

Exploring Your Options

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NEED/OPPORTUNITY / Established in 1944 as a part of the United Nations, the International Monetary Fund (IMF) is an organization of 185 member countries working to foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world. Since its birth, the IMF's business model had relied primarily on the income from its lending operations to finance its work. By 2006, this model was no longer sustainable because of a sharp drop-off in lending activity. In January 2007, a committee of prominent economic experts recommended that the Fund adopt an income model based on a more diverse source of revenue, and that these new revenue measures be evaluated along with a review of administrative expenditures.

The review, titled "Refocusing the Fund," examined 1) ways the organization might work more efficiently with fewer resources, and 2) whether the Fund had the balance of skills necessary to deliver on the new income model. It concluded that, of the organization's projected annual shortfall from fiscal year 2011 of US\$400 million, some US\$100 million could be saved by reducing staffing levels and cutting other administrative costs.

Management decided to undertake a downsizing exercise in March 2008 aimed at cutting 380 positions over a two-year period, with a higher proportion of reductions to come from administrative support staff and senior staff. The team hoped to meet most of the needed reductions on a voluntary basis but realized that some mandatory separations might be necessary to achieve reductions in targeted areas. Staff who volunteered during the window of 1 March to 24 April 2008, could choose to leave any time between May of 2008 and May of 2009. Where there was a clear business need, departments could defer the departure of individual volunteers by up to one year, which meant that some volunteers would remain on payroll for up to two years.

The IMF had never undertaken a staff reduction of this magnitude but did have a record of facilitating smooth separation of individuals facing a wide variety of personal and professional circumstances. Drawing on this experience and best practices in other organizations, the Fund's human resources department developed a special separation process and temporary enhancements to existing benefits and services. A major communication initiative titled *Exploring Your Options* (EYO) was launched to help staff understand the process, the severance packages and the potential impact on their personal situation.

INTENDED AUDIENCES / STAFF ELIGIBLE TO VOLUNTEER

The EYO program was directed at all Fund staff members who were eligible to volunteer. However, as the IMF is an international organization, a particular focus was given to the Fund's large expatriate population. When the downsizing exercise began in February 2008, the IMF had 2,900 regular staff members with the majority based in Washington, D.C. Nearly two thirds were expatriates from 130 countries working for the Fund on a G4 visa, the special category for employees of international organizations. G4 status covers not only the staff member, but also allows his/her spouse and children (under age 24) to live and, with authorization, to work in the U.S. After 15 years of continuous employment for an international organization in the U.S., a retiring G4 visa holder may apply for a conversion to permanent U.S. residency (i.e., a green card). However, G4 volunteers who were not eligible for an immediate pension or who could not meet the 15-year requirement for a green card, would need to either convert to another type of visa or leave the country within a limited time frame. This meant many potential volunteers would be making their decision considering issues such as:

- ▶ Family disruption caused by an unexpected international relocation.
- ▶ Complexities of making international pension and tax decisions.
- ▶ Difficulty in obtaining a different type of visa in order to remain in the U.S.
- ▶ Lack of familiarity with the local job market and/or inexperience with a recent job search.

STAFF IN THE FIELD, ON ASSIGNMENT OR ON SABBATICAL

At any given time, a significant percentage of the Fund's staff are traveling internationally on official or personal business, while some 400 employees are on longer-term field assignments. These individuals have only electronic access to information. In addition, a smaller percentage of staff are working on an external assignment with another organization or taking a personal sabbatical. At the time of the downsizing, many of these individuals were eligible to volunteer for the downsizing package but could not access the IMF intranet. Special e-mail outreach was conducted to allow them limited intranet access.

OPERATIONAL MANAGERS

By providing staff with extensive information about the practical aspects of the separation process and packages, HR's goal was to help managers stay on track with refocusing work and on counseling their teams.

GOALS AND OBJECTIVES / The major goal of the *Exploring Your Options* program was to ensure that the number and profile of volunteers was sufficient to deliver the necessary staffing reduction of 380 positions with few or no mandatory separations.

However, the results from a 2006 Internal Communication Survey indicated a need for another, equally important goal. The survey showed that a significant gap had developed between staff's level of interest and their actual level of information in areas such as management decision making and changes in policy, as well as in compensation and benefits. Further analysis showed that the gap was likely attributable to an earlier comprehensive review of employment, compensation and benefits (ECBR). A significant number of staff expressed the view that the Fund's management in general—and human resources in particular—had not communicated effectively during the review process and

afterward, as recommendations were implemented.

Having learned from this experience, human resources wanted to ensure communication received a much higher priority during the downsizing. They wanted to show that, after the exercise had concluded, a majority of Fund staff felt:

- ▶ They understood the necessity of a downsizing exercise, were informed as to how it would be conducted, and believed the process was fair and transparent.
- ▶ They had a clear sense of their future prospects at the Fund and a good understanding of their options under the downsizing program.
- ▶ That staff who left had received adequate support from HR and from their departments in transitioning to employment outside the Fund.
- ▶ That staff who stayed considered the Fund to be a motivating workplace.
- ▶ That the Fund's reputation externally as a respected institution and desirability as a potential employer had been retained.

SOLUTION OVERVIEW / *Exploring Your Options* was selected as the theme for the downsizing communication program because it placed the focus on the individual's options for his/her future rather than on the organization's reduction process. The compass was selected for a visual symbol of the program because of its association with explorers and because it helps an individual find the right path based on his/her current location.

EXPLORING YOUR OPTIONS (EYO) WEB SITE

Designed, built and launched in three weeks using Microsoft SharePoint, the *Exploring Your Options* web site was the hub of the downsizing communication program. Equally available to staff in their office, on mission or on sabbatical, the site helped potential volunteers:

- ▶ Understand how the downsizing exercise would be conducted.
- ▶ Review the enhanced benefits and services available to those who left on a voluntary or mandatory basis during the downsizing.
- ▶ Keep abreast of upcoming seminars, briefings, town hall meetings and deadlines.
- ▶ Access information on the impact of separation or retirement on pensions, taxes, visas, etc.
- ▶ Explore career opportunities outside of the Fund.
- ▶ Connect with available resources.
- ▶ Ask questions and review the answers to frequently asked questions.

DEDICATED EYO MAILBOX

The dedicated EYO e-mailbox was available on each page of the web site. E-mailbox questions were answered within 24 hours and formed the basis for continual updates to the web site FAQs. By the time the volunteer window closed, the e-mailbox had received over 2,000 queries, and several hundred FAQs had been posted.

INFORMATIONAL SEMINARS AND BRIEFINGS

To address the concerns potential volunteers might have, a special program of seminars and briefings was developed and publicized through the EYO events calendar. Sessions included information on the severance packages, pension and benefits issues, financial and estate planning, visa and immigration issues, taxation, stress and coping with change, as well as several different aspects of career planning and job search skills. Webcasts were made available through the web site for staff who were unable to attend.

PENSION CALCULATION ROOM

The severance packages involved new pension options, which could not be fully incorporated into the Fund's employee self-service (ESS) kiosk projection model in the time available. As a result, ESS could provide only limited pension projection capabilities. To help potential volunteers calculate their pension options, a special "pension calculation room" was set up and manned by pension experts.

HR SUPPORT TEAMS

The HR department temporarily reallocated most of its regular operational resources into support teams that brought together expertise from different HR disciplines and a multiplicity of languages. While other communication channels focused more on benefits information, the support teams worked with both department managers and individuals to counsel staff on their situation within the department's future plans.

OUTPLACEMENT TASK FORCE

Management established a special task force headed by a senior manager to coordinate a variety of services aimed at helping separating staff find new jobs. The task force conducted outreach to member governments, Central Banks, other international financial institutions and Fund alumni in the private sector. Opportunities identified were posted on the EYO site, along with information on available in-house career transition services, career development seminars and external outplacement services. The Fund's staff association also dedicated a section of its web board to job leads posted by staff members. An outgrowth of this work resulted in the establishment of an IMF staff & alumni group on LinkedIn, which helped volunteers network with former colleagues.

IMF INTRANET ARTICLES

The Fund's internal communications group supplemented the information from the EYO site with articles on the main IMF intranet home page. Articles included updates on how the process was going as well as summaries of the various services and frequently asked questions.

SPECIAL SECTION IN HR'S E-NEWSLETTER

A special section was added to HR's weekly e-newsletter to highlight EYO content and events.

TOWN HALL MEETINGS

Town hall meetings were held by both IMF management and the staff association so that staff could ask questions about the process.

IMPLEMENTATION AND CHALLENGES / Most of the budget allocated for the downsizing implemen-

tation, outside of the actual packages, was devoted to external resources for counseling in areas such as financial and tax planning and outplacement services. All resources used to support the communication effort were internal, and as the Fund does not use intra-departmental billing, it is impossible to provide a cost overview.

The entire *Exploring Your Options* web site was designed and built using Microsoft SharePoint in under three weeks by the HR communications officer, with support from content providers across the department and technical support from IMF's IT section. The tool was very new to the Fund, so everyone was learning by doing.

The delivery of such an ambitious communication program in a very short time frame posed numerous challenges. Because the Fund had not undertaken such a large-scale downsizing program before, policies were still evolving while the web site was under development and even after the volunteer window opened. The flexibility of SharePoint was invaluable in coping with such a dynamic environment.

MEASUREMENT/EVALUATION / The IMF intranet saw an all-time record-breaking surge of unique visitors the day the EYO site was launched. As the weeks went on, statistics continued to be strong across the web site, with users navigating most frequently to the home page, news items, landing pages, the events calendar and the frequently asked questions page.

By the time the voluntary window closed, 591 staff members had volunteered, which exceeded the requirement of 380. IMF was actually able to accept more volunteers than anticipated. A post-downsizing staff survey showed that the second major goal had also been achieved. Over 50 percent of staff completed the survey with balanced participation by grade and by category representation of accepted volunteers, rejected volunteers and those who had not volunteered. Nearly 60 percent of the survey respondents rated communication during the downsizing process as good or very good. Nearly 80 percent said they felt the restructuring was necessary, and 63 percent thought that the objectives of the process were clear.

In an interview for the release of his annual report in November 2008, the Fund's independent ombudsman noted that:

The bright spot in the downsizing exercise was the communication between management and staff. It was a model that should be followed in future Fund programs and projects. It should serve as a best practice for other organizations. I did not hear one concern about staff not knowing what was going on. SAC (staff association) also did a brilliant job in communicating with its constituency. This communication piece was so important, so vital to the successful outcome of the downsizing. The lack of communication creates suspicion, doubt and cynicism.