



Business Reorganization is used when an appointing authority decides to strategically structure or redesign his department by reorganizing resources in the various organizational units to more efficiently and effectively achieve the mission of the agency. In a business reorganization, positions may retain their allocation, allocate to a higher-level job or to a lower level job. Incumbents retain certain eligibilities such as no loss in pay on business reorganization changes and placement on a Department Preferred Reemployment List when they are moved to lower level jobs. Agency Heads have discretion in restructuring their organizations to meet business needs, however, those plans must be discussed and reviewed by State Civil Service when classified positions and employees are involved to ensure the integrity and principles of the merit system are retained.

Further information regarding business reorganization and the business reorganization process are available in [Procedures: Business Reorganization Policy Standards](#).