

Checklist for Laying Off Employees

Preparing for a Layoff

There are steps you can take to prepare for impending layoffs. At the very least, you should:

- Review and familiarize yourself with all pertinent information in your company's personnel policy or handbook, such as benefits, termination procedures, equal employment opportunities, and disciplinary and grievance procedures.
- Make sure personnel files and performance reviews are up to date and contain any documentation that supports your decision about whom to lay off and whom to keep.
- Consider the expenses your company will incur as the result of a layoff, including severance and insurance costs.
- Determine which benefits employees are entitled to.
- Review any collective bargaining and employment agreements to make certain your company complies with layoff procedures and employee notification requirements outlined in union contracts or employee agreements.
- Ensure that you're in compliance with the Worker Adjustment and Retraining Notification (WARN) Act. Under the WARN Act, employees must receive 60 days' advance notice before they are laid off, unless they are paid for those 60 days. This applies if you are laying off 500 or more workers, one-third or more of your staff (50 or more employees), or if you are closing a single site with 50 or more employees.
- Collect all documentation, such as memos and minutes from meetings, that supports the layoff decision.
- Establish criteria that are neutral and nondiscriminatory for reducing staff. Avoid a lottery system or selecting employees based on age or other criteria that might be viewed as discriminatory. Once the standards are established, apply them equally and make no exceptions. You might consider consulting an attorney to make certain you're in compliance with applicable laws, and are providing a full appearance of fairness

No matter what you do or say, letting employees go is never easy. The following tips provide an outline for you to adhere to, if the time ever comes when you have to lay off employees.

Checklist for Layoffs

- Explain the necessity for the layoff, and express your sincere regrets.
- Avoid discussions of why one person was retained over another.
- Provide written documentation for all benefits, including those that will continue through the severance period.

- Provide information on unemployment insurance.
- Don't promise to notify employees of job openings unless you really intend to follow through.
- If possible, offer outplacement assistance for your employees. A professional outsourcing firm can help employees cope through the transition, get career counseling, and find new jobs.
- Be prepared to handle requests for referrals and job verifications. Inform the terminated employee whom prospective employers should contact for this information.

After the Layoff

The period after the layoff is also critical. Tell the remaining employees the reasons for the layoff, and convey your regrets about the situation. Encourage employees to ask questions, and do what you can to help them through the transition.

The reactions of the remaining employees will be based largely on how you help them adjust to the change, but it's natural for them to have low morale, lose trust in the company leaders, or experience a period of unproductiveness — no matter how much you try to soften the blow.

(<http://www.allbusiness.com/human-resources/workforce-management-termination-layoffs/374-1.html>)