

# REACHING THE PEAK

**There are currently persistent warnings of an economic slowdown ahead. But this will take HR and payroll departments' workloads to new heights, Liz Hughes says.**

The general lifecycle of any business involves peaks and troughs, seasonal variations, restructuring, recruitment, redundancies, policy changes, mergers, acquisitions, disposals and those ever present "projects" that have to be completed on top of a normal day's work.

So, what is the likelihood that an economic slowdown will mean a reduction in the activity for HR and payroll departments? Even if we do not have the benefit of previous experience

**We may well have to speed up as companies accelerate reviews and restructuring**

of general recessions, we can hazard a guess at "next to none". In fact, I would go as far as to say we should all be preparing for the opposite – a significant increase in the activities we will be expected to be involved in. Far from slowing down, we may well have to speed up as companies accelerate business reviews and restructuring.

True, some non-urgent projects may be put on hold as more caution is applied, but often longer-term plans will be brought forward, especially if there are business economies to be gained. Managers in every organisation will be focusing on securing their companies' futures by rationalisation

and re-organisation. As ever, human resources are likely to come under the closest scrutiny. The result, inevitably, will be heightened activity in HR and payroll departments.

#### Opportunities

Busy times often bring the greatest opportunities as theories can be put into practice and all that training can pay off. There can be no doubt that the widest possible range of HR and payroll activities are concentrated in times like these and there are opportunities to plan and execute less common strategies at first hand.

Timescales are often shortened too, which can provide the opportunity to be involved in large-scale change management projects from start to finish right through to the post-implementation measurement of results. This can be intensely satisfying on a personal level. And perhaps even more importantly from the departmental point of view, the contribution that HR actually makes as a business partner is more visible at times like these than at almost any other time.

It would be easy for those in recruitment to feel they are facing a decline in activity. Again, the opposite may be true. Internal reorganisations often lead to large numbers of applicants for new or reworked positions. There will certainly be new opportunities for some applicants, not to mention the additional interviews and selection processes that will need to be conducted.

For some time recruitment agencies have been concerned about the lack of suitable applicants for the vacancies on their books. If large numbers of candidates are released into the marketplace, external recruitment should see a significant increase in activity too.

#### Preparation

There is some bad news, however – normal activities will continue. This means any work resulting from changes will not only require extra effort, timescales are likely to be even tighter as companies drive to obtain benefits from the changes as early as possible. Nevertheless, there are certainly things that can be done now to mitigate the inevitable additional work. Starting today, we could all resolve to:

1. Clear up all those outstanding issues that were going to be tackled when we "have a minute". These things often rear their heads at exactly the wrong moment and always take up a lot more time than expected. By doing it now, we can clear our desks ready for anything that comes along.
2. Review and update documentation and processes in light of the latest HM Revenue & Customs rules, for example redundancy rates.
3. Ensure company policies are up to date in terms of any enhanced redundancy terms, leavers' procedures and redundancy rules. Conduct a review if appropriate.
4. Review processes and procedures to see where time savings can be made. By looking at efficiencies at a time when they can be well thought out, they are likely to give more benefit and longevity than those hastily thought out "quick fixes" that often create more problems than they solve.
5. Update internal forms in the light of changes that have taken place since the last revision.
6. Identify new activities/processes that may be required and consider how they could be conducted if required. For example, restructuring often involves the need to assess existing staff for jobs that have changed in terms of responsibilities. How could this be conducted?

7. Last but by no means least, review the resources available. Identify weaknesses as an individual and/or a team. Are there any areas in which extra training, practice or skills are needed? Now would

**There are certainly things that can be done to mitigate the inevitable additional work**

be a good time to organise additional coaching or training if appropriate and source additional skills that may be required. As in point 6 above, are external skills required? Will you need to provide the services of outplacement specialists for any redundant personnel?

These steps will mean that we should be ready for anything and able to deliver projects within deadlines that are bound to be demanding.

What is certain is that over the coming months some will be facing new and professional challenges that will provide them with invaluable experience. Others will be honing existing skills that should serve to remind them what a positive contribution HR and payroll professionals do make in even the most difficult of circumstances.

*Liz Hughes is Director of Independent Payroll Consultants; [www.payrollconsultants.co.uk](http://www.payrollconsultants.co.uk)*