

Layoff Do's and Don'ts

As you cope with these changing and trying economic times you may find yourself considering reducing your business staff. What follows is a general list of layoff do's and don'ts that can guide you through this process.

1. The Decision Process

Do:

- Communicate frequently with employees when you consider a lay off.
- Tell the truth about how the company is doing.
- Help employees see that change can be positive.
- Hold informational and informal meetings.
- Utilize your company's regular communication methods to keep staff informed.
- Maintain a sense of fairness in your decision making.
- Allow employees time to accept that a change in your business is needed.
- Think through whether to provide a notice period or if the last day will be the date the employee is told of your decision.

Don't:

- Be so secretive that employees start speculating about what is happening.
- Deny that you are looking at possible changes.
- Make commitments you can't keep
- Create a sense of gloom and doom.

2. Communicating to Affected Employees

Do:

- Speak to the employee in a place which provides privacy and allows for a confidential conversation.
- Plan what you want to communicate and have your "talking points" prepared in advance.
- Provide factual information about the layoff.
- Be professional and definite.
- Communicate in a firm yet understanding manner.
- Make certain that employees understand that the decision is final.
- Communicate verbally and non-verbally that this action is irrevocable.
- Be brief, it is not a debate.
- Be open to their feelings, they may be in shock.
- Be human, express regret.
- Deal with the inevitable "Why me?" or "It's not fair!"
- Provide counseling services if you feel it is necessary.
- Wish them well in the future.
- Offer to assist them in their job search, if appropriate.
- Make arrangements for the return of keys, to obtain passwords, or other business information and documents.
- Discuss how you want them to clear out their work station.
- Inform them of when they will get their last paycheck and what it will contain (final pay, vacation, insurance deductions, etc.).
- Explain how any benefits will be affected and where they can obtain additional information.
- Treat the employee with respect and understanding.

Don't:

Waste time – get to the purpose of the meeting.
Assume you know how they will react.
Be too somber or too jovial.
Get defensive.
Debate the decision or your reasons for it.
Discuss performance or lack of it.
Dwell on YOUR needs or problems.
Bargain with the employee.
Make comments such as “I know how you feel.”

3. Communicating with Remaining Employees

Do:

Address questions that arise.
Be factual about your decision.
Acknowledge feelings expressed.
Continue to create a team environment; we are all in this together.
Allow for employees to “process” the loss of their fellow employee(s).
Conduct business as usual (as soon as possible).

Don't:

Criticize the employee(s) who have been laid off.
Down play questions about how long remaining employee will have a job.
Don't project a grim business environment.

Hopefully this is one of those documents you can tuck just away, in case you have to undertake this touch decision. If you are faced with making lay off decisions and need human resource assistance, please contact Human Resource Consulting, LLC at 763-370-4280.

Have a marvelous and profitable spring.