

# Redundancies & the need for a more nimble workforce

As we move through 2024, many business leaders are facing into increasing cost pressure.

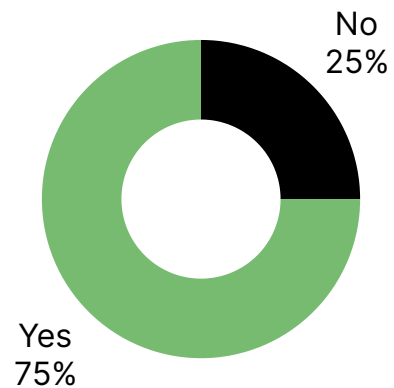
Driven by higher interest rates, moderating but persistent inflation and global uncertainty, many organisations have an increased focus on cost reduction with a number of Australian organisations, such as NewcCorp, Telstra and PWC, having already reduced headcount.

We were interested to see how many leaders are anticipating further redundancy programs and how important a more nimble workforce is as they look forward.

Do you expect to see more rightsizing and redundancies in the market between now and the end of the calendar year?

*Titles of surveyed leader: Executive, General Manager, Director, Head of, Senior Manager, Manager, Lead*

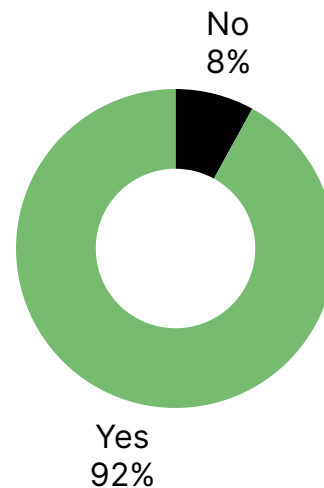
n = 102



Do you believe that creating a more nimble workforce will become more important in the future?

*Titles of surveyed leader: Executive, General Manager, Director, Head of, Senior Manager, Manager, Lead*

n = 102



## What does this research tell us?

Many organisations still resort to redundancy programs to augment their workforce and this research shows that more redundancies are expected to unfold in Q2, 2025. The research also tells us that a more nimble workforce will become increasingly important in the future. What remains to be seen is if cyclical redundancies are the best method to achieve a nimble workforce.

## An alternative approach to a nimble workforce

Redundancy programs carry significant cost to organisations:

- Financial: The impact on the bottom line can be substantial, including severance, legal fees, and potential loss of productivity
- Cultural: When executed poorly, these programs lead to decreased employee engagement and, even when executed well, will impact culture and retention.
- Reputational: Redundancies may be seen as a signal of poor company performance. Negative social and mainstream media coverage can result in brand damage.

Organisations can reduce cyclical redundancies by introducing a blended, variable workforce within their professional and head office teams. This nimble, sustainable design leverages core teams (employees) and talent benches (on-demand talent).

Core teams consist of employees who:

- Deliver “always on” work or are transferable across projects
- Provide the must-have organisational capabilities
- Cover base-level capacity
- Focus on on-going needs or re-pointed to projects

Talent benches consist of on-demand talent (i.e. independent talent, freelancers) who:

- Step in when the team needs to flex up
- Have specialist capabilities that are needed some of the time
- Can upskill core team members
- Focus on short-term deliverables

## Benefits of a blended workforce

Reshaping your organisation design and enabling a blended workforce has a number of benefits in addition to the reduction of cyclical redundancies:

- Easier to flex up in peaks and flex down in troughs
- Access to diverse skills and perspectives
- Better workload management and improved wellbeing
- Less big consulting spend
- Access to talent who work outside the traditional employment model

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