GROSSMAN GROUP

COMMUNICATIONS ESSENTIALS TO MANAGE The LAYOFFS Right Way...



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FOLLOWING THE "GREAT RESIGNATION" AND "QUIET QUITTING," AMERICA'S WORKFORCE IS GRAPPLING WITH A

NEW ERA:

OUC

Shocking reduction in force (RIF) announcements are taking employees by surprise and dominating media headlines these days. Top global companies, including...

BuzzFeed











...just to name a few, have made headlines recently for mass layoffs. While coverage of these layoffs has often focused on job market ramifications and signs of economic recession, the lack of importance organizations are placing on internal communications today is equally worrying to see.

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Troubling Communications Trends in Layoff Announcements

As communicators, we know that an effective communications strategy cannot make up for a company's poor business performance and ultimately the need to conduct a reduction in force, but it can help mitigate reputational impact to an organization—among internal and external stakeholders alike. Too often, however, thoughtfully planned communications appear absent from what is undoubtedly one of the

most complex moments an organization will go through. Recent media coverage of how companies have communicated layoffs to employees is shocking—tales of announcements that felt cold and inhuman or employees finding out they were laid off by suddenly losing IT access are rampant. The infamous Zoom call in which the Better.com CEO laid off hundreds of employees is hard to forget...



LAYOFFS ARE UP NEARLY 400%

(year over year as of the first quarter of 2023)

270K CUTS IN Q1

(highest first-quarter job loss rate since 2020)

38% OF LAYOFFS ARE IN TECH

(hardest hit industry for job cuts, followed by finance and healthcare)

TOP REASON CITED SO FAR THIS YEAR:

Market/Economic Conditions¹



of global respondents in the 2023 Edelman Trust Barometer report "job loss" as a personal economic fear (up 4 points from 2022) Whether layoffs continue at this pace or cool off, what's clear is that *employees deserve better* than the callous layoffs making headlines. They deserve to be treated with respect and dignity. So how can communicators bring expertise to the table to help organizations lead with greater empathy and humanity during layoffs?

5 Best Practices for Communicating Layoffs to Employees

We partner with clients often to help them manage their communications for organizational restructuring (including mass layoffs, site closures, and mergers and acquisitions) to mitigate declines in employee engagement and help

protect their company's reputation. While layoffs are more common in some industries than others, having the ability to help organizations navigate the changes with empathy and respect is a sought-after communications skill. In

this eBook, we'll cover core strategies and best practices you can apply directly to your work, whether you sit in internal communications, human resources, corporate communications or a blend of the above.













Start by Mapping Your Internal Stakeholders, Including:













In large organizations, be sure not to forget other parts of the company that may be impacted by layoffs within your function. Then, even if external stakeholder communication is not in your remit, create a base list and template that senior leadership can input into to capture additional stakeholders. Once all data is collected, be sure to capture who is responsible for communicating to each stakeholder, and what materials will be provided to do so.

EXTERNAL STAKEHOLDER MAPPING			
EXTERNAL STAKEHOLDER	RELATIONSHIP OWNER	RESPONSIBLE FOR COMMUNICATING	MESSAGING MATERIALS PROVIDED
Board of Directors			
Customers			
Media			
Local government/ community groups			
Shareholders/ investors			
Suppliers			
Industry associations			

Plan your MESSAGING

Planning a reduction in force announcement, or any large-scale communication, requires many core materials. While the list of materials may feel daunting, start by drafting a master narrative that captures the changes that are happening, the rationale for change and what employees can expect next. Gain alignment on this document with key stakeholders before proceeding to separate materials to save time and the need to cascade edits across multiple materials.

Recommended Punch List of Materials for Communicating Layoffs



NARRATIVE

Serves as core messaging narrative to inform **all** subsequent materials



Short overview that succinctly captures announcement and rationale in 2-3 sentences (typically can be delivered in < 30 seconds)



KEY Messages

Master narrative broken into 3 digestible key messages, with supporting proof points for additional detail where needed



TECHNOLOGY TIP:

Make the most of collaboration tools, such as Microsoft Teams, to avoid version control issues when you are developing messages and announcement communications. Create a private shared folder where key stakeholders can collaborate, review and finalize documents.





Talking points, any necessary slides/ visuals and a predrafted calendar invite for an all-employee/ impacted employee live meeting







Recommended Punch List of Materials for Communicating Layoffs



FAQ

Anticipated questions and answers for both internal and external stakeholders



LEADER EMAILS

Email communications for identified leaders to send to respective internal stakeholders (e.g., advance notice to people managers, email to all employees, email to impacted employees)

PREPARING FOR EMPLOYEE QUESTIONS:

A robust FAQ document can be one of the most important tools in a RIFs communication pack. When developing an FAQ, keep in mind the following: STRIVE for transparency (don't shy away from why this is happening, what you know and what you don't know but will find out)

PROVIDE succinct answers (respond with a definitive "yes" or "no" with brief context, versus long-winded or convoluted answers)

REFRAIN from overpromising or over-committing to provide comfort ("This won't happen again," "There will be no more change") PREPARE responses for even the most difficult questions ("How are we holding leadership accountable for the financial performance that led to these layoffs?," "Why was I impacted and not X employee?," "How can we trust in our leadership team?")





EXTERNAL STAKEHOLDER NOTIFICATION TEMPLATE

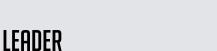
Template of communications that designated leaders can customize to share news with respective external stakeholders



TOOLKIT

MEDIA Materials

Press release and/ or reactive statement to manage media inquiries



Bundled package of narrative, key messages, core presentation slides, FAQ and communications tips to aid leaders in communicating the announcement to teams; include additional scripts for leaders responsible for communicating difficult news to impacted employees





Prioritize Timing so Impacted Employees are Notified First

Use a 1:1 meeting with their manager/ HR versus a mass email (to the extent that you are able to based on the size of the organization and scope of layoffs). Immediately after notifications, bring employees together for an all-hands meeting with leadership to address the announcement and have an open Q&A.



SAMPLE COMMUNICATIONS CASCADE

DAY BEFORE ANNOUNCEMENT •

- Workshop to prepare senior leaders to communicate news (review prepared toolkit and communications timeline)
- Share template communications materials with relevant leaders responsible for communicating externally (e.g., media, government affairs, investor relations); reinforce communications timeline

DAY FOLLOWING ANNOUNCEMENT

- Function leaders host follow-up meetings with teams to discuss news, impact to their function and address questions
- Senior leadership team debrief on employee feedback

WEEK(S) FOLLOWING ANNOUNCEMENT

- Ongoing HR office hours for both impacted and remaining employees
- Continued functional team meetings
- Regular senior leadership team debrief meetings to discuss employee feedback; determine necessary follow-up communications to employees (e.g., upload master Q&A document to intranet to create transparency around information being shared throughout organization)

ANNOUNCEMENT DAY

- 8:00 a.m.: Send calendar invite to impacted employees for 1:1/ small group meetings with HR
- 9:00 a.m. 11:30 a.m.: Conduct notification meeting with impacted employees
- 11:30 a.m.: Send advance layoff notification to other critical leaders informing them (relevant for very large organizations with layoffs in limited functions)
- 12:00 p.m.: CEO send email to all employees announcing news
- 12:10 p.m.: Distribute calendar invite for all-employee meeting
- 2:00 p.m.: Conduct all-employee meeting; take questions from employees and communicate clearly what they can expect next
- 2:30 p.m.: Notify external stakeholders as relevant (media, investor relations, etc.)
- EOD: Senior leadership team debrief with HR partners

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Keep •1 in Mind...

NEWS CAN SPREAD In an instant!

Platforms like Slack and Microsoft Teams are excellent channels to keep teams connected. While a benefit for globally dispersed teams, these platforms also pose a risk of communications being leaked early. A single post or instant message can alert your entire organization to the announcement. Externally, be prepared for employees to potentially take to Twitter and tag journalists to share the news.

PLAN TO REACH OOO EMPLOYEES

In today's increasingly hybrid workplace environment, ensure that plans are in place to reach employees who are remote or potentially out of office on the announcement day. If an employee is on PTO, it is best for a manager to call them directly to share the news versus letting them learn they are impacted via word of mouth or an impersonal email.



Tips for Leaders to Engage Their Team:



FAMILIARIZE YOURSELF

with messaging materials provided and use them to communicate effectively with your team; stay on message while making it your own and adding context that makes it relevant to your audience.



DON'T BE AFRAID

to be vulnerable at this time. Often leaders feel it's a sign of weakness to share personal thoughts or feelings, when in fact that kind of self-disclosure at the right moments helps make communication more relatable and powerful.



TALK OPENLY about

what's happening.
Engage your team by genuinely listening to them, answering their questions to the best of your ability, sharing what you know and showing your team you're here for them.
Transparency is key to building trust.



ASK QUESTIONS

of your team to get a sense of how they are taking the news. Collect and share feedback with the leadership team on an ongoing basis, and come back to your team with answers as new information is available.

THE IMPORTANCE OF LEADING WITH HEART

We've learned in recent years that there's great power for leaders in being human in how they lead. We call this approach *Heart First Leadership*, which we define as championing empathy, humanity and authenticity to build stronger, more trusting relationships and a thriving, purpose-driven organization. And this approach can—and should—be applied regularly, in both good times and during periods of challenge or change.



Join us in our mission to pay it forward and help leaders lead with heart. Get copies of David Grossman's book, "Leading with Heart: Lasting Leader Lessons from a Year that Changed Everything."

IT'S ON US...







Audience Mindset Analysis

USE THIS TEMPLATE TO JOT DOWN NOTES TO PREPARE FOR CONVERSATIONS WITH TEAMS

HOW WILL They react to The News?	
WHAT CONCERNS Might They Have?	
WHAT, IF ANYTHING, WILL THEY SEE AS POSITIVE ABOUT THE NEWS?	
WHAT QUESTIONS WILL THEY HAVE?	

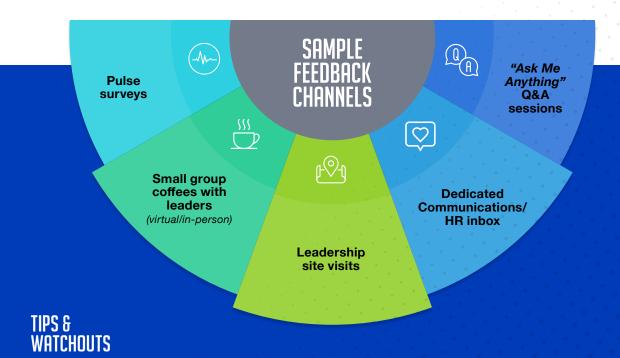


Remember to Address the "Why"

Once any personal impact is addressed, the next question employees will have is why they should stay with the company. Communicating a go-forward vision and giving employees a reason to stay that's compelling, and that provides

hope and confidence in the organization, is critical. Ensure this messaging is clear in the post-announcement all-hands meeting and among leaders so they can cascade it to their teams. Establish feedback channels where employees

can continue to have open dialogue with leaders and submit their questions. Bring leaders together on a regular basis to debrief on feedback and put a communications plan in place to respond to employee concerns.





Remember that how you lead and communicate sets the tone for your team.



Don't just forward materials to your team. Share context and lead discussions as more information is available.



Don't assume everyone is doing fine—make sure you check in frequently.



Even if you don't know all the answers to the questions your team has, use the time to listen and show support.

Learn From Companies Who Have Handled Layoffs With Respect

While the news cycle has been rife with headlines of companies communicating layoffs to employees poorly, there *are* leaders who have modeled best practices. If you find yourself preparing for this defining moment, consider taking a page out of these companies' books...



In the early months of the pandemic, Airbnb Co-Founder and CEO Brian Chesky sent a memo confirming the vacation rental company would be reducing the size of its workforce. He offered clear rationale, demonstrated transparency around the process and support departing employees would receive, and provided clarity around what employees leaving and staying could expect as next steps.

A MESSAGE FROM CO-FOUNDER AND CEO BRIAN CHESKY

BY AIRBNB · MAY 5, 2020

This is my seventh time talking to you from my house. Each time we've talked, I've shared good news and bad news, but today I have to share some very sad news. When you've asked me about layoffs, I've said that nothing is off the table. Today, I must confirm that we are reducing the size of the Airbnb workforce. For a company like us whose mission is centered around belonging, this is incredibly difficult to confront, and it will be even harder for those who have to leave Airbnb. I am going to share as many details as I can on how I arrived at this decision, what we are doing for those leaving, and what will happen next...



Wayfair CEO and Co-Founder Niraj Shah exemplified leadership accountability in his memo to employees announcing a reduction in force, writing, "I take responsibility for the impact this decision will have on the nearly 900 Wayfarians who will be told today they are no longer part of building our company's future," before sharing what changes were being made, what employees could expect next and expressing gratitude for team members' contributions.





Navigating Layoffs Never Easy...

...for those impacted, for those remaining, or for those who have to plan and deliver the news. And while we all hope to avoid workforce reductions, it is a moment that many of us will encounter in our careers. As communicators, let's leverage our seat at the table to ensure that any future layoff communications are handled with empathy, humanity and respect. In these defining moments, your company's reputation, employee engagement and future are all at stake.

If You Need Help Navigating RIFs or Layoff Communications, Our Team Can Help.



WE WORK WITH CLIENTS OFTEN TO:

- Develop comprehensive change management communications plans for larger-scale RIF or restructuring announcements
- Define messaging and draft materials to support layoff communications
- Conduct stakeholder assessments to identify who needs to be communicated to (spanning internal and external audiences), and when
- Prepare leaders to share difficult news through communications trainings and custom toolkits
- Coordinate/project manage integrated teams (communications, HR, site leaders, etc.) to ensure layoff announcements are delivered seamlessly

Unleash the Power of Internal TO LEARN MORE ABOUT OUR APPROACH, EXPLORE WHAT'S Communications POSSIBLE FOR YOUR ORGANIZATION OR TO GET STARTED. VISIT THESE RESOURCES, OR CONTACT US TODAY. THE GROSSMAN SERVICES > GROUP <u>difference</u> 🖎 Solutions for the Short & Long Term READ <u>CASE</u> **CONTACT** STUDIES > **GIVE US A CALL EMAIL US** 312-829-3252 DIRECTLY >



Jennifer is a Vice President at The Grossman Group and brings more than 10 years of strategic communications experience, a problem-solving mindset and zealous quality control to her work partnering with clients to help them achieve their business and communications goals.

She has collaborated with Fortune 500 clients across the pharmaceutical, hospitality, technology, energy, automotive, manufacturing and CPG industries to deliver strategic communications solutions and counsel that help companies perform from the inside-out. Jennifer's current and former client list includes AstraZeneca, Hilton, KeHE Distributors, Microsoft, SC Johnson, Shell, Stanley Black & Decker, Starbucks and Tecomet, among others.

Jennifer's an expert at helping organizations navigate complex enterprisewide change from RIFs to rebrandings to integrations. In addition, she has a strong background in internal communications research, has led numerous comprehensive internal communications audits and, through those efforts, sets global communications functions up for operational excellence.

in Connect with Jennifer on <u>Linkedin</u>