

# TOP ~~10~~ 20 CONSIDERATIONS FOR AN HR LEADER FACING A DIVESTITURE

Business can move pretty fast. In one month, you are acquiring a new organization and supporting integration activities. Just a few months later, you are working on a divestiture which means trying to help this organization stand on its own while managing the effects on the group that remains. Using our experience in supporting clients through divestitures, we developed this checklist to help HR leaders start the process by asking the right questions.

	What you need to know	Examples	HR area
1	What functions have been supported by a centralized department that will need to be built by the divested company?	HR, Marketing, IT	Org. Structure
2	What talent must be retained to ensure the divested organization can be successful?	Key leaders, technical experts, change agents	Talent
3	What data do you need to gather to make good decisions through this process?	Payroll information, HRIS files, healthcare claims	Technology
4	What is your strategy for creating a total compensation package for the divested organization?	Replicate or create new programs based on industry standards	Total Compensation
5	What technology tools will need to be separated or sacrificed?	Payroll, LMS, recruitment sites, perf. mgt systems	Technology
6	Who will be the core team responsible for ensuring a successful divestiture?	HR experts, communication department, IT	Project Management
7	How will the project team be held accountable for completing tasks on time to keep pace with the business transaction date?	Project manager, weekly updates	Project Management
8	What communication channels can be used to deliver last-minute decisions and action steps to impacted employees?	Restricted website, leader speaking points, Q & A	Change Management
9	What cultural issues exist in the divested group that could create challenges?	New leaders, communication style, geographic location	Change Management
10	What audiences need to receive special communications about the divestiture?	Leaders, unions, community members, government	Change Management

We wanted to do a **Top 10** List but there was just too much to consider...(next page)

# MORE QUESTIONS THAT NEED ANSWERS

What you need to know	HR area
11 What are the payroll considerations to ensure that employee pay is current as of the closing (incl. OT and expense reimbursement)? If a severance or completion bonus is planned, what steps are needed to pay this money?	Payroll
12 What do benefits contracts specify as consequences for divesting participants? How will employees on disability be handled under these contracts?	Benefits
13 Can your benefits administrators continue to perform services?	Benefits
14 How are you going to communicate with other functions that have parts in the divestiture process?	Project Management
15 What activities need to occur (and what is the timeline for those activities) to transition any bargaining unit employees?	Change Management
16 What HR policies and processes need to be replicated or redeveloped?	Change Management
17 How will the new organization replace employees that leave during the divestiture process?	Talent Acquisition
18 What workforce training requirements (such as mandatory safety training) need to be maintained during and after the transition?	Training and Development
19 What rewards and recognition programs need to be redesigned based on new financial expectations for either organization?	Total Compensation
20 How long does the project team remain responsible for divestiture activities or support after the official transaction date?	Project Management