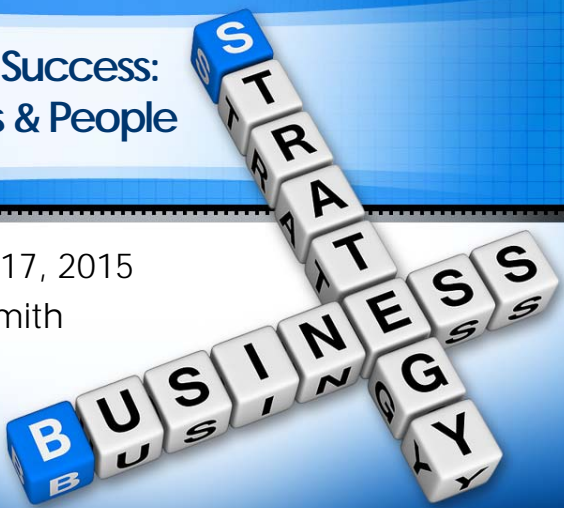


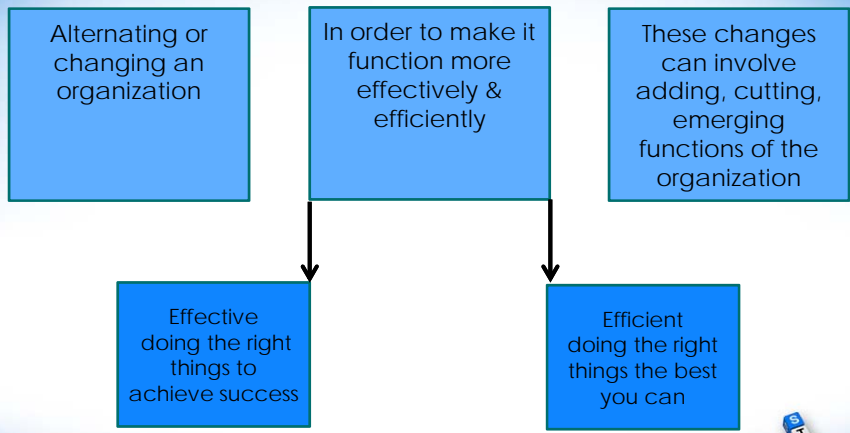
Restructuring for Success: Principles, Process & People

ONPHA October 17, 2015
Stephen H. Smith




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What is Restructuring ? : A Working Definition



```
graph TD; A[Alternating or changing an organization] --> B[Effective doing the right things to achieve success]; C[In order to make it function more effectively & efficiently] --> B; C --> D[Efficient doing the right things the best you can]; E[These changes can involve adding, cutting, emerging functions of the organization] --> D;
```

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Why Do We Embark on Restructuring?

```
graph TD; A[We need to change our strategic direction] --> B[We need to expand our functions]; A --> C[We need to downsize functions & people]; A --> D[We need to merge with other organizations];
```

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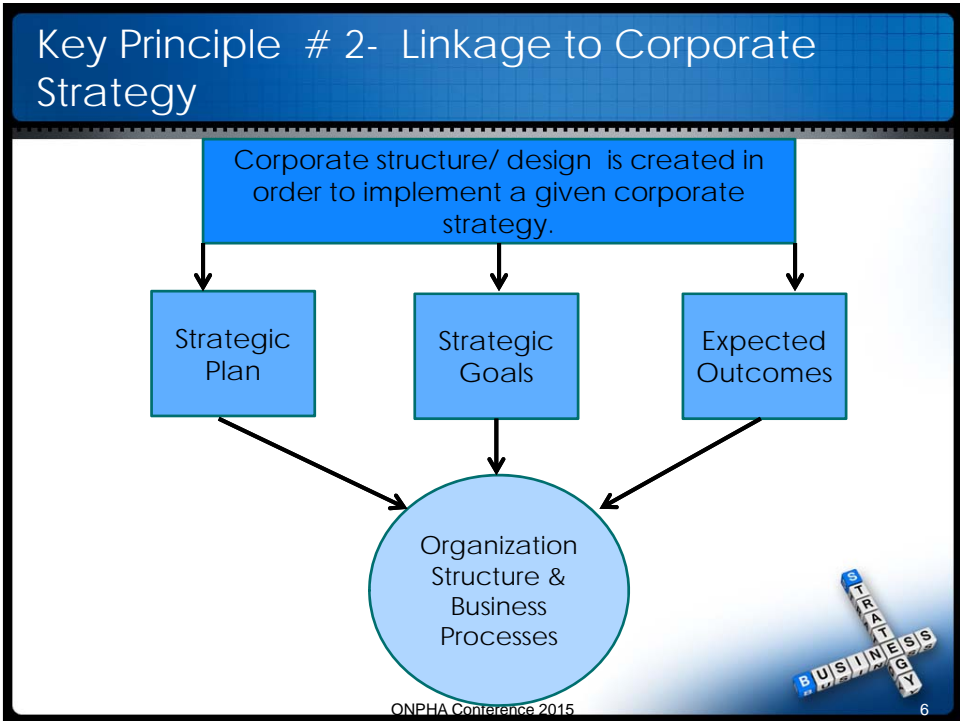
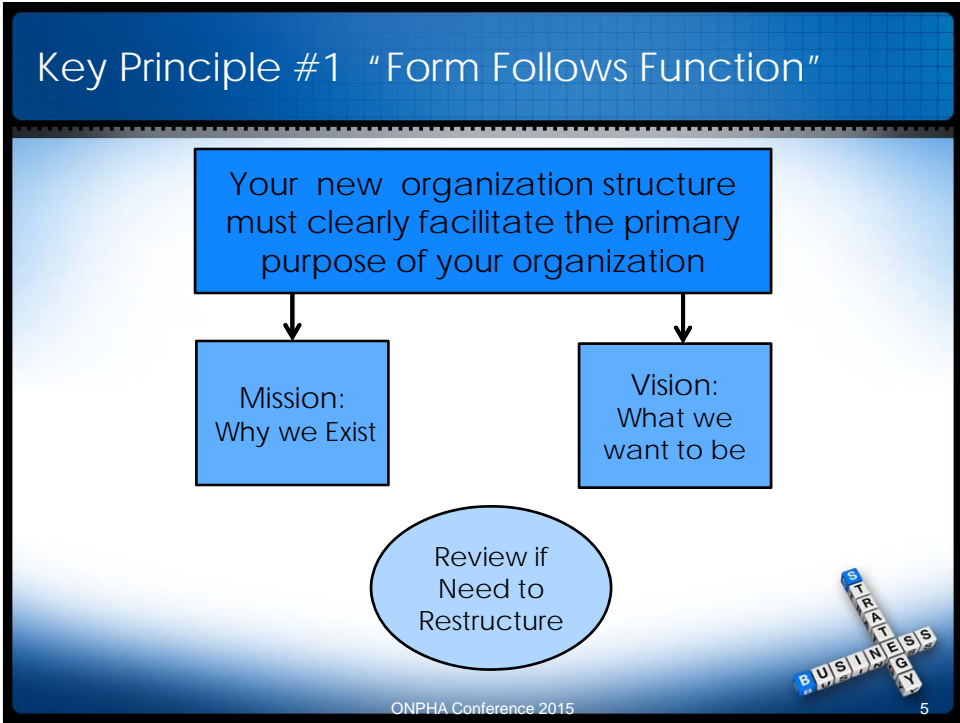
3

What Should Be Our Primes Focus' in the Restructuring Process

- Principles
Guidelines
and Values
- Processes
Methods that
secure results
- People
Determine
the success
of
Restructuring

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4



Key Principle #3- Restructuring Goals & Outcomes


Your restructuring initiative should have a clear set of goals which includes a set of expected outcomes

```
graph TD; A[Your restructuring initiative should have a clear set of goals which includes a set of expected outcomes] --> B[Expected Outcomes]; A --> C[Unexpected Outcomes];
```

Expected Outcomes

Unexpected Outcomes

Pay now or Pay Later



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Key Principle #4 Organizational Culture is Critical to Success


Organization Culture is critical as a foundation for restructuring process. Do not use someone else's process

```
graph TD; A[Organization Culture is critical as a foundation for restructuring process. Do not use someone else's process] --> B[Values & Assumptions for Expected Behaviour]; A --> C[Perceptions & Beliefs about what is "right"]; D([E.g. Open & Transparent Communication]);
```

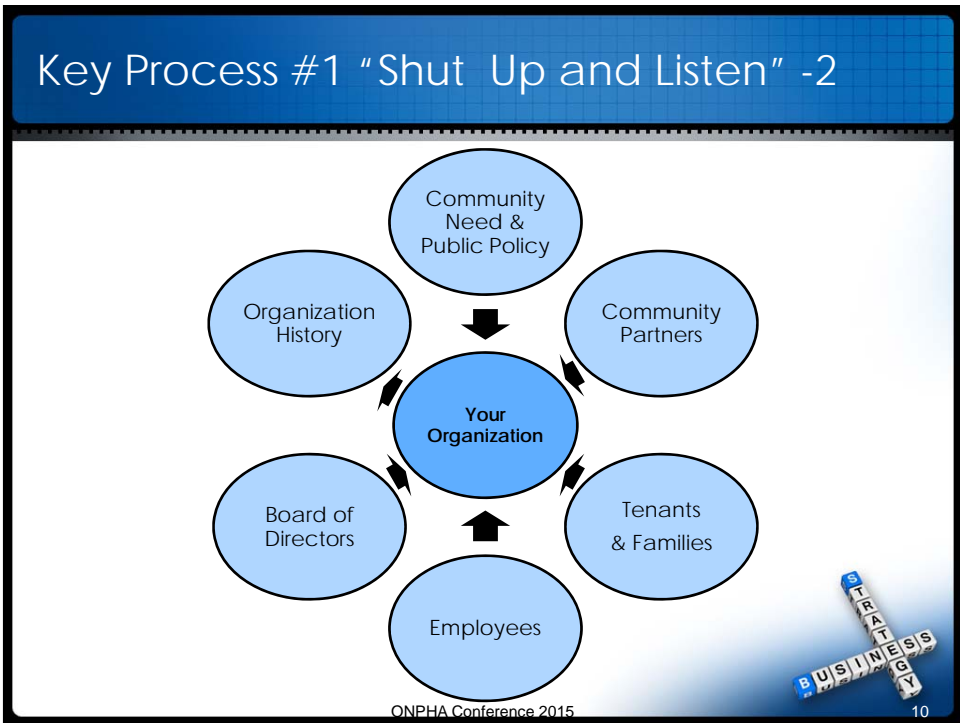
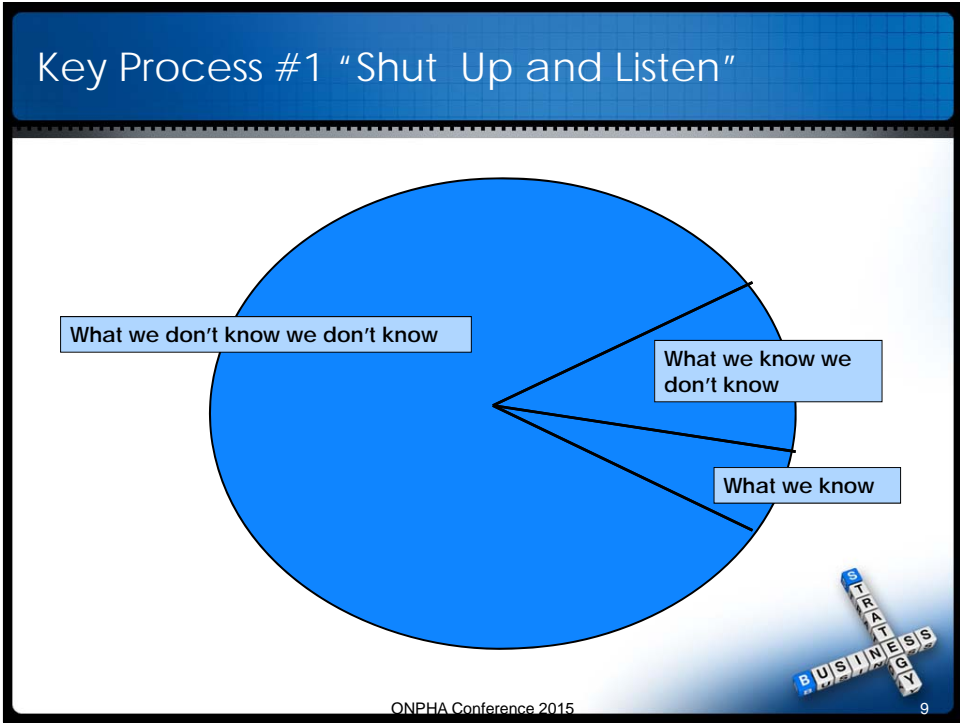
Values & Assumptions for Expected Behaviour

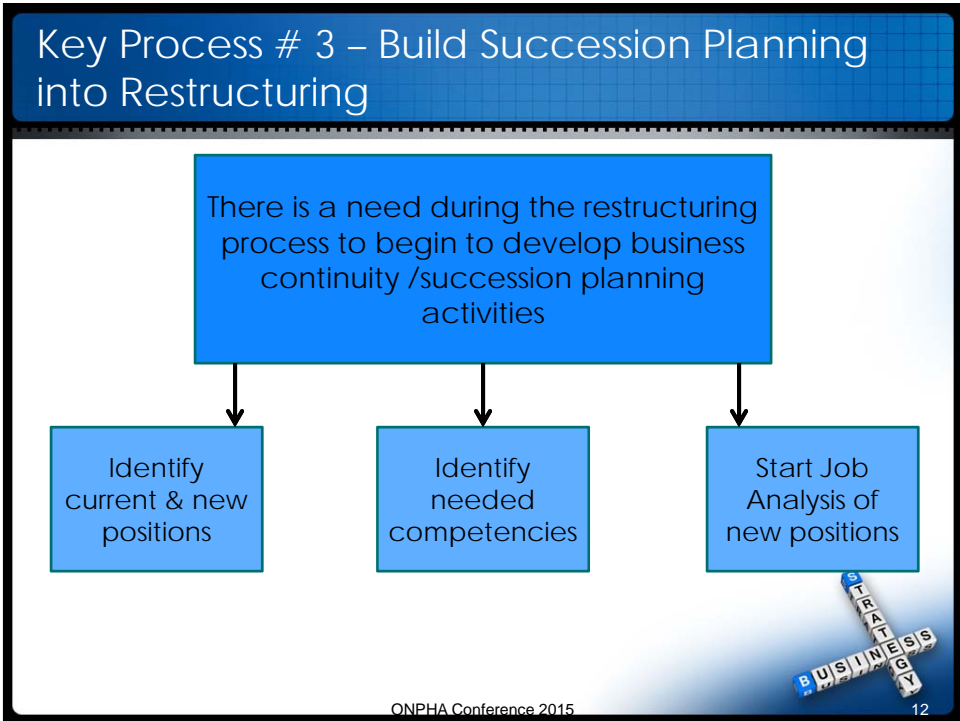
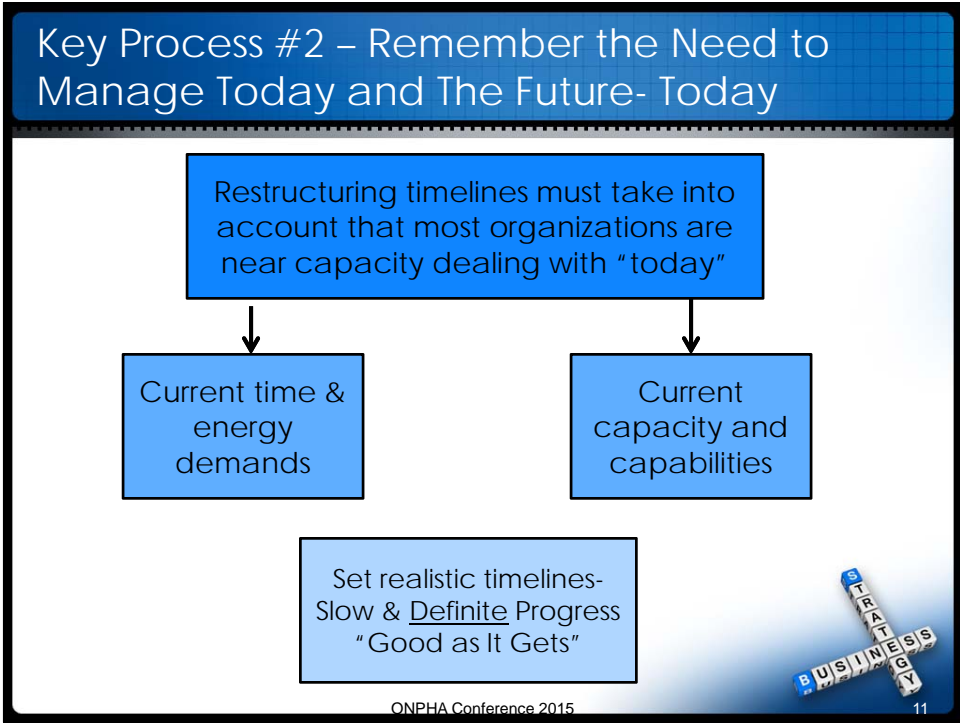
Perceptions & Beliefs about what is "right"

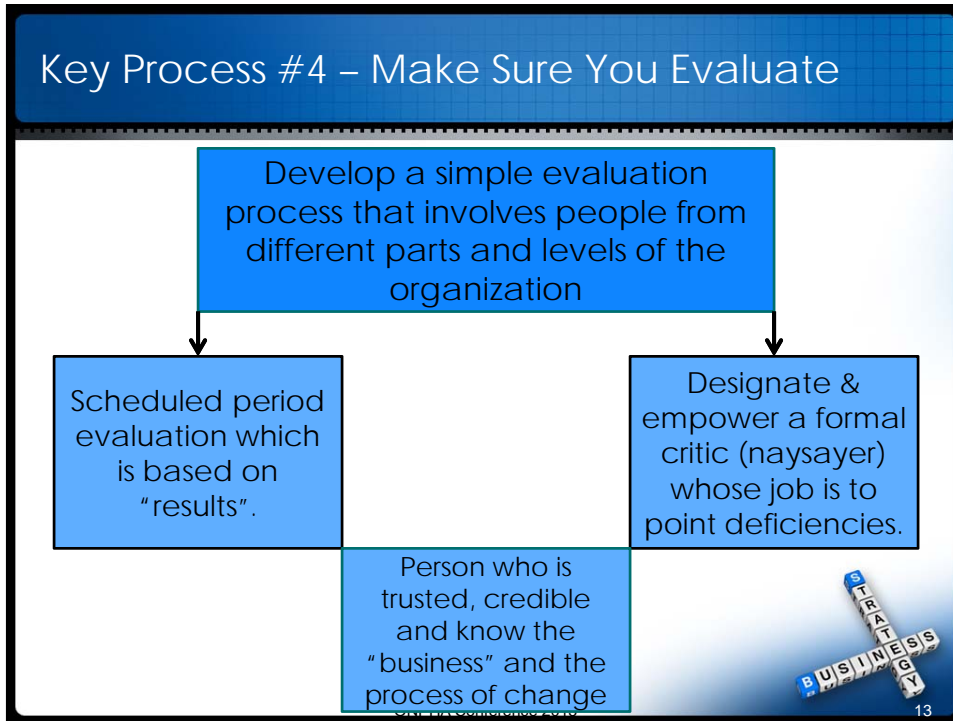
E.g. Open & Transparent Communication



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Key People #2 - Upfront – Address the Elephant in the Room

Most important question, for most employees, is "What is in this for me? ,How does this affect my work, position, job security ? (Your answer to these questions will set the tone for the process)

Be Open & Honest (If you don't know say so but commit to communicating when you do).

If you are unionized & have good relationship with the union leadership bring them into the process at key points.



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Key "Takeaways"

Link your restructuring to your mission, values and strategic plan

Set realistic timelines and periodically demonstrate progress

Communicate consistently and often

Keep your processes lean and evaluate often

Proactive manage employee expectations and resistance to change



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