

Layoffs will always exist, but how they happen can be controlled

Honest and consistent actions will ensure layoffs go smoothly

In American business, there's a new constant: layoffs. They continue, regardless of the overall business climate.

The reasons for specific layoffs are unique to the companies and the people affected by them. But regardless of the reasons for a layoff, there is one concept that is universal: Safe and successful layoffs are the product of progressive corporate attitudes, honest and consistent actions and the help of specially trained consultants.

The days of meeting people in airports or large assembly halls to let them know they are unemployed have proven to be counterproductive at a minimum and at worst, disastrous.

Yet as president of a company that has helped with the layoffs of hundreds of individuals, too often I see that companies neglect safety and security when focusing on the financial aspects of a layoff.

Layoffs pose huge risks to staff and the bottom line for companies that don't take a comprehensive approach to safety and security. Damage to property, reputation and even death can result. Take, for example, real-life incidents such as these:

- Three workplace shootings left five people dead and nearly 40 others wounded in one three-week period. Officials blamed poor firing procedures at the companies involved.

- A recent survey showed 85 percent of computer hacking is a revenge act by disgruntled employees.

- The FBI linked nearly 2,500 cases of corporate terrorism in the months before 9/11 to reductions in force — everything from death threats to firebombs and physical violence.

It is therefore important to avoid becoming a statistic when a layoff is necessary. Consider, these five steps to safe and successful layoffs:

1. Deliver the bad news with honest communication of the circumstances. People understand business downturns, but don't appreciate having their intelligence insulted by con games or half-truths. Dishonest communication heightens anxiety, anger and the potential for violence.

2. Move on to positive outcomes describing separation pay (not severance) and health packages, including what can be expected from unemployment benefits. For large reductions, unemployment compensation representatives can be on



**Guest
commentary**
Kevin Pegnato

site to reduce financial anxieties. Shifting the focus to next steps helps defuse emotions that could lead to violence.

3. Point people in a positive direction (and away from negative thoughts about your company) by bringing experienced outplacement personnel on site for the final leg of the exit interview, to schedule special training and to begin the process of finding new employment.

4. Above all, include a security specialist at the earliest opportunity to help plan and facilitate the process from beginning to end. Security professionals will scour facilities for opportunistic weapons, arrange a routing system for orderly exits by affected employees, script and rehearse executives in advance and sit in on exit interviews to ensure safety for all involved. These people are trained to intervene early, when it's possible to end a negative interview positively, and help decompress employees who may be overcome with anger or sadness. Trained security professionals can also neutralize otherwise violent outbursts, including weapons threats, during or after an interview. These safety professionals should remain on site for up to a week after the event. Many recent instances of workplace violence have come in the days after a layoff.

5. Don't forget the survivors. Remaining staff will be understandably upset when there's a layoff, particularly if it is a surprise. Managers must assure them that the terminations are over, and use the opportunity to define their expectations. Otherwise, an embittered and fearful workforce remains, creating additional security considerations — as well as morale and productivity issues.

The last decade in American business has demonstrated that layoffs are an inescapable fact of corporate life. When your organization must endure a layoff, make sure to plan ahead so that an unfortunate but financially necessary event doesn't have far-reaching and unfortunate effects on the safety and security of your people and the future of your company.

MR. PEGNATO, president of Executive Defensive Tactics, may be contacted at kevin@executivedefensetactics.com.

UNEVEN THE P

When you're faced with a challenge, you need to re...
Rooney Lieber & Schorling, we offer a unique dep...
full range of practice areas, including corporat...
employment, real estate, government affairs, bank...
than anything else, we offer an exceptionally tal...
the right approach. And uneven your playing field

KLETT ROONEY LIE
A PROFESSIONAL
ATTORNEYS

klettroone

One Oxford Centre • 40th Floor • Pitt...
PITTSBURGH • PHILADELPHIA • HARRISBURG • N...

PITTSBURGH BUSINESS TI

Nominations are now
2004 America
Ethics A

Whether you're dealing with Sarbanes-Ox...
"perp walk," or simply wondering if your...
you've set for them, it's hard to miss the impa...
business world.

The Pittsburgh Business Times, in part...
Service Professionals, calls for nominations...
Awards program to honor companies that de...
practices in their everyday operations, philoso...
lenges.

Our judges will review all nominations and...
phase of judging, which will include on-site i...
Finalists and winners will be honored...
Duquesne Club and in an Oct. 29 symple...