# GUIDE How to Conduct Reductions in Force (RIFs)

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# How to Conduct Reductions in Force (RIFs)

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# Introduction

Rightsizing, streamlining, downsizing, or optimizing, whatever you call it, reductions in force (RIFs) are difficult for everyone involved.

While every business would prefer to avoid the trauma of a RIF, unfortunately it's an inevitable cycle that hits every organization at some point. A critical element when facing the prospect of a RIF is planning and preparing extensively. If you can conduct the transition as respectfully and efficiently as possible, you will be able to minimize the negative effects on your culture, mitigate exposure to claims, and move the organization through this difficult change quickly.

The following is a practical guide for implementing a RIF while balancing business needs, legal requirements, and doing the right thing for everyone impacted. Please note that this is by no means legal advice. We encourage you to seek the advice of counsel for more specific guidance on employee termination law.



# Planning for the RIF

A RIF has the potential to trigger costly discrimination claims, demoralize the remaining troops ("survivors"), and trigger the departures of your top performers as they may perceive the business to be failing or shrinking rather than growing and thriving. The key to managing these risks is good planning and authentic communication. You do not want to harm the trust in your leadership team and you must recognize up front every move you make will be carefully watched and measured by the organization, the community, your potential candidates post RIF, and even your customers.

To implement a RIF as quickly and humanely as possible, spend some time planning out how you will address all the relevant issues. **Here are a few things to consider:** 

## Are there alternatives to the RIF?

Many companies choose to implement RIFs without first considering if there's anything less drastic that could work such as temporary pay cuts, reducing hours, freezing some benefits, implementing a company shut-down for an extended period around the holidays, forcing the use of vacation time, implementing a furlough, or consolidating offices, etc. In recent years we have seen executive teams significantly reduce their salaries to avoid having to let people go. These measures can massively improve trust in a moment where you fear trust could be impacted. Further some organizations have sold buildings and real-estate no longer needed in a more hybrid-driven model of work

There are many alternatives that should be considered up front. Organizations implement RIFs to preserve cash. So, first consider whether there are other, less drastic ways to preserve cash, ways that may still hurt but not result in having to let people go. Due to the potential trauma, massive distraction, and disruption they create for an organization, RIFs should be a last resort after every other alternative is considered – and there are many to consider. You want to model to your organization that reducing staff was a last measure taken after you have considered dozens of other alternatives.

# What is the selection criteria and is it consistently applied?

Once you determine a RIF is necessary, the next step is to identify your criteria for employee selection. The stated business goals should be used to clarify the criteria for selecting people. For example, let's say a stated business goal involves a change in business strategy that makes some functional departments less strategic or "core" to the business. In that situation, it would make sense to reduce headcount in the affected departments per the stated business goal.

People, both those subject to the layoff as well as the remaining employees, will always question the fairness of the selection criteria, so it's imperative you have a sound rationale for who is selected.

Developing a consistent approach that is applied across the board will go a long way in reducing the risk of discrimination claims as well as the perception of arbitrary, unfair actions, which can have grave cultural consequences for your workforce.

Employers must use objective, business-related criteria that can be easily explained to the organization and third parties (e.g. employee-side attorneys), such as:

- Length of service or seniority
- A specific department or office location
- Elimination of specific job functions or level
- Pre-existing job appraisal data and documentation related to successful performance of critical post-reduction functions

Employers should have a documented, objective comparison of employees where skills and job performance are the criteria in making layoff determinations. Create and maintain documentation to support the decisions made in the layoff process. These records will be critical in the event of litigation challenging some aspect of the layoff. It's reallly important that you view these moments as an opportunity to build Trust in your organization. Learn from how Airbnb conducted their staff reduction in 2020. They convered their whole recruiting staff into an outplacement team, they offered stock acceleration for employees close to major cliff vesting dates, their engineering team created systems to map all their departing staff to open roles around the world. They turned their comopany into an outplacement force never seen before. This resulted in departing staff being almost more loyal to Airbnb even though they were being let go!

Steve Cadigan

"When I was at PMC-Sierra (now Micorsemi) after the dot.com bust we faced enormous pressure to cut expenses. One measure we took to avoid a layoff was to implement a company-wide shutdown for two weeks around the holidays. In doing this, we required employees to use their vacation time or allowed them to borrow vacation time if they did not have enough in their bank to cover it. This saved us about a \$1m a day and the employees loved coming back to the office after two weeks with no work piled up due to everyone being out. It was a very slow time of the year for our business so it worked. Later that year, we did the same thing in the summer around the July 4th holiday. The key was giving our employees as much advance notice of this event as possible and bending normal rules to allow them to borrow vacation time if they did not have enough."

- Steve Cadigan

# **3** Determine size of layoff and duty to WARN

Another key issue is determining the size of the layoff. There's nothing worse for morale and productivity than a culture of fear and anxiety where employees are more concerned about another round of layoffs than they are about driving the business forward. If you have to do several rounds of staff reductions back to back, employees begin to lose confidence in the company leadership.

NOTE: Sometimes, employers make the mistake of decreasing the size of the layoff to avoid legal notice requirements of the layoff (as explained below). However, organizations likely lose more by experiencing successive rounds of layoffs than experiencing a single layoff. In the short term, it might be more painful, but if the size of the reduction is enough to help the company move forward, the collective acceptance of the action in the company is greater.

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Depending on the size of your layoff, you may also have a state and/or federal duty to notify your workforce before you can execute the layoff.

The federal law is the Workers Adjustment Retraining and Notification Act (WARN), which requires employers with 100 or more employees to provide employees, bargaining representatives, and local government officials with 60 days advanced written notice of a mass layoff or a plant (or office) closing.

A plant or office closing involves shutting down a single location if it results in the layoff of 50 full-time employees or more and at least 33% of full-time employees and a minimum of 50 employees at a single site. Most states, including California, have their own version of the WARN act and are typically more protective of employee rights than the federal law.

For example, California's WARN act covers employers with 75 full or part-time employees and mass layoff means laying off 50 or more employees from a single site within 30 days. California doesn't require that the layoff consist of 33% of full-time employees; just 50 or more employees.

At the state level, the employer must provide 60 days advance written notice to the affected workers, to the state administrative agency (for example the EDD in California) AND to the chief elected official of the city or county in which the layoff is going to occur.

#### Conduct a layoff analysis for disparate impact

Once you've established your layoff criteria, decided upon the size of your layoff, and generated a potential list of affected employees, you need to conduct an analysis to determine if it will disproportionately impact a group of legally protected employees. For example: people over age 40, women, African-Americans, Latinos, etc.

An outside statistical consultant, HR expert, or legal counsel can assist in assessing the vulnerability of the layoff to claims of adverse impact. It is very important to have an expert validate your plans. Pay particular attention to the number of affected older employees and/or experienced salaried workers.

One tendency in looking for cost savings is to reduce payroll which often targets high-salaried employees. Be careful that you are not disproportionately including older workers in this because it will inevitably lead to people believing age was a motivating factor.

Further, laying off the more experienced members of a department or team can save money but there may be a high productivity cost.



#### **Severance and release issues**

Typically, employers will provide some amount of severance — often based on a formula such as years of service and position/title. If offering a severance, it's common to request the employee to sign off and release any and all claims against the employer in exchange for severance. As always, check your state and federal laws when deciding what is appropriate for your RIF.

Severance is offered to help employees in large measure to have some financial security while they seek another position. While not mandatory, many organizations have a severance policy so that it can be consistently applied.

Many employers are generally familiar with the provision of releases to employees in the context of individual terminations. But many employers are unaware of the specific, heightened requirements for obtaining a valid release from employees over the age of 40 in the context of a layoff.

These heightened requirements are the result of the Older Workers Benefit Protection Act (OWBPA).

In the context of a group termination program such as a layoff, the following requirements must be met:

- Employees over 40 must be provided with information about eligibility factors to participate and time limits of the program
- Job titles and ages of all employees eligible or selected for the program
- Ages of all employees in the same job classification or organizational unit not eligible or selected for the program.

You should also consider the **timing** of the lay-off at this stage of the RIF, particularly when it comes to employee health benefits. If you can avoid it don't take employees off payroll days before the renewal cycle. If a health plan ends at the end of the month, try to conduct the RIF at the beginning of the month. This will give the affected employees a chance to join a spouse's health plan, navigate and understand COBRA (US employees) or find an alternative option. Minimize the amount of time that an employee will need to go without healthcare.



### **b** Don't forget immigration issues

For companies that employ foreign nationals, a layoff will raise a host of challenging immigration issues. Non-immigrant workers on the various categories of temporary work visas (H-1B, L, E, and TN) are legally authorized to remain in the US only as long as they are employed with the employer noted in their visa application.

An H-1B is considered to be out-of-status upon termination and normally is expected to depart the United States in a short period of time. An employer that terminates an H-1B employee before the end of the validity period on the approved H-1B petition must pay "the reasonable costs of return transportation" for the foreign national to return abroad.

Because of the greater impact on foreign nationals, you may want to extend the notice period for impacted employees who are on temporary work visas and/or provide a longer period of time for those employees to find another position within or outside the organization. The longer notice period to foreign nationals is justified by the greater impact on those individuals.

\*\*Employers must notify the US Citizenship and Immigration Services of the H-1B foreign national's termination.



SECTION

# Conducting the RIF

As you plan to implement your staff reduction you need to be extremely well prepared. Hopefully, no rumors have gotten out to distract the staff and you don't have any pressure to move faster than you want to. If you have never conducted a RIF in your organization before, you need to make sure the key folks who need to be a part of this are fully clear on the timing and steps necessary to conduct this well. Uncoordinated teams and processes result in very bad outcomes.

Once again remember this exercise is all about trust and respect. Many lives are being impacted by this decision and hence you need to model maturity and leadership and you need to do all you can to respect those being let go. If you do this poorly you will become a poster of poor leadership as we saw with Beyond.com and also with Bird in 2020 and 2021 where in once case they used a group zoom call where cameras were turned off, no agenda had been set in advance and an unknown voice told hundreds they had lost their jobs. Some impcated employees described it as a scene from a bad movie gone wrong. At Beyond.com the CEO told the impacted employees on a Zoom call they were the ones at fault for being let go and that it was their poor performance that led to their departure.

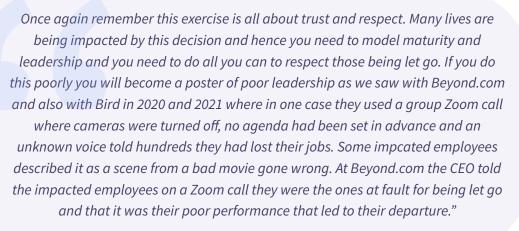
"I have seen situations where either building security or IT cut off access to a facility or internal network before an individual had been informed they were losing their job. Sadly they found out they were losing their job by realizing their access was cut before anyone had spoken to them. I have seen situations where an outplacement consultant called an individual who was not being let go and informed them they were being let go which was not true. What had happened

is that the consultant was given an old list and the company had changed its mind and wanted to keep that employee. While that situation ultimately got untangled, it created an horrible experience for that employee which they will never forget.

I have seen situations where security has shown up outside the office or cube of someone being let go an hour before they have been told and they just hover awkwardly until the manager of that person shows up. I have even seen a facilities person show up with empty boxes and stack them outside the cube of someone who is going to be told they are being let go hours before they were scheduled

to be told. Each of these situations resulted from poor communication and coordination and served to create worse situations than needed to exist for all the parties involved. I cannot stress the need for great communication and coordination by all parties who are a part of implementing the RIF enough."

Steve Cadigan



— Steve Cadigan

#### **Planning and Coordination is Essential**

While making sure you are well prepared to speak to your impacted employees is very important, try to avoid the temptation of over focusing on WHO may be losing their jobs and how they feel, and recognize that managing and communicating with who is staying and how they react needs equal attention. Many leaders get consumed by the potential emotional reactions of those who are told they are losing their jobs that they lose sight of the big picture. It's human nature to worry about the emotions of your colleagues, but remember everyone feels the impact, not just those who are going to be asked to leave. It's critical in a RIF to not only think through how you will communicate this to the impacted employees but ALSO to those not impacted as they are staying in your organization and you need them focused, motivated, and moving forward as fast as possible. The stakes are high when doing a RIF and it's critical to lead well on a personal level and an organizational level, which means conducting the RIF humanely and efficiently.

#### When and Where you Communicate Matters

Once you are on the eve of communicating to the impacted employees, make sure you think through the best day of the week and time of day to communicate. If you have many people impacted, and you have different geographical considerations and time zones, you want to aim for a time that you can do it all concurrently. That is not always feasible but you should aim for it because it keeps distractions and rumors to a minimum and it diminishes the time people may wonder - am I going to be terminated? The ideal time to communicate a reduction is mid-day which allows time for you to answer many questions of those let go and to then speak to the whole company about the action that was just taken and answer their questions. Remember your job is to land this as well as you can with those impacted and those staying.

If you do it too late in the day you may not have time to do an all company meeting. Also, if you can avoid it, don't schedule an out of the blue company meeting a few days in advance. Communicate with those impacted and then call an urgent all hands an hour or two in advance. Make sure the impacted people have left the buildings and make sure they are not invited to this meeting - they need time to go home and start to process what is next for them.

The setting where you give the news should be private. If you anticipate an adverse or highly reactive response, make sure you take measures to feel safe and include an extra person or have security nearby. Make sure you are ready and prepared and if you can practice the communication with another manager or leader who can help prepare you. Practice really helps here.

"In one situation in my career I had to exit several employees and collect their company cars. They were all former LAPD officers whom we knew had registered firearms. While I knew they would be surprised I did not fear for my safety and did not ask for any security. Everything went fine thankfully, but I had to weigh some hard facts."

- Steve Cadigan

#### **Notifying Impacted Staff Remotely**

In some situations you will find yourself in a place where in order to meet the communication coordination needs of the company you are simply not able to meet with some folks in person. Due to the recent global pandemic, COVID-19, some organizations are not allowed to meet with people in person due to guidance from the authorities. The best advice in these situations is to use your best judgement. How would you want it communicated to you that your job is being eliminated if you had to hear it via phone call or a video-communication? The more humane and the more care you take in delivering the news and giving the impacted an opportunity to respond, the more likely you are to have a better outcome. A recent news story featured a 100+ person customer service team that was all notified via Zoom at the same time that the department was closing. The people who set up the meeting had disabled the ability for attendees to comment or talk, which led to those impacted being extremely frustrated and having to watch many of their colleagues break into silent tears of shock. Think carefully if you have a large remote group - is there a way to make sub-groups or to have that be more intimate and think about the impact of disabling the ability for anyone to express anything.



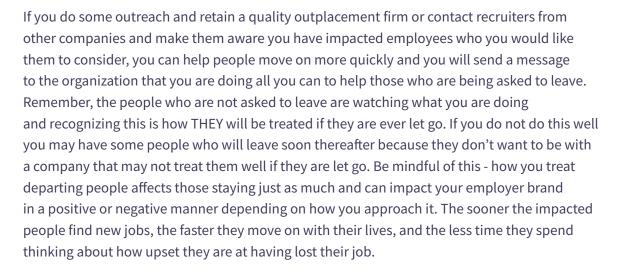
#### **Retrieving Company Property**

You also need to consider how you plan to collect company property from remote employees. Make it clear that the organization plans to collect identification badges, laptops, or other office equipment, and provide a timeline for collection. Try to avoid leaving this to the terminated employee to figure out; instead, send them prepaid shipping boxes for their equipment. Make it as easy as possible for them to address. Many employees may not have a personal computer, so if possible, and if you can afford it, offer a plan for them to buy theirs from the company at a discounted price, or allow them to keep it if your IT Security protocols allow it (and have this be part of their severance). Most companies have the ability to clean a company laptop remotely. The same is true for mobile phones. If they are company owned and can easily be transferred to a departing employee and you can afford it, consider allowing the employee to keep it as it will be a tool to help them set up interviews with prospective new jobs - and most of the time the phones have very little value to you compared to the departing employee. Remember to protect the company's financial information and intellectual property while also being sensitive to the employee's needs.

#### Provide support for impacted employees

How you treat employees during a RIF will speak directly to your workplace culture, so be aware of what is at stake. The choices you make during a RIF will leave an impression with employees forever, whether they are departing or staying with your organization.

Your goal with the impacted employees is that they have as positive an experience transitioning out of the company as possible. You want the result to be that they work through their shock, anger, fear and reactions as fast as possible so they can focus on big decisions they were not expecting or intending on having to face such as living without a salary and having to find another job. Anything you can do to help them through their change curve and help equip them to find a new job quickly is really a worthwhile investment. From my perspective, it's clearly worth considering investing in helping departing employees transition to another job. The whole idea behind a severance is to provide impacted staff some financial cushion to bridge them to a new opportunity. Consider offering severance in this situation as well as support to bridge them to a new opportunity.



Second, ease the transition through a severance package, if possible. Showing the leadership team is humane and respects people goes a long way toward minimizing the negative and angry emotions that are inevitable with a RIF. Be consistent on how you apply your policy. If you don't already have a severance policy in your handbook or documented in the company somewhere, ensure you speak with employment counsel to build a severance plan that you can stand behind. Severance is often higher for senior talent not because they deserve more due to their seniority, but because senior talent often requires more time to find a job.

If severance isn't possible, do the work to bridge affected employees to a new role internally or externally. The goal is to help people move forward and minimize negative emotions. These actions will lead to a smoother transition, and will ultimately lead to a more positive experience for employees. Some companies reach out directly to other companies and make them aware of the talent that is being let go in the hopes it matches to open requisitions at other companies. Outplacement is another consideration to provide to impacted employees.

There are several outplacement firms that offer both local and global assistance and most outplacement firms offer an assortment of options such as help with resumes/LinkedIn profiles, help with interviewing, help with building a job search strategy, help with building a new financial plan in the event finding a new job takes longer than expected, and also emotional support, counseling and coaching as they go through a big life change.



#### Create an action plan and train to the plan

As you approach the notification date, make sure you have a comprehensive action plan and a crisp- clear timeline that addresses equipment, facilities, physical security, IT, and anything else. Make sure everyone is clear and is respecting the critical need for confidentiality and real time communication. Train managers and anyone else involved in the RIF so everyone is consistent with messaging. Some sage advice to keep in mind when conducting large RIFs: Never say "I know how you feel." It is important that you navigate the lay-offs with sensitivity to the emotions of affected employees. Put your emotions last. Asking questions like "Are you okay?" are not productive because they are intended to make you feel better about your actions. Instead ask questions like "Is there anything you need right now?"

Some key elements you need to think through is how long are you going to keep the notified people on payroll. Are you paying them two weeks in lieu of notice or are you paying them a two weeks notice over that period? When is their last day of employment? Are any of the impacted employees working on a work permit or visa and what timelines do those individuals face. Please note that many work visas (e.g., H1B, etc.) give workers a 60 day grace period upon termination to find a new job/employer sponsor. Therefore, the HR teams should give additional consideration and perhaps a transition period for workers on visas. Be careful that you are consistent in your notice periods especially if this is a large RIF. Giving executives more notice period may not be well received by non-executives if the word gets out so be mindful of your decisions and your policies and follow them closely or be prepared to answer tough questions if you are not consistent.



These are details that have to be proactively managed:

- The timeline of all activities
- Who is responsible for each step
- Who is the problem solver when a situation goes off track
- A clear communication plan
- Any necessary security procedures (see below for a few caveats)



#### When you actually implement the RIF, here are a few key guidelines:

### Balance security with respect for the individual

Although you need to ensure the safety of your IP and secure your premises and property from theft and misuse, you don't want to become fodder for workplace gossip and distraction because you had security escort people from the premises.

\*\*Remember: People affected by the RIF will continue to have relationships and influence employees in your workforce; show them humanity and respect on their way out. If you cut off system access immediately you may be signaling to the impacted employee a big lack of trust that may rub them the wrong way and may cause them to feel you are treating them harshly. Do your own security assessment to determine a process you feel protects everyone and sets the right tone but, having conducted 100s of reductions in force over my career, that treating people fairly and with respect in how you notify them and how you treat them afterwards has a long lasting impact.

Kindness and empathy will go a long way toward minimizing the negative feelings and gossip that often ensues after a poorly executed RIF. Your employer brand is on the line here.

## 2 Define and communicate a clear start and end to the RIF

When experiencing a RIF, there will be gossip and rumors flying around the organization. In order to contain and minimize the turmoil, it's best to clearly identify the start and end point to the RIF. Let people know they are through the worst of it (if that is the case) and it's time to start rebuilding the team. If you are in a period of uncertainty due to business climate or a global pandemic be careful not to say things like "we are not going to let anymore people go", or "no more staff will be let go" unless you are absolutely certain. You ruin trust and credibility if you promise not to let more people go and then you do.

You will likely be asked "Are there going to be more RIFs?", so you should have a good answer prepared; here is a sample statement:

"At this time we have had to make some hard decisions in the best interest of the company and we think these are the only tough decisions we have to make at this time, but we are operating and a tough business/climate and will always be looking to take decisions in the best interest of our employees, our community and our shareholders. We are doing all we can for the impacted employees to help them find new positions and they need your help as well."

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# Be humane and respectful during a tough business cycle

It's easy to be nice and respectful when business is booming. It's a whole lot harder to be respectful when business is contracting and/or the business needs realignment. After the reduction is conducted, the main task is to regroup and motivate the remaining workforce. You need to be mindful that a RIF is a hugely destabilizing event for an organization and you should prepare to help people understand "why" and remind them of how hard this decision was to make and how careful you were to help impacted staff.

#### A Checklist to Help Prepare for a RIF

Here are some things to consider when preparing for a RIF:

#### 上 A robust communication plan

The organization needs a communication plan with key messaging and everyone needs to use the same script to outside organizations, customers, vendors — as well as with remaining employees. There is a temptation for people to think in a RIF that only low performers are let go. This is rarely true. In many cases companies have roles they no longer need. Even if you are letting people go who are lower performers, it NEVER benefits you to share that with anyone outside of the small decision team for many reasons, but primarily because it is true that some people perform better in other organizations than they do in yours', further you do not want anyone impacted to hear that you are telling others they are a poor performers for obvious reasons. Be very careful here; managers might be pressed by remaining employees to assure them that only low performers were let go, thinking this would be well received. After doing so they realized that others did not consider some let go as low performers and hence they felt the decision to determine who was let go was random.

Be clear about the need and reasons for the RIF and the state of the business. Let people know you considered many other alternatives and took other measures before getting to the point you had to let people go. Your staff wants to hear you have worked extremely hard to avoid a RIF. If they think it's an easy decision to make, then consider for a second that they may think if it's so easy that they may be chosen next or that there is no credibility in the process. You want to avoid that.

Beyond that, ensure that people know who they're working with and the changes in the organizational chart so people can focus and get their work done. The sooner you get people working efficiently again, the better off you'll be and the better off they will be. To the extent there is confusion and disruption, the organization will continue to bleed morale and people. You need to keep a close pulse on this.



## Acknowledge emotions and low morale

During a RIF, productivity goes down. People are afraid for their jobs and upset that friends and co-workers were laid off. They also may feel they now have more work on their plates or that they will have to work longer hours to cover the work of those who are let go. Be ready to talk about this - anticipate these feelings and questions. It's inevitable that emotions run high and productivity runs low. Acknowledge it and connect with people. Plan for your business to need a bit of time to heal. Then, work hard at stabilizing the situation so people can focus on being a productive team again.

# $\frac{3}{3}$ Give extra attention to top talent

When there's a RIF and business is contracting, your top talent may start looking around for better opportunities. That's why you need to give extra attention to your key players during a RIF and open the lines of communication so they express their fears and concerns about the organization and you have the opportunity to address them.

The last thing you want during a RIF is to experience a loss of your key talent while the business is contracting and productivity is down. Get in front of it and talk to high risk cases so you are at least aware they may leave and can start planning.

# **4** Avoid These Common Mistakes

- Not being clear about business reasons for the RIF (Note: If it feels arbitrary to your employees, those who are not impacted will fear they may be next on the "layoff list").
- Not articulating clear, easy-to-understand criteria for layoff selection and/or not applying criteria consistently.
- Not paying attention to adverse impact and doing it "blind."
- Shortchanging the preparation and rushing the process.
- Not doing anything to help those impacted by the RIF (severance and/or outplacement services) which sends a signal to the remaining workforce.
- Not ensuring that company leaders stick to a communications script about reasons for the RIF, selection criteria, and other details of the RIF
- Doing a RIF in a way that appears disrespectful and callous
- Not paying attention to and/or securing your top talent
- Forgetting to focus attention on those who are not part of the RIF and failing to realize many people will be assuming more duties, work, and responsibility post-RIF
- Expecting employees impacted by the RIF to react negatively and hence treating them coldly and ushering them out fast versus allowing them a proper "good-bye" or allowing them closure with dignity.
- Shutting off system access to affected employees or turning their badges off BEFORE they have been notified their job was eliminated.



# SECTION 4

# Conclusion

When a RIF is necessary, it's important to consider all the relevant issues and execute the plan to rally and focus the troops on rebuilding the business. Spend time in the planning process and don't get sloppy during execution. If you have someone on your leadership team who has been let go at some point in their past or who was a part of a RIF - ask them to share their lessons learned. It will be extremely helpful. Lastly, be sure to avoid these common mistakes which will destabilize the situation.

- Shutting off system access to affected employees or turning their badges off BEFORE they have been notified their job was eliminated. Putting boxes outside the cubes or offices of those who will be impacted before they are notified is even worse
- Telling a RIF'd employee, "I know how you feel"
- Announcing there will be a RIF in the future and stating an estimated number that will be impacted. This massively distracts everyone in the company and to this day, some companies still let the world know "In the next few months we will let several hundred employees go." While the business driver of an action like this is that a company may feel they have to take a write down on their balance sheet in a specific quarter and hence feel compelled to let the market know before they are prepared to act, but in doing that you take a huge risk of losing trust and faith of your staff and signaling to them you may not know what you are doing if you are having to do this so haphazardly. If you have a good pulse as a leadership team on your business you should be able to avoid doing things like this.

A RIF can feel traumatic, but if you plan well and execute per your plan, it'll be a blip on the screen as your team starts to rebuild and grow the business again. Your employees will see that you are able to make hard decisions that benefit the greater organization and that when you have to make them, you will treat people with fairness, respect, and dignity. John Chambers, former CEO of Cisco Systems told me and the HR team at Cisco on the eve of us letting almost 8,000 people go in 2002 that "in the toughest of times is when you find out how strong you are as leaders" and John challenged all of us to be our best and do our best because he knew so much was on the line.

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SECTION

# About Steve Cadigan

"High-performing organizations today are compelled to lead with integrity and transparency. Nowhere is this put to the test more than when you face a staff reduction." — Steve Cadigan



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Steve is a highly decorated, global thought leader on all things talent related and is an Advisor to Emtrain. Prior to launching his own firm in 2013, Steve served as LinkedIn's first CHROV2009 through 2012. The groundbreaking work that Steve did at LinkedIn as the executive responsible for culture, leadership, talent, and organizational development is widely seen as the textbook example of how a company can leverage its culture to scale profitability in record time. Steve's work building LinkedIn's culture led Stanford University to build a case study about it and today it is taught to their business students. Steve now helps organizations worldwide including the BBC, Google, Cisco, Twitter, and Salesforce to develop winning talent solutions. With more than 25 years of leadership and executive experience in global Human Resources, Steve has practiced HR in the US, Canada, and Asia-Pacific within a variety of industries. In 2021 Steve published his groundbreaking first book Workquake which has received multiple awards and became an instant new bestseller on Amazon. Today Steve sits on the Board of Directors for four organizations and is an Advisor to several other dynamic global firms. Over the course of his career, the teams, cultures, and organizations he has led and helped build have been recognized as exceptional, "world-class" performers by the Wall Street Journal and Fortune Magazine.

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