



A Human Resources Leader's Playbook:

7 Steps to Successfully Navigate a Company Layoff



TABLE OF CONTENTS

| | | |
|-----------|---|-----------|
| 01 | Conducting a Company Layoff or Workforce Reduction | 05 |
| » | SELECT EMPLOYEES CAREFULLY | 07 |
| » | REVIEW PROTECTED CLASSES | 08 |
| » | COMPLY WITH THE WARN ACT | 09 |
| » | DETERMINE SEVERANCE PACKAGES | 10 |
| » | REVIEW OWBPA AND ADEA | 11 |
| » | INFORM THE WORKFORCE | 12 |
| » | CONDUCT THE LAYOFFS | 13 |
| 02 | Layoff Examples: Dos and Don'ts | 14 |
| 03 | Understand the Impact and Show Empathy | 17 |
| 04 | Assets to Help During a Company Layoff | 20 |
| » | EMAIL TEMPLATES | 21 |
| | Email Template #1 - Company-wide Notice | 22 |
| | Email Template #2 - Individual Employee Notification | 23 |
| » | TECHNOLOGY BUILT TO CARE | 24 |

7 Steps to Successfully Navigate a Company Layoff


Layoffs are never easy, no matter how necessary they may be for the health of the company. They are stressful for upper management who have to make the decisions of the necessary workforce cuts, the managers and human resource leaders who have to deliver the tough news, the teams who are directly impacted by losing people and are forced to pick up the slack, and most importantly those who are losing their jobs.

Anticipation of employee upset and an organization-wide disruption makes many leaders hesitant to handle the task of workforce reduction and the subsequent fallout themselves. For a brief period in the late 1990s and early 2000s, this hesitation led to a rise in hiring of “corporate downsizers”; uninvolved third parties who would come in and tell

employees they were being “let go”. (George Clooney was nominated for an Oscar for his portrayal of a corporate downsizer in the 2009 film *Up in the Air*.)

Leaders who take such sanitized approaches to workforce reduction – whether by hiring an HR specialist (which is today’s version of a corporate downsizer) to deliver bad news, or using the technology to fire employees en-masse via conference call, text, or email – are setting themselves up for a PR nightmare.

However, layoffs don’t have to mean an automatic hit to your brand or employee loyalty, if the appropriate steps are taken to protect workers as well as the company image. Leaders who seek to find a way forward for everyone in the company, even if that way forward is out and on to other things, can maintain goodwill and even improve public perception of their organization.



This playbook is designed to help you navigate a company layoff smoothly and successfully, with the goal of strengthening your workforce rather than weakening it.

Conducting a Company Layoff or Workforce Reduction



Conducting a Company Layoff or Workforce Reduction

There are seven steps to take when conducting a layoff or reduction in force (RIF) at your company. Following each step correctly can help you minimize impact on your employees and maintain your organization's reputation.

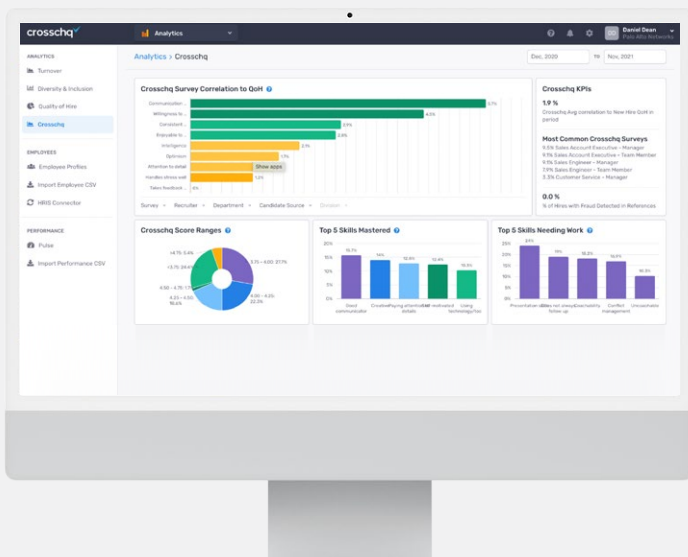




Select Employees Carefully

While a “last in, first out” policy may seem like the most expedient, it’s not always the wisest approach to take if you want to keep your most productive employees and superstars. Align the selection process with the future goals of your organization, thinking about which employees you need to keep, not which ones you need to let go.

You’ll need to identify which employees have attributes that are of highest value to your company, and consider tenure / seniority, performance / productivity, job classification / job knowledge and soft / hard skills as well as team / culture fit.



Using helpful technology like [Crosschq Analytics](#) can track employee performance and quality of hire, so you can accurately identify which employees are of the highest value to your organization in case you need to implement a layoff. Doing analysis in advance is highly superior to doing it after the fact and realizing you lost rising stars in the rush to make your layoff decisions.



Review Protected Classes

Avoid adverse action and disparate impact by reviewing your layoff list to identify any protected classes. If you do need to let anyone from a protected class go, you'll need to make sure you've substantiated that need so you can satisfy any inquiries into the matter.





Comply with the WARN Act

The federal Worker Adjustment and Retraining Notification (WARN) Act generally requires large-scale layoffs to be preceded by a comprehensive 60 days notice to affected employees. A number of states also have "mini-WARN" legislation that affects smaller businesses.

Even if you're not compelled by WARN, trying to hide an upcoming layoff may only breed distrust and panic. Consider being as transparent with your employees as soon as you possibly can, and laying the groundwork for robust support during the layoff process.



Determine Severance Packages

While you aren't obligated to provide severance to laid-off employees under federal law, providing severance can reduce the chance of former employees filing legal action. In some states, there may be guidelines for severance, but the most commonly included items are:

- Salary continuation for a short period of time
- A lump sum payout in addition to accrued PTO and vacation pay
- Continued, employer-paid benefits coverage for a specified time period
- Employer-paid COBRA premiums for a specific time period
- Outplacement services including resume help and job-finding
- Counseling and / or mental health benefits



Review OWBPA and ADEA

Employers must comply with the [Older Workers Benefit Protection Act](#) (OWBPA) to effectively release claims under the Age Discrimination in Employment Act (ADEA). This is important if you have more than 20 employees and need to let any of your employees that are over the age of 40 go in your layoff. You can ask these employees to waive age discrimination claims in exchange for severance pay. This does require a "knowing and voluntary" release.





Inform the Workforce

Starting the layoff process before informing the workforce will only lead to panic and disruption. Giving as much advance notice as possible companywide and keeping an open door policy allows you to provide transparency and honesty around the topic. Be clear about the reason for the layoff or workforce reduction, and encourage employees with concerns to reach out to human resources directly with any questions.

You can also prepare an FAQ sheet for your employees that proactively answers common questions they may have about the “Whys” of the layoff. You will want to control the message about your layoff with the correct information instead of risking widespread panic and misconceptions driven by employee conversations around the office.



Conduct the Layoffs

This step is critical. All employer communication (or lack thereof) during a layoff or workforce reduction will be closely scrutinized. Make sure your plan includes notifying employees individually, and provides them with an avenue for questions and / or feedback.

Provide all information at the time of the notification, and ensure that the employee understands their rights and responsibilities. Then give them as much [support](#) as possible to make sure they land on their feet.



Layoff Examples: Dos and Don'ts





Layoff Examples: Dos and Don'ts

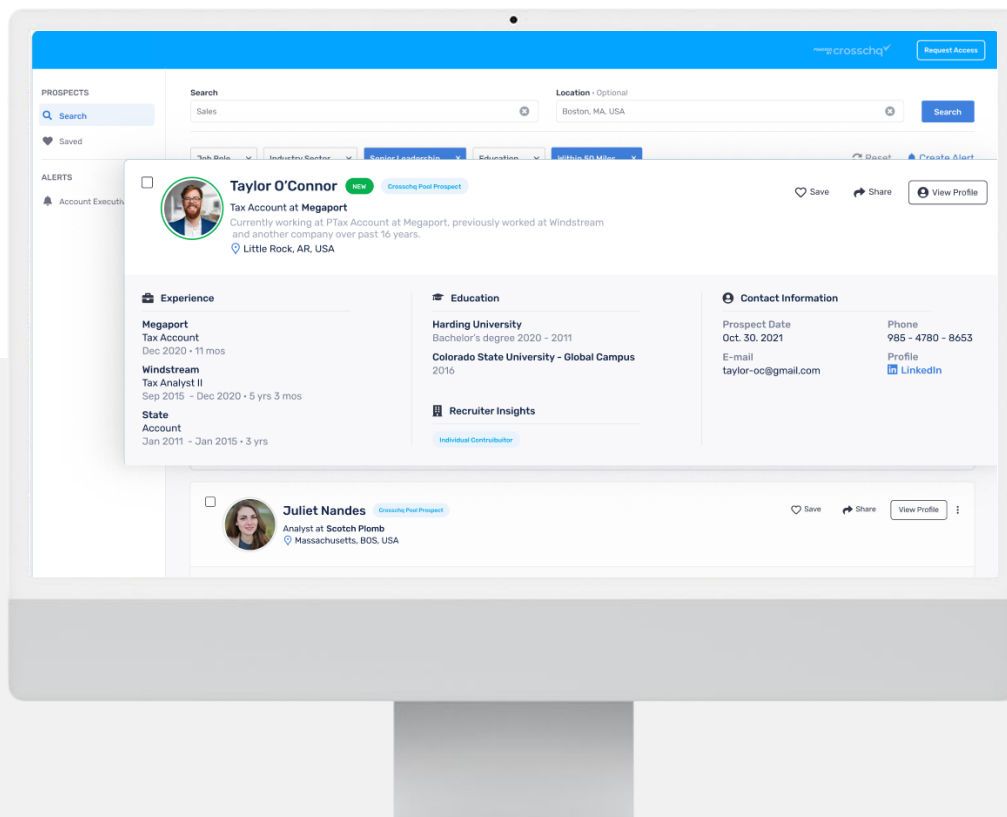
Many businesses have made the news in the worst way by bungling a company layoff. Examples include Uber, Better.com or Carvana, all of which conducted mass layoffs in Zoom group meetings after blocking communication from affected employees, enraging formerly loyal workers, and damaging the organizations' respective brands.

Other companies openly put financial resources into actions that made laid off employees feel even more slighted. [Curefit](#) set aside only \$264,000 for employee severance pay, yet announced in the layoff memo that they were making a donation to a charity of nearly triple that amount. [Hertz](#) laid off 14,300 employees then immediately shelled out \$16 million in retention bonuses to executives in the company.

Take your cues from companies like Nokia, which (after a disastrous plant shutdown in Germany in 2008) created the

Bridge program to help laid off employees retrain and find new jobs quickly. Hilton also managed to maintain employee trust and loyalty throughout their transition periods when layoffs were inevitable due to the pandemic.

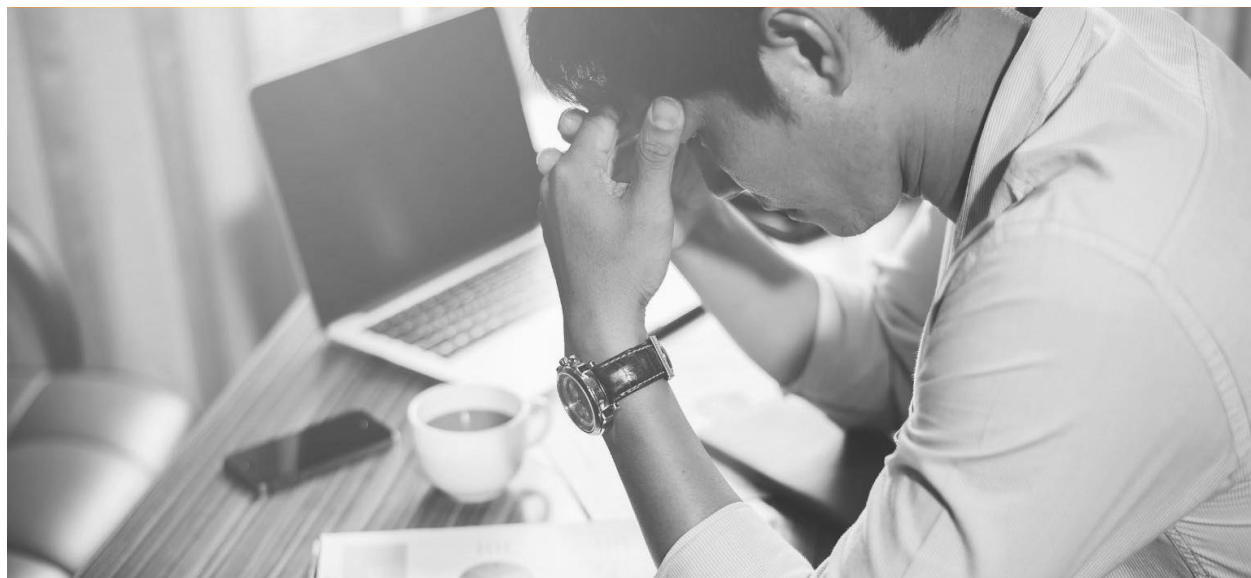
This year, [GoPuff](#) was forced to lay off 3% of their workforce (450 employees), but chose to use [Crosschq Assist](#) to help their former employees transition into the job market and speed their hiring by new employers. Assist provided a more compassionate, caring way to offboard affected workers.



03 Understand the Impact and Show Empathy



Understand the Impact and Show Empathy



It's not just employees being terminated who feel [the stress of a layoff](#). One study revealed that 25% of responding employees listed job insecurity as a key source of stress. Downsizing a workforce by just 1% leads to a 31% increase in voluntary turnover the next year as employees strive to regain control, worried that they may be next.

Downsizing can lead to low morale and engagement among remaining workers. After a layoff, survivors can experience a 20% decline in job performance, a 36% decline in organizational commitment, and a 41% decline in job satisfaction.

Offering resources to both departing employees and those staying can help you boost trust and improve morale. You might want to hire back some of your departing employees later, and this will be easier if you keep lines of communication open and ensure goodwill in the midst of a difficult time.



Assets to Help During a Company Layoff



Assets to Help During a Company Layoff

There are plenty of assets that can be brought to bear in a layoff situation, helping you maintain control over the situation while giving all of your employees what they need to move forward, within your company or without.



EMAIL TEMPLATES

These templates can be personalized to help you stay consistent in your messaging from the first announcement of your layoff plans to the actual employee notifications.

Ideally, the direct news of an employee's termination will happen in person (or over the phone if the worker is remote.) However, notice of transparency in advance and a detailed followup with all pertinent information can help (and advance notice may be legally required.)

Email can be appropriate for these purposes.

Email Template #1

Company-wide Notice

Ideally, this email is sent once everything is in place and ready for employee outreach. The timing can depend on a lot of factors, such as whether you need to give 60 days notice in accordance with WARN guidelines, or if there is already talk going around the office about upcoming layoffs.



[Salutation]

We wanted to reach out and be transparent about the current state of the company and what to expect in the days ahead.

Due to [reason], we are being forced to make a workforce reduction. At this point, we have not concluded how many workers will be released, but we are actively working to keep that number as low as possible and to plan support for offboarding employees to ensure that they make a safe landing.

We will be reaching out personally to affected workers for a 1:1 meeting, to help create plans to reduce the impact of this move on individuals to the best of our ability.

You will have the opportunity to connect with your manager and we will be making exit interviews and surveys available in several formats. Our hope is to see each former employee moving towards a fresh point in their career in short order.

Please reach out to [xxxx] with any questions. We anticipate a large number of queries, so please be patient while we all work to make this as smooth a transition as possible.

Signature [should be CEO or other executive officer]

Email Template #2

Individual Employee Notification

Ideally, this email is sent after some form of 1:1 contact with the employee's manager, to give the departing employee all of the details they need about their severance and other important offboarding information.



[Salutation]

Due to the necessary reduction in workforce we are experiencing, it is with wholehearted regret that I am formally providing you with written notice that your last scheduled day here at [company name] will be [date].

I have put together a complete list of everything you need to know for your coming transition. [Company name] is committed to helping you move forward. The details of your job termination are as follows:

- [Severance details - vacation pay/PTO, extended benefits or paid COBRA]
- [Transference of laptop/mobile device (after wiping by our IT team)]
- [Training and reskilling options]
- [Professional reference as appropriate]
- [Access to memberships, resources, outplacement assistance, etc]

If you have any further questions, please reach out to [xxxx]

I am happy to provide the appropriate reference for you on request.

Signature [Should be employee's direct manager]



TECHNOLOGY BUILT TO CARE

Join the Crosschq talent community to learn more about new job opportunities

TAYLOR
Laid Off Employee
Joins pool to improve job prospects

Join
crosschq Assist

Join the Crosschq talent community to learn more about new job opportunities

Name (Last Name (Required))

Taylor O'Connor NEW Crosschq Pool Prospect Save Share View Profile

Tax Account at Megaport
Currently working at PTax Account at Megaport, previously worked at Windstream and another company over past 16 years.
Little Rock, AR, USA

Experience

- Megaport**
Tax Account
Dec 2020 - 11 mos
- Windstream**
Tax Analyst II
Sep 2015 - Dec 2020 - 5 yrs 3 mos
- State**
Account
Jan 2011 - Jan 2015 - 3 yrs

Education

- Harding University**
Bachelor's degree 2020 - 2011
- Colorado State University - Global Campus**
2016

Contact Information

- Prospect Date
Oct. 30, 2021
- E-mail
taylor-oc@gmail.com
- Phone
985 - 4780 - 8653
- Profile
LinkedIn

Here are th

Recognizing a need to help reduced workforces get back to work, Crosschq built [Crosschq Assist](#). It's a complementary tool designed for companies to provide a supportive approach during a layoff, and it helps bridge laid-off employees into the next step in their careers.

When you use Assist, you can:

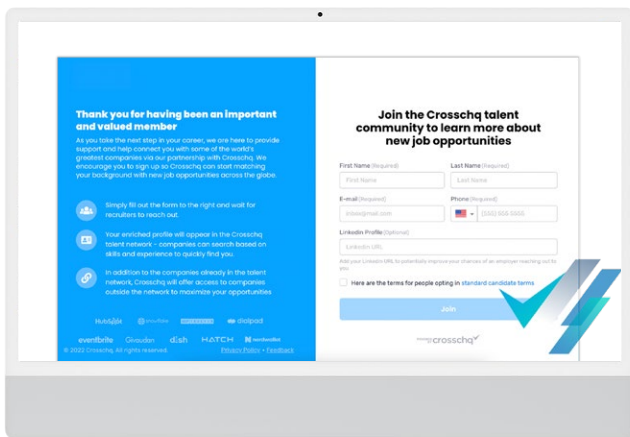
- Offer your departing employees the ability to opt-in to a sourcing database ([Crosschq Recruit](#))
- Connect departing employees with recruiters of 1,500+ hiring organizations
- Demonstrate a culture of caring support company-wide and across social media



“This was an awesome program and helped us immensely through a really challenging time for our organization. With Crosschq Assist, I feel like I have that ‘next step’ to offer to an impacted employee, that will help them quickly find their next role at a great company. This is an innovative solution that provides a path forward when it’s most needed. I can’t believe no one has thought of this earlier.”

Pete Lawson

Hyper-Growth Talent Acquisition Leader at GoPuff



Crosschq Assist can be activated in as little as 48 hours. Remember that your laid-off workers of today could be your customers of tomorrow!

GET STARTED TODAY

And make your upcoming layoff as pain free as possible for everyone with **Crosschq Assist**.