Letting people go well: A guide on what to do

By Karen Gately, Founder, Corporate Dojo

- Many organisations are facing the grim reality of having to let go of highly valued staff because of the financial impact of COVID-19.
- Ensure you communicate honestly authentically with those being made redundant and with other staff.
- And don't underestimate the stress felt by HR staff and leaders implementing the decisions.



As the world scrambles to respond to the threat COVID-19 poses to humanity, life has become particularly challenging for a lot of people. A report by the <u>Grattan Institute predicts</u> between 14 and 26 per cent of Australian workers could be out of work as a direct result of the coronavirus shutdown, with the crisis having an enduring impact on employment for years to come.

Some employers find themselves for the first time having to let go of highly valued staff because they simply can't afford to keep them. Even those leaders who have faced the hard task of downsizing before, are being forced to make extremely difficult decisions that undeniably impact lives. These decisions are being reached in very short time frames with not a lot of certainty of the future to work with.

While there is nothing anyone can do to avoid altogether the circumstances we find ourselves in, nor the pain inherent in letting people go, a respectful and compassionate approach will go some way to making it a little easier for all concerned.

People who lose their job through redundancy typically want to know that every decision reached was made with fair and reasonable consideration given to all of your options and the consequences. You must demonstrate you care and are doing everything you can to avoid unnecessary impacts on staff and their families. Help people to feel personally valued and that the loss of their job is sincerely regrettable.

Focus on each person and appreciate how their lives will be impacted by the decision to let them go. Never step back from the decisions you need to make, the harsh reality is for many businesses to survive these times, cutbacks of all types of investment or expenditure will be necessary. Just be able to articulate why you have no other choices and demonstrate a sincere appreciation of the consequences for team members impacted.

Communicate well

Being authentic and honestly sharing insight are important elements of treating people fairly. Allow your team to understand the extent of the reality you are facing. Reasonable people understand that employers have limited capacity to control or change circumstances right now. Work with each member of the leadership team to ensure managers can communicate decisions clearly, provide facts accurately and deliver news with sensitivity.

It's common for organisations to be cautious about providing information prematurely and risk causing unnecessary fear, anxiety and disclosure of sensitive information to the market. The reality is, however, where there is a void of information people will typically make assumptions and draw their conclusions. Proactively manage the awareness and perceptions of your team. Be upfront with people about the circumstances in which it will become necessary to let people go and how those decisions will be reached.



Keep communicating with your team about why you have confidence in the future and the role you need them to play to make it happen.

Keep communicating

Maintain communication with the team well beyond the last day employees made redundant have left the business. After job cuts have been implemented people often spend a lot of time talking about what has happened and worrying about what might happen in the future. Keep communicating with your team about why you have confidence in the future and the role you need them to play to make it happen.

If the truth is that further redundancies are likely, help the team to understand what needs to change to avoid those circumstances. Irrespective of how hard the fight might be to avoid that reality, you are better off focusing your team on what they can do rather than simply leaving them to wallow in the miserable reality that further job losses are looming.

Understand broader impacts

Don't underestimate how stressful downsizing can be for everyone involved. It's logical to assume that the people faced with the possibility or reality of losing their job may be stressed. Some organisations, however, underestimate the stress felt by HR staff and leaders implementing the decisions. These people often find themselves having to work long hours, many of which are spent engaged in emotionally charged conversations, making decisions with life-changing consequences for people.

Check in with these people and encourage them to seek the support they may need. While managers and HR people need to avoid getting caught up in emotions that undermine their ability to drive the process with

objectivity and professionalism that can be easier said than done. Understand that while maintaining high standards of conduct is essential at times people immersed in the process of downsizing will struggle to have the strength they need to maintain composure and resilience.

Karen Gately can be contacted on (03) 9670 6711 or by email at info@corporatedojo.com.

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