



Workforce Transition Services Shaping your business

Today's competitive business environment poses many strategic challenges to businesses. As a result, some organisations may need to restructure or reshape their employee profile in order to maintain competitiveness. Such change is difficult to achieve and may sometimes require the introduction of a workforce transition programme.

There are many factors involved in a redundancy programme. Our Workforce Transition Service is made up of professionals from our legal, tax and human capital practices. This structure provides clients with a comprehensive solution which addresses all areas of the transition process.

Workforce transition is a challenging process for any company. We are experienced at helping employers fulfil their obligations to be compliant with relevant legislation and best practices, while offering them and their employees practical and appropriate advice tailored to their unique circumstances. A smooth

transition process helps to instil confidence in those employees who are retained and who represent the future of your business.

Our service offering

Our team provides a high quality service that addresses all areas of workforce transition, including:

1. Project management

Redundancy is an onerous process for all concerned. Tight deadlines should be imposed so the process will run smoothly. Transition programmes of considerable size may require project management assistance to meet all relevant deadlines.

2. Negotiation and representation

Workforce redundancy programmes usually result from a negotiation process between the employer and employee representatives or their unions. An experienced external adviser can bring objectivity and perspective to this process.

We can assist with the following:

- Assistance to management in its negotiations with employee representatives or their unions in relation to the rationalisation programme
- Development of a spreadsheet model providing management with detailed and summarised costings and comparisons of

Phase 1

- Consider carefully any anticipated pension funding implications
- Liaise with management
- Consider employment law issues
- Design and benchmarking of appropriate packages that take tax implications into account
- Communication planning

Phase 2

- Group briefing sessions
- Individual specific tax calculations for employees
- Individual counselling sessions, focusing on tax, social welfare and pension issues
- Liaise with Revenue regarding approvals and/or concessions etc

Phase 3

- Communication of final data to payroll
- Filing of statutory reporting forms
- Debrief with management

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various alternative proposals, which may be put forward during negotiations on severance agreements.

3. Legal

A number of legal issues need to be considered in advance of undertaking a workforce transition programme. These include the legal steps involved in implementing the redundancies and the prevention of redundancy disputes. Practical and up-to-date legal advice will help ensure an organisation is protected against any unwelcome claims.

We can assist with the following:

- Review of the legal options available to the organisation on workforce transition including redundancy, layoff, short-time or redeployment
- Review of any proposed redundancies to determine whether they are genuine and a fair selection procedure has been used
- Review of contracts of employment and ancillary legal documentation to determine whether all legal requirements, including minimum notice and redundancy selection procedures, have been met

- Monitoring whether large-scale redundancies or collective redundancies are properly administered and consultation obligations are met through unions and employee representatives.

4. Tax, USC and PRSI

Statutory Redundancy payments can be made without the deduction of tax. Other non-contractual severance payments can be the subject of favourable taxation exemptions and reliefs. The exemptions and reliefs available to an employee are dependent on their personal circumstances (for example, length of service, recent earnings and company pension entitlements).

We can assist with the following:

- The delivery of non-contractual severance packages taking taxation into account
- Preparation of individual tax calculations estimating the net cash position of each departing employee and taking account of any tax-free entitlements under the company pension scheme

- Delivery of group briefing sessions to outline the general tax and social welfare implications of the restructuring
- Facilitation of individual counselling sessions to highlight the specific tax exemptions/reliefs relative to each particular employee
- Act as a liaison between HR, Finance and payroll personnel to communicate final data to payroll
- Liaise with Revenue officials on certain approvals and concessions.

5. Pension

Where an organisation has an occupational pension scheme, departing employees may be entitled to immediate or deferred pension benefits, which may have an impact on the taxation exemption available on termination. Pension scheme funding may also need to be considered.

6. Outplacement

Outplacement is an essential part of any transition programme and enhances departing employees' ability to seek future employment.

Our outplacement methodology is as follows:

- Consultation with each employee
- Assistance with psychometric profiling and the use of assessment tools to allow the participant to increase self-awareness and aid in a career direction decision
- Provision of feedback to individuals from the psychometric profiling
- Assistance with practical interview techniques. Guidance can be based on video-taped mock interviews
- Advice on job search and guidance relative to the Irish market
- Assistance with preparation of CVs, including administrative support.

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