

A COMMUNICATIONS SCRIPT FOR IMPLEMENTING LAYOFFS

Reductions in force (RIF) unfortunately have become all too common in the landscape of U. S. businesses over the past few years. In many cases, the announcements are made so quickly that managers and employees never see them coming.

What do you say when you're laying off one of your subordinates? How do you keep morale alive for the remaining staff and allay their fears about job security? Equally important, how do you protect your company from legal exposure in terms of the documents you write when going through the layoff selection process?

Following the Script

Perhaps the idea of "scripting" a verbal communication as important as this sounds insincere or artificial. As a representative of your company, however, it is a good idea to plan ahead so you don't say too much and land your company in legal hot water, but you still say enough to convey the message at hand,

Let's look at what you might say in the initial employee meeting:

"Steve, in an effort to reduce costs, we are restructuring our business, and that will result in the elimination of a number of positions in our company. Unfortunately, your position has been selected, and I'm afraid we're going to have to lay you off. Today will be your last day of work with us, and we have information to share with you regarding your severance package, COBRA and unemployment insurance, I know this is a lot of information coming at you at once, and I'm so sorry to have to relay this message to you, Before I go any further, I want to see how you're doing, Are you OK?"

"Just so you're aware: About 35 positions are being eliminated throughout the day, Out of respect for the other people involved, I would ask that you say as little as possible today, We would prefer to tell the affected employees ourselves; we want to avoid people hearing about this through the grapevine if we can help it. In addition, I know that some people prefer to leave quietly while others want to say goodbye to a few close friends. We'll respect whatever decision you make. How do you think you would like to handle that?"

"Finally, I just want to thank you for all your hard work and dedication for the past two years. You have made it a better place around here, and I'm personally going to miss working with you. Thank you for all you have done for us."

Handling Employees' Questions

If you speak softly and with genuine concern, most employees will appreciate your sincere approach. After your opening statement, expect some employees to question the reasoning behind the RIF:

Question: Why was my position chosen for elimination?

Answer: It was a business decision. Please don't take this personally; when a reduction in force occurs, positions are eliminated. The people who are attached to those jobs then get laid off. It's the hardest thing a manager can do, and selecting positions for elimination is so difficult because you realize that people's lives will be interrupted. That's why I'm so sorry that this is occurring.

Question: Who else is being laid off? Am I the only one in our department? Why me?

Answer: Steve, I can't share who else is being laid off in the department at this point. We haven't spoken to the other individual(s) yet, so I would ask that you allow me to hold off on answering that for now. [Or:] Yes, yours is the only position in our department that's being eliminated. Again, please don't feel that you've disappointed anyone. I want you to know that you could be considered for rehire once the hiring freeze is lifted. For now, though, understand that we had to eliminate one position, and, purely from a functional standpoint, your position made the most sense.

Question: How can that be? Who's going to do all the work that I do once I'm gone?

Answer: With the elimination of your position, other members of the department will have to take on the remaining job duties that you've handled up to now. That's something we'll simply have to deal with in this new "downsized" mode. Travis is here with us from human resources to discuss some of the details related to your severance package and other important benefits details relating to this layoff

When One Is Enough

When one individual is selected for layoff from a comparison pool of employees with the same title, expect the person to say: "Wait. You can't lay me off and keep Heather. I have more longevity than she does."

Your answer: "I recognize that. However, I want you to know that we considered tenure in our decision. We also looked at performance appraisals, progressive disciplinary warnings, attendance records, education levels, and skills and technical certifications when determining who would be qualified to assume the remaining duties after the reduction-in-force. We determined that, based on all that historical information along with our evaluation of who would work best in the post-layoff environment, you would be selected for layoff. Are there any other questions I could answer for you?"

Script for Remaining Employee Meetings

In general, it's better to bring about "group closure" when there are layoffs or terminations. It gives employees a chance to express their concerns publicly and hear directly from you what occurred. This not only minimizes concern relating to employees' own job security but also diminishes the rumor mill.

Following is a sample script to help you after the RIF occurs:

"I wanted to call you all into a meeting to follow up regarding the layoffs that took place earlier today in our department. As you may know, two members of our department have been laid off. The company has provided the affected employees with a severance package and is working with them through this transition.

"Of course, no guarantees of job security can be given, but as far as we understand, there aren't any other planned layoffs in our department at this time. I wanted to let you all know to allay any fears you might have about your own job security right now.

"We wish those laid off well, and we have treated them with the respect and dignity they deserve. I know I can count on your support in doing the same. I also want to remind you that if you get any reference-checking phone calls from prospective employers or headhunters, those calls are to be referred to me. I will in turn pass them along to human resources as per company policy. Note that the laid-off employees have been given copies of their last three performance evaluations, and they're free to share those with prospective employers to demonstrate their strengths and areas for professional development.

"If there are no other questions, I thank you all for coming. I appreciate your patience and understanding, and I look forward to moving beyond this difficult period."

Written Documentation Caveats

Line managers often are asked to select individuals for layoffs based on certain criteria. For example, if you are asked to eliminate 12 people from a 15-person department, you may be asked to justify your decision in terms of whom to retain and whom to layoff. When that's the case, it's not uncommon to create a comparison group evaluation form that highlights performance reviews, oral or written disciplinary communications, attendance records, tenure, experience prior to joining your company, education and technical skills or certifications.

Such documents are meant to encourage an objective evaluation process, but in case of a class-action discrimination lawsuit, the documents become subject to subpoena in the discovery process. One way to lessen the chances (there's no guarantee) of having this documentation subpoenaed is to designate the documentation as attorney-client privileged. Your in-house or outside counsel will recommend that you write at the top of each evaluation page: "Privileged and Confidential: Prepared at the Request of (attorney's name)."

The legal rules and guidelines of the attorney-client privilege go beyond the scope of this article. Just be sure to check with counsel first before drafting any documents relating to a layoff. More importantly, don't write freely with little regard to the fact that your notes may be blown up in front of a jury to demonstrate unlawful motives on management's part.

The goal of any layoff is to treat employees with dignity and respect. The key way to achieve this is to communicate openly and honestly with those laid off and with those who survive and assume the remaining job responsibilities.