

HOLDEN'S EXIT A LESSON IN MANAGEMENT

They hoped for a different future, but the carmaker's workers were given some level of control in the lead-up to closure
Story by **Amalia Chilianis**

Any significant change and especially the closure of a business can feel daunting and signal significant loss for employees and the brand. However, the success of the transition program that supported General Motors Holden workers from 2014 to 2017 provides valuable lessons for any business embarking on change. Thousands of workers secured gainful employment and the closure of manufacturing was ultimately a celebration of what was achieved rather than what was lost. Here are some of the reasons.

NO SURPRISES

There was a three-year lead time between the announcement of closure and the last car rolling off the line. It was a significant change in approach, informing employees well in advance of the impending closure. And while not the future employees hoped for, knowing the truth gave people some form of control rather than languishing between speculation and rumination.

COMMUNICATION

Senior leaders held communication sessions providing updates to their department and followed through with consistent open dialogue, using several communication channels for sharing information and providing services. Leaders were focused on contributing positively to finishing the chapter of manufacturing in Australia and tried to make sure people were engaged as best as possible. The chief financial officer at the time told me: "It was very much a focus on lots of communication and making sure that everyone was clear as to what was happening. Regular

honest and upfront communication and not shying away from answering tough questions around individuals' work, futures and timing."

SHARED GOALS

As it was a rolling program with several reductions over time, every employee discussed their preference for timing for their departure with their leader. When it was time to leave, they received their financial redundancy payment as well as career management support, funding towards retraining and wellbeing offerings that extended to supporting their family. In any form of business change, people need to understand their part to play and what goal they are working towards. In this case it was making a career change to finding new employment and closing manufacturing and reducing engineering in a way they could all be proud of. These shared and transparent goals between both employees and leaders certainly contributed towards success for many people.

INCREASING PARTICIPATION

Most redundancy programs offer career management support and access to counselling. Take-up rates for both can be typically low. However, in this case the take-up rate of career management was well above industry average. Bringing in access to these programs before people left helped them better prepare and reduced the time between leaving and securing a new job. Another critical element contributing to people's success was funding towards retraining and receiving career advice when selecting the most



suitable training to pursue, from small investments of time and money for tickets and licences to complete profession changes such as from engineering to nursing or project management.

LOSSES AND GAINS

While many mourned the loss of products they personally contributed to producing and a passion for a brand that they have not been able to replicate in other organisations, those same people have realised that with this loss also came unexpected gains. They realised the value of their time and the forced change provided an opportunity to give more of their time to their personal lives and the people they care about the most. The act of changing jobs and organisations often brought about an unexpected benefit when their new organisation was closer to home, or less demanding on their personal time and an achievement in proving to themselves that they could

successfully make a change and will be able to do that again in the future.

The Holden brand will always be unique and this closure program certainly had a lot of support, including financial, from General Motors to government support and collaboration with GM's competitor Toyota, which also was closing manufacturing at the time. However, providing people with an environment that supported them during this change, showed genuine concern for their wellbeing and with shared goals resulted in not only individual success, with thousands securing employment, but also business results such as quality, production and attendance at an all-time high, followed by a closure people were proud of.

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