



“Financial PR” Company – Case Study

Based in London, this Financial PR company really felt the pinch when the Banks took a hit at the beginning of the recession. A small workforce with diverse language and knowledge skills to cover clients all over the world, survival was a real issue, until the market picked up again.

The major issues facing this company were:

- The Company had cash to last for six months and work had almost completely dried up.
- Every employee was needed to be able to continue to offer services to clients around the world and therefore redundancies were not an option as the Company would not be able to service clients in a particular country if they terminated the employee looking after that region.
- There were huge fees associated with breaking the lease on the prestigious London Offices.

Results:

- The Company survived with some significant belt tightening combined with open, honest communication and negotiation with employees:
 - The Company stopped all Company contributions to the Pension scheme, saving 10% per employee.
 - Two employees were asked to reduce their hours (and pay) in a new job share arrangement.
 - All other employees took a 20% reduction in salary.
 - One employee was moved to a zero hour contract and was therefore paid for the hours worked
- Regular reviews were agreed and carried out with a promise that as soon as financially possible, terms and conditions would be restored.
- After twelve months, the Company were able to restore most of the pay and benefits as promised.
- The Company survived the banking crisis and was in a position to support their clients when they started to spend again.