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Stories of Ambivalence: Australian Executives’ Experiences of Outplacement Services

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Abstract

The increasing prevalence of organizational downsizing has been matched by growth in the provision of outplacement services. Yet there has been limited research on either the effectiveness of these programs or the experience of individuals undertaking them. Within a qualitative study investigating the experiences of Australian executives who had been made redundant, one of the focus areas explored was the experience of using outplacement services. Respondents’ stories revealed a sense of ambivalence towards these programs. This paper discusses the conflicting experiences giving rising to this ambivalence, namely, positive outcomes with respect to the use of office services and the receiving of proactive support, and more negative aspects of an absence of counselling skills and impersonal treatment through the organizational exit process. It is argued that further research on the outplacement experience is required to determine the type and quality of services which will best serve those who have been made redundant.

Keywords: Downsizing; executives; outplacement; redundancy

Introduction

Organizational downsizing has become a far-reaching phenomenon, now impacting an increasing cross-section of organizations, occupations and countries (Donnelly & Scholarios 1998). Since the 1980s, issues such as deregulation, decline in organizational growth and intensified global competition have all placed pressure on organizations to reduce costs (Goffee & Scase 1986; Dopson et al. 1992). Thus, organizations have restructured and downsized (Frohman & Johnson 1993), essentially “cutting back” on employee numbers. While termination of employment has always been present due to cyclical economic conditions, organizational downsizing today impacts a greater number of white-collar workers, including middle- and senior-level managers and executives.

As the number of people experiencing redundancy has increased, there has been a concurrent growth in the provision of outplacement services (Butterfield & Borgen 2005). Outplacement has been broadly defined as any planned efforts provided (or paid for) by an organization in order to assist employees who have been made redundant in seeking new positions in other organizations (Mendleson 1975, p. 4). More commonly, outplacement services are provided by an external firm (Papalexandris 1996), and it is these services which are the focus of the current paper. As noted above, the aim of these services is to help people find new employment. Practical assistance and support may be provided through a variety of resources, such as career assessment, skills identification and training, office support services, and the development of job-search strategies including networking, resume writing, interview training, and image development (Doherty 1998; Westaby 2004; Butterfield & Borgen 2005). Furthermore, many proponents of outplacement also highlight the stress and
anxiety associated with involuntary redundancy and emphasize the need for psychological support, generally through the provision of counselling services (eg. Soukup et al. 1987; Hill & Fannin 1991; Aquilanti & Leroux 1999).

Despite the proliferation of outplacement services in many countries, there has been limited research on either the effectiveness of these programs or the experience of individuals involved in them (Wooten 1996; Westaby 2004; Butterfield & Borgen 2005). This paucity of research mirrors the limited attention within downsizing research on those who are made redundant – the “victims” (Kets de Vries & Balazs 1997) – when compared to those remaining in the organization (Vickers & Parris 2007). These individuals are ‘out of sight, out of mind’ (Simon 1988, p. 52), fading into obscurity (Appelbaum et al. 1999). Indeed, much of the literature endorsing outplacement services emphasizes the benefits for the downsizing organization, rather than the impacted individuals. The espoused benefits include: a reduced chance of litigation; improved morale for remaining employees; and an enhanced organizational image within the community (Mendleson 1975; Fulmer & Fryman 1985; Soukup et al. 1987; Simon 1988). It is argued that these benefits will be realized because outplacement services are viewed as being a humane and just approach to be incorporated into the redundancy process (Doherty 1998).

The benefits for people being made redundant are often expressed using similar language. Outplacement services are argued to assist those who have been made redundant in “managing” their transition process and “moving forward” in their new career path (Fulmer & Fryman 1985; Doherty 1998; Butterfield & Borgen 2005). However, little attention has been given to how outplacement services are actually experienced by those individuals who use them. In this paper, we focus on the outplacement experiences of Australian executives who have been made redundant, and consider how these compare to some of the espoused benefits found in the outplacement literature.

Exploring Experiences of Redundancy and Outplacement

The stories presented here come from a larger exploratory study focused on the individual experience of being made redundant. An interpretive phenomenological approach guided the study, emphasizing lived experience (Oiler 1982) and the meaning that experience holds for the individual (Drew 1989). Using this approach, understanding was developed through examining the ‘network of meanings and significances’ (Skoldberg 1998, p. 78) individuals create of their experiences.

Purposive sampling was used in the selection of the ten respondents to the study, with the key concern for all participants having experience of the phenomenon being studied (Creswell 1998). Focused, in-depth interviews were conducted with each respondent, exploring multiple facets of their experiences. All interviews were transcribed verbatim, and thematic analysis was conducted, identifying patterns in the data (Taylor & Bogdan 1998) which revealed the meaning of individuals’ experiences (Benner 1994). The purpose of the analysis was to uncover both the shared and unique stories of these individuals in order to understand the experience of being made redundant.

All respondents were middle- and senior-level executives, with nine males and one female. Reflective of the increased number of individuals experiencing multiple redundancies over their
work lives, four of the respondents had been made redundant twice and another two had experienced redundancy three times. While the level of outplacement services received varied across these different experiences, all respondents had opportunity to use outplacement services in their most recent redundancy, with the time period ranging from three months to “indefinite” (essentially longer than a year). In the following discussion, respondents have all been given pseudonyms to protect their privacy and confidentiality.

**Executives’ Ambivalence towards Outplacement Services**

When analysing the respondents’ stories of their outplacement experiences, a sense of ambivalence emerged. While respondents spoke positively about some of their experiences, they also shared a number of negative aspects. These conflicting experiences meant most did not have a definitive opinion on the value of these programs. Shen’s statement epitomised the comments of many respondents: ‘The bit that I did use, I was happy about that; I just didn’t use it that much at all’ (Interview 1). Most respondents spoke of aspects which were not helpful, and therefore were not used. However, in many cases, there were elements of the outplacement services which were actively avoided, not only because they did not provide the benefits they advised, but because they had the potential to cause more stress and anxiety for the executive. The following discussion considers some of the conflicting experiences leading to this sense of ambivalence by focusing on four key aspects discussed by respondents: two positive areas of experience involving the use of office services and the receiving of proactive support; and two more negative outcomes highlighting both a lack of counselling skills within some outplacement firms and the impersonal nature of organizational exit processes.

**Use of office services**

When outplacement services were originally developed, the elements of office support, such as telephones, fax machines, computers and secretarial support were a primary component (Mendleson 1975; Kirk 1994). These were tools that aided the individual in their search for a new job. These still form part of most outplacement services to some extent. However, it may be that as more people have computers and other resources in their homes, the physical need for these services may not be as great as in the past. Some respondents spoke about this aspect, such as Shen, who stated: ‘I’ve got all the connections, the internet, at home. I didn’t need any of their facilities’ (Interview 1). Nevertheless, it became apparent from respondents’ stories that the provision of office support services had greater significance beyond the use of physical equipment. Even if respondents had home offices, many revealed that they still travelled to the outplacement office as it provided a sense of structure and a “place” to be, as Tony shared:

> Part of the counselling that they give here is, ‘Try and keep your life as normal as possible.’ Which is pretty much what I’ve been doing. And I tend to come in here to work rather than try and work from home. I find the distractions at home are more than in here. It’s a bit more like a work environment, which is helpful. (Tony, Interview 1)

The interview with Tony was actually conducted at the outplacement firm and, at the time of our interview, Tony noted that he was coming into the office two to three times a week. Other respondents also spoke about this feeling of a sense of structure, and how they appreciated being part of an office environment. This was described as providing a sense of normality, where “normal” is working, rather than being at home. Ben shared how important
this feeling was for him, and how it was absent from his outplacement experience during his second period of unemployment after redundancy. Instead, he was given a sense of belonging from a person outside of the outplacement service:

A guy that I didn’t really know that well gave me his boardroom and his secretary to help me; fax, telephone, et cetera. … It was only a small environment, so there were only three people in the office, but the other two were extremely friendly. I mean, even little things like they used to buy lotto tickets each week; if I was in there, they’d buy me one just so I felt part of the team. That guy I have huge admiration for and huge gratitude too, because he really went out of his way. (Ben, Interview 1)

These stories emphasize the need for outplacement staff to identify the particular needs of the individual using these services, rather than generic provision of office equipment. This recognition of the individual situation was also noted with respect to outplacement counsellors being proactive, as the next section discusses.

Proactive provision of support
Attention has been given within the counselling literature to exemplary models of outplacement counselling. These commonly recognize the grief process involved (eg. Mirabile 1985; Kirk 1994; Aquilanti & Leroux 1999), with individuals who have been made redundant experiencing shock, denial and anger. With the outplacement consultant or counsellor playing a role from the initial point of redundancy, writers emphasize the importance of strong interpersonal skills, empathy, warmth, care and understanding (Soukup et al. 1987; Kirk 1994; Aquilanti & Leroux 1999). Some executives in the current study reported a positive experience of support within their outplacement service. For example, Ben shared:

I think the biggest thing that helped in that particular case was that I was able to talk with him [the outplacement counsellor] because he didn’t know me and he was independent. I found it much more difficult to talk it through, well, particularly with my wife; it was harder to talk through your feelings and what you were going to do, et cetera, with people who knew you than it was with someone who didn’t know you but was sympathetic. So … at the particular point in time, he was certainly invaluable to me. (Ben, Interview 1)

Those respondents who spoke positively of the counselling aspect of their experience frequently used the word “comfortable” to describe this relationship. This is of interest – and value – when considering the discomfort many respondents expressed with respect to their relationships with family, friends and former colleagues. This appeared particularly relevant for the men in this study, some of whom were reticent in discussing their feelings with others around them, as Ben commented above. Some respondents spoke particularly of the proactive nature of their counsellor. For example, Anthony shared:

[The outplacement counsellor] was very proactive. He actually phoned me and said, ‘When are you coming to see me?’ So I think the following week – I can’t remember precisely – I went around there and we started a program. (Anthony, Interview 1)

Anthony’s comments highlight an aspect of many respondents’ stories, where these executives were able to very clearly recall timelines and activities which were associated with strong emotions, while other activities in this intense period seemed to “blur”. However, amidst the emotional turmoil most were experiencing, such positive elements stood out, as Jake noted:
The outplacement fellow was very helpful. He even rang me at home the following day to see if I was OK, and we had a quick chat. So that sort of restored some of my faith in people to a certain degree. (Jake, Interview 1)

For Jake, there was still a long way to go in the journey of recovery, but this sign of caring was remembered. The experiences of respondents in the current study had similarities to the findings in a study of the effectiveness of outplacement services in Belgium. Participants in the Belgian study expressed an appreciation for the ‘psychological respite’ that these early interventions provide (De Witte et al. 2005, p. 153). Regrettably, however, this positive support and assistance in dealing with the emotions of redundancy was not present in all experiences with outplacement services.

Absence of counselling skills
While the provision of counselling is often put forward as a key benefit of outplacement services – and as a way for terminated employees to speak with someone more “experienced” than the manager undertaking the redundancy process – experienced counsellors are not always present in outplacement firms. What some agencies label as counselling does not always incorporate the experience required to support people in dealing with their anger, fear and anxiety in the wake of being made redundant. Indeed, a key concern raised about outplacement services in more recent time has been the lack of trained counsellors (Doherty 1998; Butterfield & Borgen 2005). These were certainly absent for Jake, as he shared from his first redundancy experience:

I remember it was a PC-based questionnaire. That was their form of counselling. It was no real sit in a room with a cup of coffee and just basically chat through it to work through the process and, you know, try and work out and get to an end result so you can move on. There was none of that. It was sit down and work through this PC-based questionnaire so we can put you in a database with all these other people so we can work out programs to manage your type of situation. (Jake, Interview 1)

Jake’s experience above stands in stark contrast to the proactive counselling experience during his second period of redundancy. It also disputes the humane nature of an outplacement service, where “support” is provided by a computer. However, merely including another person in the process is not sufficient; development of counselling skills and experience is required. In the introduction to her article on a model for redundancy counselling, and how counsellors can learn relevant skills, Clarkson (1995) shares a vivid example of this lack of experience. Clarkson was asked to conduct a three-day training program for accountants in a consultancy firm. The organization was adding an outplacement service to its consultancy offerings, to be staffed by existing employees who would themselves otherwise be made redundant from their existing positions. Not only did Clarkson view the proposed training period as completely inadequate, it ignored the emotional responses these same individuals would be experiencing regarding their own job loss.

Impersonal nature of exit from the organization
Much of the literature endorsing outplacement services describes their use as “humane” (eg. Fulmer & Fryman 1985; Soukup et al. 1987; Hill & Fannin 1991). It has been argued that having an outplacement consultant present at the point of redundancy can ‘soften the initial impact of the termination’ (Hill & Fannin 1991, p. 15). However, it appears arguable
whether the presence of an outplacement consultant truly alleviates the impact for the person being made redundant, or whether the main beneficiary is actually the organizational leaders who remain. For many respondents, the outplacement consultant was involved from the outset. Yet respondents described feeling “bundled along” the redundancy path, with outplacement being merely another step in the process, as Jake shared:

And then the following day they came out and said, ‘No, you’re all gone.’ And then we were moved down into some meeting rooms, given our formal letter in one room, and then moved next door to the outplacement. (Jake, Interview 1)

Doherty (1998) argued that outplacement is often used by organizations as a ‘bolt-on tool’ to help exit individuals, which is more to do with smoothing the path for organizational leaders than those being made redundant. The humiliation of being hastily removed from the building for expedient purposes has been recounted by executives (Vickers & Parris 2007). For most respondents, the presence of an outplacement consultant had little or no impact on their feeling of humiliation. Anthony shared his experience:

They were sort of like joint executive directors for what they call the Customer Service group. One of them did all the talking, and she was basically saying, ‘Look, unfortunately there’s nothing for you moving forward. You didn’t choose to look at some of the alternatives. Blah, blah, blah. Here’s your package. Here’s the HR person. Now you’re going to be taken down to the psychologist on the thirteenth floor and he’ll talk you through it.’ And that was it. (Anthony, Interview 1)

This “handing off” of the employee to the outplacement consultant reinforces the notion of them being ‘out of sight, out of mind’ (Simon 1988, p. 52). The expedient and impersonal manner in which this occurs does little to assuage the emotional experience for the individual – nor enhance their perception of the organization they are leaving.

Conclusion

The proliferation of outplacement services has led to a greater expectation that they will be provided when employees – particularly executives – are made redundant. Despite this, the executives in the current study revealed a sense of ambivalence towards the services provided, and the value for them as they navigated their way from the point of being made redundant. The stories in this paper highlighted the important of skilled (and proactive) psychological support, as well as a “place” for individuals to feel comfortable as they seek re-employment. However, not all outplacement services are meeting these needs – nor giving attention to the unique requirements of different individuals. As the use of outplacement services becomes more common, the espoused organizational benefits from their mere provision may decline. For outplacement firms to truly serve both organizations and the individuals who are using their services, greater research attention is required to the types of services provided, and how effective they are for those who have been made redundant.

References available upon request.