

Change is coming (again)

Over the past couple of weeks, Inside Housing has published two interesting sector surveys: it's first ever HR survey and Hays' annual salary survey. The headlines are that over three-quarters of RPs are planning major change in the next 12 months, yet a significant cause of staff anxiety is change. Change is being driven by welfare reform, rent cuts, efficiency drives and restructuring – all linked to budgets.

However the survey results indicate that recruitment and retention is also going to be a key issue. Unsettled by change and the impact of tightened budgets on salary levels, it is unsurprising that more than half of employees are unhappy with their pay and their career opportunities. The 32% of RPs looking to increase staff numbers could find themselves overwhelmed by applications, particularly when 57% of employees feeling unhappy about their career opportunities is combined with 28% of RPs still looking to reduce staff numbers. However the 41% of RPs looking to recruit in new skills areas may not see the same effect.

Before you embark on change, why don't you pick up the phone to one of our team for a strategic sense-check of what you want to deliver and we'll offer some insight into particular areas that you should think about in advance of launch.

For starters, overleaf are 6 points on the main projected trends from these two surveys.

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6 Points:

Main projected trends

C	<p>Consultation is critical to successful change. It isn't just a process to minimise legal risk; employee engagement is key in being able to carry and keep the staff that you need to retain. Be prepared to listen to and answer points raised in individual consultation meetings. Support your Staff Forum or equivalent with training to make them more confident. Check any Trade Union recognition agreements as to what you have to involve them in, when and how.</p>
H	<p>Have you got the internal capability to identify the best candidates in new skills areas? There will be business pressure to ensure that the decision to diversify in that particular direction is justified by success but identifying those who can deliver that success may be difficult if your recruitment panel doesn't have a clear idea of what it should be looking for.</p>
A	<p>Assessing the similarity of roles should not be a paper exercise undertaken by HR, but something carried out by operational management although they do need to set aside any entrenched views about employee performance. Job-matching should be about the similarities of the 'day job' and not about under-performance in an existing role or used as a means of changing behaviours and attitudes. Restructuring is not always the 'right' legal way, for example, to deliver culture change.</p>
N	<p>New approaches to recruitment and remuneration are being considered for 'in demand' roles. The HR survey identifies development and asset management as the most difficult roles to recruit to – from our own conversations with clients we would add senior finance roles to this list as well - because of the limited supply and the comparative attractiveness of private sector remuneration packages for equivalent work. We're seeing clients looking at LTIPs and deferred bonus arrangements at senior level appointments – and at Development Directors potentially being paid more than CEOs! But being creative, flexible and generous for some may make pay and benefit changes for other roles (or the lack thereof) appear more marked, which will only increase employee dissatisfaction about pay in the more mainstream housing roles.</p>
G	<p>Growing through fixed-term contracts can be a good idea but such arrangements are not the panacea that some managers think they are; issues of comparative treatment to permanent colleagues and what happens after an extension or termination need to be considered.</p>
E	<p>Ensure you have reserved the right to accept or reject applications for voluntary redundancy and that you can justify the decisions which you make – you might see the volume of applicants increase given the level of employee dissatisfaction. But also bear in mind that a rejected applicant for VR could become an even more dissatisfied employee.</p>