
Best Practices for Managing Layoffs

**Practical Information
for Managers
& Supervisors**

UCI Office of Human Resources

February 25, 2004

Introduction

Far and away the best prize that life offers is the chance to work hard at work worth doing.

***Theodore Roosevelt (1858 – 1919), Speech in New York,
September 7, 1903***

Telling an employee that his or her job is being eliminated is, perhaps, one of the most difficult challenges a manager or supervisor may encounter. It is doubly hard for the affected employee to understand this action when they have no control over the decision.

UCI Human Resources provides a number of tools to managers and supervisors about the UCI layoff process. The procedures are very specific in the steps that must be followed. In addition to implementing these procedures, managers and supervisors are asked to be sensitive to the human and emotional side of the layoff action. Unfortunately, the steps for managing the human side of this process are not as clear and prescriptive.

This guide has been created to assist managers and supervisors in working through the layoff process with dignity and respect for both the employee who is leaving, and for the employees remaining in the department. We have researched best practices from a variety of organizations and other sources and have compiled the following information that we hope you will find helpful in managing these changes in your department.

Communication

Communication is key to a successful layoff process. If your department is facing budgetary cuts and reduction of the departmental workforce may be needed, here are some important points to remember:

Prior to the layoff notification(s)

- Communicate early and often. Plan what you will tell your employees about possible layoffs. Keep them apprised of developments over time.
- Communicate openly and honestly. Employees can better plan for a worst-case scenario if they know the possibilities.

During the layoff notification process

- See “Preparing for and Conducting the Layoff Notification Meeting” (beginning on page 4)

After the layoff notification(s)

- Continue communication with separating employee(s). See “Preparing for and Conducting the Layoff Notification Meeting” (beginning on page 4).
- Communicate with the remaining staff. Remaining employees may feel that they will be next to lose their jobs and some may feel guilty when colleagues have lost their jobs.
 - ✓ Be honest about what you know and what you can share. This not only minimizes concern relating to employees’ own job security but also diminishes the rumor mill.
 - ✓ Facilitate group closure by giving employees a chance to express their concerns publicly and hear directly from you about what has occurred.
 - ✓ Listen to how they feel and prepare to reassure them.
 - ✓ Inform them of changes in workload or assignments and discuss with them how the work will be covered.

Preparing for, and Conducting, a Layoff Notification Meeting

Informing an employee they are losing their job is a difficult and stressful task for a manager or supervisor. For the interaction between the employee and the manager or supervisor to go as smoothly as possible, careful preparation and planning are the most important elements.

The objectives of the notification meeting are twofold: (1) to inform the employee that his/her job has been eliminated and that he or she is being separated, and (2) to do so in a respectful and dignified manner that keeps the person feeling positive about the University and begins the transition process in a positive way.

Pre-Meeting Preparation

- Be familiar with the circumstances (e.g. budget cuts, department reorganization) leading to the elimination of the employee's position. Also, be familiar with the process that was followed, including how the decision was made in selecting who would be laid off.
- Prepare a script as a guide. This will ensure that you convey all the necessary information to the employee. Practice and rehearse the message you will deliver and how you will deliver it without reading your script word for word.
- Consider if the employee will leave immediately after being notified of the layoff or will continue to work through the period of notice.
- Consider how you will handle the employee's workload and what you will tell the employee if you are asked. Will it be distributed among other employees? Will services be eliminated?
- Prepare some recommended actions for the employee to pursue. Provide names and telephone numbers.
 - ✓ refer to the Faculty Staff Assistance Program (FSAP) for counseling
 - ✓ refer to the Benefits Representative to learn about available benefits
 - ✓ refer to the Employment Representative to learn about preferential rehire and re-employment opportunities
 - ✓ refer to other campus resources such as the Women's Opportunity Center

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- Take the time necessary to make the proper arrangements for the notification meeting.
 - ✓ select a place where you can have privacy
 - ✓ select a time earlier in the day on a day that is not immediately prior to a weekend, holiday, or scheduled vacation for either the employee or manager/supervisor
 - ✓ consider the day in relationship to significant dates for the employee (e.g. family celebration, religious holiday, employee's birthday, etc.)
 - ✓ plan for uninterrupted time
 - ✓ allow enough time to complete the meeting without being rushed including time for the employee to ask questions

 - Advise the employee that you would like to meet with him/her. You may wish to consider having an appropriate person who is not privy to the subject of the meeting notify the employee of the meeting. This will allow you to introduce the purpose of the meeting in a private, controlled manner without engaging with the employee before you are prepared.

 - It may be advisable for a FSAP Counselor or your Human Resources Consultant to be on-call or attend the meeting if needed. Discuss with them any possible problems you feel could occur or any concerns you may have. You may also wish to consult with the UCI Police if you feel there is a possibility of a violent reaction.

 - If appropriate, arrange for another manager to be with you during the meeting.

 - Anticipate questions you could be asked and have the answers to those questions available.

 - Be aware that the separation process can be emotional for all parties; prepare for this.

 - Assess the impact of the employee's departure on co-workers and clients.

 - Seek appropriate coaching from Human Resources Consultants and/or Faculty Staff Assistance Program Counselors.

The Notification Meeting

- Employee notifications should be conducted in person. Typically, the employee's immediate supervisor or the department manager conducts the notification meeting. This would not be a good time to have someone with whom the employee has never spoken conduct the meeting.
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- Don't engage in small talk, get to the point. Deliver the message directly but compassionately and allow the employee time to read the written notice of layoff you will give them during this meeting.
 - Stay with your script and remain calm. Straightforward, clear explanations are important.
 - Give the employee some background explaining why this decision is necessary.
 - Do not make comments, even if well intended, that could compromise the decision. Stay away from discussions that could confuse the primary message.
 - Be sensitive to the employee's situation, but also be direct and firm. Make sure that the employee knows the decision is final and is non-negotiable.
 - Don't blame others for the actions being taken.
 - Don't become defensive, argumentative or confrontational. It is best not to critique the decision that has been made.
 - Be sensitive to the employee's response. Hearing the employee does not mean you agree with him/her.
 - Tell the employee how much you appreciate the work they have done and recognize his/her contributions.
 - Listen carefully and, after the meeting, document anything that could lead to a potential problem. Consult with Human Resources and/or Faculty Staff Assistance Program, if appropriate.

○ **Offer support and encouragement; treat the employee in a dignified manner.**

- ✓ Encourage the employee to contact the resources available (e.g. Faculty Staff Assistance Program, Benefits, Employment, etc.).
- ✓ Be available in the next few days to meet with the employee if he or she has additional questions.
- ✓ Understand and appreciate the employee's position.
- ✓ Focus the employee on the next steps in his/her future.

What Problems May Occur?

The employee may:

- become resistant, defensive and/or threatening
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- want to plead his/her case, or bargain for another opportunity
 - want to speak with a “decision-maker”
 - ask “why me?” questions
 - threaten a lawsuit or other formal action such as a retaliation complaint
 - may get personally upset with the manager or supervisor
 - try to make the issue personal or about performance
 - argue about a person being retained who they believe is less capable, has less seniority, etc.
 - list the repercussions cascading from the job loss
 - break down emotionally
 - go into shock and not accept what is happening

How to Deal with these Reactions

- Stay in control of the meeting and your emotions at all times.
 - Show compassion and empathy.
 - Offer to give the employee a brief break or delay the rest of the meeting until the employee is composed.
 - Calmly let the employee know that he/she is free to make whatever contacts they feel appropriate, but that the separation will be implemented.
 - Reiterate that the decision is not about performance or about other employees.
 - Be familiar with, and comment on, how the decision was made.
 - Be supportive and offer positive suggestions where appropriate.
 - Take all actions necessary to protect the separating employee, the other employees and the reputation of the University.
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After the Notification Meeting

- Conduct a follow-up meeting with the employee to see how he/she is coping and provide any information you were not able to provide in the notification meeting.
- If the employee is working until his/her separation date, you should supervise this employee just as you would any other employee.
- Be aware of the employee's emotional state. If you have concerns, consider the assistance available to you (i.e. Human Resources Consultants, FSAP Counselors, Police).
- Observe what's going on in the office between the separating employee and the remaining employees. (e.g. Are the remaining employees being respectful and supportive or systematically excluding this person? How is the telephone being answered when this person is not around?).
- Notify your Human Resource Consultant and Faculty Staff Assistance Program Counselor of any critical issues.

Follow-up with Remaining Employees

- With discretion, inform the remaining employees about the action(s) that have taken place. Understand that people have lost friends and may have their own anxieties. Get people refocused quickly on any restructuring, reassignment of work or other changes.
- Discuss workload and/or support concerns and needs. Focus on the positives.
- Thank employees for their continued support but make no promises or guarantees about the future.
- Be accessible to your employees for any issues or concerns they may have about the changes.

Sample Dialogue with the Employee

The following information may assist in planning a script for the layoff notification meeting as well as preparing the manager or supervisor for various reactions from the employee.

[Manager to employee]

1. Greet the employee.

Manager: Hello, _____. Thank you for meeting with me.

2. Notification (speak slowly and calmly)

Manager: I've called this meeting because I must, unfortunately, inform you that your position has been eliminated. We do not have another position to offer you. This means you are being laid off. Here is your official Notice of Layoff.

(give letter to employee and pause to allow the employee time to read the notice and process the information)

Manager: As you may know, we are in a time of (budget cutbacks, reorganization, etc.) Although, we've done everything possible to minimize the impact of these _____ on our department, we still need to implement some very difficult decisions.

I'd like you to know that this action is not easily taken and only after long and careful review of many options. It is a final decision.

(pause for a few seconds)

Manager: I know this is difficult news. Is everything I've said clear to you? Do you have any questions?

The employee will, typically, lead the conversation at this point. Answer questions honestly and appropriately. You should expect reactions anywhere in the range of emotional behavior to logical, strictly business related behavior.

Reactions to a Job Loss¹

Negative	Neutral/Natural	Positive
Threatening	Anger/Shock/Denial	Understanding
Hostile/violent	Apprehension	Acceptance
Manipulative	Bargaining	Relief
Crying	Avoiding	Hope
Desperation	Frustrated	Optimism
Self Pity	Discouraged	Opportunity
Abusive	Confused	
Accusatory	Surprise	
Confrontational	Disappointed	

In addition to physical reactions such as crying, anger and non-acceptance, emotional responses may also include the “why” questions. “Why me?” “Why not another employee?” “Why did you make this decision?” Other questions may include:

- Who made this decision?
- Who can I talk with to get this decision reversed?
- Are there any other jobs available for me?
- Can I keep my job if I take a pay cut or reduce my time?
- Who else is being released?

Listen carefully and make eye contact with the employee. Assess the employee’s emotional state and/or behavior to see if he/she might be a threat to himself/herself or others. If so, call your resources for assistance. Otherwise, answer those questions that are appropriate to answer. Do not allow the employee to continue too long.

¹ Schermitzler, Neil, *Managing a Reduction in Force*, Society for Human Resources Management, 2003.

Show empathy for the employee but avoid trite statements or platitudes such as:

“It’s not the end of the world.”

“Consider this a blessing in disguise.”

“The glass isn’t half empty, it’s half full.”

“It’s just a job.”

While you may wish to continue with the meeting, consider what might be best for the employee and whether he/she will hear any further information you may deliver at this time. In most cases, you should take the time to deal with the emotional reactions and responses of the employee before turning to any “housekeeping” matters you need to deal with.

Manager: Is there someone I can call for you?

or **Would you like to take a brief break before we continue?**

or **Would you like to leave for the rest of the day and we can continue this discussion tomorrow?**

Logical, Business Reactions

In these instances, the employee moves directly to the facts relating to the layoff. This allows the manager to begin discussion of the “housekeeping” matters.

Housekeeping Matters

Manager: At this point, I need to discuss with you how you will leave the department and the resources and assistance the University makes available to you.

This transition statement will reinforce that the action being taken is final and will begin moving the employee forward in that direction. Again, make eye contact with the employee and speak calmly.

- Make arrangements with the employee to empty his/her office
 - ✓ have boxes available if the employee will be emptying his/her office immediately: or,
 - ✓ **discuss a possible time less disruptive to the office when the employee can come in to retrieve his/her belongings**

After discussion of these issues, close the meeting.

Manager: I appreciate you and all you have done for the department and UCI and I regret having to take this action. If you have further questions, I will be available to meet (or talk) with you.

Do make yourself available to the employee for follow-up. You may offer to set up appointments for the employee with Human Resources or Faculty/Staff Assistance Program. You may also call or see the employee to ask how things are going and how he/she is coping. Offering suggestions at this time and showing support may also be appropriate.

Additional Layoff Information

Resource People/Offices

Human Resources Consultants

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=284>

Faculty Staff Assistance Program Representatives

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=225>

Faculty Staff Assistance Program Overview

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=227>

Human Resources Employment Representatives

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=12>

Human Resources Benefits Representative

Kellie Jones, Benefits Specialist (949) 824-9264

UCI Police – Lt. Jeff Hutchison

(949) 824- 1140, 5223

Related Policies and Procedures

Resources for Layoffs, Reductions in Time, Severance, Preferential Rehire and Recalls

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=654>

How to Initiate a Layoff

<http://snap.uci.edu/viewXmlFile.jsp?resourceID=94>

Personnel Policy 60 - Layoff and Reduction in Time from Professional and Support Staff Career Positions

http://atyourservice.ucop.edu/employees/policies/staff_policies/spp60.html

Related Articles and Websites

Minnesota State Employee Assistance Program – “Communicating Layoff Information in a Compassionate Way”

<http://www.doer.state.mn.us/eap/pdf/COMLOINF.PDF>

Minnesota State Employee Assistance Program – “Preparing to Meet with Employees about a Notice of Layoff or Job Reassignment”

<http://www.doer.state.mn.us/eap/pdf/PreparingtoMeet.pdf>

If you would like additional articles, please contact Ginger Birkholm, Human Resources Consultant, (gbirkhol@uci.edu).

END NOTES

This document contains, in part, ideas and information from the following articles:

Schermitzler, Neil, *Managing a Reduction in Force*, Society for Human Resources Management, April 2002.

Falcone, Paul, *A Scripted Layoff, A communications script for implementing layoffs*, HR Magazine, Vol. 47, No. 2., February, 2002.

Minnesota State Employee Assistance Program, *Communicating Layoff Information in a Compassionate Way*.

Minnesota State Employee Assistance Program, *Preparing to Meet with Employees about a Notice of Layoff or Job Reassignment*.

Messenger Associates, Inc., *Tips for Handling Layoffs*, February 16, 2001