

A photograph of two women sitting at a table in a meeting. The woman on the left is wearing a white turtleneck and has long dark hair. The woman on the right is wearing a grey hijab and a grey top, holding a yellow pencil and looking towards the right. A laptop is open on the table in front of them. The background is slightly blurred, showing indoor plants and a brick wall.

Future Ready Solutions for Career Restructuring in the Post-Pandemic Era

The COVID-19 pandemic highlighted the vulnerabilities of global businesses, forcing many companies to make rapid adjustments to their workforce structures. Corporations are still reeling from the aftermath of the turmoil affecting their conventional practices from previous years.

As we enter 2025, concerns about the potential emergence of another infectious disease that could disrupt the world continue to grow. And as organisations brace for potential future pandemics, effectively managing restructuring and retrenchment has become essential for responsible workforce management.

This White Paper explores strategies companies can implement to ensure ethical, empathetic, and effective management of workforce changes during crises, safeguarding both employee well-being and organisational sustainability.

As we have just stepped into this new year, it is an opportunity to reflect on the valuable lessons of the past and carry them forward with wisdom.

Let us approach the future with thoughtful planning, learning from past experiences, and striving to make more strategic and informed decisions.

Pandemics create unprecedented disruptions in business operations, compelling organisations to make difficult decisions about workforce reductions and restructuring.

Companies must balance financial stability with their commitment to employees, recognising how they handle layoffs, which can significantly impact their reputation, employee morale, and long-term viability.

Key Challenges During the Pandemic and What We Learnt from the Past

Uncertainty: Rapidly changing market conditions make workforce planning challenging.

Remote Work: Moving employees into a remote or hybrid work environment requires innovative approaches, revising policies and processes, and a greater need for IT proficiency.

Emotional Impact: Layoffs during global crises heighten employee stress and anxiety, affecting not only their families but also the broader community.

Companies that implement structured, transparent, and compassionate restructuring and retrenchment strategies are better positioned to weather these challenges and maintain positive relationships with employees and stakeholders.



Key Strategies for Managing Career Restructuring

Companies should focus on key areas in a contingency plan for career restructuring to ensure resilience, reduce risks, maintain productivity, and protect their reputation while managing change.

1. Developing a Staffing Contingency Plan

Organisations should create a robust contingency plan for their staffing needs that aligns with potential pandemic scenarios. This includes:

- Identifying critical roles essential to business continuity.
- Establishing criteria for workforce reductions that prioritise fairness and transparency.
- Incorporating flexibility to adapt to evolving circumstances.
- A contingency plan reduces the risk of hasty, reactive decision-making, enabling companies to respond thoughtfully and strategically.

2. Investing in Outplacement Services

Offering outplacement support demonstrates a company's commitment to its employees' future success, even during layoffs. Outplacement services typically include:

- Emotional support through counselling and coaching.
- Resume writing and interview coaching.
- Job search strategies, resources and networking opportunities.
- Market survey and talent acquisition connections.

These services not only help employees transition smoothly but also protect the company's Employer Branding.

3. Enhancing Communication and Transparency

Clear and compassionate communication is essential during restructuring and retrenchment.

Companies should:

- Provide regular updates on the business situation and potential workforce impacts.
- Clearly communicate the reasons for layoffs and the decision-making criteria, avoiding vague or generic statements.
- Offer one-on-one conversations with affected employees to address concerns and provide resources.

Transparent communication minimises misinformation and helps maintain trust with both departing and remaining employees.



4. Leveraging Technology for Remote Transitions

During a pandemic, much of the career restructuring and outplacement support needs to occur virtually. Companies might consider:

- Using video conferencing for outplacement workshops and counselling sessions.
- Provide online training modules to help employees upskill or reskill for new opportunities.
- Create digital platforms for tracking job leads and connecting employees with recruiters.
- Helpdesk support for any IT-related challenges.

Technology ensures seamless support, even in remote or hybrid work environments.

5. Prioritising Mental Health and Well-Being

Layoffs during a pandemic can have a profound emotional impact. Employers should prioritise mental health by:

- Offering access to Employee Assistance Programs (EAPs) for counselling and emotional support.
- Providing mental health resources and workshops for stress management.
- Training managers to recognize recognise signs of distress and support employees effectively.

Addressing mental health fosters resilience and reduces the negative impact of retrenchment and career restructure on individuals.



Best Practices for Ethical Restructuring

1. Adopting a People-Centric Approach

Ethical restructuring begins with a commitment to treating employees with dignity and respect. Prior to resorting to restructuring, companies ought to:

- Consider alternatives to layoffs, such as reduced hours or voluntary unpaid leave.
- Provide attractive severance packages and extended health benefits for more take-up rates.
- Transparent communication to involve employees to foster a sense of collaboration and shared responsibility and build trust.

2. Aligning Restructuring with Core Values

Restructuring decisions should reflect the organisation's mission and values. By aligning actions with stated principles, companies can maintain their integrity and strengthen stakeholder trust.

3. Planning for the Long Term

Companies should view restructuring exercise not as an endpoint but as part of a longer-term strategy to build a resilient workforce. This includes:

- Retaining top talent for critical roles while investing in their development.
- Fostering a culture of continuous learning and adaptability.
- Engaging with alumni networks to create future opportunities for former employees.

To gain insight into how global companies navigated career transitions, outplacement, and restructuring during the COVID-19 pandemic, it is essential to examine real-world examples and the strategies they employed for ethical and effective workforce restructuring.

1. Airbnb₁

During the pandemic, Airbnb faced a drastic reduction in demand and laid off 25% of its workforce. The company supported affected employees by:

- Offering severance packages that included 14 weeks of base pay plus an additional week for every year at the company.
- Providing healthcare coverage for a year.
- Creating an online talent directory to help employees find new roles.
- Offering job placement support and career coaching.

2. IKEA₂

Instead of immediate layoffs, IKEA prioritised redeploying employees to areas with higher demand, such as e-commerce operations. This strategic internal mobility, coupled with digital transformation, reduced the need for external outplacement while addressing business needs.

3. Danone₃

Danone maintained its focus on employee welfare, guaranteeing wages during the initial phase of the pandemic and offering bonuses to frontline workers. It also extended support to employees' families, reflecting its commitment to sustainable and purpose-driven restructuring.

4. Microsoft and Accenture₄

Both companies emphasised skill development by offering reskilling and upskilling opportunities for employees whose roles were affected. They collaborated with organisations to provide certifications and new career pathways.

Effective Strategies for Ethical Restructuring

1. Transparent Communication

Companies like Airbnb¹, demonstrated the importance of open, honest communication with employees. Sharing the rationale for layoffs and restructuring in a compassionate and transparent manner helped maintain trust.

2. Outplacement Services

Providing affected employees with access to career coaching, job search resources, and mental health support ensures a smoother transition. Some companies partnered with career transition firms to enhance these services.

3. Upskilling and Reskilling Programs

Firms like Microsoft⁴, invested in learning platforms to help employees transition to in-demand roles, reflecting the shift to digital-first business models during the pandemic.

4. Flexible Workforce Management

IKEA's digital transformation and redeployment approach highlights how companies can leverage internal talent mobility to minimise layoffs while addressing operational challenges.

5. Purpose-Driven Leadership

Companies like Danone³, maintained a strong sense of purpose by ensuring their restructuring efforts balanced employee welfare with long-term business objectives.

6. Partnerships with Talent Platforms

Organisations collaborated with talent marketplaces to match displaced workers with new opportunities, increasing their chances of a seamless transition.

By adopting these measures, companies not only supported their employees but also built resilience and maintained their reputations during a crisis. These examples highlight the importance of balancing strategic restructuring with compassion and innovation.



Conclusion

The next pandemic will undoubtedly pose new challenges for businesses, but companies that proactively develop and implement effective restructuring and retrenchment strategies will be better equipped to navigate these disruptions.

By prioritising transparency, compassion, and long-term sustainability, organisations can manage workforce changes in a way that benefits employees, preserves corporate reputation, and ensures future success.

Company directors may face significant challenges in turning around an organisation during a crisis and may need to consult various advisors and lenders across multiple jurisdictions to determine the best path forward.

Planning for the possibility of future pandemics starts today.

Through ethical restructuring and a commitment to supporting employees through transitions, companies can emerge stronger, more resilient, and more adaptable in an ever-changing world.

HR professionals are at the forefront of adapting to new and challenging landscapes that are shifting fast. What you don't know could put your company at risk.

Always be one step ahead, armed with the knowledge, tools, and expertise needed to navigate whatever 2025 brings.



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2. Learning Academy (LA)
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