

REDUCTION IN FORCE

Manager's Tool Box

Overview

Changes in the global, national and local economic business climate, organizational alignment and/or strategies may require (or influence) a need to reduce personnel through a reduction-in-force ("RIF") action. The role and responsibility of a manager in a reduction-in-force action is of paramount importance. The purpose of this Manager's Tool Box is to ensure that you adhere to University procedures.

Regardless of your role in assessing which employees/positions will be selected for reduction, you may be asked to assume the responsibility of personally notifying an individual that his/her job is being eliminated. You may be called to assist in the release of employees who report directly to you as well as non-direct reports within your college/division. Either situation is difficult and will require preparation and good judgment. It is imperative that you, as a representative of the University, adhere to all established processes and directives in order to prevent confusion and potential liability to the University and the employee.

This Management Tool Box will allow you to better understand:

- How to effectively prepare for and complete the employee release process.
- The "mechanics" of the RIF process.
- The employee separation materials.

I. Primary Managerial Responsibilities:

- Efficiently adhere to the RIF process.
- Become familiar with the content of the separation materials so that reviewing the materials with the employee will be delivered with knowledge and clarity.
- Notify the employee that his/her job is being eliminated.
- Help the employee remain positive about the University and begin the transition process in a positive way.

- Collect all University property and discuss a departure plan.
- Seek direction/counsel when uncertain or unexpected problems occur.

General Notes:

- A RIF is generally based on economic factors related to current business conditions and/or anticipated business requirements.
- No employee will be approved for release until Human Resources, the Office of Affirmative Action/EEO and other administrative officials review and approve the proposed action.
- Human Resources is responsible for the timely distribution of the materials that managers are to provide to the departing employee.
- All employee notifications are to be conducted in person. If for some reason other arrangements must be made, discuss the reason with your leadership and Human Resources.
- The RIF action is not a "layoff;" all employee release actions are to be considered final: there are no "recall" provisions; no promises of re-employment should be made.
- Pending (or post) RIF actions are strictly confidential and are not to be discussed with anyone who does not have a "business necessity to know."
- Employees being released will receive pay/benefit continuation in accordance with the MAPP 02.04.06, Reduction in Force.
- It is a manager's responsibility to ensure ALL University property is returned.
- It is a manager's responsibility to know if any departing employee owes the University money (overpayments, parking, loans, etc.) and to notify the employee at the time release of his/her responsibility to repay any money owed; in accordance with MAPP 05.03.01, Employee Financial Responsibility.

II. Preparing for and Conducting a Notification Meeting

A. Pre-Meeting Preparation:

- Informing an employee of a job loss may be a difficult and an unpleasant task; a successful outcome requires preparation and good instincts.
- Become thoroughly familiar with the RIF process and the content of the separation

materials (amount of pay continuation available, forms, outplacement, etc.).

- Make arrangements to meet with the employee: travel, location, time. Advise the employee of the need to meet. If you cannot personally conduct the notification/exit meeting, you must arrange for another manager in your unit/department to do so.
- Discuss with your Human Resources Generalist any possible problems you believe could occur or any concerns you may have; arrange for another manager to be with you during the meeting, if appropriate.
- Anticipate questions that you could be asked and have answers readily available.
- Be aware that the release process may be emotional for all parties; prepare yourself for this by rehearsing the message you will deliver.
- Be prepared for "push backs," or unusual emotional reactions.
- Assess the impact this action may have on co-workers and customers and create a plan to absorb the impact seamlessly.
- Seek appropriate coaching.

B. The Notification Meeting:

The primary purpose of the notification meeting is twofold: (1) to inform the employee that his/her job has been eliminated effective today with 30 days pay and will be expected to work until the end of the 30 day notification and (2) to keep the person positive about the University.

C. Your Role is the Notifier, Not the Justifier.

- The meeting should be private and uninterrupted.
- Do not procrastinate -get directly to the point, announce the action calmly, stick with the script (see below), control the meeting, and keep the person focused.
- Do not make any comments, even if well intended, that may compromise the action; stay away from discussions that could confuse the primary message, (i.e., the notification meeting is **not** about employee performance or personal issues).
- Be direct and firm and ensure the person understands that the decision is final while also being empathetic to the person's situation.
- Do not blame others for the actions being taken.
- Do not become defensive, argumentative or confrontational--your role is not to

justify the decision that has been made.

- Listen, document anything that could lead to a potential problem, and advise your manager and Human Resources immediately.
- Review and complete the required forms with the employee.
- Collect or make arrangements to collect ALL University property; advise the employee that access to voice mail, e-mail, computer systems will be discontinued.
- Offer support and encouragement; exit the employee in a dignified manner.

D. What problems may occur?

The employee may:

- Become resistant, defensive and/or non-accepting of the action.
- Want to plead a case or bargain for another opportunity.
- Want to speak with a "decision-maker."
- Ask the "why me?" questions (see below).
- Threaten a lawsuit or other retaliation or make accusations of harassment or discrimination.
- Try to make the issue personal or about performance.
- Argue about an employee being retained who he/she believes is less capable, has less tenure, etc.
- Exhibit other types of emotion.

E. How to deal with the problems:

- Stay in control of the meeting and your emotions at all times; keep the discussion focused on your task.
- Let the employee know that he/she is free to make whatever contacts they believe appropriate.
- Reiterate that the decision is not about performance or about other employees.

The remainder of this Guide will discuss how to deal with other situations.

F. Post Release:

- Notify your Human Resources Generalist that the employee has been released; discuss any critical issues.
- Meet, with discretion, and inform team members about the actions that have taken place; understand that the remaining co-workers may have lost a friend and may have their own anxieties; get employees (re)focused quickly.
- Be honest about what you know and can share; discuss workload and/or support concerns/needs; focus on the positives.
- Do not assume "business as usual" acceptance.
- Thank people for their continued support; restate the business objectives; make no promises or guarantees about the future (a good response is "the future may be up to us").
- Make contact and meet with any new person coming into your group.
- Be accessible to your employees; don't exhibit a "bunker" mentality.
- Advise the appropriate customers about the actions taken and how you will continue support.
- Never make any disparaging remarks about anyone leaving the University.
- Submit any employee expense reports immediately to expense accounting.

III. The "Why" Questions

"Why are you requesting a meeting with me?"

When you inform the employee that you need to meet with him or her, you may be asked "why?" Don't lie. Awkward as it may feel, it is best to simply state that you will discuss in detail the purpose of the meeting at that time. If you feel compelled to tell the employee what action is to take place, consult with your HR Generalist beforehand to discuss the situation.

"Why Me?"

The "why me?" question is a natural reactive question and has no answer that will be satisfactory to the person posing the question. A response should be only that "the decision was a difficult one." Some will press you to know who is being retained, as he/she will often want to compare him/herself and make a case for his/her retention. This too is not unusual,

but you should not respond to these questions.

Other Possible Questions

- Who made this decision?
- Who can I talk to get this decision changed?
- Are there any other jobs in the company?
- Can I keep my job if I take a pay cut?
- Who else is being released?

All these questions are normal, but you should not provide specific answers. The decisions as to who would be released and all other related decisions have been made, and the decisions are final. While anyone has the right to make contacts in order to find another position, the release will not be delayed.

IV. Employee Package Content

- Salary Continuation Pay and Benefit Plan--explains in detail the salary and benefit continuation program.
- Questions and Answers--these Q&A's address the majority of questions employees usually ask pertaining to benefits.
- Personal Data Document--indicates the employee's dates of notification and release and the period of time that pay and benefits will be continued. The release date is 30 days after the notification date.
- Paycheck/Pay Period Guide--indicates when payroll checks will be issued and what will be included in such checks; note the termination check is a "live" check even if the employee is on direct deposit.
- COBRA Continuation Coverage--COBRA offers extended medical and dental coverage during and beyond the pay continuation period. The package includes important information for the employee in order for benefits to be maintained.
- Outplacement Assistance--information regarding employment services that will be provided to the employee.
- TRS/ORP and or TDA Plan--explains savings distribution options.

V. Forms

The following forms should be completed:

- Manager's Exit Checklist.
- Exit Interview Acknowledgment-- to be witnessed by the manager in lieu of an employee relations representative.
- Acknowledgment Form--completed by the employee.
- Verification of mailing address--no action needed if information is correct.

The employee should be given a copy of each completed form.

VI. Q&A for Managers

Q: What shall I tell my employees who ask me if there will be a RIF and/or if they will be targeted for RIF?

A: Be careful with your credibility and that of the University. You may need to make a judgment as to the potential risk and impact if you state the facts vs. being evasive without being dishonest.

Q: Can an employee who is being separated seek another job within the university?

A: Yes. If the employee finds another position before the date of termination, the separation process can be stopped and the employee can be transferred or reinstated.

Q: Is the employee considered an employee during the 30 day notification period?

A: Yes.

Q: How do I deal with an employee who is confrontational during the meeting?

A: While this is rare, it does happen. You can control the meeting by remaining calm and focused while allowing the person to "blow off steam." Give the employee time to refocus. If an employee continues to be confrontational, stop the meeting and have the employee leave.

Q: How do we handle calls or references after the action?

A: All calls or references should be directed to Human Resources, Records, 713-743-5766.

Q: What if the employee does not want to complete the release process?

A: Advise the employee that the materials are important to review; let him/her know that their pay and benefits continuation could be disrupted if the process is not completed; if an employee is adamant about leaving, do not detain him/her.

VII. Understanding Employee Reactions to Separation

Be prepared. As the manager, you must be calm and in control at all times. Upon being told of a job loss, people may react in very different ways and emotions can vary widely. It is difficult to predict how an individual will react, but you should always anticipate some level

of emotion. Most reactions displayed are normal, such as surprise, feeling hurt and disappointment. Other reactions can be more intense, such as statements that they have been betrayed, wronged or even discriminated against.

As a manager, you may be challenged by some responses. To the extent possible, be patient, compassionate, understanding and, above all, remain in control. Do not be threatened or condone anger that is uncontrolled and do not allow yourself to become argumentative or confrontational.

Call for assistance and/or end the meeting if necessary.

VIII. Reactions to a Job Loss

<u>Negative</u>	<u>Neutral/Natural</u>	<u>Positive</u>
Threatening	Anger/Shock/Denial	Understanding
Hostility	Apprehension	Acceptance
Retaliatory	Downhearted	Relief
Abusive	Awkward	Hopeful
Vengeful/Attacking	Bargaining	Opportunity
Desperation	Avoiding	Resolute
Self Pity	Frustrated	
Manipulative	Discouraged	
	Concerned	
	Fear/Anxiety	
	Confused	
	Disappointed	
	Surprise	

IX. Notification Meeting Role Play

This is a suggested script for conducting an employee notification meeting. Rehearse your comments so that you can deliver the message without having to read the text. Practice speaking slowly, clearly and making direct eye contact; this will help ensure the message is received without confusion.

It is important that you be very direct and specific. There should be no doubt about the purpose of the meeting: (a) the job elimination, (b) the effective date and (c) the next steps to be taken. In most cases, this meeting should take no more than 20 to 30 minutes.

1) **Put the person at ease.** (No small talk; no humor; no business discussion.)

Manager: *Hi (employee name), please have a seat.*

2) **Set the stage.**

Manager: *As you probably know, there have been a number of announcements about changes being made within the university.*

Briefly pause.

3) **Notification.**

Speak slowly and calmly. As the "notifier," managers may feel that the notification itself takes forever, but it should take only about 15 seconds.

Manager: *(Name) as a state employer we have been asked to reduce our budget by 5% across the university, senior management has made very difficult decisions regarding our organization. Some of the decisions that have been made directly affect our area. Due to the budget constraints, I must unfortunately inform you that your position, (Position) in the (Dept.) has been eliminated and we do not have another position in the (dept.) for you.*

Briefly Pause. *This decision was made after a long and careful review of many options, realizing that many of our employees would be affected. This has been a very difficult decision and was not easily made. I want you to know that this process has been reviewed at the highest levels of the university and the decision is final.*

Pause and listen.

Manager: *(Name), I know this is difficult news. Is everything I've said clear to you?*

Note: This is generally when the employee will ask the "why questions" or other questions that were previously noted in this guide. Go back and review the possible questions and responses.

After listening for a few minutes (do not let the employee go on at length), continue.

Manager: *I can appreciate your feelings and disappointment. We regret this action but it is necessary. What is probably most important at this point is for me to discuss your pay and benefit continuation plan that will help you in this transition period. (Note: Areas with 3 or more employees affected simultaneously will have the support of an HR Generalist to meet and discuss separation benefits after the manager meetings are held.)*

This statement will help you focus on the action being taken and reiterate that the action being taken is final. Move to the discussion of the employee materials.

- Let the employee know that he/she is free to contact Human Resources if he/she has any

questions after receiving the materials.

- Once you determine the most appropriate manner for the employee to depart, provide your support and encouragement and thank the employee for his/her courtesy.

If you need further assistance before or after the notification meeting, please contact the appropriate person in the Human Resources Department.

X. Human Resources Contact Information

Generalist/Employee Relations

Connie Kemp, HR Manager, 713-743-5703

Anna Barron, JD, HR Generalist, 713-743-5754

Steven Wellman, PHR, HR Generalist, 713-743-5758

Benefits

Cody Pelletier, SPHR, Human Resources Manager- Benefits, 713-743-5915

Linda Leggett, PHR, Sr. Benefits Specialist, Retirement, 713-743-5743

HR Administration

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