

## **Human Resources – VA Case Study**

**Question:** Conduct a Case Study

**Domains:** Leadership and Organizational Management/ Health Resources Allocation

**Model:** Case Study

### **Overview:**

We conducted a study pertaining to a reduction in force (RIF) at a Veterans Affairs (VA) hospital to solve its impending budget constraints. Employees and management were affected.

In evaluating the events of this RIF process, it was evident that it was not a complete success. Although employees were well informed about the pending RIF through various methods, decisions pertaining to the RIF were made without their input. Early in the RIF implementation year, employees received letters indicating whether they were 'projected' to be relocated to another facility, reduced to a lower grade, or separated from the VA. This produced work security anxiety, which led some of SVAMC's highly skilled employees to prematurely seek other employment before knowing their final dispositions. Management implemented various supportive measures to minimize the effects of the RIF (hiring freezes, moving potentially affected employees to nonvulnerable positions, early retirement and severance pay, and a career transition assistance plan); however, they were not enough to offset the prolonged uncertainty employees faced during the RIF process.

After the RIF, SVAMC leadership struggled to build organizational trust, and longstanding employees continued to worry about another potential RIF. Any employee who loses his or her job over reduction strategies, as opposed to poor performance, perceives injustice. This perception could cost the organization in lawsuits and high turnover.

Alternative measures to the RIF include: limiting clinic hours; cutting benefit programs offered at the VA including classes, therapy, and outreach programs; and closing a clinic in the SVAMC network. Any of these alternatives would have reduced access to care for the veterans. Time constraints resulted in a failure to apply process improvement techniques; however, implementing such measures immediately after the RIF could avoid the need for another RIF in the future.

In order for the RIF to be more successful, the SVAMC should form employee committees to represent the staff and communicate their needs through an informal channel. This provides an opportunity for shared decision-making and transparent communication. Additionally, the use of a RIF Runner program removes some of the human interaction, speeds up the process, and makes the process less biased.

**Lessons Learned:** This case study provided me the opportunity to look at how an organization dealt with resourcing issues and how leaders can improve the way these situations were handled.