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Experts: Tact, timing critical when layoffs loom

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The days when employers tucked a pink slip in with a worker's last paycheck as a layoff tactic are long gone.

These days, however, companies can still handle layoffs thoughtlessly, ultimately unleashing scores of angry ex-workers into the public, eager to phone lawyers or spread negative buzz about former employers.

"There really is a right way and a wrong to do it," said Jay Hargis, author of the blog HRCleanup and a vice president at human resources management firm **Profiles International Inc.** "Your employment brand will continue long after the layoffs. Companies that handle it well will maintain their brand."

Once a company determines it must cut workers, decisions need to be made at each stage of the layoff process, including the layoff criteria (exactly how to decide which employees will be cut), how the news will be broken to the laid off employees and "survivors" and how much severance pay — if any — will be offered.

"The watchword is to treat people with dignity and compassion," said Bob Eubank, executive director of the **Northeast Human Resources Association**. "Individuals who are going to be laid off are about to experience one of the most painful professional experiences that can take place and companies that do this well ... keep that in the front of their minds."

Bob Gordon, a partner at the Boston-based law firm Ropes & Gray LLP, advises companies not to use a set formula to decide who should go, such as "last in, first out" or voluntary buyouts, because such tactics can result in a "meaningfully diminished workforce."

"What's likely to happen is your best employees, the people who are most mobile and most valuable, go and get better jobs," Gordon said.

According to most experts, once employees have been targeted for a layoff, they should be told privately — in person — by their manager, after that, the rest of the company should be informed about the cuts. E-mailing or calling an employee to tell them they've been cut can generate hard feelings. Companies should never circulate a list of who is leaving.

"If you're going to cut, cut once versus tearing the Band-Aid off slowly" and having multiple rounds of small layoffs, Hargis said.

Managers must balance being as tactful as possible without sugar-coating bad news. In other words, avoid telling a worker who is about to be laid off — but who also happens to be unproductive — how fabulous they are, said Forbes Sargent, a partner at the law firm Sherin and Lodgen LLP in Boston.

"We tell employers ... to be honest about that," Sargent said.

The day of the week, time of day and whether to walk an employee out of the building are also key issues. Some people believe Monday is the best day for layoffs, because employees have the rest of the week to be productive about finding a new job. Most experts advise telling workers first thing in the morning when there are fewer people around.

As for whether to let the employee stay for the day to gather his or her things or having them escorted out, that all depends on whether the employee is perceived as a threat.

"We generally do not suggest walking them out, but do alert IT people and tell them who has been terminated," Sargent said.

Lastly, companies that are in the position to offer two weeks of severance pay and job counseling services should do so.

"It's best to offer those who are laid off as much assistance as possible," said Bill Driscoll, president of the New England district for staffing firm **Robert Half International Inc.** "It sends a nice message to the staff who still remain at the company."

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