

Organisation

Managing Organisational Change



Organisational change is defined as change that has an impact on the way that work is performed and has significant effects on staff. This could include changes:

- in the structure, interaction and culture of an organisation;
- to organisational operation, staffing levels and size of a workforce;
- to working hours or practices;
- in the way roles are carried out or responsibilities delegated; or
- to the scope of a role that results in a change to the working situation, structure, terms and conditions or environment.

Organisational change can have an impact irrespective of whether changes are viewed as large or small, often the changes that are considered to be small can result in the largest risks or most severe consequences for safety, health and the environment. Any change of an organisation will have an influence on all other aspects mentioned.

Some common examples of organisational change in business are:

- business process re-engineering;
- delayering;
- introduction of 'self-managed' teams;
- multi-skilling;
- sub-contracting / outsourcing
- mergers, de-mergers and acquisitions;
- downsizing;
- changes to key personnel;
- centralisation or dispersion of functions; or
- changes to communication systems or reporting relationships.

Changes at corporate level as well as site level can have a significant impact on safety at operational level and may include changes to objectives, resources, management systems, available expertise for design, engineering support, and procurement etc.

The processes for managing and approving organisational change outlined in this information sheet should have benefits for all aspects of health, safety and environmental management, and even commercial risks. The outcome of the organisational change has to be risk assessed on HSE aspects.

Learning more about organisational change.

Organisations are always changing - is it always a change for the better, or is your company having any of these problems?

If the answer to any of the questions below is 'no', then you need to take action and look at the change management process in your company

1. Are there enough people to carry out everyday work, and respond to any unusual or emergency situations? ☐
2. When employees' jobs are changed, do they get proper training in the new job? ☐
3. Are there enough people available to supervise all of the contractors working on site? ☐
4. Are contractors fully integrated with your company but able to maintain contact with their own management? ☐
5. Does management explain the need for change and consult or involve employees in the change process? ☐
6. Do systems that worked before the change still work as well after the change (for example, supervision or work permit systems)? ☐
7. Is the general opinion that recent changes have improved morale (or at least, not lowered morale) and have not unsettled employees? ☐
8. Do managers ask if the changes are working or whether there are any problems? ☐
9. Has the company made changes in a way that employees can easily adapt to and cope with?
NOTE Although some changes are small, their effect can be cumulative and suddenly, there is a problem. ☐
10. Where changes are still in progress, are the planned changes clear to all those affected? ☐

Change management processes must be effective and understood

11. Is there a robust procedure for management of organisational change with:
 - clear objectives? ☐
 - clear leadership from senior management? ☐
 - a structured consistent well documented process? ☐
 - clear communication? ☐
12. Is there an assessment process that:
 - identifies and maps all changes to both tasks and personnel that could have an impact on health, safety and the environment, no matter how small the change? ☐
 - is facilitated by well-trained persons independent of the organisation being assessed? ☐
13. Does a risk assessment methodology guide assessors to take full, realistic account of the issues affecting human factors? This may include:
 - staffing levels and workload;
 - training and Competence;
 - work priorities;
 - team work and communication;
 - culture.
14. Where applicable, are there realistic assessments of the organisation's ability to handle a range ☐

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	of crisis scenarios after the change, including disruptions, escalating incidents and emergencies?	
15.	Are all assessments fully participative, ensuring that the knowledge and views of people involved is gathered (including informally held knowledge)?	☐
16.	If contracting out of activities is considered: - are risks still managed as if they are part of the business? - are there arrangements and resources to continue effective control of contractor activities? - have appropriate performance indicators been selected for signs of degradation of performance?	☐ ☐ ☐
17.	Where required, is there a competence management system to ensure adequate transition arrangements? - Does it include identification of training needs for changed or additional roles, bearing in mind that some key knowledge may not be documented? - Is there adequate planning for competent cover during the training period?	☐ ☐
18.	Is there an overall view of site or business-wide requirements for the core technical competencies required to minimize risks, including capacity for engineering and adequate supervision of contractors?	☐
19.	Is there a mechanism for reviewing decisions, and to ensure that all necessary measures are in place before implementation of change?	☐
20.	Are there plans to monitor performance indicators well beyond the end of the change?	☐

What can we do about it?

What can I do about it?

- Ask people, either face to face, or by a questionnaire or survey, to find out what experiences they have had with organisational changes made in their organisation and were the objectives properly communicated.
- Find out especially:
 - if people are feeling overloaded or lack proper training due to a recent or past change;
 - if the use of contractors is a particular issue; and
 - if people believe they were not properly consulted about change.
- Draw the information to the attention of senior management.

Management responsibility

When a company has decided it needs to change its organisation, for whatever reason, it must plan the process very carefully and especially, predict and prepare for any possible negative effects on safety, health and environmental management in addition to general business or operational risks.

A company that sees a need to make organisational changes should ensure:

- changing the organisation is the right thing to do;
- all potential negative effects on safety (for example. losing skills from the company, lowering morale, overloading employees, losing control of contractors) have been considered;
- the changes will not negatively affect how safety critical and other key tasks are

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