

## **Reductions in Force: Guiding Managers Through a Difficult Process**

This handout is being provided by The University of Iowa Office of Human Resources to assist managers and supervisors with the difficult process of supporting and leading your staff through a period of workforce reduction and adjustment. We will focus on three major areas:

- I. THE NOTIFICATION MEETING. Communicating the necessary information to employees whose jobs are directly affected; supervising and supporting them through the remaining time they will be working for you. Consider attending an educational skill building training session entitled: *Communicating Reorganizations and Layoffs with Confidence and Compassion*. Register through Learning and Development on your Self-Serve site.
- II. PROVIDING SUPPORT AND LEADERSHIP THROUGH THE REDUCTION PERIOD. Being aware of and responding to your entire workgroup as they go through the workforce adjustment period.
- III. READJUSTMENT. Supporting and re-grouping the remaining workforce after the reduction period.

It is important that all managers and employees remember that workforce changes affect employees and workgroups in many ways. Beyond the obvious financial impact, your employees may be affected emotionally, physically and in terms of their interactions and productivity as a group.

### **I. The Notification Meeting: Five Major Steps**

#### **1. *Informing the Employee.***

Begin the meeting with usual courtesies. Then get to the point of the meeting quickly. Explain briefly that the university is going through a period of budget cuts and as a result, the employee's position is being eliminated or restructured. For example, "As you know John, the university is facing severe budget cuts and departments have been asked to reduce their budgets. As a result, your position is being eliminated or restructured." Be very clear on this point. Do not say, "may be eliminated; or, will have to be eliminated." Being unclear or making it sound like there is any room for negotiation will only confuse the employee.

At this point you should assess the employee's reaction. Allow a few seconds for the information to be absorbed and then proceed. Try to acknowledge the employee's

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reaction. For example, “I know you need time to absorb this information.” Or, “I understand you are upset.” Then, it is better to proceed with the meeting unless the employee’s reaction makes that impossible. If the employee is too upset to proceed, set up another time for later the same day. You may also suggest that the impacted employee go home if they indicate that they are not able to continue working, and schedule another time the following day.

### 2. *Outlining the Reasons*

The employee needs to know why the action is taking place. When providing the explanation, include information that the termination is related to *budgetary shortages* and not due to the employee’s performance, personality or any other personal factor and that his/her ability to find another position should not be affected.

Be prepared to explain the reasons for the action and for the selection of the particular employee’s position, such as:

- “We are going to have to eliminate the program you administer.”
- “We need to reduce the number of employees in your group, and the others have been with the university longer.”
- “The collective bargaining agreement outlines which positions should be terminated first.”

### 3. *Procedures and Resources*

You will need to be familiar with the steps outlined in **Managing through Change: a Manual for Supervisors and Managers** the University of Iowa guide for reduction in force for either Merit or P&S staff.

It is also important to go over the resources and services available to assist the employee and his/her family in dealing with the job loss. These are identified in the Resources Guide located in the Employee Resource Packet. This packet should be provided to the employee at the notification meeting.

### 4. *Other Details*

While this is not always possible, giving the employee opportunities for input regarding when and how to deliver the information to the group is preferable. We recommend that you know before meeting with the employee the date when you intend to discuss the workforce reductions with the rest of the employees. The employee may have a preference as to whether they wish to be present for this meeting. You will need to decide the best time to discuss with the employee a plan to transition his/her workload. We recommend you schedule a follow up meeting to formally discuss the work transition plan, get any required forms signed, complete all the items on the Exit Checklist, release time for the First Steps Sessions, and discuss how to handle the employee’s need to have release time to interview for other jobs.

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### 5. *Next Steps*

Consider scheduling a follow up meeting to answer questions and discuss other details. Make contact with the employee periodically during the notice period to assess how they are responding emotionally and answer any questions that arise. If the employee appears upset and not able to continue with their duties, consider offering alternative duties that are less demanding, if that is an option in your area; or offer to call Faculty and Staff Services/EAP at 319-335-2085 and arrange for a timely appointment. However, it must be the employee's decision to meet with an EAP counselor. You may also contact EAP for a supervisory phone consultation regarding any concerns for an employee, discuss other related issues and/or seek support for yourself.

### **The Termination Meeting: Things to Remember**

1. However difficult this meeting may be for you, it is tougher for the employee. Do not get onto the topic of your needs, feelings or problems.
2. Do not be defensive or feel you must persuade the person that the action is justified. Just state your case with confidence.
3. This is not the time for a performance appraisal or grievances from the past.
4. If you get stuck when preparing for the termination meeting, don't guess. For specific process questions call Human Resources at 319-335-2085.
5. Stay off the topic of criticizing the University leadership or the State of Iowa.
6. It is **not** helpful to say, "I know how you feel." Each person feels things differently and has a right to do so. Just acknowledge the person's feelings.
7. Stay off the "blessing in disguise" theme. You may feel the layoff will be the best thing for the employee but the employee may have a very different reaction.
8. "I do not want to do this, but..." is not an appropriate statement and comes too close to dealing with your feelings rather than the employee's.
9. Be sensitive to the feelings and emotions of the employee, both at the time of the termination meeting and in the days to come.
10. Remember that it is normal to have to repeat information for the employee during this type of meeting.

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### II. Providing Support Through the Reduction Period

#### A. Stages of the Termination / Reemployment Process

The emotional reactions experienced around job loss are similar to the grief process. People who experience a sense of loss normally move through a series of emotional reactions or stages. The sequence by which individuals move through the stages may vary and stages may overlap. The twelve stages of the terminations/reemployment process are described on the next two pages.

- 1. Relief** Some people will experience a sense of relief. With unemployment benefits former employees sometime react as if they are on vacation and delay dealing with the reality of the situation. They also may experience relief if they were in a position or work environment with which they were highly dissatisfied. The termination may be viewed as a way out from an unpleasant situation.
- 2. Shock** Individuals may feel numb when they first receive the news of their termination.
- 3. Denial  
Disbelief  
Self-Isolation** Sometimes people do not believe they have been terminated, and they do not want to talk about their termination with family and friends. People may feel in a daze for a period of time.
- 4. Anger** When denial can no longer be maintained, individuals may feel anger and resentment. They will ask themselves the question, "Why me?" Individuals may displace their anger toward the university, their supervisors, their co-workers, and their family.
- 5. Bargaining** Some will try to have their employment situation reconsidered.
- 6. Guilt  
Remorse** People sometimes blame themselves for their termination. They begin to think it is because of poor performance. If their unemployment extends for several weeks or months, they feel guilty for not "providing" for their family or themselves. A sense of failure is dominant.
- 7. Panic** The frenzied job search begins. Some spend hours reading want ads but do not apply for jobs or may apply for jobs for which they do not qualify. The job search is disorganized and/or sporadic.
- 8. Depression** This stage is usually inevitable. People may sleep more or less, eat more or less, drink more or less, etc. People feel that they have little control over their life situation.
- 9. Resignation  
to situation** Acceptance begins when individuals resign themselves to the fact that they are unemployed. At this point people realize they need to do something even though they may still feel angry or depressed.

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10. Acceptance of reality      At this stage individuals can begin to develop goals, make plans, and begin to take action to change their situation. People can productively begin their career assessment and job search. (Note: If a long job search occurs, individuals can easily relapse to prior stages.)
11. Building                      This stage usually begins with making a decision about the future: accepting a new job, training for a new occupation, retiring, completing education
12. Growth and new directions      Most personal growth and development are precipitated by a crisis. However, when forced to and most people do not voluntarily put themselves in a crisis situation move in new directions, people generally become stronger and happier persons.

### B. Dealing with Employees' Emotional Responses

1. People experiencing a reaction of shock, denial or self-isolation, need to be supported and dealt with gently. For example:

“I know this is a very difficult time for you. As you go through this process, you might need some support to deal with the emotions and to begin thinking about how to move forward. I would like to talk with you again, and please remember that you have the following resources available to assist you.”

2. People responding with anger may want you to understand their anger and continue to be supportive. Remember that the anger often grows out of fear, hurt or feeling overwhelmed.

“I certainly hear your anger and I can understand you feeling this way. Let’s keep talking about this, particularly if you have any further questions.”

3. If the individual becomes agitated, offer to take a break in the conversation and resume later or offer a reassignment if feasible. Again, remind the employee of resources available and suggest an appointment with Faculty and Staff Services. If you cannot communicate with him/her suggest another discussion later and assess whether the employee should return to the work site, take a break or be released for the rest of the day.

Any verbal threats are to be taken seriously and reported to the Threat Assessment Team. The University of Iowa Threat Assessment Specialists, Jane Caton and Peter Berkson are available by calling 384-2955 or 384-2787. Physically disruptive or threatening behavior should be reported promptly to UI Public Safety at 335-5022.

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People experiencing panic will need to talk with someone who can help them move through the panic and begin to feel safe again. Then, they can take in support and begin thinking about their situation. A referral to Faculty and Staff Services/Employee Assistance Program with a request that a counselor see the person that day and as soon as possible is appropriate.

“You seem very upset. How about I call Faculty and Staff Services for you and we schedule a time today for you to meet with a counselor.”

4. For people experiencing heightened emotional responses, call Faculty and Staff Services immediately at 319-335-2085. If an employee mentions suicide he/she should be escorted to the UI Hospital emergency room. University police can assist with this type of situation.

### III. READJUSTMENT

#### Organizational Stress

**Remember that all employees in the work group will be affected and may show some of the following symptoms:**

1. Grief and feelings of support toward those affected
2. Resentment toward the University and their managers
3. Insecurity regarding their own jobs
4. Increased need for support and information
5. Increased need to talk about the events as a way of dealing with their feelings
6. Temporary decrease in productivity
7. Need for communication from management re: future direction for the University and the college or unit.
8. Need for teambuilding to adapt to the new structure and the possible increased workload.
9. Need for morale building communication and activities
10. Increased resistance to change

**There are some things you can do to minimize the negative impact for employees who remain after layoffs:**

#### 1. *Communicate*

It is very important to let your employees know what the university is doing and what they can expect. This holds true for the laid off employees as well as for those that remain employed. Communicate that the layoffs were necessary and why. Emphasize that efforts are being made by the university to assist the laid off employees, and to assist those that remain.

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Observe for levels of stress, any confusion or disagreements about who is doing what and other signs that may indicate that the group needs assistance reorganizing. Workgroup meetings could give employees an opportunity to share their perceptions, ask questions and hear suggestions for dealing with stress as the team prepares to implement transition plans to handle the work previously done by the laid off employees. Assistance with this process is available through Faculty and Staff Services/EAP (319-335-2085) or through Organizational Development at 319-335-2085.

Treating those that remain employed with respect and support can help them adjust more quickly and may improve retention of valued employees and assist the group in being as effective and productive as possible.

### *2. Provide leadership and opportunities for involvement*

Be visible. Let your employees see you being active in supporting them, dealing with problems and talking with them about how the transition plan is working.

If stress or problems increase, don't wait for it to become a crisis. Get involved or utilize the resources available to you through your college/unit or University Human Resources.

### *3. Rebuild*

As we move forward, continue to provide information to employees about the University and issues that affect their work setting. Utilize group or individual meetings as appropriate to develop the new team.

Don't assume that people are adjusting and just feeling grateful to still have their jobs. Practice positive change management leadership that fosters increased communication, more frequent updates, input from staff whenever possible, clarity regarding needed outcomes, permission to stop doing the activities that do not add value (or are not required) and provide opportunities for reward and recognition.

**Give remaining employees opportunities to learn new things, perform new tasks and feel that they are growing through the job.**

**Some materials in this guide were used with permission from The Ohio State University.**

