

COVID-19 Best Practice Guide to Workforce Consultation

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What is Best Practice?

When it comes to running a business, you're bound to run into issues that affect both your company and your employees. These challenges can be minor, such as implementing a new service line or a basic change in process. Sometimes they're big challenges, like a global pandemic, which changes many aspects of the working environment.

Having a 'best practice' approach to consultation regarding organisational challenges means that businesses are able to:

- Make informed and robust organisational decisions, taking an enterprise-wide view and accepting input from all stakeholders.
- Implement changes faster and easier, as the workforce has been consulted, which means barriers or problems can be anticipated and resolved earlier.
- Improve business performance as less time is devoted to addressing misinformation, concerns or disputes.
- Increase employee engagement, as the workforce feels a sense of ownership of and commitment to the end result.

Employers who follow a best practice approach to consultation regarding organisational challenges will make efforts to evaluate and discuss these issues with their employees. These employers will want to have a genuine exchange of information and perspectives, and to work together to find solutions.

Workforce Consultation

In simplest terms, the act of workforce consultation provides opportunities for employees to express their views regarding upcoming changes or decisions, especially those that will directly affect the workforce, and utilise this feedback to guide the organisation's approach. The consultation process can also involve working with employees to find the best solutions for the organisation.

Organisations that embrace a consultative and cooperative approach to business management still retain their right to make the final decision on how to manage the given situation. However, employees who are given the opportunity to participate in the process are more likely to embrace change and feel less fearful or resentful.

There are four key steps to any workforce consultation process:

1. Present the workforce with meaningful information that is relevant to the change.
2. Provide employees with an opportunity to provide considered response to the information presented and the impending change / decision.
3. Collate, review and genuinely consider the views provided by the workforce prior to making any final decisions. This step may also involve further consultation or clarification with the workforce regarding.
4. Transparently communicate final decisions to the workforce, outlining key considerations and reasons for the final decision.

Characteristics of Effective, Best Practice Consultation

1. Understanding the purpose – understand the nature of the consultation. Why is this change essential to the organisation?
2. Inclusiveness, accessibility and diversity – the consultation process should be inclusive and accessible to all that will be impacted, and a policy of equal opportunity should be adhered to throughout the process.
3. Facilitating information exchange – information shared should be relevant, easily accessible and understood by key stakeholders. Information should also be traceable through accurate record keeping.
4. Timeliness – consultation must be conducted in a timely manner to ensure that responses are utilised to inform the end result and decision making process.
5. Considered responsiveness and feedback – issues raised and identified should be given consideration and respect, especially when involving diverse interests. Genuine attempts should be made to resolve conflict. The philosophy of this process is that stakeholders are given the opportunity to be seen and heard, and this should be upheld at all stages of the process.

Legal Considerations

Requirements to consult with employees about significant changes in the workplace are set out in legislation, awards and enterprise agreements. It is important to seek professional advice before making any significant decisions that may directly impact on employee work arrangements, as well as rostered or ordinary hours of work, and any major changes to production, programming, organisation, structure or technology. There may also be additional consultation duties with employees who have health, safety and welfare issues in the workplace.

COVID-19 Consultation

Since the COVID-19 pandemic emerged in 2020, organisations have had to pivot in order to continue trading. This often results in large-scale changes to operating models and working arrangements which directly impacts employees.

Organisations who adapted to best practice consultation methods were able to inform employees about the business implications of COVID-19 and discuss with them how to pivot their operations and respond to new opportunities. These businesses were able to acquire the buy-in they needed to quickly adjust to new or alternative ways of functioning, thanks to effective consultation processes.

As organisations continue to pivot and navigate emerging 'new normals', the consultation process continues to be a necessary and effective approach to managing the ever-changing landscape.

Consultation Process

A best practice approach to the consultation process will vary according to the organisation, the business environment, the decision being made and the relevant circumstances. We have included strategies here that can assist with moving your organisation towards this best practice.

Consultation is most effective when it's carefully considered and planned. Employers should take the time to design both the consultation and evaluation processes adequately to better facilitate the outcome. This may include:

- Analysing the change – consider any issues, impacts or risks to the business
- Creating a communication strategy – outline the organisation's approach to communicating with the workforce, identify relevant stakeholders and existing communication channels
- Creating a consultation plan – confirm the organisational objectives, collate all relevant information for the workforce, create a consistent message, outline methods for feedback and response and confirm who will make the final decision and by when.

1. Analysing the Change

Before consulting employees about a planned workplace change, think about the wider implications for your business.

A commonly used tool for identifying the wider impacts to an organisation is the SWOT. This tool is an analysis of the possible **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats that may be experienced by the organisation as a result of the change or decision.

Building awareness of the impacts to these four key areas can assist in developing messaging for the workforce during the consultation process, and also to develop some proposed strategies or solutions to address the issues.

2. Creating a Communication Strategy

An internal communication strategy lays out how your company will communicate important messages to its employees. Your communication strategy should cover:

- **What** – the types of information or critical messages that will be presented to employees.
- **Who** – the messages should be delivered by senior executives within the organisation. By involving individuals from all sectors of the organisation, the message is regarded as having wide management support.
- **How** – messages should be clear, consistent, and contextualised to help employees understand them. Consider which communication channels will be utilised – meetings, presentations, surveys, consulting with employee committees, social media or other technology.

- **When** - communication should be timely, and employees should have enough time to respond.

3. Creating a Consultation Plan

When creating your Consultation Plan, aim to address the following questions:

- How will the organisation help employees understand the change and its potential impacts to them?
- How will the organisation approach gathering information, ideas and concerns from the workforce, in order to give this adequate consideration?
- How will the organisation work with employees to identify and resolve any issues?
- How will the organisation inform employees of the final decision or outcome?

You may be able to do this by utilising existing communication channels (such as team meetings, newsletters or webinars). However, existing information-sharing mechanisms may be insufficient to effectively consult on organisation-critical issues. Consider utilisation of special consultation arrangements, such as focus groups or employee consultation workshops, in certain situations.

Consideration & Decision

Genuine consultation with employees in times of change will assist employers to avoid legal disputation and can also provide the organisation with useful information that assists with finding solutions to issues.

Consider the information and feedback provided by employees when making the final decision. In some cases, this will necessitate further research and evaluation of the feedback, while in others, it will be clear right away that the organisation cannot accommodate the suggested modifications.

It can be useful, once the decision has been made, to complete a reflective process to ensure it is the best approach for the organisation. This can be a simple process of asking the following questions:

- How has the information and ideas offered by employees affected your position when measured against business requirements?
- What are the key reasons for implementing this change?
- How will this change protect the business, its employees and clientele?

References

- Work health and safety consultation, cooperation and coordination - Code of Practice, Safe Work Australia. May 2018.
- Consultation and cooperation in the workplace Best Practice Guide, Fair Work Ombudsman. November 2020.

Have a question or need guidance?

If you would like to learn more about how the various services that Mercer Marsh Benefits can deliver for your business, including improving workforce mental health literacy and capability, psychosocial risk profiling, and organisational transformation support, please reach out to your MMB representative or [contact us here](#).

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