



Workforce Resilience : Covid-19 and Beyond

26 November 2020, Thursday
9.30am to 11.30am

Organised by:



Tripartite Alliance for
Fair & Progressive Employment Practices



Co-Organised by:

Lifelong Learning Institute

SKILLS *future* SG



Tripartite Alliance for
Fair & Progressive Employment Practices

Workforce Resilience : Covid-19 and Beyond

26 Nov 2020

COVID's Impact on People and Priorities



- COVID and Circuit Breaker have taken a toll on businesses.
- Expected to see lasting effect on economy even after COVID as many are struggling with cashflow for next half year or at least next one year or so to recover from the losses.

Retrenchments should be last resort: Conduct retrenchments responsibly

Some employers use retrenchment as quick means to save costs and businesses.

However, retrenchment has implications on different levels:

Affected employees / Existing employees /

Overall workforce capabilities vis-à-vis business changes

Employers should actively explore other Cost-saving measures first before retrenchments.

*Careful
considerations
before/ after
retrenchments*



Managing the process of Retrenchment:
Pre-retrenchment, Retrenchment, Post-retrenchment

Gaps in communications is a key complaint



- TAFEP's observations, from engaging employers & employees on retrenchment exercises.
 - Communication lapses are the biggest cause of complaints, other than the lack of Retrenchment benefits (RB)
 - Most employees are understanding and aware of business situation, but expected a compassionate and sensitive approach from the company
 - Lack of thoughtful and thorough perspective of employees' interests, concerns and complaints, apart from reactive planning and hasty procedures
- General guidance from Tripartite Partners:
 - Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment (TAMEM), updated on 17 Oct 20
 - Tripartite Advisory on Retrenchment Benefits

Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment

Alternatives to Retrenchment

Cost Savings Measures to Preserve Jobs

Employers do not need to apply the below measures sequentially.

For businesses that are scaling down or suspending operations in response to a short, temporary decline in business activities, you may consider:

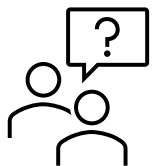
- Adjustments to Work Arrangements without Wage Cuts
- Adjustments to Work Arrangements with Wage Cuts

For businesses suffering from extremely poor or uncertain business conditions that are likely to be long term, you may consider:

- Direct Adjustments to Wages
- No-pay Leave



Note: Do consult your union and employees to reach an agreement before implementing these measures.



Alternatives to retrenchment: Cost-saving Measures



Reminder:

- **Engage employees** face-to-face or video/audio call for discussion and seek agreement before any email confirmation.
- Employers must **seek agreement from employees** on cost-saving measures that have impact on wages.
- Also, **welcome clarifications** so that there can be open conversations.
- **File notification with MOM** on cost-saving measures with >25% impact on wages

How to Retrench Responsibly

**If company is unionised, the relevant union(s) should be consulted as early as possible on the selection as well on the RB quantum and employment facilitation.*

If retrenchment is inevitable, employers should:



Select employees fairly & objectively

Communicate to affected employees early

Provide longer notice periods beyond min. requirements under EA

Provide RB in line with Advisories

Help employees look for alternative jobs

File MRN via MOM portal

Issues & Learning Points

Early Notification to Govt on retrenchment



Late notification to Govt on retrenchment



Notify MOM early so that affected employees can be given employment assistance

Admin penalty may be imposed for late /non-notification

Issues & Learning Points

Fair & objective selection



Absence of objective selection criteria



Establish **selection criteria** & share with employees that selection is based on several objective criteria.

Retrenchments should generally not result in a reduced proportion of local employees.

Issues & Learning Points

Retrenchment Notice Period & Communication to employees



Lack of early communication and insufficient notice given to affected employees



Communicate early to affected employees

Engage in **open and transparent** communication with affected employees

Notification of retrenchment should be done in person unless impractical to do so.

Issues & Learning Points

Communication to employees



Lack of Compassion



Do your part to ensure retrenchment is carried out in a **respectful** manner, and with **compassion**.

e.g. manner in which affected employees are notified and type of support received thereafter.

Issues & Learning Points

Communication to employees



Inaccurate wording of Retrenchment letter



Letter should **acknowledge** the retrenchment and **accurately reflect the reasons** for retrenchment
e.g. Termination due to Retrenchment exercise / Business Restructuring

Issues & Learning Points

Employment Facilitation



Lack of employment assistance



Link up with **WSG and e2i** for employment facilitation

Provide **relevant documents** (testimonials, certificates etc) to facilitate job search

Provide training packages post-retrenchment, to help maintain or build up relevant skills. Help is available from SNEF, SBF, other trade associations & chambers, the unions as well as training providers.

Issues & Learning Points

Retrenchment Benefit



Quantum of RB differs across different batches of affected employees



RB payout should be **aligned with TAMEM/ COVID-19 RB Advisory** and **consistent** across different batches of affected employees

Issues & Learning Points

Fair & objective selection



No robust performance appraisal

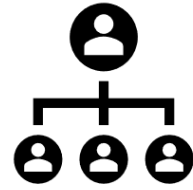


Ensure **proper performance management system** is in place for **regular feedback** on work performance

Do's and Don'ts

Do to others what you would have them do to you if retrenchment is unavoidable

Do's and Don'ts



Business Leaders/
Head of organisations

Do's




Communicate a **genuine and heartfelt** message



Keep **processes right** and be **transparent**




Provide **assurance** and **clear directions** for remaining employees




Take lead if company is cutting wages

Don'ts



Avoid any communication that **undervalues the contribution** of retrenched employees



Avoid sending inconsistent messages

Do's and Don'ts


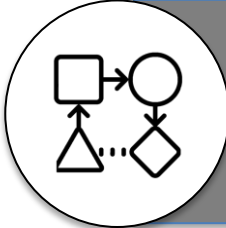


HR Leaders

Do's

-  Ensure **dignified exit** for employees
-  Convince leaders about importance of **human touch**
-  Ensure **fair retrenchment package** and **legal requirements** met
-  Provide **support for Line Managers**
-  Provide **support for employees**
-  **Seek professional help** to carry out exit process if required

Don'ts

-  Avoid treating employees like their importance is undermined
-  Avoid treating retrenchment as a procedural exercise

Do's and Don'ts Line Managers

Do's



Familiarize on Do's and Don'ts of exit exercise



Handle conversation with sensitivity

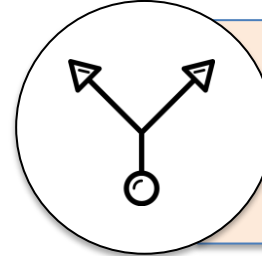


Show appreciation for the contributions of the retrenched employees



Provide assurance that help is available if process is unclear

Don'ts



Avoid **digressing** from the exit exercise topic



Avoid **injecting humour** into the conversation

Other Resources

Resources

- **TAMEM and the other advisories:** mom_lrwd@mom.gov.sg
- **Updated TAMEM:** www.mom.gov.sg/TAMEM
- **COVID-19 RB Advisory:** <https://www.mom.gov.sg/covid-19/advisory-on-retrenchment-benefit-to-retrenched-employees>
- **Tap on training support schemes and redeployment programmes:** <https://www.wsg.gov.sg/SGUnited.html>
(SG United Jobs and Skills Package)
- Accelerate formation of **Company Training Committees** and mid-career conversions to identify potential job displacements, reskill at risk workers and redesign jobs: <https://www.ntuclearninghub.com/ctc/>
- Employers can tap on **Capability Transfer Programme** to speed up the transfer of global capabilities: <https://www.wsg.gov.sg/programmes-and-initiatives/capability-transfer-programme.html>

Slide from SkillsFuture Singapore

For Individual Keen to find out more?

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END