than how it was intended constitutes misrepresentation of the data, but, more importantly, is a violation of the person who agreed to participate in the study. Kirby and McKenna (1989) describe reliability as

the trust or confidence we have when speaking about the description and analysis of our data. Does our description truly represent what we found? Is it true? Can the description or analysis be depended on? Are research participants able to see their experience in the research report? (p. 35)
Willis and Neville (1996) provide this example with regard to validity in qualitative research:

Qualitative studies become believable because of the criteria for judging their success; that is, coherence, insight, and instrumental utility. Unlike the experiment that demonstrates relations of cause and effect or correlations that statistically describe the strength of association, qualitative studies typically employ multiple forms of evidence, and then persuade by reason. The evidence employed in qualitative studies comes from multiple sources. We are persuaded by its “weight,” by the coherence of the case, by the cogency of the interpretation. In qualitative research there is no statistical test of significance to determine if results, “count”; in the end, what counts is a matter of judgement. (p. 29)

This study develops in a coherent fashion around the themes identified from interviews with HR leaders and progressively examines those themes. As Eisner (1998) explains, “In seeking structural corroboration we look for recurrent behaviors or actions, those theme-like features of a situation that inspire confidence that the events interpreted and appraised are not aberrant or exceptional, but rather characteristic of the situation” (p. 110). The insights gained from thorough examination are then applicable in various practices where major change or restructuring is a factor.

According to Willis and Neville (1996), the definition of verite is as follows: “Does the work ring true? Is it consistent with accepted knowledge in the field? Or, if it departs, does it address why? Does it fit within the discourse in the appropriate literature? Is it intellectually honest and authentic?” (p. 18).

Kirby and McKenna (1989) offer this definition of validity, “For our research to be valid, we must be able to say that what we describe is recognized by the research participants as so. We might ask whether the material really says what we think it says” (p. 36). I have taken great care to ensure that the various perspectives of study participants are explored thoughtfully and appropriately connected to the literature.
reviewed. The outcome is a reflection of the current thinking regarding restructuring from the perspectives of HR leaders and approaches the goal of attaining verite.

**Generalizability**

Eisner's (1998) question, "Just what is it that one learns and uses?" (p. 199) begins to explain generalizability. Eisner goes on to explain, "What generalizes is what one learns, and for our purposes these can be regarded as (1) skills, (2) images, and (3) ideas" (p. 199). In my study we will see a collection of suggestions that translates to skills which improve the overall process of restructuring in various ways. The feedback from HR leaders in the form of ideas is also generalizable and has relevance to contexts other than HR leaders where major change is occurring.

Drisko (1997) describes generalizability as "transferability." According to Drisko, "The transferability of results is often important to the consumers of qualitative studies. Any claims to transferability should be clearly stated and should be consistent with the study philosophy, objectives, and sample" (p. 188). According to Mason (1996), "You must get into the habit of supporting each claim you make with the relevant linking material" (p. 158). This study is a reflection of the marriage between scholarly literature and feedback given by HR leaders to produce insight relevant to designing, developing, implementing, and managing restructuring processes with regard to people issues.
CHAPTER THREE

RESTRUCTURING BEGINS AT THE TABLE

It was . . . part of our role to be a part of [restructuring] and to put it all together; the communication, plan, work with managers as to who in their areas might be the restructured person[s] and why, . . . to build . . . consistency around those decisions so that it was company wide and not just departmental. So really a strategic partner in the whole process.

—Alice

Introduction

Qualitative interviews with 11 HR leaders identified themes that describe the experiences of HR leaders as they proceeded through restructuring. In this study the term restructuring refers to organizational processes that include mergers, acquisitions, downsizings, and bankruptcy. For further clarification, please refer back to chapter 1, Definitions.

One of the first themes to emerge from the HR leaders I interviewed was the idea of inclusion in restructuring conversations. This chapter describes and in some senses sets the foundation for the rest of the study and for restructuring as a phenomenon.

I have chosen to embed the scholarly literature along with the feedback received from these 11 interviewees. Combining the review of the literature with interview responses magnifies the current realities of HR leaders’ practices as compared to current theories.
At the Table and in the Loop

HR leaders fell into two prominent groups, those who were included in the initial restructuring discussions or, ‘at the table’, and those who were not. Exploration and rationale addressing the importance of HR leaders’ presence at the table were presented by Hays (1999) as he stated,

> Human resource professionals often set the tone for the entire company. They’re responsible for training, recruitment and a host of other critical functions. But it’s not enough these days. HR managers are now being called upon to be one of the inventors in the future of the company, along with the rest of the leadership team, and developing the creative competency of their people. It’s going to make them a strategic partner at the table. (p. 30)

While many HR leaders aspire to be at the table, there is some skepticism on the part of top executives according to Kuczynski (1999): “Part of the problem lies in the fact that HR has yet to be considered a full business partner in many organizations. As a result, it often is not included in downsizing plans at an early state” (p. 40).

The role of “strategic business partner” is mentioned throughout the literature and by interviewees in connection to being at the table. A more in-depth description of that specific role follows in chapter 4, Roles of HR Leaders.

Mohrman (1999) observed still another value and link to HR’s presence at the table, as he commented,

> The HR Function must claim its place at the table as a key player in determining what the knowledge economy means for organizations and people. All technologically enabled approaches to knowledge management depend on the attraction, development, motivation, and retention of talent. How people use and evolve their knowledge is at the core of the ability of the organization to accomplish its strategy and to a large extent defines the employment relationship. (p. 32)

> HR leaders need to be fully involved at all steps of the planning if they are to ensure consistency and continuity, and to facilitate maximum return on human capital.
According to Flynn (1996),

Because HR played a leadership role in every aspect—from downsizing and creating the new employee contract, to forging the game plan for a new learning organization—the road has brought the company to the place it is now, abuzz with opportunity and potential. (p. 58)

Wanted: Credibility With the Company

Obviously, being at the table requires an in-depth knowledge regarding the organization served by the HR leader. As Ed emphasized, “We need to know our products. I mean there is no faster way to lose credibility than when somebody says we need to make “XYZ,” you know, we need to know what the heck that is!” (Vol. I, p. 87). Ed further emphasized the need to pay attention and understand the interaction between cost, stock price, and “how expenses can affect earnings per share” (Vol. I, p. 87).

Fred indicated the need to be well informed regarding multiple aspects of his organization’s business in order to sit at the table, and emphasized,

We need to be more versed in financial matters and budgeting and more versed in, you know, we need to know what ROI is and, you know, what our stock price is and how expenses can affect, you know, our earning per share. I mean if you are going to have credibility. If you are going to be at the table, you got to know that stuff! (Vol. II, pp. 69, 70)

Katz (2000) cautions, “Their [HR professionals’] lack of business acumen often holds them back from participating in the planning and execution of deals” (p. 9).

As HR leaders strive to become better informed, positive results may occur. Ned confirmed that organizations and executive leadership have made changes with respect to their perspective of HR leaders, as he commented,

I think that I’ve seen a huge change in how executives and owners of businesses view HR and want that input. What it has done is it’s created an environment now where there is not conflict between management and staff over changes that are occurring with the business. Management is spending much more time educating staff in the,
what’s changing in the worldwide competitive environment and how these changes translate to impact on the businesses and how if we work together more effectively we can preserve jobs and we can preserve the success of the organization. (Vol. II, pp. 69, 70)

While some organizations may not recognize the value that HR leaders add, Treen (2000) emphasized their importance as he stated,

CEOs can no longer allow HR to be a peripheral player in developing and executing an organization’s long-term core strategy. The challenge for companies is to harness the potential that HR has. Failure to do so may prevent a CEO from achieving his or her commitments or goals. Western companies need to follow the examples of their Japanese counterparts, who have elevated HR to prominence and who know that people and learning mean everything when it comes to executing a strategy. (p. 62)

**HR Leaders Need Information**

Being at the table gives HR leaders critical information about restructuring. While many HR leaders viewed themselves as business partners, there were varying degrees of inclusion. For example, Ruth indicated that “somebody from HR . . . has to be involved from the very, very beginning . . . even if they are sort of a silent person and they are just sitting in the meeting” (Vol. II, p. 152).

Sally observed the importance of having a place at the table in order to have access to organizational information and remarked,

Get as much background information as you can on what is going to be happening so that you can speak with conviction and people see that you’re competent in what you’re doing so that they can at least spin off some of those positive vibes. (Vol. II, p. 267)

Sally went on to explain, “If you don’t look convinced that you know what you are doing, you don’t have any self-confidence” (Vol. II, p. 267). And the importance of self-confidence was outlined by Val,

People . . . are either going to say well this [HR] person doesn’t have a clue what they are doing here and boy that doesn’t make me comfortable or they are going to
interpret, well they [HR] are not buying into this either so there must be something amuck here and I should go call my attorney now. (Vol. II, p. 268)

Carla recalled her experiences at the table as she shared,

I [Carla] first learned about the restructuring through our executive committee because I sat on that committee. We had talked about it. I had been brought into the loop because there were several downsizings before the actual closing of the company. So I was pretty much in the loop. (Vol. I, p. 39)

On the other hand, Carla indicated, “I didn’t always know the whys and wherefores because a lot of times those topics were discussed at other times at other meetings because it was more financial and that wasn’t my area” (Vol. I, p. 39).

Without adequate information HR leaders may take inappropriate actions. For example, George described taking action based on inaccurate information. My question to George, “Was there any possibility that you might have already done [terminated] someone on the list who got changed?” was an emphatic, “That happened” (Vol. I, p. 162). The relationship between information or knowledge about the restructuring and actions taken has the potential to be facilitative or disastrous, depending on the quality and timeliness of the information. The competence of HR leaders is portrayed in Figure 1.

| Increased Knowledge regarding company business | Resulted in increased competence and confidence of HR leaders to facilitate restructuring. |
| Decreased knowledge regarding company business | Resulted in decreased competence and confidence of HR leaders to facilitate restructuring |

Figure 1. Knowledge and competence of HR leaders.
Val’s observation about employee perceptions regarding HR leaders has legal and, therefore, organizational implications as well. As Winterbauer (2000) articulates,

These RIFs frequently are intended to reduce operating costs by decreasing overhead or eliminating duplicative roles or function. But they also are fertile ground for employment-related claims. If not managed properly, RIFs may magnify the very cost concerns they are intended to ameliorate. The employer spends on attorneys’ fees (and perhaps settlements or judgments) the money it hoped to save on employee benefits and salaries. (p. 29)

Hugh also addressed legal concerns as he said, “I tend to think that the legal experience that I have in terms of getting it [restructuring] done right and insulating the company might be the distinguishing feature in most cases versus in other areas of the company” (Vol. I, p. 157).

Regarding the absence of HR leaders from the table during initial restructuring discussions, Oren voiced his concerns,

Without HR being at the table, without HR specifically raising what the legal issues are that need to be addressed, without asking the hard questions, . . . about what does this mean for the people and how are we going to structure these changes? How are we going to handle communications? You know, what are our legal responsibilities under the Warren Act? What is the community’s reaction going to be? How are we going to support these people who are traumatized by the changes that will occur? You know, thinking through all of the hundreds and hundreds of issues associated with how you actually implement that kind of change, you can end up with situations like the post office has where it has made decisions, people’s lives have been traumatized to a point where violence has erupted and we’ve seen very negative and bad consequences. Plus the damage you do from a reputation standpoint for your company and the community if you don’t handle these things well. It is just really damaging. (Vol. II, p. 73)

Although Val, Hugh, and Oren all alluded to legal implications of HR being at the table, Sally reported a different rationale for being at the table. She said her place at the table was guaranteed because “the family [owner] is Jewish and one of their thought processes through that religion is always treat people with kindness and dignity and . . . that was the prevailing theme of this [restructuring]” (Vol. II, p. 275).
Oren’s perspective showed that the impact of restructuring is multi-faceted and creates a ripple effect. HR’s presence at the table attends to the critical issues associated with the far-reaching ripple effect of a decision to restructure. Restructuring initially impacts HR leaders and employees and resonates into the community (Figure 2).

Figure 2. Ripple effect of restructuring.
It is this strategic support provided through HR leaders that helps organizations to avoid loss of productivity. As Merryman (1995) states, “If the pain of a downsizing is prolonged, the remaining employees will continue to feel anxiety and stress. This will reduce their ability to focus on the future and, in the worst cases, it will lead to complete paralysis” (p. 22).

When HR leaders are at the table throughout the process, other issues surface. During the process of restructuring, HR leaders’ roles may be unclear and the HR people may not understand their boundaries or have had sufficient time to learn the new management team’s implicit expectations. As Ned pointed out, “We were all trying to do the right thing and ask the right questions and we realized, I guess, very frankly, that things weren’t extremely clear but would become clear in time” (Vol. II, p. 76). Stone (1995) describes the results of ambiguity as she observes, “Burnout may be anger caused by lack of defined roles and unclear boundaries between departments, frustrations from ill defined and shifting job responsibilities, and fear stemming from job insecurities” (p. 1).

**Exclusion Is a No-Win Situation**

Some HR leaders, who were not at the table but had had responsibility to perform HR tasks within their organization, reported that they were blindsided by restructuring. Jeff recalled the pain of his experience as a vendor, who provided services to the organization in which he worked, notified him. “I was contacted by a vendor [laughs]. Which is five times better than what most people got which was on the radio on the way to work. Yeah. Probably one of the worst ways to go through that” (Vol. I, p. 195).
The fact that this was the experience of an HR leader, who had previously been entrusted by his organization to perform a variety of sensitive and confidential processes, highlights some of the betrayal felt as a result of not being a priority with regard to organizational communication. In cases where restructuring occurred due to merger or acquisition, according to Reece (1996), “Asking managers and officers to buy into a new set of objectives in which they played no role can set the stage for problems that show up through various behaviors” (p. 39).

In Jeff’s example, I wondered what differences might have occurred had the primary HR leader of Jeff’s group convened the entire HR group on the evening prior to the news release and personally informed them. Instead, the news came on the following day and as Jeff explained,

> It was on the news. Sure enough, it went right to the Internet. I went to the web site of the company that was purchasing and had a whole Power Point presentation that I was able to locate... [It was] Amazing. I will never forget the feeling through the hallways. Especially from an HR perspective because we’re the ones that, who need, we should know. (Vol. I, p. 195)

Jeff’s point, that HR leaders function as the primary liaisons with employees within the organizations, are at “ground zero,” and as such, have a compelling need to know regarding organizational restructuring, is fundamental. Jeff used a “Wizard of Oz” metaphor to describe the day as it unfolded on the heels of merger news. As employees tried to make sense of it all, Jeff perceived, “It’s like the Wizard of Oz. Let’s see the Wizard – he’ll know! So they all run down to HR... and the guard is standing outside and says ‘Everybody back, back. HR has it in control’” (Vol. I, p. 214).

George, in describing how he first learned about the restructuring, echoed Jeff’s frustration. George’s experience as a HR leader during restructuring was in a publicly
traded organization. Because this organization is listed with the Securities and Exchange Commission (SEC), communication regarding implementation strategies was known only to a select few. As George observed,

There were only two people in HR who knew what was coming in advance. I was studying severance agreements at midnight the night before they were to be distributed and a list of names handed to me. It was that tight-lipped. It wasn’t for lack of trust of one individual or another. (Vol. I, p. 128)

According to George, who reportedly has had confidentiality conversations with his staff in previous organizations to underscore the importance of confidentiality, the need is straightforward, “You are in a critical position and confidentiality is a part of that job and if you breech it, it will cost you your job” (Vol. I, p. 141).

As HR leaders impact multiple areas and a variety of organizational dynamics, it became clear from both the interviews conducted and the literature that HR leaders need to play key roles with restructuring processes throughout the planning and implementation phases.

**Securities and Exchange Commission Issues**

The need for confidentiality is critical, particularly with regard to regulatory requirements regarding companies that are publicly traded and listed through the Securities and Exchange Commission (SEC). As explained by Dalton and Daily (2001),

The essence of insider trading is given by the Securities and Exchange (SEC) Act of 1934 and SEC Rule 10b-5. Specifically, insiders, (e.g. corporate officers and directors) are prohibited from security trading on the basis of material, non-public information. It is the 10b-5 provision that is the principle weapon against trading of this type. Suppose, for example that a board member knew that the firm was soon to announce its lowest earning in a decade or that the firm was authorized to make a substantial charge against its current earnings. Either of these events would likely result in a decrease in the value—at least short-term—of the firm’s common stock. If this Board member engages in a transaction (e.g., sells his or her own share, exercises
other stock options, takes a short position in the stock) based on this information that has not been divulged to the public, he or she has committed a federal crime. (p. 97)

According to George, where SEC issues were of concern, information was not provided to some HR leaders in his group until the evening prior to the actual restructuring. George remarked,

In this case, the disconnect is probably based upon legal advisement and a fear... that the more people that know the more likely it is gonna get out, that it will be mishandled within the media and that there is more of a likelihood that there could be Security and Exchange problems. (Vol. I, p. 141)

George then clarified this further as he said,

They [top officials] have to be careful about who knows what and who has the right, who holds stock... and whether you have a stock option plan and at what point they have knowledge and what kind of trading goes on... If the top officials have that [restructuring] knowledge and make those decisions they’re excluded [from legal penalties] but it depends on what has been said to who from there and what stock options they [top officials] might have and what trading might be doing... so that you are not in violation of the law. (Vol. I, pp. 128, 129)

Pat spoke to SEC concerns as well when she indicated that, in her organization, we put together a whole timing and action plan on it to make sure that, you know, nothing fell through the cracks and that the minute we announced it to the public, because we are a publicly held company, that same minute we were announcing it to employees. Because you have to do it at the same time. You can’t give the employees, you know, knowledge of it ahead of time. We had it down to... a science. (Vol. II, pp. 139, 140)

Karl made the observation that it is very difficult to obtain buy-in from employees with regard to acquisitions and mergers “because of sensitivity and the nature of confidentiality and guidelines by the SEC” (Vol. I, p. 223).

As George’s situation illustrates, communication was complicated due to Security and Exchange Commission (SEC) regulations, which prevent profiting from stock transactions, based on inside information. George believed only a select few HR leaders were brought into the loop to plan his organization’s restructuring. As I explored this
phenomenon with George, I was curious and asked, “What were some of your first thoughts or reactions when you learned that this [restructuring] would go into effect?”

George’s response was,

There is more work attached to a reduction in work force than meets the eye... You know, you’ve got the media piece, you have the announcement to the employees, you have the reaction of the work force through it, you have the execution of agreements that has to occur over a course of time to conform with the law... and all the while you are executing this you want things to be as sound as possible to minimize the wrinkles, but the less preparation time you have and the more contained it is, the less likely it is that you are going to have a perfect execution. (Vol. I, p. 130)

As leadership gave very short notice in the interest of keeping the restructuring information contained, George’s frustration with executive leadership was clear. Although George understood the premise, George wholeheartedly believed that the same results could have been attained with less stress and chaos, had more HR leaders within the department been brought into the loop from the beginning.

As Hugh observed, “Because of SEC rules and insider trading knowledge, that has put a whole different spin on preparing for massive reorganizations” (Vol. I, p. 128).

George’s scenario is troublesome from both trust and operations perspectives. If executive leadership within an organization believes that their HR department is not capable of keeping confidential information contained, what are the implications regarding the HR professionals in that particular organization? What are the beliefs of executive leadership within the organization as they relate to entrusting their HR professionals or communication in general? What were the expectations and beliefs of executive HR leadership as information was selectively parceled out? Were there ramifications to the HR group’s abilities to interact with each other at the conclusion of this restructuring effort? In other words, are there now, within the HR department,
information haves and have-nots, by virtue of those who had advanced knowledge and those who did not regarding the restructuring?

Skepticism regarding the rationale for layoffs was apparent among some HR leaders. As Hugh pointed out, “We are sensitive to the perception our stockholders have regarding our organization. Communication is primarily focused to the media and stockholders” (Vol. I, p. 142). The nagging questions have to do with where the pressure is really coming from, and should employees bear the need for increased demands for profit? According to Orlando (1999),

The following sequence is not at all uncommon: a corporation with sagging profits hires a new CEO. The CEO’s contract provides a few-hundred-thousand-dollar base salary and a bonus for increases in the share price. The CEO immediately dismisses whole divisions of the firm, even going so far as to cut the firm nearly in half. The stock market, as Lieber reports, reacts favorably to the news, and the company’s share price rises, bringing a windfall in the many millions to the CEO. (p. 306)

When a company is publicly traded and restructuring will impact the price of its stock, it is the executive officers who stand the most to gain or lose. According to Beaver (1995), “There is no quicker way to get your stock price up than to announce plans to fire a lot of workers” (p. 50). As Hugh observed, “You are looking at it like . . . kind of . . . a body count . . . in Vietnam. You are saying to yourself, How viable really is this? How necessary is it?” (Vol. I, p. 133). In the minds of some HR leaders a lingering and persistent question remains concerning the real motivation fueling some decisions to restructure.

Summary

HR leaders reported varying levels of inclusion at the table and the advantages of such inclusion as it impacted upon employees and the overall organization. Inclusion in
restructuring discussions requires credibility gained by an in-depth understanding of the business, from a broad perspective. For over half of the participants in this study who were at the table, inclusion at the table prepared them for the duties they would carry out in the organization's overall restructuring.

SEC issues were a significant factor in determining the level of inclusion of HR leaders due to the need for containment. This presented huge challenges for HR leaders in order to prepare for restructuring. In instances where little notification was given, due to concern regarding SEC containment issues, HR leaders gave more negative feedback than those HR leaders who were involved in the early planning stages as well as throughout the process.
CHAPTER FOUR

ROLES OF HR LEADERS DURING ORGANIZATIONAL RESTRUCTURING

No money no mission is a real important concept. So the enlightened HR executives have spent much time with the finance people, the CFOs, with the executives, with the executive team

—Ned

Introduction

HR leaders play various roles during restructuring. In this chapter I explore the roles described by the 11 participants: strategic business partner, coach/facilitator, educator, axe-man, and the downsized as played by HR leaders. As organizational dynamics shift, HR roles shift accordingly. According to Walker and Reif (1999),

Many companies are redefining the roles of human resource leaders so they can contribute directly to business performance. Leadership roles are being redefined to increase emphasis on working with management to lead people through rapid, effective business change. While many HR leaders are moving swiftly into these broader roles, others have difficulty adjusting to the new role demands and demonstrating the required capabilities. Complicating matters, many client managers do not necessarily understand or fully accept the need to move away from traditional HR roles or fully appreciate what HR leaders can contribute as strategic business partners. (p. 21)

Strategic Business Partner

You quickly learn what the key indicators of the success of the organization are and the only way that employees can be benefited is if the organization continues to grow and evolve and be successful.

—Ned

The literature indicates HR’s role continues to move away from the role of an administrative task performer as it evolves toward a business partner. Ulrich (1998) describes the need for HR to strengthen their presence as a business partner:

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People and organization practices have become more pivotal to business success. The emphasis has shifted to how winning companies manage their intellectual capital and build organizational capabilities. Executives pay more attention now than ever to organizational and people issues and are looking to HR for help. (p. 154)

While not all organizations regard their HR leaders as strategic business partners or consultants, many HR leaders supervise legal developments, diversity initiatives and are process owners regarding implementation of technology-based systems. Within organizations, it is the HR leader who is responsible to use technology in order to create new and innovative ways to attract and maintain human talent. Laabs (1998) points out,

Not only is HR responsible for the administrative tasks and strategic planning issues relating to employees, it has also moved into the business partner roles of being a change expert, an organizational performance specialist, a best-practices consultant, a legal liaison and now, even a risk manager. (p. 63)

This combination of activities serves to challenge and enhance the HR profession. According to Connolly (1997),

It was nearly a decade ago that several management visionaries began promoting a new direction for the human resources function. They argued that, as business made the transition from an industrial to an information age, the knowledge, know-how and experience of employees would become the core assets of companies. The real foundation of competitive success would no longer be proprietary processes or even distinctive products but, rather, outstanding people. As the nurturer and caretaker of the workforce, the HR department would, in turn, need to undergo fundamental changes, moving beyond its traditional responsibilities of change administration and employee advocacy to play a central role in helping companies fulfill their highest-level business goals. If HR did not become more tightly linked with strategic and economic objectives, the reasoning went, this ability to make an adequate contribution to the bottom line would be undermined. The logic was, and is, still compelling. Unfortunately, the path from idea to reality has not been an easy one. Many management teams have had trouble figuring out what it will actually take to transform HR into a strategic function. (p. 10)

Of the 11 HR leaders interviewed, 6 perceived that they played key roles during restructuring and this was evidenced as they described their responsibilities throughout the restructuring. In their cases, input was requested at the beginning of restructuring...
discussions. These HR leaders were clearly seen as valuable players by their organization to assist with the strategic planning of the restructuring process itself. According to Ed, “I think the organization sees the HR leaders today as . . . more of a business partner.” and further emphasized that “I think we carry more clout than we did 10 years ago” (Vol. I, p. 85). Later during our interview, I queried Ed more about being seen as valuable and credible, and asked, “Does that credibility go back to . . . sitting at the table and being conversant with business practice [and] product?” Ed’s response, “Understanding the business, understanding the needs of the individual . . . being more of an active participant ahead of time” (Vol. I, p. 110) underscored the relationship between being considered as a strategic business partner and being invited to sit at the table.

Exploration regarding the strategic business partner role prompted Ned to remind me that HR leaders who fulfill this role need to be comfortable to take some risks and meet conflict. Ned commented,

[HR leaders need to] become a strong voice with the staff in articulating that we need to make hard business decisions, yes, we need to maybe drop a particular product from production. But where they add huge value is now they are looking at human capital and investment as an asset and they [HR leaders] are saying, let me help you figure out if you are going to retool, [or] redesign, grow yourself to success. (Vol. II, p. 71)

As Ned and Ed indicated, they provided guidance to the executive team regarding specific issues related to compensation and benefits, but also regarding approaches to sensitive issues associated with removing key people from their roles within the organization. HR leaders as strategic business partners demonstrate competency in making the hard business decisions while using important ‘soft’ skills.

The need to carefully think through the impact that one action may have on the entire organization was an important attribute within the strategic business partner role.
Because restructuring processes impact the future, HR leaders encourage their leadership teams to regard the organization’s future needs 5 to 10 years out.

As Barb and I explored her thoughts about being a strategic business partner she offered, “I think I have to attribute that back to the leaders that had been in HR prior to myself” (Vol. I, p. 26). Barb viewed herself as a strategic business partner and was included at the table for discussions regarding restructuring. Barb acknowledged that there was a perception by executive leadership in her organization that HR was an asset, as she mentioned,

I think also I have to . . . back up and say I think it is the CEO too. They have to support HR and . . . if someone comes to them with a plan and it is an employee related or HR-related function, they need to say, Have you talked to . . . HR to make sure that . . . fits into the restructuring appropriately? (Vol. I, p. 26)

Barb, Ed, and Ned had each participated in numerous other organizational issues prior to restructuring and were considered an integral part of the leadership group. In essence, they had established trust and credibility with executive leadership, but most importantly, had demonstrated value prior to restructuring. As Barb summed it up, “It has been an evolution of showing value added and secondly a support by your CEO” (Vol. I, p. 26).

Other HR leaders interviewed perceived themselves as competent to be strategic business partners yet their executive management group clearly did not view it the same way. These differences in perceptions became increasingly evident as actions were initiated to implement restructuring. In order to explore if a relationship existed between being informed and being included, every HR leader interviewed was asked about how they were informed about the restructuring. As Lou and I discussed this, Lou offered an
interesting observation. Lou described his learning about restructuring as being primarily through his own intuition and powers of observation. When asked to elaborate, Lou said,

You start seeing a lot of closed-door meetings. You start seeing some of the people within the HR area having a lot of closed-door work sessions where they are compiling special queries and things like that. You might not have an exact idea what is happening but certainly you can get a sense that something is going on at which, of course, is going to intrigue me more to dig a little bit deeper. (Vol. II, p. 2)

Lou had significant implementation responsibilities on very short notice in contrast with HR leaders who were at the highest level in their organization and involved in strategic restructuring discussions from the beginning. According to Schmidt (2001),

Mergers and acquisitions present a superb opportunity for HR to demonstrate its strategic value. If HR professionals can demonstrate that their unique set of skills can make the difference between success and failure in M&As, the profession will occupy a stronger position than ever. For almost any corporation, a merger or acquisition is a major gamble—sometimes with the company’s entire future at stake. If HR can demonstrate its value in this high-stakes game, the entire profession will be strengthened. HR professionals will move up in the management structure, occupying key positions as advisers to the people who make the vital decisions. (p. 107)

Hugh recalled,

In every case in the past I was probably a strategic partner in terms of how it was going to be carried out and who, in fact, would be targeted. In other words, we were considered a partner in designing a time-table and making sure that everything was in order in terms of how we would process all of this to be able to handle administratively and otherwise and on a face-to-face basis and whether or not we would offer outplacement services and orchestrate all of that and determine what the severance benefits were going to be. (Vol. I, pp. 135, 136)

Organizations that did not include HR leaders at early discussions about restructuring or may have had perceptions about the role of HR as more administrative may not have known what HR leaders would be able to offer.

Positioning of HR leaders within the organizational structure may be related to being included as a strategic business partner but is not the sole criteria. HR
professionals, like Oren, possessing a variety of experiences and significant tenure of 10 years or more, are committed to performing as a strategic business partner and encourage their organizations to take full advantage of their skills and expertise. As Oren described,

Who are the people I can go to to best prepare and posture me to be the strategic business partner. So it might be attorneys . . . depending on the organization you’re in. But figure out what your arsenal is of the things that you are going to need to be successful and going to the executive team and saying I’ve got my ducks in a row . . . And then working effectively them . . . to move the process forward. (Vol. II, pp. 113, 114)

The attributes relied upon by HR leaders in the role of strategic business partner included a breadth of competencies: the ability to make the hard decisions in concert with creativity and innovation, along with the ability to take risks in order to implement new strategies. HR leaders were committed to their organizations and demonstrated that commitment by strongly encouraging executive leadership to take the long view of their restructuring initiatives in terms of where their organizations needed to be positioned 5 to 10 years out.

**Coach and Facilitator**

_The wizard says you always had your heart. You always had your courage . . . It truly does become [like] the Wizard’s and saying you’ve always had it because that’s [HR’s] role_ —Karl

A number of HR leaders viewed one of their roles during restructuring as a coach or facilitator. The literature supports the importance of this role. Leigh (1997) states,

Despite their obvious dedication and commitment to achieving organizational change, many in-house HR staff have simply got the wrong idea about their true role. They so often believe it is to take responsibility for change, rather than to facilitate it. The result is a form of arrogance that usually ends in tears. Whether HR has a facilitating role or an activist one is a false dichotomy. Many outstanding HR departments succeed because they are highly activist, but within the natural boundaries of their facilitating capabilities. (p. 49)
Awareness was an important attribute of HR leaders in the coach/facilitator role.

Ed and Ruth learned that many supervisors had not had to terminate employees and needed guidance and coaching from HR leaders to assist them with the restructuring process in the form of downsizing.

Ruth indicated providing similar support to managers in her organization as she recalled,

We met with . . . the manager that we were actually doing the severance agreements or the early outs with . . . and . . . gave them a script so they would know what to say, how to say it, so that they could really think it through so they could be prepared. (Vol. II, p. 143)

Ed believed in the value of the facilitator role, and empathized with supervisors, particularly as supervisors required guidance during the restructuring process. “They [supervisors] really appreciated the coaching that we gave them. In some cases we gave them a script, you know, to kind of customize. So we kind of held their hands through this whole process too” (Vol. I, p. 98).

Karl observed that another aspect of his facilitative role as people were downsized due to restructuring was to, in essence, provide employees with hope. Karl recalled an employee who asked, “What am I gonna do?” (Vol. I, p. 212). Particularly as people were terminated from their positions, and had spent decades working for the same company, some employees had great difficulty believing that they would find another position. Karl reported that part of his role was to communicate to employees.

There will be other opportunities. You’ve built some skills in the last few years that will transfer to . . . others and they look at you and say, “no they won’t, because there is no other company like what we are in this area.” “What am I gonna do?” And that to me is . . . amazing because [that’s] . . . the bigger picture and that’s where you go into . . . negative feelings against the ownership of the company. (Vol. I, p. 212)

Coaching employees to clearly see their skills and providing hope was, indeed, very important to Karl. Karl’s point, that it was their skills that got them hired initially.
and it would be their skills that would transfer to a new employer, was tested as he observed.

The decision to make that transition [merger]... that gets to the heart of accountability and says, you [executive leadership] didn’t want the company strong enough to maintain successful independence of the organization. In my job, if I don’t do that I’m held accountable and sometimes I’m even fired, but you just made a profit. How do you explain that to the person who is making $7.25 on the line for 25 years. Help me help them understand—and I can’t. (Vol. I, p. 200)

As HR leaders coached or facilitated restructuring, they demonstrated attributes of being skilled in their communications, empathic in their approaches, careful listeners, and maintaining a high level of awareness regarding a variety of situations. HR leaders acted as guides throughout the restructuring process, especially as supervisors and managers were unskilled or uncomfortable in terminating employees. Karl, while guiding employees through downsizing, emphasized the importance of providing hope, as employees were anxious and uncertain about their job prospects.

HR Leader as Educator

*Why not have them come back for... group seminars on how to put together a resume.*

—Carla

Karl indicated that part of his role was facilitating education as he described an organizational directive, “We’re going to take the training department and the other HR people and your role will be to assist them with career transition” (Vol. I, p. 67). Karl commented about the impact of being both a survivor and, simultaneously, an educator, as he observed, “[I’m] having to now stand in front of everybody else and facilitate this kind [career transition] of workshop” (Vol. I, p. 68). As a participant in organizational restructuring, I too recalled facilitating education while personally grieving.
organizational change. I found myself empathizing with Karl as I recalled what a stretch that was.

Sally’s organization approached the education on the front side of restructuring as she described,

Nobody needs to know there is going to be a restructuring while we happen to have some classes on managing change or... working in a diverse group. ... We had a lot of classes and speakers and activities that... made for a foundation for that [restructuring] and I know if we would have sprung that on folks it would not have been successful. (Vol. II, p. 275)

Severed employees, who were offered resume-writing, job-hunting, and change-management seminars facilitated through their HR departments, reportedly expressed appreciation for these efforts as they moved through restructuring. Several HR leaders advocated for education. Karl enhanced the educational experience as he made himself approachable and was emotionally tuned in to employees. Years of experience in HR, knowledge of resources, in combination with the attributes of being approachable and emotionally tuned in created potent competency for HR leaders as educators.

**The Axe-Man Cometh**

*I think I just shut my emotions off, because I knew I was doing my job and I just had to get through it.*

— Mark

A significant part of the role played by HR leaders during restructuring is to implement organizational restructuring strategies as they inform employees that their employment has been terminated. As Ruth remarked, “It is reality in HR today. There are going to be re-orgs . . . downsizings . . . changes . . . there are just going to be cycles. So it is part of HR. It is expected” (Vol. II, p. 160). Hugh echoed Ruth’s comment as he stated, “It is part of your function to help. Any time you have an increase or decrease in
the workforce that is the primary HR role” (Vol. I, p. 156). Lou also commented, “I know what my role is. . . . When it is all said and done, if the employee is gonna hate anybody, let them hate me because that’s my job and I understand that. Do I like it? No, but I understand that’s my job” (Vol. II, p. 24).

One hundred percent of all HR leaders were emphatic that it was their responsibility to implement restructuring strategies as they communicated to employees regarding job loss, and not the role of an outside consultant. George best described the rationale by saying,

It is like employing an executioner or something. It is easier to go ahead and do this and to sit with groups of people afterwards and explain what’s happened and why, as a part of the team, then for somebody to come in and simply do it and have them look at top management and say, “Well, wasn’t that slick?” (Vol. I, p. 146)

This was typical of the compassion for and knowledge about employees as possessed by HR leaders. It also illustrates their desire to operate with compassion and fairness, even to the extent that they consider the ramifications that an outside consultant would have with regard to perceptions of top executives.

A number of HR leaders, where accepting that communication regarding job loss was a traditional part of their responsibility, experienced a variety of reactions. George commented,

I am long past the sensitivity of that in HR, if you’re the person that actually does the terminations, some people are a little leery of dealing with you, meeting with you, or wanting to conduct business because they don’t know to what extent you had direct input in the decision of who would be on that [job loss] list. (Vol. I, p. 152)

My curiosity prevailed as I asked George, “So, is there a part [of you] that becomes acclimated to this aspect of the work?” George replied,

Oh, I think so. Only because of the frequency with which it has been encountered. And I can’t say that my background is . . . consistent with everybody else’s but I have
to believe that anybody who has hung into this field for any period of time, if you lived through the 80s and you weren't impacted by restructuring and downsizing, closures and terminations. I am amazed because it was everywhere but when I first began my career it was the heyday of labor and increases were great and there was cost of living and everything else and I watched that fade away into take-backs and job eliminations and consolidations and shut-downs. And one of the things that attracted me to this [company] . . . is that was not the history of this business at all. It had steady growth and almost no history of layoffs, maybe one restructuring in the past. (Vol. I, p. 155)

Zach made a similar observation as I asked, “What was that [informing people regarding job loss] like for you?” and he explained, “I have been around a long time and the package is there, the die is cast, you have to deal with it. What I tried to do was make it as personal as I could” (Vol. II, p. 186). Zach explained further that his longevity also impacted how he experienced informing employees regarding job loss as he stated, “Over the years [job losses] used to be very personal and used to upset me, but now having been around it for a long time it is all about business. It is all about numbers and sometimes you get affected. So if anything as they say, it just isn't easy ever” (Vol. II, p. 188).

Hugh observed, “It is not a pleasant task for anybody to begin with to have to lay that kind of news [job loss] on” (Vol. I, p. 131), and later commented, “It is not that I am detached from it, it is just a normal part of business” (Vol. I, p. 139).

On the day that Pat would inform several workers that their jobs had been eliminated she recalled, “It was tough that day, coming in that morning and you know you’re going to do that” (Vol. II, p. 145).

Lou described one situation that particularly impacted him as he related,

It’s one thing to sit there and talk to a . . . 25 year old person . . . and send them on their way, but when you’re talking to somebody that’s . . . 54 and has been doing this for 30 years, then you tell them, you know what, you don’t have a job anymore. I’m gonna make it easy for ya, I’m gonna give you eight weeks of severance pay, good luck. It’s very disheartening. (Vol. II, p. 38)
Disgust was evident as terms like ‘tool’ and ‘mechanic’ were used. George’s observation was as follows, “I was a mechanic in this case . . . nothing more than a mechanic, like an executioner walking through this saying you and I are going to sit down and we are going to talk about this and walk through the mechanics” (Vol. I, p. 135).

Some of the frustration expressed by Diane prompted her to comment, “I felt like it [HR Manager] became almost less than a position. Basically, I became their axe man and my whole role as a HR leader was sort of negated and I was just really basically a tool” (Vol. I, p. 40).

In these cases, the HR leaders, depending upon the size of the organization that employed them, wore multiple hats and were directed to relieve specific individuals from their duties.

In addition to the HR leaders themselves, employees also perceived HR leaders as the ‘axe-man’ or ‘executioner’ personas. At one point Hugh discussed a decision he made to leave a previous organization due to the number of plant closings and downsizing activities, and stated, “I was becoming way too good at that [terminating employees]. Everybody looks at you, “Oh, God, here he comes” you know” (Vol. I, p. 139). Mark recalled a similar perception,

You know when you’re sitting there talking to the employee, they look at their boss and their boss may be a division president or a vice-president . . . but the employee knows that the reality is, or the perception is, I’m the decision-maker. I’m the one that is saying he is going to go. You know, a lot of times I think their perception is that HR is making the decision based on whatever criteria we set up . . . we’re the executioner. (Vol. II, p. 7)

In some cases restructuring was implemented at the highest levels of the company. Fred reported that a very high level position was eliminated and that the
highest officers of the company were responsible to notify this person that they were being let go. Fred believed that the sensitivity of witnessing firsthand what it was like to inform an employee regarding the loss of job responsibilities was important for upper management to experience. In this case, the HR leader observed that because upper management had the responsibility to relieve employees of job duties themselves, they also experienced what it was like to deliver bad news and then to personally cope with the fallout. “A personal experience to be a notifier and a personal experience to see somebody, you know, walk out of the office as soon as they could get out because that person was embarrassed to be seen by the co-workers” (Vol. I, p. 93).

Carla recalled, “Employees panicked whenever I came to their office because they just saw me as the hooded executioner” (Vol. I, p. 40). Lou observed that, “people that would typically say ‘hi’ to me in the hallway wouldn’t even make eye contact with me because it was like . . . he’s the one . . . I carried that stigma for a while. (Vol. II, p. 22)

To probe a bit further I wondered, “So you became labeled?” and Lou’s response confirmed, “I was Dr. Jack, Dr. Death, the grim reaper, the executioner. You know I had a whole slew of acronyms that were thrown at [me]” (Vol. II, p. 22).

Survivor Syndrome

My job is going to help people identify you’re stuck in anger. You need to move on. —Karl

Survivor syndrome occurs as a result of downsizing. The HR leader’s role of downsizing the organization and, in some instances, becoming a casualty of organizational downsizing warrants a brief exploration of survivor syndrome, as perceived by Jeff, an HR leader.
Jeff's observations regarding restructuring included supporting surviving employees through the emotional stages that follow downsizing and are a predictable response to organizational restructuring. For many employees, adapting to change is challenging as they assume new responsibilities, say good-bye to colleagues, report to new supervisors, and let go of their familiar ways of performing many tasks. Jeff stated that supporting surviving employees was not articulated or specifically identified by his organization, but a self-imposed expectation he had for himself as an HR leader. As Brack (1999) emphasized, 

Calming the terror and keeping high-performing employees focused is vital to success, of course. Despite the record numbers of acquisitions and mergers in the U.S. during recent years, three of four fail to create shareholder value and achieve financial and strategic goals. (p. 108)

Support of surviving employees and assisting them to get ‘un-stuck’ is crucial in newly restructured organizations. The ability to help remaining employees, or survivors, move through restructuring positively impacts morale and productivity which, in turn, impacts profitability.

Jeff drew an analogy to the “Wizard of Oz” as he described the HR leader’s role to provide reassurance to surviving employees in the face of restructuring and said,

My role is to go back now and help them heal. It’s like you always have it and what you have and how you got here isn’t because of the person [HR leader] in the office down the hall. It is because of you and your talent and your ability. (Vol. I, p. 215)

Survivors, or the remaining employees following restructuring in the form of downsizing, needed tools to assist them to move forward and through change. As HR leaders survived while supporting other survivors, their attributes of honesty, realistic optimism, and self-appraisal were evident as they interacted with other organizational
survivors. A robust commitment to assisting organizational survivors to heal, as they tended to their own needs, was another attribute of the HR leader as survivor.

In a couple of instances HR leaders referenced the need to walk around in the organization and chat with employees to increase their visibility and reduce any negative stigma as a result of restructuring. To clarify about Diane’s perception regarding how employees perceived her as the HR leader, I asked, “One of the things you said was people dreaded seeing [you] coming. Is there anything you would choose to do differently about that?” and her response, “I did handle it ... by increasing the times that I went to our other office without doing anything, so that they realized that I could be there without coming to terminate people” (Vol. I, p. 26).

Ed also found it important to “get out more and talk to people more because ... the whole organization is hurting” (Vol. I, p. 26). In this example I was struck by the unwavering commitment of HR leaders to counteract the negative impacts of restructuring through proactive and focused behaviors. Again, these behaviors, to walk around and become more visible in the days following a restructuring to reduce employee anxiety, were not done merely because it is part of their job description, but done because, intuitively, HR leaders have a strong commitment to employees and employee morale.

Ruth recalled people joking with her about the ‘axe-man’ role following her restructuring, “When I would walk down the hall. Oh, I don’t want you by my office, that kind of thing” (Vol. II, p. 146). HR leaders found themselves fielding questions from employees whether or not the restructuring process was really over. The nature and frequency of questions indicated the level of uncertainty and anxiety that employees
experience following a restructuring. Mark reported that, in some instances, “I have literally seen people start shaking because they’re certain they are gonna get fired because I’m there” (Vol. II, p. 23). When queried as to what that experience is like from Mark’s perspective, he replied, “It’s very difficult because it’s not my nature” (Vol. II, p. 23).

In emphasizing the importance of interpersonal skills particularly in restructuring situations, Conelly (1994) describes,

An important proximate cause of heightened incivility is reengineering, by now the Great Satan of corporate life. As it flattens hierarchical structures into teams and matrix organizations, figuring out how to behave when there aren’t any obvious cues to rank and seniority becomes difficult. The leader of a team can be an executive assistant or an executive vice president, and supervisors don’t give orders, they coach members to reach consensus. But for teams to function, the members need good interpersonal skills. (p. 198)

Lou emphasized the need for top-notch interpersonal skills as employees were informed that their positions had been eliminated. While there is no question that some employees perceived the role of HR leaders as axe-men, the HR leader’s role to implement restructuring strategies as jobs are eliminated requires competency and compassion.

I think that, I think I’ve learned that, you know, unfortunately I’m relatively good at it [communicating regarding job elimination]. . . . I think that says more about my character than anything. Not that I enjoy it . . . I have a number of people come up to me later on and just say, You know, you couldn’t pay me enough to do your job. . . . I guess [that] validates that I know that I have an important function and that I know my job is not easy, but there are people that value what I do and understand that it is something that needs to be done. (Vol. II, p. 55)

Pat echoed the need for compassion and support as she stressed, “I don’t think it is our job to be tough. . . . It is . . . to be supportive . . . and . . . the expert when you deliver these things, especially severance agreements. . . . It is a supporting . . . role”
(Vol. II, p. 135). She stressed the importance of being competent to answer key questions regarding benefit options so that people can move on with their lives. Pat, along with several other HR leaders, also stressed the support needed by managers as they carried out restructuring in their own areas of responsibility. Pat expressed that in informing people regarding the loss of their job, “It should never be easy. And if it is hard, that is the kind of people we want in HR” (Vol. II, p. 166).

Ned reiterates the need to implement tough decisions while being gentle with employees.

I can structure the process so the people don’t exit our organization and do us great harm in the community or feel so devastated that other bad things happen in their lives or in our lives as a result of that. We all know about violence in the workplace. We know about violence that occurs at home. We know that unemployment is not a good thing. (Vol. II, p. 112)

A human approach to implementing terminations is obviously the right thing to do, as well as the best course of action in a world where workers are concerned about potential for violence in the workplace.

According to Hughes (2001),

Workplace violence includes violence by strangers, customers/clients, co-workers and in personal relationships... Incidents occur between co-workers; in such events, the perpetrator can be a current or former employee, a prospective employee, a vendor, a delivery person, or a current or former supervisor or manager. The key is that the violence occurred as a result of the employment relationship. (p. 68)

According to Val, “I think a couple of folks... just couldn’t seem to get past what had happened to them. In fact, one of them called me last week almost 3 years later... He is obviously a disturbed individual. He has not been able to find a job... He has three businesses that have put restraining orders out on him so he won’t come back there again because he is demanding that they hire him” (Vol. II, p. 283). Val went
on to indicate that the implications of losing a job are significant, and for employees that cope poorly, devastating.

HR leaders who implemented restructuring strategies in the form of employee terminations were strongly committed to conducting those sessions with compassion, direct communication, and demonstrated admirable commitment to employees. HR leaders’ unique abilities to display these attributes while staying in sync with other organizational initiatives differentiate their contributions to organizational restructuring.

**HR Leaders as Downsized**

*I chose to believe that I am a better person because I have been through those things [job elimination] and hopefully that makes me a little more compassionate in dealing with people that are going through it and I just wouldn’t dream of turning my back on anybody that was experiencing any of those.*

—Diane

HR leaders who themselves lost their positions during restructuring processes verbalized a heightened sensitivity to the restructuring process. Ned lost his position after a merger occurred between two employers. Ned played a key role during the early stages of restructuring and then became a casualty after the second round of executives were implemented. Ned reflected, “I will never look at that the same way again, because for them it is everything that you do what you say you’re gonna do because it is the food on their table” (Vol. II, p. 108).

Georgia also found that her position was eliminated. She stated that there were some key learnings for her that accompanied losing her position on a deeply personal level. Her voice was quietly reflective as she shared.

Both the tone and demeanor of these two HR leaders changed as they described losing their positions. The compassion they describe as they relate to employees who
will also lose their positions was palpable. In fact, Georgia reported that a part of her was still in disbelieving that the downsizing process had impacted her. Georgia and Ned were deeply reflective as they recounted ways organizations can assist employees to go through the process in a more compassionate manner. Some HR leaders were both delivering the bad news and attempting to figure out what their own next steps would be, due to becoming jobless imminently.

A heightened level of sensitivity and regard for others was also apparent in HR leaders whose positions were not eliminated. For example, Ed described a unique feature in their notification process that included an escort to provide emotional support as they left the organization’s premises.

This escort person said, “Jeez, can I do anything for ya? I am sorry. Can I help ya?” That sort of thing. And that really worked. You know, one guy went back to his office and said, “You know, I just want to, let me get my car keys” and he didn’t want to walk through the building to get his lunch out of the refrigerator and so she went and got his lunch for him and brought it back. Another guy didn’t have a ride and so she was able to give him a ride home. Just things like that kind of came up. They just kind of needed a shoulder to cry on. But this gave the person, you know, somebody just to kind of, you know again, just a shoulder to kind of cry on to help him work through the issues and then help them, not really escort them to the door. I don’t want to give that impression but help him just kind of get them out of the building with . . . being able to save face. (Vol. I, pp. 81, 82)

Ed’s commitment was obvious as he described this process. He very much wanted people to know that the organization, although having to implement a tough business decision, was also very concerned for the well-being of its employees. Ed’s emphasis on the organization being able to assist employees with saving face is crystal clear. The process Ed was associated with included the entire HR department, well in advance of the actual restructuring. Ed’s input and the input of his colleagues were valued and factored in, by comparison, much more so than other restructuring initiatives.
explored in my study. The implications of this are discussed in chapter 6, Process Improvement Recommendations.

The experiences of Ned, Ed, and George demonstrated integration into restructuring discussions from the inception and working as an integral part of a team to serve the organization in compassionate and professional ways. Certainly top HR leadership was 'at the table' but there was a team approach and an overall inclusiveness that facilitated and was expected to serve in a variety of capacities to effect organizational restructuring.

Compassion on the part of HR leaders was evident as they implemented downsizing or became personally impacted by downsizing. Collaborative approaches facilitated through HR leaders in combination with their attributes of sensitivity and compassion enabled HR leaders to accomplish the goals of downsizing in a professional and humane manner.

**Summary**

The roles of HR leaders that emerged from this study were strategic business partner, coach/facilitator, educator, axe-man, and the downsized. It is likely that HR leaders will play two or more of these roles during a restructuring initiative. In some instances, all roles were played. The versatility and flexibility of HR leaders during restructuring cannot be overstated. The attributes displayed by HR leaders as they facilitated restructuring infused credibility and commitment into their actions. As HR leaders assist the organization to think through and implement processes as a strategic business partner, they are keenly aware that much of the responsibility for implementation and related fallout rests on their shoulders.
CHAPTER FIVE

THE IMPACT OF RESTRUCTURING ACTIVITIES ON
HR LEADERS

Introduction

In this chapter, the impact of restructuring is examined from several perspectives. I discuss the HR leader’s view of informing people of the loss of their position in “It Comes With the Territory,” and then explore use of humor, deterioration of organizational supports, HR leaders’ grief and stress reactions, the aftermath of restructuring from the HR leader’s perspectives, collegial support, support from family and friends, and Employee Assistance Program (EAP) support.

It Comes With the Territory

I think . . . if you’re not good at it [removing people from their jobs] and you are really, really emotional, then maybe you’re in the wrong field.

—Ruth

The HR leaders I had the privilege to interview did not indicate that removing people from their jobs was foreign to their role. But like many professionals, HR leaders readily admitted that a steady diet of removing people from their organizations was indeed stressful at times.

Fred’s department was responsible to “terminate 100 office employees” (Vol. I, p. 78). Fred described how he and his colleagues would accomplish the task:
We had five or six HR people meeting with people [employees] . . . every 45 minutes for three days . . . until we hit all 100 of them . . . and then there were still people who were on medical leave, etc. . . . We hit [them] on the following Monday. So it took us a total of three weeks to notify everyone. (Vol. I, p. 78)

Fred indicated that part of his role included informing 30 people, each of whom he knew personally, and this prompted him to comment, "But on an emotional standpoint it was very difficult" (Vol. I, p. 78). Some of the people who were being relieved of their duties had been with the organization for 25 or 30 years.

Fred described the high level of investment that employees at his organization felt and, as a result, many of them, despite being terminated, wanted to return to their desk to provide some final correspondence about the projects that they were working on. Fred was obviously touched by this desire on the part of severed employees and his voice conveyed enormous respect as he commented, "The disappointment that those people were experiencing was the hardest part" (Vol. I, p. 106). As Fred emphasized, "It was kind of an emotional roller coaster for a few weeks" (Vol. I, p. 91).

Ed reported that one of the most stressful aspects of the restructuring for him was the deluge of telephone calls from anxious employees inquiring as to whether or not their names were on the list. I asked Ed how he responded to these calls and he explained.

The plans are still being developed. Nothing has been finalized. No one in this organization is guaranteed employment and we are trying to work through it . . . But it is real difficult when you get those kinds of calls saying, I have been . . . praying that I am not going to get laid off and I have all these bills I have to pay or this kid is in college. You know, that is really emotional. It really humanizes it. (Vol. I, p. 92)

Ed went on to give credit to the management team as he stated, "Our top management came to realize that it is more than just numbers" (Vol. I, p. 92). As Ed recalled the process he reflected,
We are affecting people’s lives. We are affecting families’ lives. And so for me, I think, you know you kind of had to get over that when you notify people. But to people’s credit, they understood it was as difficult for the hired manager and myself to be notifying them then as it was to be notified. (Vol. I, p. 92)

According to Pfeflfer (1994), “It is likely that the effects of the decision will be with us longer than it took us to make the decision, regardless of how much time and effort we invested” (p. 19). At times, Ed found himself thinking about the terminations that he would have to perform the following day as he lay in bed. Pat also experienced this phenomena and said, “I think the worst thing is . . . trying to sleep when you know this [termination] is coming up” (Vol. II, p. 151). In Carla’s situation, as her job would ultimately be eliminated, she commented, “I kind of got a little . . . taste of what many of them [employees who were downsized] . . . had to go through. . . . [I had] many sleepless nights being stressed out” (Vol. I, p. 49).

Hugh recalled a specific directive from a previous restructuring as he was given specific instructions to not divulge to a close colleague of his colleague’s impending job loss. Hugh’s response, in retrospect, to the situation was: “To this day I will never forget how that person reacted and how they felt and what they said when I let them go. Because they thought it was a betrayal in trust” (Vol. I, p. 134).

Hugh’s frustration with this situation was evident. Hugh commented he is “long past the sensitivity” regarding his role in the notification process during restructuring and then made an interesting analogy when he said,

I have never been a police officer and I don’t really want to liken a job entirely to being a police officer, but I think because you become the policy and rule enforcer in the organization because you are directly involved in termination and because a lot of times you take operations people off the hook so that they are not the bad guy, you wear the black hat and you do it, but you are very much like a police officer in terms of being in a world of your own, that the rest of society does not fully understand and can’t because they are not there. But a good operations person would experience,
does understand that and uses you in the right way to achieve the organizational objectives. But there is a language that you might speak from one HR Manager to another, you understand about all that. (Vol. I, p. 153)

Use of Humor

That is the only way I know how to function or how to cope with some of these things.

—Diane

Diane reported, “I spent a weekend, and my own money, because I didn’t have anything in my budget, and I put together stress relief kits for them [with] chocolates, squirt guns, you know, just fun things to bring a smile and take the tension off. And they all had these little Groucho Marx glasses too. They sent me a picture of all of them with their squirt guns and their Groucho Marx glasses on. Apparently it was a welcome relief” (Vol. I, p. 48). Diane described the employee response to these efforts as being one of appreciation and served to lighten the mood.

Mark reported that humor was important to him also. Mark described that sometimes he used humor to disguise his own stress or anxiety. “Where I was just torn apart on the inside but I was joking and smiling and having a good time because that was my way of dealing with it” (Vol. II, p. 8). Barb reported that she, too, relied on humor and considers it one of her values, but was careful to clarify that it needs to be used at the right time. Val echoed these sentiments and went as far as to say,

Humor could be taken easily out of context, so most often it was left to the area where the board was meeting and we were having our key meetings. So . . . it easily can be misinterpreted as being sarcastic or . . . degrading to somebody’s circumstance. (Vol. II, p. 282)

Walt emphasized, “One of the most important roles of humor is when somebody is having a bad day and taking life and themselves far too seriously. But in a restructuring situation there is very little humor to be found there” (Vol. II, p. 199).
Walt indicated that he would not use humor with someone he was assisting to leave the organization unless it was a "wry comment" and he knew the person exceptionally well.

Walt reasoned that the person who is losing their livelihood, and the self-esteem which often accompanies one’s livelihood, just does not allow for humor in that context. Walt’s no-nonsense perception regarding the process an employee goes through as they lose their job and exit their organization was apparent. Walt admitted that although he was able to poke fun in a variety of scenarios, he just was not able to find any humor in the scenario of the loss of one’s livelihood.

Mark described the humor used by employees to cope with the restructuring as they discussed making t-shirts regarding their survival. Mark recalled, “People were joking about making t-shirts that they would actually wear at work [that said] “I Survived the Restructuring of July, 2000” (Vol. II, p. 42). This kind of activity is an example of gallows humor and indicative of the level of anxiety that is evident in organizations post-restructuring. As Clark and Koonce (1995) emphasize.

If you can give people a sense of control over their current circumstances and foster emotional and professional resilience in them at the same time, you will have hurdled two of the biggest obstacles that tend to thwart change efforts in organization today. (p. 30)

Several HR leaders believed that employees perceived them in their role as ‘axe men’ and then viewed them differently following the restructuring process. Carla’s response to these observations was to infuse some humor as she said, “From now on I will wear my black hood and so then they became more relaxed” (Vol. I, p. 64).

One restructuring became the catalyst for construction of a web site as a means by which to convey humor. The site was constructed by a third party and was accessed by
numerous employees, including HR leaders, as their organization went through restructuring. The web site poked fun at the realities of the restructuring and gave employees an opportunity to recognize and vent their anger.

**Erosion of Organizational Support**

*The whole upper management began to withdraw, even from those of us on the executive committee. We stopped having regular meetings so we weren’t knowing anything that was going on and that made it very difficult.*

—Diane

Diane quietly related her feelings to me about not just the letting go of employees, but the end of her career with her organization and the end of the organization itself due to financial difficulties. She was still in the process of bringing closure to her experience when she stated, “I am still kind of in disbelief that it actually did take place” (Vol. I, p. 42). The pain that some organizations and their employees experience as a result of restructuring is further illuminated by Perle (1997) as she implores,

> Let’s begin by seeing our employees as people, human beings, who have strengths, weaknesses, and ups and downs. People are neither “intellectual capital” nor commodities; they’re people. Almost all of us want the same thing—the ability to contribute our talents in a meaningful way and to be acknowledged for that contribution. (p. 77)

In Diane’s case, things became even more difficult for her as her boss began to withdraw from her. Where once she had had a sounding board in her boss to confide in regarding organizational situations, this source of support began to ebb away from her. Diane described,

> We had always had good communication and a good working relationship . . . so that was hard for me to deal with and difficult. And I think it was hard for him too. He just found it to be a necessity and as things were happening to these people that he cared about, he had to emotionally withdraw in order to cope with it. (Vol. I, p. 45)
Diane had previously confided to her boss when she had considered leaving the company, and she reported that her boss inevitably talked her out of those thoughts. Diane did eventually decide to leave her position and observed, “At a certain point that with the way the company was going, if we weren’t going to have employees, they weren’t going to have the need for an HR person” (Vol. I, p. 43).

Another perception regarding a lack of organizational support, especially as it impacted employees, was explained by Hugh. As Hugh related, “You might think you lost your job because of an arbitrary decision made the morning of” (Vol. I, p. 177). His reference to the fallout as a result of names appearing off and on the termination list created conditions conducive to committing errors, and correspondingly, heartache for the employee and unnecessary stress for the HR leader.

Jeff reported experiencing a decline in organizational support as he recruited people to work within his organization. Prior to a restructuring that occurred in the form of a merger, Jeff described in detail a story he told potential employees regarding his organization.

It has been told to grandparents who tell their children . . . this is the only organization that paid back dollar for dollar coming out of the depression and no other organization like it did that . . . So you’d have this personal story of commitment to the community. (Vol. I, p. 197)

Jeff was proud and confident to share with prospective employees that this was an organization that valued autonomy over size. As previously mentioned in chapter 3, Jeff’s own reaction to the announcement regarding his organization’s merger was one of anger and betrayal. Jeff believed he had let employees down and referenced the Society of Human Resource Management (SHRM) (2000) Code of Ethics as a professional member in that organization. According to the ethical guidelines published through
SHRM, the Ethical Leadership section encourages members to "exhibit individual leadership as a role model for maintaining the highest standards of ethical conduct" and "to earn individual respect and increase our credibility with those we serve." At the time we talked it was apparent that Jeff felt a serious level of personal responsibility for the stories he told on behalf of the organization to inspire employees to join the organization, as he commented,

If they [newly recruited employee] had come to work with us within the last 90 days, I know that on that day [merger announcement] they are thinking about that conversation I had with them. (Vol. I, p. 197)

As Axley (2000) observed,

There are many proactive things that people and organizations can do, not only to survive but also to learn, profit, and thrive in conditions of constant change. Many of the most important such steps we can take in our organizations center around the interface between change and the people whose organizational lives will be different as a result of change. Following the whitewater metaphor, it's crucially important for everyone on board to understand, as clearly as possible, the kind of challenges they all will face as they proceed. The more people have a shared understanding of what's up and coming, the better they can prepare. (p. 18)

For Ned, personal support varied and, when asked if the organization provided adequate support for HR leaders as they went through the merger, he responded.

I would have to say no... we were expected to be able to support each other and we were not equipped to do that because some people were hurting more than others, some were feeling more at risk than others, some were struggling more than others. ... We didn't have enough support to get through this. (Vol. II. p. 105)

Karl indicated that he did not perceive a lot of tangible or substantive support coming from executive leadership in the organization. This perceived lack of support by HR leaders would encourage turnover in the HR department, according to Karl, who predicted that "you will probably have 80% turnover" (Vol. 1. p. 214). An example of this theory was that although there was an extremely attractive bonus in place for HR...
leaders who stayed and saw the restructuring process through, Karl pointed out that three of his colleagues had left the organization to work with another employer. Karl puzzled, "What is it saying when people with between ... severance and stay in place bonus over $150,000 walked away from it all?" (Vol. I, p. 206). As Patterson (1995) explains, there is a price associated with major change.

One way to make change an ally is to reduce the price we pay organizationally and individually for significant change. Returning once again to the notion of the pains of change, organizationally we can't escape paying a price. We can pay the price by seizing the opportunity, resolving the problem or managing the dilemma up front as the situation calling for change becomes clear. Acting on the situation early results in one form of price reduction ... especially compared to the price of organizational delay and denial. (p. 70)

Karl provided an explanation that gives a glimpse into the denial by which some organizations function, as relates to the impact merger has on employees. Karl described that the organization had a 'puffed up' perception of itself regarding the decisions made by some HR leadership to walk away from significant severance or bonus packages.

Karl's perception of the phenomena follows:

[Within] companies that are part of the acquisition, or that are the acquirers, is a level of what you called puffed up enough to believe that they [departing employees] lost. They're unfortunate. We're great. We don't understand why someone wouldn't want to stay. (Vol. I, pp. 206, 207)

**Grief and Stress Reactions**

*It is almost like when someone dies, you feel kind of guilty for being left behind.*  
—Diane

Further exploration into what Diane did to cope during the restructuring revealed that one of Diane's biggest vices is sweets, and that from the beginning of the process to leave the organization and the 6 months that followed, she gained significant weight.

Diane was quick to point out that she was also experiencing significant stress in her
personal life due to a death in her family and change in her primary relationship. Diane emphasized, “I went through really tough changes because it was major, major changes in my life” (Vol. I, p. 60). The combination of these things weighed heavily on Diane as she went about the business of implementing restructuring and keeping her own head above water.

George offered his theory that, to a great extent, the individual makeup of the HR leader often determined the nature and type of healing needing to occur following a restructuring. Particularly as HR leaders must cut deeply into their own staff, it adds another layer of stress to the restructuring process, which is not present as HR leaders terminate employees who are a greater distance away from themselves, as in other departments.

Fred reflected that it seemed as though you knew a group of people you could depend upon one day and the next day they would just be gone, due to restructuring. Fred also admitted there were times when “bitterness crept in” as he wondered, “How did we get to this point?” (Vol. I, p. 97).

Karl described his grieving process as he recalled,

I began to make a list mentally of all the things that would be affected by it [merger] but at the same time I think the appropriate and traditional reaction, which is the grieving process, began. First the denial and within 24 hours, bargaining set in and then slowly and sure enough, the anger. And so I could actually document and because I am familiar with the process, mentally made a note of each step that I was in because I have been trained to walk through and make sure that you completely grieve the process. (Vol. I, pp. 199, 200)

As Sherriton (1997) explains,

The most critical challenge facing human resources professionals in today’s dynamic environment is facilitating major change in their organizations. Most companies mired in change make valiant efforts to manage it, but don’t address the major culprit; their own organization’s culture. Merged companies neglect to meld their cultures.
Changes are overlaid onto the existing culture, which doesn’t often support the change or may be antithetical to it. (p. 27)

In anticipation of a department meeting following the merger announcement, Karl reported that he made a mental list of questions which would likely be in the minds of most employees as well, since the restructuring would, in various ways, impact all employees. Responses to these questions would help HR leaders as employees sought reassurance in the form of honest communication. Karl observed,

I have to say this, because it is probably one of the most amusing things I will ever face in my life. This person who leads the group in the department sat in a meeting within three months of this process [merger] and said, “look people, if we continue to have meetings where these questions are asked that I can’t answer, we’re not going to have these meetings anymore.” I mean I had to stop and replay it in my head. (Vol. I, pp. 203, 204)

In cases where restructuring occurred due to merger or acquisition, according to Reece (1996),

most experts agree that the seeds of merger failures are planted during the transaction. When the process of combining corporate cultures is not given proper attention, it is easy to see why a merger fails to meet objectives or fails to take place. Unfortunately, negotiations often proceed without the cooperation from senior management needed for strategic operations planning. Integration is often delegated to operating officers and managers who have had little or no involvement with the initial planning and therefore do not know the complete strategic plan or goal. (p. 39)

Jeff, who used the metaphor of riding on a train, provided an example of his grief reaction to restructuring. In his scenario he describes that people get on the train, and the train moves forward to the next stop. There, Jeff waves goodbye to several of his co-workers, more people board the train, and the train moves to the next destination. The problem, as Jeff describes it, is that he is strapped into his chair, and when the train comes to its final stop, Jeff is unable to get off of the train.

There’s a loss there. It is a mourning. You know, you get very proud and take a lot of pride in the reality of building a team that builds and runs a successful company.
You say, what do you make? I don’t make anything but I make a company and that’s, that’s amazing to me because it’s hard and the process that you take to do that and you see the successes and you step back and you really do take pride like anything else. And you say wow, look at this, and something comes along and takes it apart. (Vol. I, p. 205)

This potent symbolism describes what it is like to experience everything being the same and everything being completely different simultaneously, as in the case of a newly merged organization. The type of business remains the same, but the dynamics and new players create a new organization. Employees typically experience a profound sense of loss, as their once familiar organization becomes unfamiliar in many different aspects. According to Bridges (1991),

Loss hurts, so the best clue to loss is pain. What hurts you most in the current change? Spend some time letting yourself experience the feelings. (That may not be easy, for most of us learned to bury those feelings when we didn’t know what to do with them.) You may feel bad for somebody else, but push further and ask if the other person’s situation means that you’re going to have to let go of something yourself. Will you have to give up the idea that you can help your people when they need you? Or that you have to give up the illusion that the same couldn’t happen to you? Or that you have to give up a hope of getting ahead while maintaining your self-image as a nice guy?

These are things you need to mourn. That depression you’ve been feeling, punctuated with episodes of anger, may be the mourning process you’re already undergoing. (p. 90)

Ned, who also experienced restructuring in the form of a merger, reported that as people would ask him how he was doing he would reply, “I’m fine, when you’re not really fine, when you’re really struggling” (Vol. II, p. 104). I wondered if the need to be on top of things occurred sometimes at the expense of HR leaders’ needs and emotions. As Ned clarified,

And it is emotionally draining and it is physically draining . . . and I think that there needs to be really strong support mechanisms for the leadership team who is going through this. Not only HR but there are other folks too and other departments that I think the executive team we underestimate what they are going through when something like this occurs. (Vol. II, p. 102, 103)
It is clear that HR leaders view their responsibilities as weighty and hold themselves to very high standards. Oren was also quick to point out that the only benefit from challenging and stressful circumstances, such as those during a merger or restructuring, was to “always take it as a learning [opportunity]” (Vol. II, p. 100).

Karl described the restructuring situation he was involved with as a “burnout-prone” situation. Karl did comment that in his department he noticed an increase in use of ‘recreational alcohol’. As Grensing-Pophal (1999) cautions, Burnout is rarely fatal, but as countless HR professionals will attest, it can be debilitating. People in HR are so busy “fixing things” for everybody else that they don’t take time out to “heal” themselves. And that can be as bad for business as it is for their own well-being. (p. 82)

Lou reported that at one point during the restructuring he was involved with that he “shut his emotions off” (Vol. II, p. 12). Lou’s description reflects a need to get through the process, particularly when there will be many terminations carried out in a relatively short period of time. Lou went on to describe his evening at home following a day full of informing employees that their jobs no longer existed.

As the day was going on and you know people would be walking by me in the hallway and I was somewhat oblivious to what was going on around me and even that evening I went home and I sat down on the couch and I was just sitting there staring at the wall and a friend stopped by and, you know, I don’t know. I was kind of numb. (Vol. II, p. 12)

Lou used the metaphor of a ‘death in the family’ to describe the impact of restructuring on HR leaders as he observed,

You know it’s like a death in the family. It affects everybody a little bit differently. Maybe it doesn’t affect some people at all, but you need to be able to deal with that and you need to be able to get it out to deal with it. (Vol. II, p. 50)

Oren believed that there were stressful aspects during the restructuring he was involved with related to decisions that were not unethical, but as he stated, “In your heart
you know that certain decisions that you are needing to make are, in your heart, not the right ones, not in the long-term best interest of the organization, but they are not unethical things” (Vol. II, p. 48).

**HR Leaders and the Aftermath of Restructuring**

*It’s not an unreal terror. It is very real because when you walk in every day and you see Jimmy has the [empty] cubicle it is staring you in the face.*

—Mark

For Ned, “keeping my eye on the mission” (Vol. II, p. 116) was helpful. Ned explained, “If I can do that . . . I can weather most anything because I understand why I am there and can articulate to other people why we are all there” (Vol. II, p. 116).

Mark offered this perception regarding restructuring and the need for healing as he stated, “I don’t think you ever heal” (Vol. II, p. 22). He then went on to say that employees who would normally acknowledge him in the hallways would not even look at him. To this Mark commented that he realized that it takes a while for employees to get over that stigma, yet, “it bothers me because that’s not my nature and I know people didn’t mean it for the most part vindictively” (Vol. II, p. 23).

Another aspect of the aftermath of restructuring observed by HR leaders was immobilization. Mark observed that, “for the next, I would imagine six to eight weeks. I think there were still a lot of people that were constantly on edge” (Vol. II, p. 43). He then went on to describe the atmosphere within HR: “There were probably weeks following that that the productivity of any of us was miniscule at best because we were still trying to debrief ourselves and deprogram ourselves from that kind [restructuring fallout] of mind-set” (Vol. II, p. 48).
Ned agreed that “there is an awful lot of healing to do following any kind of massive change process” (Vol. II, p. 88). Ned continued,

You need people that are expert in doing that. I think there is a lot of processes around minimizing the impact on people so that the healing time is shorter. There are better ways to do these mergers so that people aren’t as traumatized in the process. There will always be those that need healing time, need recovery time and need to be re-inspired . . . and re-energized about the new organization, and it takes unique skills and competencies to help people work through those processes. But you need managers and supervisors that are astute to seeing those signs and symptoms and you need quick referral to resources that can help with that. (Vol. II, p. 88)

Petrick and Quinn (2001) implore,

Human relations leaders, who have strong role competencies in facilitating and mentoring, implicitly subscribe to a character-oriented ethics theories (virtue ethics) in daily practice. These “true grit” corporate leaders, who focus on the “right stuff in persons” and repeatedly use virtuous character as the exclusive performance standard, are tacitly endorsing and logically choosing to accord virtue ethics theory preeminence over other moral values; they routinely focus on the human and moral impacts on workplace harmony. (p. 336)

Ned reflected on the value of having time and experience in the HR leader role with regard to managing stress during a restructuring. He referred to the depth of competencies and expertise along with flexibility and knowledge about the profession. He also observed that, over time, HR leaders even acquire a depth to their own personality through exposure to various life experiences. He summed up the value of these traits by saying,

If you have all of that it creates an infrastructure for when the wind blows and the hurricanes come and the trouble comes that you can weather that storm. You have support mechanisms in your life. You have people you can go to. But you always know in your heart that you are doing the right thing for the right reason and that when it doesn’t go right you’ve challenged it. (Vol. II, p. 115)

**Collegial Support**

*You know, we saw needs with different individuals within the department that I think we sat and listened or whatever we needed to do to help everybody get through it.*

—Lou
I asked Ed, “Did you notice any difference . . . in your relationships with supervisors and colleagues?” and the answer came back instantly, “It was built. Without a doubt” (Vol. I, p. 208).

When asked who supports HR during a restructuring process, many HR leaders chuckled. As I further explored that, I learned that primary support for HR leaders during a restructuring process comes from each other. This makes sense, when you consider that like types can readily identify with like situations. Ned did comment that his support “included colleagues from other areas within the organization such as EAP and risk management along with resources available through professional organizations” (Vol. II, p. 114).

Ed reported that in their case they had a ‘war room’ which served the purpose to help each HR leader debrief a couple of times during the day. The interactions that HR leaders had with each other throughout the day gave HR leaders the chance to vent.

We talked about this one [termination that] was particularly difficult or even to anticipate. We think this one is going to be difficult. This person’s spouse works here, make sure you call the manager of that spouse because as soon as we notify this person they are liable to call their spouse and their spouse may want to go home and make sure you let their spouse go home for this interval. (Vol. I, p. 100)

In response to my curiosity as to whether or not these debriefings had an emotional benefit, Ed’s response, “Oh absolutely, probably half the benefit was the emotional part” (Vol. I, p. 100). Ed described the conversations held with five to six of his HR colleagues as “almost like counseling. Each one of the five or six of us made sure who played the HR role [in the termination meeting] would vent with the other people with how it went and how it would feel” (Vol. I, p. 100). I wondered if this was helpful to move through this experience and Ed answered, “Oh absolutely, and it helped keep us
from being too mechanical about it because you do one of these every 45 minutes and so you do, say, eight in a day” (Vol. I, p. 101).

According to Burke (1999),

As leaders and workers learn to value and enhance stronger empathic bonds, more confident, cooperative and caring relationships will be built. Empathy, creatively developed, is the first of the suggested elements of the new paradigm. When empathetic relationships are established, people understand one another more clearly and carefully. (p. 532)

Like other experiences where people have been expected to perform challenging tasks, as they carry out the tasks, a deepening of relationships occurs. The importance of quality relationships is described by Peck (1994) as he states, “To become more civil, humans must become ever more conscious of themselves, of others, and of the organizations that relate them together” (p. 26). This relates to what Hugh previously described regarding HR leaders having an intuitive understanding of tasks associated with restructuring dynamics, that laypersons do not. Even communication among HR leaders regarding various aspects of restructuring does not always demand specificity due to the intuitive and common knowledge possessed by HR leaders.

In order to manage the stress of performing terminations Lou also described the need to get away: “You know, we need to just have an afternoon to get out of here [company premises] and go do something or just go do nothing” (Vol. II, p. 21). Ruth also believed in the value of getting away for a bit as she said,

When it was all done we were so exhausted at the end of the day and you need to be here to answer questions but take some time too if you can because it is really exhausting. All the stuff leading up to that when you deliver the news, I mean you’re completely wiped out, but the thing is, you have to be here for questions. So it is pretty tough to just say I’m taking the rest of the day off, when all these people are just let go, so you have to be here when you go home, take a hot bath and try to relax, try to cope with it. (Vol. II, pp. 156, 157)
This was similar to Karl’s prescription as he described, “I’ve just been through 7 hours straight of telling 25 people that they don’t have a job anymore” (Vol. I, p. 232). And then I asked, “So what do you do?” and Karl replied, “They [HR leaders] need a vacation. They need a vacation at home” (Vol. I, p. 232).

Jeff commented regarding the deterioration of organizational supports during a restructuring,

You get detached from your friendships, you get detached from your relationships and the things that you were building. You’re not building anymore. You’re taking down. An example, I mean, I spent the last year and a half building an organization. And that’s significant in its mental affecting process. You take pride in it. I give the example of a child, you know, building something and being told that’s nice, honey, but we need to clean it up. There’s a loss there. It is a mourning. (Vol. I, p. 233)

Jeff indicated that the support he gained from other HR leaders was also important. Jeff chuckled as he described his membership in a professional association that provided him with the opportunity to vent. He occasionally described this meeting as an opportunity to “cry on each other’s shoulder” (Vol. I, p. 225) and then we all go back to our jobs feeling a bit better.

My inquiry regarding support for HR leaders going through restructuring prompted Jeff to make this unique observation. He said, “I think that an oversight is also a compliment. We need people we can count on and I think we can count on you [HR] the most” (Vol. I, p. 230). Jeff’s point speaks to the implication of what many organizations believe HR is inherently supposed to do, which is to play key and multifaceted roles during organizational restructuring. In the rush of activity that accompanies restructuring, these assumptions are not articulated and often create additional ambiguity.
Support from Friends and Family

We’re [HR leaders] the best conversationalists in the world until we come home and don’t want to make conversation and you wonder why and it’s because we’ve been talking to people all day long.

—Jeff

For some HR leaders, family provided a level of comfort and support during restructuring. In Diane’s case, her mother was a strong source of support. When asked what it was about the kind of support provided by her mother, Diane quickly responded,

My mother was just wonderful. Very non-judgmental, you know, no expectations just, you know, checked in every once in a while to see how you are doing and that was helpful. And that brought us, we were already close, but it made a connection between the two of us as well. (Vol. I, p. 51)

Acquaintances of Diane’s observed that the eventual loss of her job might well be considered a ‘gift’. In reflecting back on this, Diane offered,

That was the least helpful. It was not getting me anywhere there was a natural frustration, anger, self-pity, but I think no, I still can’t look at it as a gift. I don’t think it was a very nice gift at all. (Vol. I, p. 50)

Fred indicated that at the end of each day he would share with his wife the number of terminations he had conducted during that day. Fred observed that it is important for family and friends to understand that terminating employees is part of the role of HR and that that aspect of the role is never pleasant. He went on to say, “It takes a piece out of ya! And you know you’ve got to [have people who will] support that and understand that” (Vol. I, p. 103).

Fred commented on the importance of relationships at work and at home as he emphasized,

Appreciating relationships and appreciating people. It just goes to show that life is kind of fragile. So you don’t want to be sitting back thinking, you know, being holed up by yourself. I think it is more important to go out and enjoy those relationships. (Vol. I, p. 105)
Some HR leaders indicated that this was not the kind of information they wanted to discuss with their family members. In fact, Hugh indicated that, for him, space was important to process his own thoughts in order to then let them go. Hugh emphasized, “I typically wouldn’t say much at home about that [restructuring] other than essentially it was a good day or a couple of days ago all hell was breaking loose. I suppose her cue, since we have been married 28 years, would be I give him space for a while because he is not a happy camper and that would be that.” (Vol. I, p. 166)

Karl was skeptical that family members could truly relate to what an HR leader did during their day as he said, “I’ve just been through seven hours straight of, of telling 25 people that they don’t have a job anymore” (Vol. I, p. 231). Additionally, Karl quickly pointed out that if his spouse wanted to talk about it that in all likelihood, he would refuse. Karl explained, “Lower expectations are critical because the stress level has just increased” (Vol. I, p. 233). If the HR leader’s consumption of alcohol increased, Karl believed that it would be important for the spouse to express concern about that destructive pattern.

Oren indicated that most families have no idea the kinds of pressure HR leaders encounter during a restructuring process. As Oren stated,

Families have no clue what pressure you are under, what you’re personalizing, the agony you’re going through, the feeling of incompetence at times, a total lack of ability to solve problems. I mean, you know, generally as an HR person you are able to solve most any problem that comes along. Something like this is so out of, we don’t do it very often and so we don’t have the inherent skill sets at doing it and it is hard to describe how much of that you carried home with you and you agonize over that and you struggle over that and you feel a failure because you are not able to solve all these problems. (Vol. II, pp. 102, 103)

Oren emphasized the need for friends as well as family to understand that restructuring takes enormous time and not to expect the HR leader to be on a 40-hour work schedule. The other aspect of stress described by Oren was to understand that
HR leader will be perhaps more irritable. Oren suggested that perhaps dialogue to better describe what some of the situations were like at work would help friends and family to achieve a clearer picture of life, from an HR leader’s perspective, during restructuring.

For Lou, as people contacted him following his own job loss, he found that to be very helpful, especially “at a time when your self-esteem has taken a beating” (Vol. II, p. 39).

Jeff described support he had from professionals in his community as being vitally important. Jeff recounted conversations he had with some of these professionals as he recalled, “It doesn’t matter what would happen, I would like to be involved with you at some point of that process. So if you’re going to be in another company let me know where you’re gonna be” (Vol. I, p. 225). This was both a vote of confidence and a terrific morale booster.

Karl suggested that it is important for spouses of HR leaders not to expect HR leaders to “go above and beyond” on the home front. (Vol. I, p. 232). Karl also thought it valuable to take a real vacation, one devoid of cell phones, telephones, and pagers, to get a breather from the rigors of restructuring during a newly merged environment.

Ed indicated that he would not do well to sit alone and reflect on what had occurred. Ed reflected that, from his perspective, it becomes obvious how important it is “to go out and enjoy those relationships” (Vol. I, p. 105).

**Employee Assistance Programs (EAPs)**

*I think there is an intricate role that an EAP can [play].*  
—Mark

Carla indicated that the company she worked with did not have an EAP during the restructuring process. Her present company does have an EAP and she believes it would
have been of great value to offer employees who were facing job loss. Carla stated, “It is a wonderful tool” (Vol. I, p. 76).

Karl believed that for employees who were stuck in the grieving process, EAP assistance would be very helpful. To be effective the EAP must be “linked to the values of the organization” (Vol. I, p. 253). EAP may be a key support for employees who may turn to unhealthy ways of coping with the restructuring process, such as alcohol or drugs, to learn healthy coping behaviors and ways to manage their stress.

Mark indicated that he believed there was an intricate role to be played by EAPs during restructuring. For employees who were going to lose their job, Mark believed that “even if you go just once and scream about how you got screwed here, do it, because you need to” (Vol. II, p. 51). Mark’s perception regarding the role of EAP during a restructuring would assist employees to validate and help normalize the feelings they experienced. In Mark’s opinion, a key element of support may be provided to those employees who have little or no support within their personal lives. Mark elaborated,

It’s important to find a way to make that bridge [between employee and EAP] because not everybody has a lot of support systems. You know, I know some of these people had to go home and I’m sure tell a spouse that, hey, the job I’ve had for 25 years fired me today and they [employee] don’t have a support mechanism in place. (Vol. II, p. 52)

EAPs provide support to employees as they develop their new plan to obtain employment and work through the loss of their existing job. But as Gannon (1996) describes, the use of EAP services positively impacts both the individual employee and the organization it serves.

Of the many possible causes of poor morale, one seems to get the most attention: Difficulty handling change. In this era of rightsizing, mergers and takeover, the workplace can change rapidly and unpredictably. Employees may feel their jobs are outside their control, that qualities once rewarded in the workplace—loyalty,
dedication, years of service—are being ignored as managers pay too close attention to profits. (p. 18)

Gannon (1996) also offered this observation, “A climate of poor morale won’t go away over night. However, as human factors and relations experts, EAP professionals can serve as active consultants in the process” (p. 19).

Lou also indicated that EAP does have a very different focus from an outplacement firm and both are valuable. “I would have rather talked to somebody from EAP than talk to somebody from outplacement [initially]” (Vol. II. p. 52). In exploring that further with Lou I asked, “So you’re not saying that the outplacement service is unimportant, what I hear you saying is that . . .” and Lou’s response quickly followed, “It wasn’t timely” (Vol. II. p. 52). Lou indicated that at the point where an employee has lost their job, it is difficult for them to hear all the practicalities associated with that change. Employees need assistance with their emotions and support to cope before they are able to absorb the practical aspects of what most outplacement firms have to offer.

Linking restructured employees to EAP seemed to be a challenge for HR leaders. Mark commented,

What’s the best way to facilitate an exchange to EAP because . . . to a certain extent, you want to give an employee a chance to [access] some support mechanism. I think there is certainly a great deal of value that can be derived from that. I mean I’m a strong proponent of EAP both from a professional standpoint and personal standpoint and so maybe my perspective is a little bit different but I think something like that is important. I mean they were one of the first people I called. (Vol. II. p. 53)

Pat recalled, “I know that we let EAP know [regarding] people that we are letting go so that if they [EAP] received a call they would know” (Vol. II. p. 161). Although many HR leaders prepared packets that contained benefit information, including the EAP
benefit, they also recognized the importance of closing the gap between providing the information and accessing the EAP.

Some EAPs are on-site as employees are informed about the loss of their job, which is valuable for those employees who have an immediate need for support. For those employees who may need lower levels of support, or are afraid to ask for support, a disconnect exists. Mark suggested that perhaps giving EAP a list of employees so that a follow-up contact could be made to offer supports, and could remind family members of the benefit as they try to make sense of their new circumstances and accompanying dynamics. According to Oren, “You need folks from your EAP that cannot only help the employee who is being impacted through that process but [provide] support for the family. Because the family often gets angrier than the employee does, which is amazing” (Vol. II, p. 118).

Family members may well feel the loss in more acute ways, due to attempts to support and cope with the emotions of their loved one as they navigate their way to the next employment opportunity. For families with existing problems, a follow-up call from the EAP may well be beneficial.

Summary

Views of HR leaders relating to the impact of restructuring highlight personal and organizational results. The personal impact includes the tasks of making sense of the effects of grief and stress as HR leaders implement and survive restructuring. Organizational losses create opportunities and demand for HR leaders to respond in compassionate and appropriate ways while creating a healthy balance for themselves. Balance may include use of their sense of humor in appropriate ways and times, along
with support from colleagues, family members, and friends. Organizational or internal supports frequently deteriorate or are not equipped to provide psychological support to HR leaders as they operationalize restructuring strategies.

The organizational impact of restructuring may require use of outside support resources as requested by HR leaders, such as EAP services to provide counseling for downsized employees or survivor groups.
CHAPTER SIX

PROCESS-IMPROVEMENT RECOMMENDATIONS

Introduction

The observations of HR leaders regarding process improvement were vital to thorough exploration of my study question regarding the impact of restructuring on HR leaders. These observations enable me to “back-in” to the equation and identify some of the variables, which were previously unknown, regarding the impact of restructuring on HR leaders. As described by LeCompte and Schensul (1999),

If analysis creates the chunks of data that portray what the researcher discovered, then interpretation of data permits researchers to answer some of the most important questions that researchers and nonresearchers ask. These include the following: Why are people acting like this? What’s going wrong—or right—with our program? What else do we need to know? What is the best course of action for us to take? Is this strategy or program effective? What kind of program would be best for us to implement? What new insights have we gained? (p. 5)

My curiosity about the experiences of restructuring from the perspective of HR leaders intuitively led me to ask process-improvement questions. What might HR leaders have done differently? How might various processes impact restructuring? How might Chief Executive Officers (CEOs), Human Resource (HR) leaders, and Employee Assistance Professionals (EAPs) benefit from the previous experiences of seasoned HR leaders?

This chapter presents recommendations based upon the experiences of HR leaders interviewed from manufacturing, finance, construction, health care, and publishing environments for improvement of the restructuring processes. Sections specifically give
feedback for communication processes, HR notification, demonstrating credibility, ways to value downsized employees, and guidelines for HR leaders, CEOs, and EAPs.

Communication Improvement Suggestions

The need to communicate clearly is critical throughout both the design and implementation phases of restructuring. Walt's observation was simple and sincere as he stated, "HR can hold the mirror up" (Vol. II, p. 211). Bramson (2000) describes the importance of HR leaders and the communication process in this way,

The need to communicate, communicate, communicate extends well into the latter stages of the integration but must begin with the first announcements. Often, communication efforts are fragmented with different messages and information flowing to investors, employees, managers, and customers. Messages to all stakeholders must be well planned and consistent. There can never be enough repetition. The message must be heard again and again to be fully understood. (pp. 59-66)

As Mark emphasized,

I think there needs to be a fair amount of communication because you still have all the people who are surviving [in] the organization that need to be touched, and may need hand-holding too. Communication [is needed] from top management... The better the communication, the more credible your communication can be because there needs to be frequent communication. (Vol. II, p. 38)

Diane described an interesting story about her experience with restructuring. She indicated that White males, who had run the company the same way for years, prohibited Diane from communicating information to employees about the financial condition of the company. According to Diane,

I was not allowed to communicate too much ahead of time. I was not allowed to give them any kind of notice. It just had to happen and they were gone... I wasn't comfortable with that. I didn't think it was a very good way to treat employees. (Vol. I, p. 40)
This made for a stressful situation, as Diane was uncomfortable with how the company was asking her to treat employees. Undoubtedly, due to the company imminently declaring bankruptcy, there were valid concerns about employees “jumping ship” prior to the financial status becoming public or common knowledge. Diane went on to emphasize,

My concern from the HR standpoint is that I considered my job one of communication to the employees, protection of the employees, as well as protection of the company and so I was torn in my position of looking out for the best interest of the company, but I certainly didn’t want to bring any harm to the employees either. (Vol. I, p. 40)

Diane’s question raised the point regarding employees having information in order to have some options, time, and flexibility to exercise their own decisions in the face of a company closing its doors.

Diane, who indicated that a key executive had been out on a leave during a time period that critical financial decisions were being discussed and strategies finalized, presented another disturbing communication issue. Diane recalled,

Unfortunately part of upper management was responsible for the deficiencies and they kept covering it up and making changes, so even telling my boss, who I felt I could say those things to, unfortunately the other manager was able to cover it up enough to the point that the reality looked very different than what it was after the fact. (Vol. I, p. 58)

Diane’s observation points out that the communication circles lacked mechanisms to close the gaps, and key pieces of information may have been lost within those gaps.

**Lack of Notice**

The greatest concern expressed by HR leaders interviewed was their frustration of not receiving communication well in advance of restructuring. This phenomenon related to the level of inclusion, or as I have referred to previously, being ‘at the table’. Not all
HR leaders were included at these discussions. As a result, last-minute notice or, in the context of a merger, no notice or communication was the norm. As Lou observed,

I'm just frustrated by the standpoint of how we try to keep this such a controlled, guarded secret. . . . If we would have worked a little bit more proactively as a group I think we could have done things a lot more effectively and a lot more efficiently. (Vol. II, pp. 55, 56)

Several HR leaders indicated that they knew this was coming long before formalized meetings began. Walt offered his observation as he stated, "[I] certainly knew that those things were afoot" (Vol. II, p. 182). Ed reported that most employees at his organization knew that profits were not what they needed to be, "We told people back in . . . March . . . we don’t want to have lay-offs and we want to be able to get through this by increasing our sales and putting back other areas, but if we can’t, then this is . . . the last resort" (Vol. I, p. 90).

Lack of advance notice prohibited HR leaders from comprehensively preparing. I was unsettled as I mulled this over and wondered if the purpose of short notice, in addition to containment of communication with regard to SEC considerations, may have inadvertently served another purpose. That is, did the paucity of time serve to mute thoughtful questions, or stifle potential dialogue with various HR leaders regarding restructuring methodologies? My question to Lou, "When it’s all said and done, what did this do to the trust between you and supervisors and colleagues?" brought this response,

A lot of negative and a lot of distrust. A lot of things that were so poorly communicated or not communicated or they were such last minute things that, you know, we’re HR professionals and part of our job is keeping our mouth shut. You can tell us. (Vol. II, p. 33)

The amount of notification time, or lack thereof, given to HR leaders was a contributing factor to their stress and frustration during restructuring. Part of the
frustration related to the fundamental concern of being able to do an adequate or professional job, on such short notice. Lou, in thinking about the short notice, also recalled,

The infamous list was unfortunate. It was a very dynamic list because it kept changing. People got added and people got taken off, other people got added. . . . An employee was on there and I’m talking to their supervisor and saying, “Why are we getting rid of this person?” and the supervisor replied, “Oh, that’s not who we want. We want to get rid of so and so.” Two people had very similar first names and they were just using the first names when they were talking about her and somebody was saying one person when really it was somebody else. (Vol. II, pp. 58, 59)

A concern expressed by Hugh was that inadequate preparation time necessitated the use of less experienced HR staff to terminate employees. Hugh’s concern was that “in this case the end result [was] slow because there were a lot of novices who are sitting down and doing terminations that had never been through it before” (Vol. I, p. 129). Hugh makes the case for skills from both the perspectives of recipients as well as HR leaders. Lou also voiced this concern, due to wanting employees to benefit from both the expertise and efficiency that experienced HR leaders bring to the restructuring process.

The internal communication within the HR department needs to be flawless. Hugh’s experience reflected a great deal of frustration regarding his role to notify employees without solid data,

There were cases where it was supposed to be optional for some people, it would be made an offer, and other people it was mandatory that they would be going and that, that status, was being horse-traded on the floor even as we were executing it. (Vol. I, p. 162)

HR leaders with key information need to be available, preferably in person, or, at the very least, reachable by telephone, to provide guidance to HR staff as they implement restructuring should complex or idiosyncratic issues arise. This prevents HR staffs who
are either uncertain or unauthorized to make certain decisions from being placed in unnecessarily ambiguous situations.

**Advanced Notice to HR Leaders**

The ability to plan, schedule, and prepare was observed by most HR leaders as key qualifiers indicative of good process. Fred also emphasized the need and importance of preparation. Fred said that the executive leadership first patiently waited for the economy to turn around, and then was left with the hard decision to do a reduction in force. Fred explained that the reduction impacted all areas, all departments, including HR. A percentage was expected from every area, including executive leadership. The clearly understood business rationale and time to prepare made for a very smooth process. As Fred stated, “We have gotten all kinds of positive feedback from employees” (Vol. II, p. 82), which is significant during a restructuring process. Fred also stated that no negative ramifications or lawsuits occurred as a result of their organization’s restructuring. Credibility of the HR department increased due to the well-organized, well-thought-out process employed by HR leaders to inform employees regarding the restructuring.

In contrast to Lou’s experience, Ed reported the careful planning that the entire department went through to orchestrate and then deliver restructuring information to designated employees:

The top 20 managers went back and started putting together their list. That was really the first official notice that I had. Once we walked out of that meeting, we worked individually with different managers. So we were working with the managers and walking through all that. (Vol. I, pp. 88, 89)

Regarding his own organization, George explained,
I have seen things done smoother and I think a lot of that would have been smoother if there was a better working relationship, a different perception of what Human Resources role is here. If we were really a business partner and we were an integral part of developing how we should look after restructuring. (Vol. I, pp. 177, 178)

Clearly, there is a desire on the part of HR professionals to be treated as trustworthy, in order to plan and then execute restructuring strategies with the utmost professionalism and competency. Routinely, much of the information that HR leaders address is complex, sensitive, and needs to be kept confidential. As previously discussed, communication among HR leaders and the HR department in publicly traded companies presents containment issues. However, some HR leaders believe that if the organization cannot trust them with confidential information regarding a restructuring process, there is precious little that their organization might entrust to them. As George commented, “How you weigh the balance of that [confidentiality process] against containment . . . is a tough question, but I have to believe that . . . they could have divulged that to the HR managers” (Vol. I, p. 140).

The All-Clear Whistle

The all-clear whistle must be sounded by executive leadership following a restructuring, and then reinforced through HR leaders and their staff. Fred observed, “They [top management] need to talk to their people throughout the organization to let people know that it [job terminations] is over . . . “to ring the bell” so that employees can put the process behind them and begin to reacclimatize to their organization” (Vol. I, p. 121). This is an extremely important communication that has the power to mobilize employees toward productivity and improved morale. George recalled,

You see lots of little chatter going on everywhere because people don’t trust that is the end of it. They tend to think it’s the first wave, you know, and that there may be
more to follow so it can be very disruptive for an organization. The Chief Operating Officer called the management team together and made clear that this was a one-time thing done on the books, reorganizing for the future. (Vol. I, p. 150)

Pat recalled that her CEO communicated to the employees regarding the end of the restructuring:

Our CEO pulled everybody in the auditorium to let them know that we were done. We did it the first thing in the morning and we were done by noon and we had a meeting with everybody to let them know, which I thought was great. We had a wonderful presentation put together that really explained it and then also let people ask questions. I thought that was really good. It was like a debriefing afterwards. (Vol. II, p. 142)

The Grapevine: Alive and Well

Another observation regarding communication processes during restructuring has to do with the informal communication which is alive and well in every organization. As leadership groups have closed-door meetings, people will talk and fill in the blanks. As Wheatley (1992) observes, “If information is not available, people make it up. Rumors proliferate, things get out of hand—all because people lack the real thing” (p. 107).

Pat commented,

You can’t . . . overcommunicate once it is done. You have to almost over communicate . . . because people are wondering the whole time afterwards if they are next and if it is going to happen again. . . . You can’t guarantee anything but . . . [with] any kind of change you have to overcommunicate. (Vol. II, p. 153)

If the organization possesses accurate communication about the next steps during a restructuring process, it is vital to communicate those to employees. In some instances, employees were going to the Internet to find out what was happening within their companies. This phenomenon speaks pages and volumes regarding the presence or absence of trust within an organization. Above all, according to Ned, “maintaining an
open and honest environment that promotes open and honest communication” (Vol. II, p. 98) is essential to facilitate healing and trust in a newly restructured organization.

Walt reminded me that, in a restructuring environment, “everyone begins to pay a little bit more attention to detail” (Vol. II, p. 201). Things that ordinarily would not command one moment of their time take on a new significance in a newly restructured environment. The caveat here is to pay attention to little details, which have the power to create large rumors. A story related to me by Karl had to do with a vending machine. Prior to the announcement to restructure, a decision had been made to change the supplier of vending machines. The timing was such that 1 or 2 days following the restructuring announcement occurred, the vending machines were removed from the eating areas. According to Karl, employees immediately concluded, “Great, first they take our jobs and now they take our vending machines. I [Karl] said, you’d better do something fast. A half an hour later signs went up” (Vol. I, p. 227). Accurate communication and, as Pat reminded me, ‘overcommunicating’ are key during and after restructuring.

An interesting aspect of communication that employees paid particular attention to was e-mail communiqués. One HR leader described the scrutiny with which employees reviewed e-mail recipient lists to determine whose names were not included, as a means of figuring out job status of other employees. In some instances, conclusions drawn were accurate; in other instances, unfounded rumors occurred as a result of this practice.

Lou observed, “There were actually employees that printed off the e-mail list and were going through and finding whose names weren’t on there so that they could figure
out who was gone. . . . Some people were on vacation” (Vol. II, p. 44). Lou also shared another example of this:

There was a husband and wife that worked there and the wife was talking to her husband and she said, yeah, you know they are having this meeting at three o’clock to talk to everybody about what’s going on and he said, well I didn’t get that e-mail and she said, “maybe you weren’t supposed to.” So he sat there wondering whether or not he even had his job. (Vol. II, p. 45)

Barb indicated that her organization intentionally does not send the names of those whose employment has been terminated.

We usually make an announcement to the rest of the company via a written document as well as e-mail and a lot of people want names on that and we still refuse to do that simply out of respect for the person involved because so many of them have said, “I don’t want my name on there.” (Vol. I, p. 17)

Consistent Communication

HR leaders across the board emphasized another important aspect of communication. Communication with employees needs to be on a consistent basis, not just when discussing a discipline situation or a termination. As Massey (2001) states,

That an organization should maintain consistency in communication may seem so obvious that investigation of the assumption is unnecessary. Would an organization in an era of instant access to information be so naïve? Would any organization think that they could communicate with one group of stakeholders in one voice and a different group of stakeholders in yet another? As naïve as it may seem, recent experience demonstrates that organization do believe they can communicate inconsistently with stakeholders. (p. 159)

The value of consistent communication helps to reduce negative stigma associated with HR leaders as the bearers of bad news, or the ‘axe-man’ phenomenon. As HR leaders and their staff proactively communicate with employees in formal and informal ways, they reinforce the multi-dimensional roles they play within organizations.
Silos of power within an organization are not conducive to communication or to expediting a quality restructuring process. As George observed, “Nobody wants to give up their domain and so it is not a process management, it is an individual business management, so you increase grave inconsistencies” (Vol. I, p. 173). In Lou’s organization, Lou stated that “some things we’re doing from a systems standpoint, but there is still that mind-set that is very much structured to be little fiefdoms that work independently to each other as opposed to collectively” (Vol. II, p. 28).

Another important communication tool is the company newsletter. When a communication tool such as a newsletter is missing, it may be indicative that restructuring information or other important information will not be consistently communicated. Karl pointed out that informing employees “that there is going to be big change” (Vol. I, p. 207) in a timely and appropriate manner demonstrates common decency and respect.

Fred observed that it is vital, in situations where large numbers of employees will be downsized, to not communicate in a mechanical way in meetings with employees. “We intentionally wanted to make sure that we were giving each person from the first person to the 100th person the same, the same support and understanding and respect as we did from 1 to 100” (Vol. I, p. 101).

**Credibility**

The ultimate accountability for whom will be notified and decisions regarding the scope of restructuring rests with executive leadership. The ‘horse-trading’ phenomena, as names come off and on the list on the day of the notifications, creates credibility issues not just for HR leaders, but for executive leadership, as well as they are ultimately
accountable for organizational performance. Hugh reflected, “What I would do is drive out the enemy and put the planning and the rationality and the logic and the fairness all back into it [restructuring process]” (Vol. I, p. 176).

To go even further with this issue, as key managers vacillate on which employees they will relieve of job duties, down to the day decisions are to be communicated, that practice seriously undermines trust and credibility of an entire organization. Hugh commented, “What I felt was truly unfair [was] the free hand of managers to be changing these things on the fly and names coming off and names coming on even as you are executing them” (Vol. I, p. 177).

Fred also reminded me that, as a HR leader, he believed there is no room for wishy-washy statements:

To say, well, jeez, this really wasn’t my decision, it was my boss’s decision or somebody else’s decision, I really don’t believe in this. You absolutely can’t do, can’t do that kind of stuff. You can’t make those kinds of statements. (Vol. I, p. 112)

If a restructuring process is to have credibility, the decision to relieve certain employees of their positions needs to be agreed upon and then committed to by key leadership. Hugh remarked, “That would make it a little more palatable than this last exercise in confusion. There might be a little more negotiating time in terms of operations, working together with HR on who is gonna be on that list firmly and we are not going to waffle along the way here” (Vol. I, p. 179).

Valuing Downsized Employees

In some instances, HR leaders verbalized the need to anticipate employee reactions to prepare for tough situations. In those instances, where an employee may have co-existing personal difficulties, along with restructuring, it may be to the HR
leader’s advantage to have EAP on-site as a source of confidential support for those employees. However, Barb reported,

We will never try to anticipate how a person is going to respond. You might be a person that has been there 10 years and you know them well and you think, “This is the way they will respond” and we’ve been wrong so many times, that we just go in now without anticipation or expectations. (Vol. I, pp. 11, 12)

Barb’s point is not that they do not prepare for the tough termination, but rather that they are always prepared for the challenging termination conversation. In one instance, difficulty was created as the HR department incorrectly anticipated one employee’s reaction, which was forecast by HR leaders to be non-problematic. In this instance, a less-senior HR person was identified to handle the notification process. To their surprise, this person had a multitude of personal issues that increased the impact and complexity of the notification. In hindsight, they wished they had assigned a more senior person to this employee.

Ed pointed out the value of role-playing the termination process prior to informing employees. Having someone assume the role of the terminated employee and play out a variety of emotions ranging from extreme anger to hysteria is worthwhile. It gave the HR staff the opportunity to anticipate what tools and resources would be helpful in advance of the actual termination process.

Another example Ed gave regarding tweaking the process, as a result of conferring with colleagues in the ‘war room,’ was about the method being used to escort terminated employees off of company property. Feedback regarding employee perceptions prompted HR leaders to unanimously voice that they did not want employees to feel like they were being escorted off of the company property. Ed’s group
immediately implemented the personal escort process which was perceived much more positively by departing and surviving employees.

Carla suggested that employees be permitted to return to their employer to communicate information regarding resume writing, job hunting, and other useful tips.

Carla elaborated,

Companies have a tendency to terminate employees and not ever want to see them back on the premises again and yet these were valued employees, so-called valued employees, that were terminated through no fault of their own so why not have them come back for seminars on how to put together a resume to get the most from your benefits. (Vol. I, p. 65)

Her point, that one day an employee was told how valued they were and the next day, as they were relieved of their job responsibilities, they were no longer permitted back on company property, illustrates employees’ perceptions regarding their individual worth and the meaning of that to organizations.

Sally held similar sentiments as she said, “The person [employee] is not just a machine that is broken and you throw it out in the dumpster” (Vol. II, p. 273). Sally reiterated the need to provide displaced workers with new tools and skills as part of an implied social responsibility on the part of the organization. Sally advocated “[the need for] classes and . . . support available for folks” (Vol. II, p. 275). Sally indicated that it would not have needed to occur on-site at the company, but an off-site workshop that taught skills related to job hunting, interviewing, and resume writing would have been valuable.

George also emphasized the importance of offering resources to restructured employees, in order to support separated employees, but if for no other reason than that
the company could “go on TV and say we offered outplacement services and severance” (Vol. I, p. 148).

As Karl facilitated education to assist staff to move through the restructuring process, he received feedback from employees. Although these educational sessions were offered 3 to 6 months following from the initial merger announcement, employees continued to verbalize anger about the restructuring. Karl observed, “Interestingly enough, we are still experiencing that [anger] because it is such a long period of acquisition” (Vol. I, p. 200). Karl built in time for employees to vent during the first hour of these sessions. This enabled employees to then concentrate on the strategic aspects of finding a job, and not stay immobilized in their anger.

In instances where outplacement was available, most HR leaders believed that was of great value. Employees could vent some of their anger with the outplacement professional and immediately embark upon the next phase of their career, which was to search for the next career.

**Guidance for HR Leaders**

*Our lesson in this is that we should continue to have a clear resiliency that says no matter what happens to any company, any situation in your life, you have a skill and an ability that will always be employable.*

—Karl

Obtaining support from the CEO and other key executive leadership while going through a restructuring is essential to competent performance by HR leaders. To facilitate receiving support, HR leaders need to understand multiple aspects of their business. Technical terms, specific to each organization, as well as financial information and ramifications of financial information are essential to understand. According to Ulrich (2001),
We continue to perform qualitative research within companies where investments are made for HR professionals. Based on these research efforts, we envision emerging competencies for HR professionals in a number of areas: Measurement. We believe that HR professionals must increasingly be able to measure the impact of their work. . . . Technology. . . . Much HR work will be done through technology. HR professionals who learn how to assess, deploy and leverage technology will be excited not threatened with new ways of delivering HR work. . . . Intangibles. By understanding intangibles and the creation of market value, HR professionals may be able to build intangibles that lead to real shareholder value. This will require that HR professionals master latest trends in finance and market valuation. . . . Globalization. . . . Learning to leverage knowledge, to adapt to local conditions, and to instill a global mindset will become critical for HR professionals. (p. 15)

Fred described that one of the most important things anyone can do during a restructuring process, HR leaders included, is to “know your worth.” Fred elaborated and said,

If my job were eliminated, first of all, hopefully I wouldn’t be surprised and two, I would know, I would know my value to possibly my next employer. I would know what I can bring to the table. (Vol. I. p. 116)

Fred emphasized, “Know your worth and always be prepared and upgrade skills to get involved in projects to be valuable to the organization” (Vol. I. p. 117). As Smith (2000) reminds today’s workers.

In today’s fluid workplace, the opportunity for challenges that stretch skills is crucial for free agents. Smart employers know they need to groom workers—even if it means their new, improved employees carry the skills out the door. (p. 56)

Karl reminded me that in his experience with work, including restructuring, that “everything counts” (Vol. I. p. 222). Even during a restructuring there will be learning experiences that may be applied in the future and turned into a resource. Mark expressed a similar but different idea regarding going through a restructuring process. “The up side may be as you come through as a survivor it makes you a little stronger individual” (Vol. II, p. 5). Ned also observed that, for him, “it was a great learning experience and it would be something that would add great skills and competencies” (Vol. II. p. 75).
Jeff described his own process to check his level of commitment as an HR leader during restructuring:

What am I gonna do? What’s the big picture for me? How am I with this? Get it established. Commit yourself to saying okay, here’s some guidelines I’m personally gonna follow. I’m not gonna be sarcastic about this. I’m not gonna make public displays of anger. I’m not gonna make certain statements about individuals. I’m going to stay neutral and here’s the role that I will have to play. But making sure that you are clear with that and committed to that first before going forward. (Vol. I, p. 242)

HR leaders need to be honest with each other in terms of what they can and cannot do. Pat described one instance where one of her staff was extremely uncomfortable to participate in terminating employees: “She said it was going to be really, really hard for her and was a little teary-eyed and said, ‘I don’t like doing this kind of thing’” (Vol. II, p. 144). Pat then went on to say that it was “no problem” as this person assisted with numerous other tasks associated with the restructuring process.

Oren regretted not being more emphatic with the executive team and recalled he would have liked to have said, “This is something that I am simply not willing to do” (Vol. II, p. 99). During our interview Oren still believed that “bad things that happened could have [been] prevented if I had been a stronger advocate” (Vol. II, p. 99).

HR leaders described the importance of follow-up with recently terminated employees. From one perspective, it was perceived by some HR leaders as the right thing to do and part of their professional role. From a very pragmatic perspective, it is a proactive behavior which assists the HR leader to better control their time, which is precious at best, following a large restructuring.

Ned suggested that HR leaders proactively communicate to executive leadership regarding the skills and competencies they have to contribute to a restructuring process.
Of particular importance is to have clarity, to the extent possible, regarding various roles within the HR department and other parts of the organization to facilitate accomplishment of organizationally defined restructuring goals.

Key points made by Fred and other HR leaders are to: (1) know your business from a multifaceted perspective, (2) articulate clearly your knowledge about restructuring and the value that HR leaders bring to the table, and (3) commit to clear and consistent communication and, above all, (4) be honest with employees.

**Guidance for EAPs**

*An organization that doesn’t have any employee assistance program is a poverty stricken organization. Because they are not seeing to the people’s needs.*

Zach

As Beard (2000) states,

In order to be of greatest service to work organizations and employees affected by rapidly changing business and economic conditions, the EAP practitioner needs to keep abreast of business trends. . . . The EAP practitioner desiring to broaden his/her skills or to develop competencies in more organizationally-based interventions, such as organizational development (OD) must begin with an understanding of contemporary business, the organizational context, and the personal competencies necessary to successfully navigate and negotiate in today’s business world. (p. 119)

HR leaders made the following recommendations to EAPs during restructuring:

1. Include literature regarding EAP services in benefit packets for employees and their family members to review on their own time schedule. As Barb stated earlier, it is difficult to predict how an employee or their family member may respond. By providing this information, if the employee or their family member struggles with the termination and needs support, the information regarding EAP support is in their information packet.

2. Provide systemized/structured follow-up by EAP to downsized employees and their family members following the restructuring. As Ned emphasized, “Often the spouse
is angrier than the employee” (Vol. II, p. 118). Whether by phone or note through the mail, remind the employee and family members that confidential and professional support was available to them, at no cost, through their EAP benefit.

3. Another role for the EAP to play during restructuring is to provide educational programs that assist remaining survivors or departed staff to cope with the stress of restructuring and to understand the dynamics of change. In my own experience, I have provided this type of education to several companies who have recently restructured. Employees appreciate the information provided through EAPs because it helps to normalize the change/restructuring process and provides validation of feelings and thoughts associated with the dynamics of change.

Ruth suggested providing the EAP with the list of names of people who were being terminated within the organization, so that the EAP would be apprised of this information in advance. Although the logistics of how information would be linked to EAP was unclear, there is merit to this approach.

**Guidance for CEOs**

*This is our chance, let’s fix everything because we’re gonna take a beating financially. We’re gonna take the hit on the stock price. . . . Let’s not just fix it a little, let’s fix it a lot.*

—Lou

It should not come as a surprise that many HR leaders advocated to executive leadership to recognize their competency to facilitate multiple aspects of restructuring. As some HR leaders observed, restructuring is not just about eliminating a handful of positions, or closing a couple of plants. It is an opportunity to create a new organizational culture, and deserves to be thoroughly thought through by the top leadership with HR leadership at the table. According to Beckhard and Pritchard (1992),
The first step in the process of mounting fundamental change is an adequate diagnosis. This involves an analysis of the present reality, including the demands of the environment and the organization's capacity to respond to these demands, and the development of a clear vision of the changed state after the change effort has taken place. (p. 12)

Hugh emphasized,

There is a great opportunity here in terms of what could happen to transform this business. But I think it largely is contingent upon the success of the top Human Resource officials influencing the top executive officials because you do not drive cultural change from the bottom up. It won't be sustained. (Vol. I, p. 186)

HR leaders embraced the duality of their role as both a credible business partner, capable of being at the table to explore tough issues, while being mindful of the legal ramifications and morale issues of employees associated with maintaining productivity.

Another recommendation made by HR leaders to CEOs is to embrace the value of providing HR-led workshops to employees who have been impacted by restructuring to teach interviewing, resume writing and job-hunting techniques. The value, they emphasize, is that it benefits the employee and the organization as well. Employees will talk about their organization in many circles, and by offering these workshops, which can often be facilitated by HR leaders or their staff, it enhances and softens the organization's image in the community, in the face of unpopular or tough business decisions. Fundamentally, it is the right thing to do, requires negligible dollars, and gives the organization the opportunity to demonstrate commitment to displaced employees.

A protracted process was a distraction from a morale and productivity standpoint. HR leaders advised that, whenever possible, be generous with time on the preparation time and efficient with the notification time frame. The obvious and respective reasons for this related to the need for adequate preparation to do a thorough and competent job without prolonging the agony of anticipating a job loss. On the other hand, as Hugh
pointed out, a paucity of time to notify employees creates undue stress on HR leaders. While the notifications were accomplished within a short period of time, you may not have a quality process, due to the aggressive timeline.

Pat's guidance was succinct, yet significant, as she urged executive leadership:

It's the overcommunication thing. I think you can't talk to your people enough. And I'm talking ongoing too, for a few months after that, to make sure that people feel comfortable. Because then you lose more people because they start jumping ship not knowing what is going on. (Vol. II, p.149)

Pat also urged leadership to communicate to the fullest with HR leaders. From her perspective this is an essential job tool, necessary to perform restructuring tasks. As Pat stated, "If I didn’t have answers of why we were doing things it would be really, really difficult" (Vol. II, p. 159).

There is, according to Walt, no substitute for solid communication during a restructuring. Walt advised, "If you try to short-circuit the process [communication] you are probably going to get in trouble" (Vol. II, p. 231).

In instances where CEOs are concerned about hostility or potential for violence, safety measures need to be implemented well in advance of the restructuring. The benefit of implementing safety measures prior to restructuring appears as an added employee safeguard and not on the heels of a restructuring announcement, an obvious mistrust of a few trouble-making employees.

Jeff related a comment that was made in his newly restructured organization where a merger has occurred. Jeff reported that a manager commented, "Sometimes it's best if a company just begins with brand-new employees in these situations. It is phenomenal to me, not only as a HR professional, but I have a hard time grasping it as a recruiter" (Vol. I, p. 212). Jeff went on to indicate that it is unwise for top leadership to
verbalize that it may be best for some employees to leave. This will happen anyway! As employees evaluate what their needs are and what the new structure has to offer, some employees will stay, and some will leave. The underlying message is that a climate of great uncertainty and anxiety exists, and that stability may or may not be found in the newly restructured organization. This message serves to create further anxiety and an exodus of valuable employees.

Communication regarding the HR staff’s performance during a restructuring needs to be personal, whenever possible, and sincere. Memos or e-mails just do not convey the same level of appreciation that a personal thank-you does. In organizations where the top executive was on the premises, dropping by to thank the HR department for all their efforts during a restructuring process is greatly valued and was another indicator that respect and dignity were alive and well within the organization. In an interview with CEO Eric Danziger, “If you treat employees with dignity and respect, they will pass that treatment on to guests, or, on the corporate level, will function more productively” (Malley, 1997, p. 98).

Another aspect of operationalizing respect and dignity within an organization has to do with the physical layout of the organization. In one instance, Jan reported, “We have all open offices and it is a very terrible thing to be in when you are in HR” (Vol. II, p. 173). Lack of privacy challenged the restructuring process, as private conversations were almost impossible to have. Val indicated, “There was no private area to go when people were clearly upset” (Vol. II, p. 283) and went on to explain that only one office at their facility had a door, and it was clear that people who went into that office were marked for termination. The amount of restructuring that occurs requires that some
amount of physical space be available to have a private conversation, allowing the employee as well as the organization to maintain dignity and demonstrate respect. In some cases, organizations have opted to meet with employees off site as a valid alternative, despite the existence of private space within the organization.

Oren emphasized the need for CEOs to understand that HR leaders have information regarding the organization that surpasses facts and extends to morale issues and 'hot spots' within the organization. For this reason, Oren was emphatic that CEOs need to listen carefully to their HR leaders. With regard to particular strategies or ideas, if the consensus of the HR group is that it will not work, he said, "Don't do it!" Oren went on to say,

HR people are close enough to the people in the front lines that they know what is going to be a satisfier and a dissatisfier and it is actually and poorly executed transitions where the staff bring you down, where the morale comes down and people don't feel valued and don't feel a strong value proposition to the organization. It begins to reveal itself through decreased customer service and then that begins to become the demise of the CEO. So keep your staff motivated and do the right things for the people. The people will take care of the customer. The people will make the organization successful if you share the vision of what you are trying to accomplish. (Vol. II, pp. 117, 118)

Zach encouraged CEOs to be open to HR leader guidance, to prevent the organization from becoming 'sick' and avoid loss of morale and related productivity and profit. The climate of an organization obviously changes dramatically during most restructuring. Zach reminded me that there is a groundswell of empathy for peers during restructuring. Zach was quick to remind me that this is typically not the case most of the time in most organizations. Top management needs to understand the incredible, galvanizing effect that restructuring has on employees, and as new processes are announced or implemented, resistance to ideas is strong, on the heels of restructuring.
Summary

HR leaders provided their recommendations to improve the restructuring process from inception to implementation and afterward. Their expertise in terms of praxis is a rich source of experiential, field-tested knowledge regarding communication, legal issues, and implementation issues associated with restructuring.
CHAPTER SEVEN

THE UNIQUENESS OF HR LEADERS AS THEY OPERATIONALIZE RESTRUCTURING

In the rush to "reinvent" our organizations . . . we sometimes overlook the time-tested principles that helped early great leaders succeed. The organization of the future will be relationship-centered, mission-focused, values-based, and demographics-driven. Good manners and civility are essential to the success of relationships across the organization, and will move to the front of the effective leader's portfolio.

—Frances Hesselbein

Introduction

The purpose of my research is summarized by the overarching question that drove the study: What are the unique contributions made by HR leaders to the organizational restructuring process? This chapter summarizes this overarching question and the three research questions, and comes full circle to a model I developed based upon the perceptions of a purposive sampling of 11 HR leaders.

A brief summary and discussion of the three research questions presented and explored in this study precedes my model of HR leaders and their unique contributions to organizational restructuring. Although these three research questions are important in their own right, they provide solid footing to answering the overarching research question regarding the unique contributions made by HR leaders.
Question 1 asked: What are the roles of HR leaders during organizational restructuring?

As discussed in chapter 4, HR leaders play multifaceted roles throughout organizational restructuring. Strategic business partner, coach/facilitator, educator, axeman (implementer), and the downsized HR leader were the predominant roles identified by study participants. It is clear that HR leaders make significant contributions to organizational restructuring as they carry forth their various roles. As HR leaders conducted themselves and interacted with employees, the presence of compassionate, respectful behaviors and principles were evident and created positive results that directly relate to productivity.

As Curnow (1995) relates, “The proponents of business process reengineering (BPR) have now rediscovered the human being and the importance of the social architecture in designing and implementing company change” (p. 25). This belief in the importance of people is echoed by Gratton (2000) as she states, “By the early 2000s, there is a growing awareness that it is people and the inspiration, knowledge and creativity they bring that creates competitive advantage” (p. 26).

HR leaders understand that productivity hinges upon employee perceptions, especially as they relate to the extent that employees perceive they are valued. The civility with which HR leaders relate and interact with their organizational constituencies, coupled with their leadership style, is key to understanding the influence and value of HR leaders on restructuring processes.
Question 2 asked: How has restructuring/major change impacted their personal and work lives?

HR leaders recognize that terminating employees to downsize their organization “comes with the territory.” Although a challenging and unpleasant task, HR leaders voiced solid commitment to terminate employees, as they wanted to be sure that terminations were performed with compassion and competency.

HR leaders verbalized various ways of coping with the impact of restructuring within the personal and organizational arenas (see chapter 5). The personal impact of organizational restructuring prompted HR leaders to rely on their colleagues for support as they met the onslaught of challenges associated with restructuring. HR leaders were very in touch with the tasks of making sense of the organization-wide impact of stress and grief while simultaneously implementing and surviving restructuring themselves. Organizational losses necessitated creativity on the part of HR leaders to consistently demonstrate compassion to employees while meeting their own needs to manage stressors that accompany restructuring.

For some HR leaders, coping and managing their stress meant seeking support. HR leaders both freely offered and sought support primarily from colleagues, although family members and friends were also mentioned. HR leaders also relied on their sense of humor, at appropriate times, to ease the tension of restructuring. In some instances HR leaders observed increased recreational use of alcohol by some of their colleagues and expressed concern regarding the impact of restructuring on their colleagues. For some HR leaders, taking time away from work, after performing multiple employee terminations, was crucial to ease the stress of restructuring.
Organizational supports are diffuse during restructuring or are not sufficient to provide psychological support to HR leaders as they operationalize restructuring strategies. The type of restructuring merger, as compared to downsizing on a small scale, also impacted HR leaders differently as often mergers are protracted and ambiguous as compared to a small-scale downsizing process. Formalized supports, such as outplacement firms and Employee Assistance Programs (EAPs), were endorsed by HR leaders as useful support to terminated employees.

As downsizing slowed, HR leaders recognized the need to assist their organization to begin a healing process. The HR leaders I interviewed were not specifically directed to do this by their organizations, but intuitively knew that healing the organization following restructuring was critical. HR leaders directly communicated with surviving employees on behalf of the organization to assist the organization to repair and restore confidence. HR leaders demonstrated their unique abilities to connect with surviving employees and roles that facilitate interaction throughout the entire organization.

Question 3 asked: How might organizations improve the process of mergers and restructuring to support employees?

HR leaders provided guidance (see chapter 6) regarding the improvement of restructuring processes from inception to implementation and afterward. HR leaders’ suggestions merited close attention as they focused on communication, ranging from timing issues to consistency and truthfulness. When HR leaders operate without information, irreparable damage may occur within the organization. HR leaders are committed to deliberate efforts to avoid litigation on behalf of the company, while
simultaneously supporting the employee through the termination process. Being fully equipped with information enables HR leaders to implement restructuring strategies with confidence. As HR leaders appear confident, and are perceived as credible, employees are more apt to rely on HR leaders. Executive leaders need to consider the impact made by confident, credible, and compassionate HR leaders as they seek to rebuild their organization following restructuring in order to attain maximum productivity.

HR leaders also emphasized the need for companies to value employees throughout restructuring. Often employees are told one day how vitally important their work is and then terminated the next day and escorted off company property. Naturally, these actions prompt employees to question their value. More importantly, this prompts employees to question the credibility of the organization itself. Inclusion of training to assist terminated employees with their job search builds credibility and sends an important message to employees that the organization truly values them, even post-employment.

The need to employ various resources to support employees through the process was also agreed upon by 100% of HR leaders interviewed. HR leaders endorsed providing practical and emotional supports to downsized employees such as outplacement and Employee Assistance Programs (EAPs). HR leaders believed in the value of EAP services to provide confidential counseling to downsized employees and grief-stricken groups, and to offer guidance to HR leaders regarding complex and sensitive situations as they occur throughout organizational restructuring.

Credibility is at stake as HR leaders and executive leadership implement restructuring strategies. Ultimately, accountability for decisions regarding the scope of
restructuring rests with executive leadership. HR leaders wanted CEOs to know that, routinely, the work of HR leaders causes them to have their fingers on the pulse of a variety of organizational perspectives, especially the organizational climate and culture, an essential consideration in facilitating restructuring. The accumulation of knowledge and praxis by HR leaders through daily interactions with individuals and groups within the organization provides rich and quintessential knowledge to decision-makers as they formulate restructuring strategies.

The Overarching Question asked: What are the unique contributions made by HR leaders to the organizational restructuring process?

As I interviewed HR leaders, and listened to their perceptions regarding the process of organizational restructuring, it became clear that the attributes of HR leaders in conjunction with their behaviors with employees and organization leadership were key during organizational restructuring. HR leaders are intentional to contribute to their organizations in respectful and substantive ways while going through organizational restructuring. The ramifications of HR leaders’ intentional behaviors serve the organization and all within.

The leadership styles used by HR leaders are equally important to understand as HR leaders interface with the broad audience of the organization for a variety of reasons that relate to restructuring. It is the HR leader, in various roles and circulating through an anxious and uncertain organization, who provides essential linkage to different groups and encourages morale and cohesiveness. HR leaders both build and act as bridges, transporting themselves to different areas and groups within the organization.
HR leaders strongly performed their professional duties from a solid foundation of civility during organizational restructuring. Peck (1994) offers this definition of civility: “Civility is ultimately healing behavior” (p. 13). Carter (1998) describes civility this way:

Civility . . . is the sum of the many sacrifices we are called to make for the sake of living together. When we pretend that we travel alone, we can also pretend that these sacrifices are unnecessary. Yielding to this very human instinct for self-seeking, I shall argue, is often immoral, and certainly should not be done without forethought. We should make sacrifices for others not simply because doing so makes social life easier (although it does), but as a signal of respect for our fellow citizens, marking them as full equals, both before the law and before God. Rules of civility are thus also rules of morality: it is morally proper to treat our fellow citizens with respect, and morally improper not to. (p. 11)

I submit that civility is a deeply spiritual and healing force in our lives. In the personal realm, civility may assist us to transform hurts into healing. In the business realm, an operational definition of civility assists us to transform mistakes into learning and profit from that process itself. Civility in concert with competency transforms sagging morale into a dynamic and evolving culture. The presence of civility alone is insufficient. The presence of civility must be connected to other personal attributes and professional strategies.

Leadership Frameworks as Related to the Unique Contributions of HR Leaders to Restructuring Activities

In this section I explore and compare three major thought leaders within the realm of organizational change and leadership.

Peter Senge (1990), in the Fifth Discipline, describes “component technologies” that will “innovate learning organizations” (p. 6). These key components or “core disciplines” are: team learning, personal mastery, shared vision, and mental models. It is
the presence or absence of these core disciplines that facilitates or impedes an organization's ability to become a learning organization.

Systems thinking permeates Senge's (1990) leadership framework and illustrates the need to look at the big picture, as a means to improve organizational processes and solve complex organizational issues. Instead of viewing the world from one department or one office cubicle, systems thinking impels us to view the world from multiple perspectives.

Senge (1990) encourages organizations to embrace personal mastery for both the personal and organizational rewards it brings. As people feel encouraged to grow and challenge themselves and their organizations, learning and developing result.

The inability to acknowledge the existence or impact of mental models seriously disables systems thinking. According to Senge (1990) each of us carries mental models and instantaneously and often unknowingly apply them to interchanges in our work and personal lives. Often, we make assumptions or broad generalizations regarding situations without ever discussing our concerns or thoughts. As we become aware of our mental models and work to uncover these, we are able to learn about various situations and to understand on a deeper level.

The creation of a shared vision acts as a guide to make decisions and moves the organization forward. How a shared vision is created is essential. Just as it sounds, one cannot have a shared vision that is the product of only one mind. As groups of people begin to understand they have input into their organizations and can actually impact how things are done within their organization, they become more invested in organizational processes. The organizational process itself then becomes enriched.
Team learning, the fourth component of Senge's (1990) philosophy, consists of "three critical dimensions" (p. 237). The dimensions of team learning are: insightful thinking, innovative and coordinated action, and roles played by team members on other teams. To contribute mightily to organization, teams must learn to confront complex issues such as defensiveness and other behaviors that stymie learning.

In *Leading in a Culture of Change*, Fullan (2001) describes the "convergence of theories, knowledge bases, ideas, and strategies that help us confront complex problems that do not have easy answers" (p. 3). Fullan (2001) states that this convergence "creates a new mind-set—a framework for thinking about and leading complex change more powerfully than ever before" (p. 3). The components of his framework are: moral purpose, understanding change, relationship building, knowledge creation, and sharing and coherence making.

According to Fullan (2001), moral purpose means "acting with the intention of making a positive difference in the lives of employees, customers, and society as a whole" (p. 3). As leaders continue to face complex situations, moral purpose serves as a guide. Fullan also believes that understanding change is important for leaders to effectively wrestle with complex situations. Fullan (2001) emphasizes, "Moral purpose without an understanding of change will lead to moral martyrdom" (p. 5). Change initiatives also rely heavily on the quality of relationships. Fullan (2001) describes the importance of relationship building as: "Leaders must be consummate relationship builders with diverse people and groups—especially with people different than themselves. Effective leaders constantly foster purposeful interaction and problem solving, and are wary of easy consensus" (p. 5).
Fullan (2001) relates the relevance of knowledge creation and sharing: "Turning information into knowledge is a social process, and for that you need good relationships" (p. 6). Fullan (2001) opines that information, in and of itself, is frequently just more information. It is the relationships and moral purpose, in concert with knowledge creation and sharing and understanding the change process, that enable the creation and sharing of knowledge to become meaningful.

Coherence-making refers to the chaos that accompanies organizational uncertainty and chaos. Fullan (2001) states that "coherence making is a perennial pursuit" (p. 6). As leaders struggle to make sense of change processes, identification of "patterns of coherence" are "worth retaining" (p. 7).

In *Reflections on Servant Leadership*, Spears (1995) distilled 10 characteristics present in servant leadership. These characteristics are: listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth of people, and building community.

As I searched for an effective interpretation of what I heard the HR leaders talking about, I reviewed and compared the leadership philosophies of Senge (1990), Fullan (2001), and Greenleaf (1995). Comparison of these philosophies revealed some similarities which are portrayed in Table 1. Senge and Fullan in particular have constructed models around the philosophy of developing learning organizations.

Clearly what HR leaders are addressing during organizational restructuring is major change. As I thought about what HR leaders were doing, I needed to identify core components of learning organizations as they went through effective change. As I worked toward development of my own model to describe the unique impact of HR
leaders during organizational restructuring, elements of organizational change and leadership as theorized by Greenleaf, Senge, and Fullan, were evident in the roles played by HR leaders during organizational restructuring.

The principle ideas of Greenleaf, Senge, and Fullan are illustrated in Table 1. Many of the key principles communicated by Greenleaf, Senge, and Fullan from their ideas regarding change and leadership are relevant to actions and behaviors performed by HR leaders during restructuring. Table 1 shows a comparison of leadership frameworks and includes key components of each framework.

**The Unique Contributions Made by HR Leaders During Restructuring**

The principles which describe the unique contributions of HR leaders are:

1. HR leaders are uniquely positioned within the organization to interact with the entire organization.

2. HR leaders are intentional, respectful, and driven to make substantive contributions throughout organizational restructuring relying on the overarching principle of civility. The ways in which HR leaders conduct themselves are key.

3. The potent combination of HR leader roles and attributes enables HR leaders to facilitate healing and cohesiveness.

**Civility and Leadership in HR Roles**

As the study progressed it became clear that as HR leaders performed their various roles during organizational restructuring, they were modeling civility as they sought to understand and address the impact of restructuring on their organizations. The
### Table 1

**Comparison of Leadership Frameworks**

<table>
<thead>
<tr>
<th>Leader</th>
<th>Key Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senge</td>
<td>Team learning, Personal mastery, Shared vision, Mental models</td>
</tr>
<tr>
<td>Fullan</td>
<td>Relationship building, Moral purpose, Energy, Enthusiasm, Hope, Knowledge creation and sharing, Understanding change, Coherence making</td>
</tr>
<tr>
<td>Greenleaf</td>
<td>Building community, Empathy, Listening, Awareness, Stewardship, Healing, Persuasion, Commitment to Growth, Conceptualization, Foresight</td>
</tr>
</tbody>
</table>

The next five sections address the role of civility and leadership within the five major roles identified by my study.

**Civility and Leadership in the HR Leader’s Role:**

**Strategic Business Partner**

In the role of a strategic business partner, the HR leader is competent to provide input as an integral contributor within the executive leadership group. As I interviewed HR leaders, one of the attributes that was apparent was that of being systems thinkers.
As HR leaders think about the impact that various restructuring strategies will have on employees, managers, and the organization itself, HR leaders are engaged in systems thinking. In fact, many of them appeared to do this quite naturally. One question or strategy would lead them to discuss the impact that decision or strategy would have on other areas of the organization. HR leaders promulgate civility as they demonstrate regard for the entire organization.

The strategic business partner role includes recommendations well before organizational restructuring decisions are made or implemented, and conveys information critical to decision-making as relates to restructuring. According to Schmidt (2001),

The persistent inability of companies to fully realize the expected revenue growth and earnings improvements points to a glaring void in the merger and acquisition (M&A) process. Specifically, management does not have enough information about how the deal will affect its target’s greatest source of value—its people—and does not plan adequately for the issues that affect employees in both organizations... HR professionals can empower themselves only if the CEO and other senior leadership of the new company listen to their advice—that is, if they understand and value the importance of the people, organizational, and cultural dimension of M&A. (p. 37)

HR leaders strive to know their organization’s business so that they may offer respected input regarding their area of expertise, much like finance, engineering, or sales leaders. Inclusion of HR leaders in these strategic discussions appropriately informs the organization, providing input is given the appropriate credibility and people concerns are treated as valid. Again, the literature indicates that mergers and other restructuring issues fail when organizational leadership fails to respect the people issues.

The strategic business partner role played by HR leaders during restructuring requires feedback and input emanating from the organization’s culture. Information and guidance provided by HR leadership at the table are to inform executive leadership regarding critical aspects of organizational culture and human resource issues.

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Another dimension regarding the unique organizational perspectives possessed by HR leaders may be described as tacit knowledge. According to Fullan (2001), “Tacit knowledge is highly personal and hard to formalize, making it difficult to communicate or share with others. Subjective insights, intuitions, and hunches fall into this category of knowledge” (p. 80). HR leaders must share knowledge and relevant organizational stories in order to shape restructuring strategies. HR leaders’ knowledge is built through the powerful combination of competency coupled with practical and anecdotal information, and is essential to restructuring strategies that optimally deploy human resources. A commitment to the respect and dignity of people in organizations was clearly evident as HR leaders performed many challenging tasks during restructuring.

The importance of servant leadership characteristics as it related to the strategic business partner role is characterized by Spears (1995): “Traditionally, leaders have been valued for their communication and decision-making skills. Servant-leaders must reinforce these important skills by making a deep commitment to listening intently to others. Servant-leaders seek to identify and clarify the will of a group” (p. 4).

Through the eyes and ears of HR leaders, it is this commitment to listening that enriches and informs restructuring strategies. To omit HR leaders from restructuring discussions at any point works at cross purposes with attainment of organizational goals.

As HR leaders provide input and guidance to the restructuring process they need to be persuasive. Spears (1995) also identified “servant leaders seek to convince others, rather than coerce compliance. . . . The servant leader is effective at building consensus within groups” (pp. 5, 6). During one of my interviews, Oren was emphatic that in the next restructuring he would seek to strongly persuade executive leadership of other
courses of action if he believed that decisions being made were inappropriate. This
desire to take right action on behalf of others is foundational to Spears’s (1995)
description of stewardship. “Servant-leadership, like stewardship, assumes first and
foremost a commitment to serving the needs of others. It also emphasizes the use of
openness and persuasion, rather than control” (p. 4).

As one HR leader indicated, restructuring gave the organization an opportunity to
remodel many aspects of their business. Instead, his perception was that a quick fix
occurred, resulting in significant job loss, and little strategy for future adaptation of the
organization. The absence of a clearly developed or communicated strategy for the future
created even more anxiety in an already nervous workforce. HR leaders must be
persuasive as they assist executive leadership to examine existing human resources and
determine the requisite needs and capabilities for training and recruiting in a dynamic
marketplace.

Civility and Leadership in the HR Leader's Role:
Coach/Facilitator

HR leaders serve many masters. The organization requires their support as do
managers and employees, and as benefits questions arise, requires the support of even the
family members of employees. Spears (1995) describes an element of Greenleaf’s
servant leadership (building community) in this way: “Servant leaders seek to identify a
means for building community among those who work within a given institution.
Servant-leadership suggests that true community can be created among those who work
in businesses” (p. 7). HR leaders demonstrated servant leadership and a commitment to
civility as they explored their roles to coach and facilitate employees and management through restructuring.

In the role of coach and facilitator, HR leaders demonstrate empathy. As HR leaders mediate personality conflicts between supervisors and employees, and encourage respectful treatment of all parties, they serve both the employee and the organization. Empathy is practiced frequently and according to Spears (1995), is part of servant leadership.

People need to be accepted and recognized for their special and unique spirits. One must assume the good intentions of co-workers and not reject them as people, even when forced to reject their behavior or performance. The most successful servant-leaders are those who have become skilled empathetic listeners. (p. 5)

As Pat and Ed reported, managers appreciated being coached through the process to communicate termination to their employees and knowing that HR leaders would be there to facilitate the meeting if the manager felt unable or uncomfortable to proceed. HR leaders repeatedly exemplified empathy as they described the needs of employees and managers during restructuring processes. HR leaders understand the value of empathy as it relates to productivity and the value of listening as it relates to empathy.

As HR leaders interact with the employees of an organization, they learn much. This kind of knowledge possessed by HR leaders is referred to earlier in this chapter as "tacit" and implies a knowledge that is created over time by perception, interaction with others, and goes beyond facts. As HR leaders provide input into the restructuring process they bring tacit knowledge amassed during their tenure to guide executive leadership, managers, and employees through restructuring. This information is gleaned by a very intentional effort to listen to people, to be aware of their needs and aspirations, and by being emotionally tuned in to the organization.
The ability of HR leaders to coach and facilitate relies upon their abilities to tune in to organizational dynamics at many levels. HR leaders are listening with their eyes as well as their ears as they observe interactions, coupled with comments, made by employees, managers, and executive leadership. As Spears (1995) explains, "Awareness also aids in understanding issues involving ethics and values. It enables one to view most situations from a more integrated position" (p. 5). As HR leaders engage in 360-degree listening, they deliver a kind of information unmatched by any other department within the organization. The benefit of coaching by HR leaders throughout the restructuring process provides support while simultaneously assisting an entire organization to move through the confusion, uncertainty, and pain of restructuring toward understanding and restoration.

Civility and Leadership in the HR Leader’s Role: Implementer

HR leaders must look closely at the impact of restructuring strategies in terms of human resources, while looking around the corner to the future as well. Greenleaf’s servant leadership led Spears (1995) to describe foresight this way: "Foresight is a characteristic that enables servant-leaders to understand the lessons from the past, the realities of the present, and the likely consequence of a decision for the future. It is deeply rooted within the intuitive mind" (p. 6). As HR leaders implemented restructuring within their organizations, the attribute of foresight was apparent and more evidence of the presence of civility.

The implementer role was previously referred to in chapter 4 as the axe-man. HR leaders were very open about their ability to implement restructuring strategies, which
resulted in elimination of jobs. Lou and other HR leaders indicated that although communicating about job loss was tough and unpleasant, HR leaders were particularly competent at communicating information to employees who would lose their jobs. One hundred percent of all HR leaders interviewed indicated that they did not see any merit in having an outside consultant come in to sever employees from the organization during restructuring. As HR leaders considered that strategy from the perspective of the employee, they described the strategy as ‘slick’.

HR leaders were clear that communicating to people that their jobs were eliminated was challenging, but they sought the responsibility to communicate this difficult information to employees, out of respect for the employee and concern for the organization. HR leaders were deliberate in their intent to provide direct, honest information with compassion and a personal touch due to a strong commitment to the organization’s employees.

Synchronizing strategies and decisions as additional decisions are made to implement restructuring is another part of HR leaders’ unique contribution to restructuring. Ed provided an example of this as he described tweaking their process to inform people regarding the loss of their jobs. Part of the process included a support person to assist them in gathering their personal things from their work area. As feedback was given to HR leaders that survivors thought employees were being escorted off the premises, the process was immediately fine-tuned to eliminate that negative perception. The impact of this adjustment was to create a more positive perception regarding the process by surviving employees who have responsibility to continue productivity.
The ways in which employees and survivors respond to restructuring strategies is information that may be used for future reference. As HR leaders take responsibility for the challenges of restructuring, they accumulate information that is valuable to the organization for subsequent restructuring processes. The importance of HR leaders’ ability to synchronize their efforts with the needs of survivors, in conjunction with organizational initiatives, furthers business necessities of productivity and morale.

Civility and Leadership in the HR Leader’s Role: Educator

The presence of respect and dignity was evident as HR leaders described the need for education and training throughout restructuring. HR leaders believed that education demonstrated truly valuing employees. The unspoken implication was that educating and training downsized employees was the right thing to do. The civility of educating employees clearly illustrated a meaningful way to demonstrate value and support of employees.

Education regarding resume writing, job hunting, and interviewing was viewed by HR leaders as appropriate action to offer post-restructuring. In some instances, organizational HR leaders held education sessions for downsized employees off-site at community centers.

As HR leaders facilitated education, an opportunity to begin a healing process may occur. As employees are able to understand the grief process, which accompanies major change such as restructuring, they are able to move forward and engage with their work.
Jeff gave the most striking account of the HR leader as educator as he described a training session provided to employees who would eventually leave the newly merged organization. During the educational session, some participants expressed their need to vent their anger. Jeff indicated that although they were several months down the road from the initial restructuring announcement, in the form of a merger, employees continued to be very angry. As Jeff facilitated the career transition session, he astutely allowed time for participants to express their feelings about the restructuring.

It is not clear whether or not employees were encouraged or allowed to vent their anger in other areas within the organization. For some reason, as Jeff described the grief process that accompanies restructuring, participants felt safe to express themselves. Consciously or unconsciously, Jeff was approachable. The need to identify anger and assist participants to move forward became, according to Jeff, part of his role as a HR leader.

In *The Courage to Teach*, Palmer (1998) describes hospitality in the classroom:

> Hospitality in the classroom requires not only that we treat our students with civility and compassion but also that we invite our students and their insights into the conversation. The good host is not merely polite to the guest—the good host assumes that the guest has stories to tell. (p. 79)

Jeff understood this principle, and so his classroom participants told their stories. Jeff encouraged people to move forward and begin the healing process. As an educator, Jeff helped participants to identify where they were in the grieving process, and as an HR leader Jeff assisted people to see that they were stuck and needed to move through their grief.

Jeff's ability to use his HR leader skills in combination with his knowledge of the restructuring process demonstrated servant leadership. According to Spears (1995),
Servant leaders are deeply committed to the personal, professional, and spiritual growth of each and every individual within the institution. In practice, this can mean . . . taking a personal interest in employees’ ideas and suggestions . . . actively assisting laid off workers to find other employment, and so on. (p. 7)

Assisting downsized employees to write resumes, develop interview skills, and work through their anger is another example of how HR leaders make unique contributions to organizational restructuring. Training and education on fundamental job-seeking skills pay dividends for the newly unemployed as well as for the organization as they are positively perceived by supporting and valuing former employees in this manner. The skills and training received by severed employees send a powerful, positive message into the community about the organization itself.

Civility and Leadership in the HR Leader’s Role: Survivor

As an organizational survivor, in the aftermath of downsizing, many HR leaders initiated connections with surviving employees and managers throughout their organization. I suspect this is not something they were told to do nor did they read it in HR 101. Intuitively, HR leaders knew they needed to do this, as it would begin to heal their hurting organization. Peck (1994) describes “cornerstones of civil behavior” and elaborates regarding civility as being “the willingness to bear—to meet head-on and work through—that suffering . . . in both our individual and collective lives” (p. 13).

For many HR leaders the phase following restructuring means digging in and assisting the organization to return to an acceptable level of productivity and working to improve morale. HR leaders are not exclusively responsible for healing the environment, but play a more visible and strategic role than their leadership counterparts throughout
the organization. According to Spears (1995) "Stewardship assumes first and foremost a commitment to serving the needs of others" (p. 7).

As HR leaders walk through the organization and interface with various employees, HR leaders are sought by employees to give honest answers to lingering questions. Curiosity and anxiety abound regarding basic job security and what lies ahead regarding the future of the organization. HR leaders respond to questions with compassion along with the facts at hand. HR leaders go within themselves to help employees understand that a commitment to the ongoing development of skills is the only job security that today’s workers (including HR leaders) have.

According to Spears (1995), “One of the great strengths of servant-leadership is the potential of healing one’s self and others” (p. 5). HR leaders both as survivors and implementers of downsizing exemplify and operationalize healing in organizations. In describing personal mastery, Senge (1990) explains,

People with a high level of personal mastery share several basic characteristics. They have a special sense of purpose that lies behind their visions and goals. They feel connected to others and to life itself. Yet they sacrifice none of their uniqueness. They feel as if they are part of a larger creative process, which they can influence but cannot unilaterally control. (p. 142)

HR leaders demonstrate a strong sense of commitment to fostering and strengthening connections as they assist newly restructured organizations to move forward. A commitment to civility and servant leadership was clearly evident as HR leaders went into their organizations to heal employees who were not directly impacted by restructuring, but were survivors.
A Framework and Model of HR Leaders and Their Unique Contributions to Organizational Restructuring

_We must not cease from exploration and the end of all our exploring will be to arrive where we began and to know the place for the first time._

—T.S. Elliot

In marrying the overarching question of my research, “What are the unique contributions made by HR leaders to organizational restructuring?” to the overarching principle that HR leaders conducted themselves with civility, along with deliberate intent to contribute in substantive ways to their organization, I arrived face to face with my model.

The most notable result regarding the unique contributions of HR leaders to organizational restructuring is the extensive impact that the HR leaders have upon the restructuring initiative itself. The roles played by HR leaders—strategic business partner, coach, implementer, educator and survivor—cover myriad aspects of restructuring. The roles played by HR leaders serve as a springboard to transport HR leaders throughout their organizations in order to serve employees and managers. As HR leaders circulate through their organizations to facilitate organizational restructuring, it is how HR leaders operationalize their roles that is the essence of their unique contribution.

HR leaders intuitively operationalized civility by conducting themselves with dignity and respect throughout organizational restructuring initiatives. HR leaders initiated the healing process as they walked through their organizations to interact with employees following downsizing.

For purpose of comparison, Table 2 includes the key dimensions of my model, as compared with Senge (1990), Fullan (2001), and Greenleaf as described in Spears (1995) and is based on principles that emerged from the perceptions of the HR leaders.
interviewed. Like the previous comparison in Table 1, the principles of Greenleaf, Senge, and Fullan are illustrated. Table 2 includes the principles identified during my study, as demonstrated by HR leaders during organizational restructuring. The key dimensions of my model are: HR Leader Roles, HR Leader Attributes, HR Leaders as Champions of Respect and Dignity, and Civility.

In my model, I included HR roles in the same category as the principles which relate to group and team interactions, relationship building, and building community according to Senge, Fullan, and Greenleaf, respectively. In my study, the roles serve to transport the HR leader throughout the organization and with various groups of employees with varying needs. During these interactions, HR leaders are engaged in a variety of relationship-based activities.

HR leader attributes pertain to those qualities demonstrated by HR leaders which significantly contributed to how they did when they performed their roles. It was the extent to which a presence of compassion, empathy, direct communication and other qualities existed. These attributes are included in detail in Figure 3.

The shared vision of respect and dignity is similar to the concept proposed by Senge, Fullan and Greenleaf as it puts forth a concept which enhances the culture of an organization and provides a positive result for employees to strive toward.

Senge’s Mental Models account for ways in which organizations and individuals process information and employ them as a basis from which to take actions. In Figure 4, Civility in my model is an overarching principle and the mental model used and demonstrated by HR in various situations as they proceeded through organizational restructuring.
Table 2

**Comparison of Leadership Frameworks, Including Brown’s Model**

<table>
<thead>
<tr>
<th>Leader</th>
<th>Key Principles</th>
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<tbody>
<tr>
<td>Senge</td>
<td>Team Learning</td>
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<td>Personal Mastery</td>
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<td>Shared Vision</td>
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<td>Mental Models</td>
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<td>Fullan</td>
<td>Relationship building</td>
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<td>Moral purpose</td>
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<td>Knowledge creation and sharing</td>
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<td>Understanding change</td>
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<td>Coherence making</td>
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<td>Greenleaf</td>
<td>Building community</td>
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<td>Foresight</td>
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<td>Brown</td>
<td>HR leader roles</td>
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<td>HR leader attributes</td>
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<td></td>
<td>HR leaders as champions of respect and dignity</td>
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<td></td>
<td>Civility</td>
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</table>

The various roles played by HR leaders during restructuring in combination with behaviors demonstrated by HR leaders emphasized the presence of an overarching principle that was woven through every element of their organizational participation and
contributions. A foundation of civility, as previously described, was apparent as HR leaders performed multifaceted roles throughout organizational restructuring. The roles—strategic business partner, coach/facilitator, implementer, educator and survivor—have been previously discussed in chapters 4 and 7. Chapter 4 describes how HR leaders perceived themselves during restructuring which facilitated the emergence of identified roles. Chapter 7 describes the overarching principle or mental model of civility in conjunction with the roles.

As I reflected on the roles, it became clear that roles change over time, just as the HR roles have changed within the last decade. What will remain constant is the circulation of HR leaders throughout their organizations by virtue of their roles. This is consistent with my first principle: HR leaders are uniquely positioned within the organization to interact with the entire organization.

My second principle: HR leaders are intentional, respectful, and driven to make substantive contributions throughout organizational restructuring relying on the overarching principle of civility. The ways in which HR leaders conduct themselves are key. This principle illuminates civility as a mental model, permeating all activities and roles of HR leaders, just as systems thinking permeates Senge’s framework for leadership and change.

The third principle: The potent combination of HR leader roles and behaviors enables HR leaders to facilitate healing and cohesiveness. This principle calls upon HR leaders to serve their organizations from a base of civility and accomplishes what many other leaders cannot or will not be able to accomplish. As HR leaders circulate through their organizations, transported by their roles, they ‘learn’ about the needs of employees,
managers, and the organization itself. Few other leadership roles provide this opportunity for 360-degree awareness and listening.

To illustrate how the dimensions of my model play out as HR leaders implement, facilitate, educate, plan, and survive organizational restructuring, I created Figure 3. This model delineates the substantive contributions orchestrated by HR leaders through their roles, via their attributes, and from a platform of respect, dignity, and civility as they move through organizational restructuring. At the core of the model is the overarching principle of civility and the shared vision of respect and dignity. It is from this core or central foundation that HR leaders serve their organizations. It is the foundation of civility, as a mental model, that provides a solid and professional foundation from which HR leaders develop strategies, negotiate conflict, communicate difficult information, develop training and education, and commence healing.

As previously illustrated in Table 2, roles, attributes, a shared vision of respect and dignity, along with the overarching principle of civility are delineated. Figure 3 illustrates the roles in combination with related attributes covered by HR leaders. The combination of HR leaders' roles in combination with related attributes I have labeled "areas of emphasis." I call this model "HR Leader Dimensions and Areas of Emphasis During Organizational Restructuring."

It was not my intention to delineate every task within each area of emphasis. Instead, I have connected areas of emphasis with key attributes employed by HR leaders to skillfully facilitate organizational restructuring. These attributes are the unique
Figure 3. HR leader dimensions and areas of emphasis during organizational restructuring.

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contributions made by HR leaders during organizational restructuring. The five areas of emphasis cover a vast amount of organizational ‘territory’ and illustrate the large organizational constituency with which HR leaders interact.

As HR leaders are included as strategic business partners with essential information to contribute to the planning and implementation of restructuring, HR leaders contribute key information and demonstrate important attributes (Figure 3).

As HR leaders coach executive leadership managers and employees through restructuring, they exhibit behaviors of listening and being emotionally attuned, which enables them to be barometers of the organization’s environment. This is unremarkable. Business deals negotiated throughout the world pay careful attention to environment and culture issues. What is remarkable is that an organization would choose not to partake of or fully utilize the rich knowledge uniquely possessed by HR leaders.

As HR leaders implement restructuring initiatives, they demonstrate compassion to downsized employees. HR leaders must always consider a variety of initiatives in place as they guide their organization toward and implement sound restructuring decisions. The talents, skills, and resources within an organization are part of a HR leader’s mental inventory as they provide input to various areas regarding the impact of restructuring.

HR leaders educate employees about change and many other aspects of restructuring. The knowledge possessed by HR leaders is important, but even more important is the impact made by HR leaders upon their environment as they support employees to move forward through change. While HR leaders verbally communicate many messages throughout the organization, they have the power to communicate a
potent non-verbal message, which is that they are approachable and available to assist all individuals within the organization. Figure 3 illustrates HR leaders’ ability to interface with varied and sizeable groups within the organization in order to educate about specific aspects of restructuring.

Figure 3 illustrates the weighty role of HR leaders as survivors. Messages carried by HR leaders into the organization following implementation are key. Employees look for honesty, guidance, and reassurance with regard to what will occur next within the organization. HR leaders simultaneously review their own capabilities as they inventory the organization’s needs to begin a healing process in order to resume productivity.

The most significant result regarding the impact of restructuring on HR leaders is the impact that the HR leaders have upon the restructuring initiative itself. Conflict resilience and risk-taking, along with innovation, are attributes necessary to executive-level discussions regarding organizational restructuring to avoid group-think and prevent future mishaps as a result of likemindedness.

Summary and Recommendations

Consider what we know, intuitively, about people, and the kinds of behaviors or attitudes that leave a question mark in our minds. As we are treated with civility, with respect and dignity, perhaps more fundamentally, that we matter and have value, even as we question or dislike the process, we are inclined to trust the person. In restructuring environments, which are laden with apprehension, fear, skepticism, and mistrust, HR leaders infuse respect and dignity as they perform their roles throughout the organization. Izzo and Klein (1998) state,
The path of self is nurtured when work becomes a direct expression of one's values and essential identity. The Japanese word, korkoro, refers to the process of perfecting one's inner nature. In many traditional Japanese arts... it is recognized that flawless technique is not enough to make one a master. In addition to technique, one must cultivate and harmonize one's inner nature, the soul force. True mastery is a matter of both being and doing. (p. 64)

HR leaders demonstrate “true mastery” as they facilitate organizational restructuring in their multifaceted roles. The attributes outlined in Figure 3 provide the compassion and soul that re-connects people to each other throughout organizational restructuring. Areas of emphasis transport HR leaders throughout the organization and serve as bridges that facilitate healing and cohesiveness. It is the HR leaders who, in their wake, leave their unique signature of compassion, respect, and dignity. It is HR leaders whose unique and potent combination of roles and attributes has the power to heal and unify the newly restructured organization.

The contribution to the literature made by this study is the identification of roles played by HR leaders during organizational restructuring. Attributes of HR leaders are also identified, and a model combining the roles and attributes of HR leaders illustrates the potent impact HR leaders make on restructuring to heal their organizations and build cohesiveness.

Further research to illuminate the differences between the impact of downsizing versus merger experiences would also be of value to executive leadership as they lead their organizations toward productivity. HR leaders may be impacted differently during the protracted course of a merger, in contrast with downsizing in various proportions.
APPENDIX A

Letter and Questionnaire Inviting HR Leaders to Participate

July 14, 2001

Greetings!

My name is Alison Brown and I am a Ph.D. student in the dissertation phase of the Leadership Program through Andrews University. I began this journey in June of 1997 and am hoping to finish my program by December of 2001. My research topic concerns the impact of organizational restructuring on Human Resource Leaders. I would greatly appreciate your participation and thank you, in advance, for even considering my request.

If you have questions about my study, please feel free to contact me at my office, (616) 459-9180 or my doctoral advisor, Shirley Freed, Ph.D. at Andrews University in the School of Education, (616) 471-6163. If you would like to email my advisor, she may be contacted at: freed@andrews.edu

Have a great day and thank you!

P.S. Please accept this popcorn as a small token of my appreciation.

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APPENDIX A

HUMAN RESOURCE LEADER QUESTIONNAIRE

1) As a HR professional, I have recently been part of a major change process (transition, restructuring, downsizing or merger) in my organization within the past five years.

   True   False

If your answer to the first question was True, please complete the following questions. If your answer to the first question was FALSE, please stop at this point and thank you for your willingness to participate.

2) During the major change process I had some degree of responsibility to communicate to individual employees or employee groups that a business decision was made resulting in individual or group job losses.

   True   False

3) During the change process my organization provided resources to support me personally as I facilitated organizational change.

   True   False

4) My organization provided me with sufficient essential business tools to effect major restructuring.

   True   False

5) I was able to confide in trusted associates regarding personal concerns I had about the change(s) occurring in my organization.

   True   False

6) I am still employed by the same organization in which I had HR responsibility to facilitate major change/restructuring.

   True   False

7) In my role as a HR professional, I possess the necessary skills to facilitate/implement major restructuring.

   True   False

8) In the event that my organization would engage in major restructuring in the future, I have some suggestions for process improvement.

   True   False

9) For research purposes, I would be willing to confidentially and anonymously discuss this further.

   True   False

(If TRUE, please write your first name: ______________________ and the telephone number where it will be most convenient to reach you. W________________ or H________________ THANK YOU for your assistance!)

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APPENDIX B

Summary of Human Resource Leader Returned Surveys

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>T</th>
<th>F</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) As a HR professional, I have recently been part of a major change process (transition, restructuring, downsizing or merger) in my organization within the past five years.</td>
<td>73</td>
<td>45</td>
<td>31</td>
</tr>
<tr>
<td>If your answer to the first question was True, please complete the following questions. <strong>If your answer to the first question was FALSE, please stop at this point and thank you for your willingness to participate.</strong> From this point the “false” answers were tallied from only those who had been part of a major change process in their organization within the past five years.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) During the major change process I had some degree of responsibility to communicate to individual employees or employee groups that a business decision was made resulting in individual or group job losses.</td>
<td>57</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>3) During the change process my organization provided resources to support me personally as I facilitated organizational change.</td>
<td>47</td>
<td>24</td>
<td>2</td>
</tr>
<tr>
<td>4) My organization provided me with sufficient essential business tools to effect major restructuring.</td>
<td>48</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>5) I was able to confide in trusted associates regarding personal concerns I had about the change(s) occurring in my organization.</td>
<td>56</td>
<td>16</td>
<td>1</td>
</tr>
<tr>
<td>6) I am still employed by the same organization in which I had HR responsibility to facilitate major change/restructuring.</td>
<td>64</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>7) In my role as a HR professional, I possess the necessary skills to facilitate/implement major restructuring.</td>
<td>63</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>8) In the event that my organization would engage in major restructuring in the future, I have some suggestions for process improvement.</td>
<td>68</td>
<td>5</td>
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<tr>
<td>9) For research purposes, I would be willing to confidentially and anonymously discuss this further.</td>
<td>35</td>
<td>37</td>
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</tr>
</tbody>
</table>
APPENDIX C

Consent to Participate in Qualitative Study through Andrews University
School of Education, Leadership Program, by Alison Brown,
Leadership Student, Regarding the Impact of Restructuring
on Human Resource Leaders

Individual interviews with individual HR leadership study participants are for the
purpose of exploring the impact of restructuring on study participants. Questions, which
fully explore the experience of restructuring, will be posed to each individual participant.
Thorough and in-depth interviews may take approximately 90 to 120 minutes. If
additional clarification is required, participants may need to be available for additional
interviews. Interviews will be tape-recorded and then transcribed.

Interview sessions will be held at a private office and participants will be given a
pseudonym to ensure confidentiality. The amount of risk and invasion of privacy is based
upon the interviewee’s level of self-disclosure. Prior to commencing participation,
participants are encouraged to clarify any concerns they may have. Questions regarding
this study may be directed to Shirley Freed, Ph.D., (616) 471-6163, or you may email at:
freed@andrews.edu.

The mailing address is: Andrews University
School of Education
Berrien Springs, MI 49108

Organizational leadership and human resource professionals will benefit from this
information as they make operational decisions in a newly restructured or imminently
restructured organization. Human resource leaders will benefit from the wisdom of their
colleagues’ experiences. Information acquired as a result of this research project will be
used to write a dissertation that focuses on the impact of restructuring on HR leaders and
published through Andrews University.

No reimbursement or other inducement is made to study participants. At any time,
participants may withdraw from this study without penalty, prejudice, or denial of
benefits to which he/she is entitled. My signature acknowledges that I understand and
have received a copy of this consent form.

Signed: ___________________________ Date: ______________________
(Participant)
### APPENDIX C

Summary of Human Resource Leaders Who Agreed to Be Interviewed

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>T</th>
<th>F</th>
<th>N</th>
<th>R</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) As a HR professional, I have recently been part of a major change process (transition, restructuring, downsizing or merger) in my organization within the past five years.</td>
<td>11</td>
<td>-0-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If your answer to the first question was True, please complete the following questions. <strong>If your answer to the first question was FALSE, please stop at this point and thank you for your willingness to participate.</strong> From this point the “false” answers were tallied from only those who had been part of a major change process in their organization within the past five years.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) During the major change process I had some degree of responsibility to communicate to individual employees or employee groups that a business decision was made resulting in individual or group job losses.</td>
<td>10</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) During the change process my organization provided resources to support me personally as I facilitated organizational change.</td>
<td>5</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4) My organization provided me with sufficient essential business tools to effect major restructuring.</td>
<td>6</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) I was able to confide in trusted associates regarding personal concerns I had about the change(s) occurring in my organization.</td>
<td>9</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6) I am still employed by the same organization in which I had HR responsibility to facilitate major change/restructuring.</td>
<td>9</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7) In my role as a HR professional, I possess the necessary skills to facilitate/implement major restructuring.</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8) In the event that my organization would engage in major restructuring in the future, I have some suggestions for process improvement.</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9) For research purposes, I would be willing to confidentially and anonymously discuss this further.</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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APPENDIX D

HR LEADER INTERVIEW QUESTIONS

1. In your opinion, how has the field of HR changed from when you first entered the field to now?
2. In your opinion, do you believe that your organization views your role differently from five years ago compared to the present?
3. How did you first learn about the restructuring?
4. What were some of your first thoughts/reactions.
5. Tell me what the experience was like for you?
6. In your opinion, was your role clearly defined in terms of HR responsibility specifically regarding the restructuring?
7. In your own words, please explain your understanding of your role during the restructuring? Are there things that you would choose to do more/less of?
8. From your perspective, were there ethical considerations/issues regarding the restructuring?
9. What is the role of humor as you go through a restructuring?
10. Did you notice any differences in how you approached your work following the announcement?
11. Did you notice any differences in your relationships to supervisors/colleagues?
12. If so, did that impact you on a personal level?
13. Is there a healing process that HR leaders go through following restructuring?
14. Were there any differences in your trust level with supervisors/colleagues or subordinates?
15. Some have suggested it may be best for consultants to inform workers regarding downsizing and job losses - what do you think?
16. How did you cope during the restructuring?
17. What was most helpful/least helpful to you?
18. What would you suggest to family or friends who desire to support you as you go through this process?
19. What is the most difficult aspect of all this?
20. What may have occurred that you least expected?
21. There are different opinions out there regarding the role of HR in a restructuring. What do you think HR’s role needs to be? Why?
22. What about the notion of HR being too soft? How do you find balance between too soft/too hard?
23. In your opinion, are there differences between a HR leader’s responsibilities and another leader of comparable responsibility in a different area regarding the dynamics of restructuring? Defining differences/needs?
24. Some say that HR people are paper pushing administrative types and don’t really have business expertise necessary to restructuring – what do you say to that?
25. What guidance do you have for future HR leaders who have dual responsibility to manage major change and survive major change?
26. In your opinion, how has the phenomenon of restructuring impacted HR professionals? You personally?
27. What guidance do you have for CEOs who will initiate or undergo major change?
28. What guidance do you have for EAPs to serve organizations as they go through restructuring?
29. What guidance do you have for family members as their loved ones go through major change?
30. What are some of the most important things you learned as a result of the restructuring process?
31. Would you be willing to go through another restructuring again?
32. If you had it to do over again, what might you do differently?
33. What do I need to ask you that I haven’t?
34. Is there another HR Leader that you would suggest that I talk with regarding their experiences with restructuring?
### APPENDIX E

#### Chart of Recurrent Themes

<table>
<thead>
<tr>
<th>Humor</th>
<th>Grief/Stress Reactions</th>
<th>Value of EAPs</th>
<th>Support/Coping</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Publisher</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| | 1-10 – There is always a role for humor. It is great medicine. It is one of my values. There is sensitivity especially at the time and the emotions of the person at the time. But if you know the person well there will be comments made that you know bring out the humor involved. It just depends on the situation… | 1-6 – Emotionally tough  
1-11 – Never try to anticipate how a person will respond  
1-12 – Personally there is an impact on you  
1-17 – Email issue, people went to great lengths to see whose names were on/off the list  
1-28 HR brings bad news ‘aura’ | 1-18 – Impacts their personal life, and if they have something else going on…  
1-29 – EAP available and aware that restructuring is going on  
Give employees the brochure so that they have a place to contact | 1-14 – HR supported each other throughout the process  
18 – w/regard to personal support, it is important that the person has an awareness that this is going on in the HR leader’s life.  
1-19 – Offered her support to employees who were downsized to give her a call at home! |
| **2. Service** | | | |
| | 1-47,48 – Groucho glasses, chocolates and comics  
1-64 – I will wear my black hood – Gallows humor | 1-39 – Almost like when someone dies, you feel guilty for being left behind  
1-42 – I am still in disbelief that it happened  
1-42 – The whole upper mgm’t began to withdraw, even from those of us on the executive committee  
1-43 – These men had compassion and they felt bad but they withdrew from people  
1-43 – I knew the way things were going they weren’t going to need an HR person  
1-44 – My biggest vice is sweets (wt. Gain)  
1-45 – He (my boss) withdrew and that was very different. Hard for me to deal with and difficult  
1-46 – I didn’t reach out to the senior management team it was never something that was of interest to them  
1-47,48 – Stress relief kits (see humor also)  
1-48 – One sided support but OK – I knew I’d be the last to go  
1-52,52 – Mom was wonderful, validated and non-judgmental  
1-60,61 – No extra regard from company for these | 1-76 – EAP a good thing | 1-45 – He (my boss) withdrew and that was very different. Hard for me to deal with and difficult  
1-46 – I didn’t reach out to the senior management team it was never something that was of interest to them  
1-47,48 – Stress relief kits (see humor also)  
1-48 – One sided support but OK – I knew I’d be the last to go  
1-52,52 – Mom was wonderful, validated and non-judgmental  
1-60,61 – No extra regard from company for these |
<table>
<thead>
<tr>
<th>2. Service (Cont.)</th>
<th>that was very different. Hard for me to deal with and difficult issues, leaned on friends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humor</td>
<td>Grief/Stress Reactions</td>
</tr>
<tr>
<td>3. Manufacturing</td>
<td>1-99 - War Room, Debriefed twice a day - place to let off steam</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Humor</td>
<td>Grief/Stress Reactions</td>
</tr>
<tr>
<td>4. Manufacturing</td>
<td>1-161 - Personality of the HR manager dictates the healing process. Did they have to cut their own staff?</td>
</tr>
<tr>
<td></td>
<td>1-163 - Healing process depends on how much they let the process impact them. I really needed more time to prepare for these terminations</td>
</tr>
<tr>
<td></td>
<td>1-173 - I am not devastated by having to fire some people when I'm trying to live through the trauma of survival from week to week on the lack of tools or...</td>
</tr>
<tr>
<td>4. Manufacturing (Cont.)</td>
<td>Humor</td>
</tr>
<tr>
<td>-------------------------</td>
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<tr>
<td></td>
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</table>

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<thead>
<tr>
<th>5. Finance</th>
<th>Humor</th>
<th>Grief/Stress Reactions</th>
<th>Value of EAPs</th>
<th>Support/Coping</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-235 – Web site provided humor</td>
<td>I-196 – guilt, I sold people on this company</td>
<td>I-252 – Assist people with the grief process</td>
<td>I-215 – No one helps HR</td>
<td></td>
</tr>
<tr>
<td>I-237 – Humor important way to vent anger</td>
<td>I-198 – feel like I let people down (SHRM ethics)</td>
<td></td>
<td>I-225 – Crying on each other’s shoulders</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-199 – Grieving cycle began within 24 hours</td>
<td></td>
<td>I-230 – Lack of support or oversight is a compliment to HR, although I also believe there are some who do not care.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-204 – Anger re: cancellation of meeting due to not knowing answers????</td>
<td></td>
<td>I-232 – Family/Friends were understanding. Need some leeway at the end of the day, decreased responsibilities. Hard to talk at home after all day long in the stressful environment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-205 – I’m on a train, people get off/on and wave/smile</td>
<td></td>
<td>I-241 – Vacation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-206 – I see the last stop but I can’t get off.</td>
<td></td>
<td>I-242 – Get a game plan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-213 – I’m making money but I don’t like the process or the values</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-216 – Concerns re: burnout and increased use of alcohol.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-225 – Most helpful were the relationships I had built on the outside</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-233 – Analogy of a child who has built something, now tear it down honey – grief, loss and mourning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>I-237 – I’m still angry at the decision to sell-out</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6. Manufacturing</th>
<th>Humor</th>
<th>Grief/Stress Reactions</th>
<th>Value of EAPs</th>
<th>Support/Coping</th>
</tr>
</thead>
<tbody>
<tr>
<td>I-8 – I mask my stress w/humor. I was just torn apart on the inside but I was joking and smiling and having a</td>
<td>I-12 – I just shut my emotions off because I knew I was doing my job and I just had to get through it</td>
<td>I-40 – There needs to be some outside services to allow people to understand the range of</td>
<td>I-5 – Makes you stronger. You are able to deal with the carnage that you have been involved with and the impact</td>
<td></td>
</tr>
</tbody>
</table>
6. Manufacturing

and smiling having a good time because that was my way of dealing with it. They know me and being in good spirits and relaxed is who I am. Gallows humor. T-shirts that said, I survived the restructuring of...

That evening I was just sitting there staring at the wall and a friend stopped by and I was kind of numb. It bothers me because that is not my nature. I am too much of an employee advocating for people. I think there are a lot of things that we are dealing with. A lot of negativity and distrust. Things were poorly communicated and so last minute. I'm sorry but we're HR professionals and part of our job is keeping our mouth shut - you can tell us!

I know from personal experience that it was very helpful to me when people would call and tell me they missed me.

Imagine for about 6-8 weeks there were still a lot of people constantly on edge (email example).

There were probably weeks following the restructuring that productivity of any of us was minimal at best because we were still trying to debrief ourselves and deprogram ourselves from that kind of mindset. It's hard to be productive when you are terrified. It's not an unreal terror. Empty cubicle syndrome and evaporation of understanding the range of emotions that not only the people that are being separated will go through but what you're gonna go through by being involved with that.

To help people process their emotions. People need a bridge to EAP because not everyone has a lot of support systems. Maybe have the EAP f/u with the employee a day or two following the termination involved with and the impact that a decision someone has made as corporate then you have to execute has on people that you deal with on a daily basis. Chance to vent? I think we did that informally. We needed an afternoon just to get out of there and go do nothing. Different people needed different things. Some just needed to be listened to. I don't think you ever heal. Fallout in the hallways, people wouldn't look me in the eye.

We don't sit there and look at the impact that it has had on the HR people involved, on the supervisors involved and to a certain extent on the co-workers that are still there sitting there going am I next and do they have a real fear. You're Damned right they do.
<table>
<thead>
<tr>
<th>6. Manufacturing (Cont.)</th>
<th>employees is really hard on employees 11-50 - Like a death in the family, it affects everybody a bit differently</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humor</td>
<td>Grief/Stress Reactions</td>
</tr>
<tr>
<td>7. Healthcare</td>
<td>11-83 - I personally became involved in huge conflict 11-98 - Some decisions in your heart aren’t right, but not unethical 11-99 - Personally devastating when these situations confront you. Personal feelings of failure 11-99 - Guilt - Things I could have prevented if I had been a stronger advocate 11-103 - Feelings of failure due to inability to problem solve 11-104 - Said, “I’m fine” when I’m not really fine. I’m struggling</td>
</tr>
<tr>
<td>8. Manufacturing</td>
<td>11-128 - Humor as a symptom of organizational anxiety 11-128 - So busy it was hard to think about the emotional side. It’s tough when you know people personally</td>
</tr>
</tbody>
</table>
### 8. Manufacturing (Cont.)

<table>
<thead>
<tr>
<th>Humor</th>
<th>Grief/Stress Reactions</th>
<th>Value of EAPs</th>
<th>Support/Coping</th>
</tr>
</thead>
<tbody>
<tr>
<td>II-130 – Tough to see people I knew would be affected and they had no idea</td>
<td>process</td>
<td>II-174 – EAP may be of value to provide support to HR professionals</td>
<td>II-174 – HR supported each other</td>
</tr>
<tr>
<td>II-134 – It’s hard to let people go but you don’t have relationships with them like those who report to you.</td>
<td></td>
<td></td>
<td>II-175 – Very helpful to develop relationships with other HR directors</td>
</tr>
<tr>
<td>II-145 – It was tough coming in that day knowing you’re going to do that</td>
<td></td>
<td></td>
<td>II-177 – I really thought I was further along than I am</td>
</tr>
<tr>
<td>II-146 – I’m sure it was the worst day here for me</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II-146 Walking down the hall people look at you differently and “Oh, I don’t want you by my office.”</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>II-147 – People were nervous as I walked down the hall. Nervous laughter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>II-157 – It is really hard, very emotional</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 9. Service

<table>
<thead>
<tr>
<th>Humor</th>
<th>Grief/Stress Reactions</th>
<th>Value of EAPs</th>
<th>Support/Coping</th>
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<td>II-173 – Change was imposed on us without much discussion I felt it was very disrespectful of us.</td>
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<td>II-173 – Open office environment was very stressful to be in as we went through restructuring</td>
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<td>II-175 – You need a chance to react without having to do all the day to day stuff</td>
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<td>II-175 – Increased expectations of what HR can do may create burnout</td>
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<td>II-175 – As the process drags out it is de-energizing</td>
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<td><strong>10. Manufacturing</strong></td>
<td>II-201 Not sure there is any role for humor for someone who is being downsized</td>
<td>II-187 – Restructuring is impersonal II-203 – Mind Games (see also Interview #4) II-222 – Keep your house in order. Don’t be surprised and be very prepared for it</td>
<td>II-231 – Could help people to formulate their resume</td>
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<td><strong>11. Manufacturing</strong></td>
<td>II-282 Important but confined to areas where it would not be misinterpreted</td>
<td>II-237 – Numb, grief process and worked on lawn II-247 – OK To feel like crap for a while. Hobbies as an outlet for energy</td>
<td>II-248 – Peers to call II-264 Imp. - to talk w/someone outside of the process that you trust. II-271 Don’t talk about it at home II-279 – Buy-in from executive group as a form of support for HR leaders</td>
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## Chart of Recurrent Themes

<table>
<thead>
<tr>
<th>1. Publisher</th>
<th>At the Table</th>
<th>Business Partner or Consultant Role</th>
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<td>1-6 – Really tough to be at the table. You try to keep a business focus but when people who have been your friends are affected it is tough. 1-26 – I attribute my being at the table as a routine part of the process to predecessor along with the CEO supporting HR</td>
<td>I-21 – You need to advocate for the employee while balancing the business needs. Really important to be there as a consultant</td>
<td>N/A</td>
<td>N/A</td>
<td>1-24 – Change is something we have to learn to live with. Being open and flexible is critical. There is a cycle of change and we share that with our people 1-28 – Example of the meeting about something else, people wondered if bad news would be delivered by HR. Aura of Bad news</td>
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<td><strong>2. Service</strong></td>
<td>1-40 – Employees panicked when they saw me “hooded executioner” 1-40 – I became their axe-man and my whole role as HR leader was negated I was just basically a tool</td>
<td>1-70 – Be a part of the restructuring process from the very beginning. 1-70 – Don’t allow them to use axe-man mentality</td>
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<td><strong>3. MFG</strong></td>
<td>I-85 – Organization sees our role more as a Business partner today. Ten years ago it was go ‘fix’ my employees. I think we carry more clout within the org. and have greater respect 1-86 – Requires us to be more on our toes regarding the state of our business 1-110 – Staying proactive prior to a</td>
<td>I-97- Recognition of fragility of relationships 1-98 – Relationships to supervisors built – without a doubt 1-105 – Life is fragile, important to go out and appreciate these relationships and people 1-116– Know your worth 1-117 – Know how you add value to an org 1-118- Upgrade your skills and get involved with organizational projects</td>
<td>1-88 – Guidance for managers 1-98 – Supervisors really appreciated the coaching we gave them. We held their hand during this whole process</td>
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<td>3. MFG (Cont.)</td>
<td>restructuring helps to give credibility prior to a restructuring process 1-111 – The biggest thing the HR group can do is to understand the business</td>
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<td><strong>4. MFG</strong></td>
<td>1-182 I think there was someone in and out from the table and they weren’t permitted to disclose much</td>
<td>1-168 – HR is either regarded as a bus. Partner, and if not then the dept. performs administrative functions. HR is either proactive or reactive</td>
<td>1-135-In this case I was a mechanic 1-136 – nothing more than a mechanic, an executioner walking through this</td>
<td>1-168- HR spends too much time getting people out of situations rather than proactively guiding the organization</td>
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<td><strong>5. Finance</strong></td>
<td>1-190 – HR became a tool for quick-fix mgm’t.</td>
<td>1-224 – Clear resiliency in any situation in your life Know you have skills and abilities and you will always be re-employable 1-255 – EVERYTHING counts and must be applied in the future</td>
<td>1-193 HR in a dual role of generalist and facilitator 1-200 – assist people as they are stuck in anger 1-212 – HR gives hope to employees. They’ve built the skills 1-242– Help them move forward</td>
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<td><strong>6. MFG</strong></td>
<td>II-25 HR is viewed as having the ultimate decision. We should be seen as a strategic bus. Partner to move the bus forward, but we are seen as the Gestapo. II-27 In some cases saying we conduct our bus. Like in the 70s is generous II-29 In companies that are in the top 100 there is a strong HR leader pushing the org. to do the right thing</td>
<td>II-7 – I think the perception is that HR makes decisions like an executioner</td>
<td>II-39 – I know from personal experience that it was very helpful to me when people would call and tell me they missed me.</td>
<td>II-31 – There was an opposition to bring cultural revolution and change the destiny of the organization and they missed that opportunity because they only look at the numbers</td>
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<td><strong>7. Healthcare</strong></td>
<td>II-74 – Tell the CEO in a well articulated statement why HR needs to be at the table II-82 – Suggested a team of HR leaders at the table</td>
<td>II-65 – Biggest change in overall role of HR is shift from admin. To bus. Partner</td>
<td>II-108 – Having done it myself I’ll never look at it the same (See #2 also)</td>
<td>II-75 – Excited re: learning exp. II-84 – Afraid to take risks following initial restructuring. Made safe decisions (not the BEST decisions...) II-100 – Learning exp. Is the key</td>
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<td><strong>8. MFG</strong></td>
<td>II-127 HR are first in the loop - Learned about it from HR Director. II-139 - HR was at the table, got list of recommendations and we went through that and then talk w/mgrs. II-149 HR needed to be at the table even if they were sort of a silent person II-169 - HR attended all Executive meetings</td>
<td>II-138 We totally advise people and recommend things and are pretty much listened to around here. II-161 As a manager you are definitely more of a partner</td>
<td>II-146 - Executioner role</td>
<td>II-143 Met with managers. Gave them a script, practiced and role-played until they were comfortable II-144 - Some managers needed more listening than other activities II-145 - Emotional support, and if you are uncomfortable I'll take over for you.</td>
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<td><strong>9. Service</strong></td>
<td>II-178 - Need to insist on being part of the planning</td>
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<td>II-173 - Open offices not good for HR and restructuring activities II-175 - Restructuring can be a burnout situation for HR leaders II-176 - Relationships are key II-179 - Involve EAP early on</td>
<td>II-174 - HR helps each other out</td>
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<td><strong>10. MFG</strong></td>
<td>II-31 HR intimately involved. Touch the</td>
<td>II-189 - HR delivers all the</td>
<td>II-202 - A little bit of self-esteem</td>
<td>II-209 - There is a lot of empathy that doesn't even</td>
<td>II-217 - If you have walked in their shoes to</td>
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<td>10. MFG (Cont.)</td>
<td>entire organization</td>
<td>bad news</td>
<td>gets whacked. I found at my age that age discrimination was alive and well in the workplace when I went looking elsewhere...</td>
<td>exist most of the time in an organization but it does during a restructuring.</td>
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<td>II-219 - In the final analysis the dirty deed of telling someone they lost their job will fall to HR</td>
<td>II-232 - People not only survive, they flourish</td>
<td>II-212 - HR can hold the mirror up</td>
<td>HR</td>
<td>II-220 - Communication is key, absolutely key</td>
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<td>II-232 - People not only survive, they flourish</td>
<td>II-249 - HR becomes the bad guy in a lot of situations</td>
<td>II-259 - Preparation is key</td>
<td>HR Leader as Downsized</td>
<td>II-258 - Here we had a team concept and had classes and speakers that made a foundation for restructuring.</td>
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<td>II-249 - HR becomes the bad guy in a lot of situations</td>
<td>II-250 - I always wanted to be known as the ‘hatchet lady’</td>
<td>II-267 - Get as much information as you can so that you can speak with conviction and people can see that you are competent</td>
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<td>II-286 People pick up very quickly when HR is not part of the process</td>
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<td>II-250 - I always wanted to be known as the ‘hatchet lady’</td>
<td>II-283 - HR does the dirty work</td>
<td>II-259 - Preparation is key</td>
<td>Learnings</td>
<td>II-280 - Management is relieved and they have empathy for those of us who work out on the floor and actually know what is going on and deal with people</td>
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<td>II-266 - Some people don’t have an interest in being on the ground floor of a restructuring plan</td>
<td>II-275 - The family is Jewish and the prevailing theme is respect and dignity and this management team participated in that whole process</td>
<td>II-279 - HR was at the table</td>
<td>II-276 - I shared a lot of my previous experiences with the management group and none of them wanted to live through that</td>
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Education

Andrews University  
Ph.D. – Leadership  
Berrien Springs, MI  
May 2002

Northeastern Illinois University  
M.A. Counselor Education  
Chicago, IL  
July 1988

The Ohio State University  
Bachelor of Science  
Columbus, OH  
June 1975

Professional Experiences

Employee Assistance Associates, LLC  
Chief Executive Officer  
Grand Rapids, MI  
2000-

Spectrum Health Employee Assistance Program  
Director  
Grand Rapids, MI  
1989 – 2000

Therapist with Elbin Orellana, MD (private practice/part-time)  
Grand Rapids, MI  

Glenbeigh of Kent Community Hospital (Now known as Longford CareUnit)  
Supervisor, Family Program  
Grand Rapids, MI  
Sept 1988 – Aug 1989

Victory Memorial Hospital  
Community Relations  
Waukegan, IL  
March 1998 – Sept 1988

Northern Illinois Council on Alcoholism & Substance Abuse  
Substance Abuse Counselor  
Waukegan, IL  
1985 – 1987

North Central Institute  
Employee Assistance Program Coordinator  
Columbus, OH  
1984 – 1985

Dictaphone Corporation  
District Administrator/Sales Representative  
Columbus, OH  

Professional Accomplishments

President – Employee Assistance Professional Association – 1999 to present

National Committee Member, Employee Assistance Professional Association – Women’s Issues,  
1995 – 1998