

Mercer's transition services

# communicating layoffs to remaining employees in 5 steps

**Layoffs are a challenging time for all involved. A lot of adjustment is required of remaining workers, and the company too is tasked with reengaging employee trust and improving productivity and retention. Following these five best practices for communicating layoffs to remaining employees will help ease the transition and set up the organization for future success.**

When HR professionals talk about communicating layoffs, the discussion generally centers around breaking the news to departing employees. Letting someone know they no longer have a job is no easy task, which is why guides and webinars on compassionate offboarding abound to help HR professionals navigate these talks.

However, it's just as important for companies to carefully consider how they are communicating layoffs to remaining employees. These employees also experience difficult emotions, such as fear, sadness, and anger. Moreover, they generally have to make a number of adjustments post-layoff, such as taking on additional duties and learning how to perform new tasks. Since the retained employees are the people who will play a key role in the organization's future success, companies should take steps to managing this relationship, getting buy-in on company goals, rebuilding trust, and boosting morale.

Providing outplacement services to employees affected by a layoff demonstrates your company does its best to support its employees even on their way out. This can inspire stronger loyalty and trust in your remaining employees. Request a demo to see how Mercer Workforce Transition, which provides employees in transition with on-demand coaching and other career transition services, can help your company with communicating layoffs to remaining employees.

## Here are five steps you can take for communicating layoffs to remaining employees.

# 1

### Share facts about the layoff

When you hold informational meetings with your retained employees, give clear, detailed information about the reduction in force. Some things you may want to cover when communicating layoffs to remaining employees are:

- **Why the layoff is taking place.** Layoffs are usually part of larger business decisions, such as mergers, acquisitions, or strategy changes. Share with your employees what these decisions are, and if possible, why they were made. Is customer demand lower than expected? Is the company stock underperforming? Are there unexpected changes in the sector or the economy as a whole? By giving employees a reason for the layoff, you'll be able to convey the sense that the layoffs were a business necessity.
- **How many people were affected.** Was just a single person laid off—or several departments? Give your employees a clear sense of the scope of the layoff.
- **Who was affected.** People will see soon enough which of their colleagues are no longer around, so it's a good idea to share the names of the people who are leaving early in the process. If the total number of people laid off by the company is relatively large, smaller meetings by department or role might be better venues for sharing information specific to that group.
- **How layoff decisions were made.** Some of your retained employees may develop survivor's guilt about having kept their jobs while others were let go. For this reason, unless there are legal issues keeping you from sharing this information, you might consider detailing how the layoff selection was made. If, for example, your company made a decision to let go of the newest hires, it might help your employees feel that decisions were made in a fair and unbiased manner.
- **What benefits were provided to affected employees.** Since laid-off employees were colleagues and are friends of the employees you retain, it's important to show your remaining workforce that the departing employees were treated well and supported on their way out. If your company provided severance packages for affected employees, share that information with your retained workforce, who will likely be relieved to find out their friends were given support such as severance pay, continued health coverage, and outplacement services to help them find a new job quickly and easily.
- **How the layoff will help the company move forward.** While layoffs are difficult to go through, organizations perform them in order to put them in a better position to succeed in the future. Share with your employees the positive results you anticipate as a result of the workforce changes so your retained employees can feel they're working towards a common goal.

Depending on your company's specific situation, you may not cover all of these points. But do communicate with your employees as much about the layoffs as possible. For most people, the fear of the unknown conjures up much scarier scenarios than reality; sharing pertinent information can allay unnecessary fears.

# 2

### Allow for questions

Inevitably, your employees will have questions about the layoff. Some may be emotional ones ("How could you do this to people?"), while others more practical ("Will offices be reassigned?"). Be prepared for both, and learn about how to handle emotions at work.

### 3 Hold meetings with remaining employees

In the same way you plan and conduct offboarding meetings with employees who are being laid off, organize meetings with the retained employees to keep them in the loop about the workforce changes. Otherwise, these workers are left to speculate about what's happening and wonder if they too will be let go.

Lack of information fuels layoff anxiety, which a remarkable 48% of American workers experience, according to CareerArc's 2019 Layoff Anxiety Study. When employees are anxious and fearful about losing their jobs, productivity and loyalty goes down. By holding meetings and clearly communicating layoffs to remaining employees, you can forestall layoff anxiety and its effects

Your company can choose to hold one big meeting of retained employees, or to arrange a number of smaller group meetings, depending on the needs of your workforce. In either case, consider using a script so you don't forget any important details, and hold the meeting as soon as possible, preferably on the same day as the affected employees are informed, before rumors have a chance to begin.

### 4 Clarify changes in duties

Layoffs change the shape of an organization, often shifting the reporting structure. In addition, layoffs often require companies to reshuffle workloads, so the retained workforce can take over duties that used to be performed by laid-off employees. When communicating layoffs to remaining employees, clarify what changes have been made to the reporting structure, how individual workloads will change, and what the new expectations are.

### 5 Make time for individual check - ins

Even if your company does a stellar job of communicating layoffs to remaining employees on the day of the event, unexpected issues can arise afterwards. You may discover some employee's workloads have gotten too heavy, while others have gotten too light. Some workers may have difficulty adjusting to the changes, while others may need training for new tasks they've taken on. To address such issues, train managers to speak to employees individually about any concerns that may be coming up—and take steps to address them to show you value employees.

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