

Staff Layoffs-Information for Supervisors and Managers

Introduction

In this difficult time of budget cuts, many departments are facing budget decisions that may result in reorganizations or staff reductions. While any possible alternatives to layoffs should be explored, sometimes layoffs are inevitable. Having to reduce staff can be one of the most difficult challenges that managers face. To respond to this challenge, Human Resources offers services and resources to support both management and staff.

If you are currently facing budget cuts and are considering staff reductions as an option, the Human Resources staff is available to assist you. Contact **Employee and Labor Relations (893-4119)** to talk with an analyst to discuss topics including ways to minimize the impact on staff when possible, the layoff process, and notice obligations.

As you face difficult staffing decisions it is crucial to treat all employees with respect and compassion, making sure employees are treated fairly and within the terms of personnel policy and contract obligations. Planning how and when to communicate changes to staff is key. Human Resources is committed to helping you through these steps no matter where you are in the process. In addition to Employee and Labor Relations staff, managers and employees can consult with the Academic and Staff Assistance Program (ASAP), the Employment Unit and the Benefits Unit (Please see Human Resources Contacts List, page 10).

In this packet are the materials listed below to assist management in the layoff process.

[Creative Ways to Think About the Budget](#)
[Department Layoff Process Flowchart](#)
[Summary of Responsibilities](#)
[Department Checklist for Implementing a Layoff](#)
[Communicating About Layoffs](#)
[Human Resources Contacts](#)
[Benefits](#)
[Severance Election Forms](#)

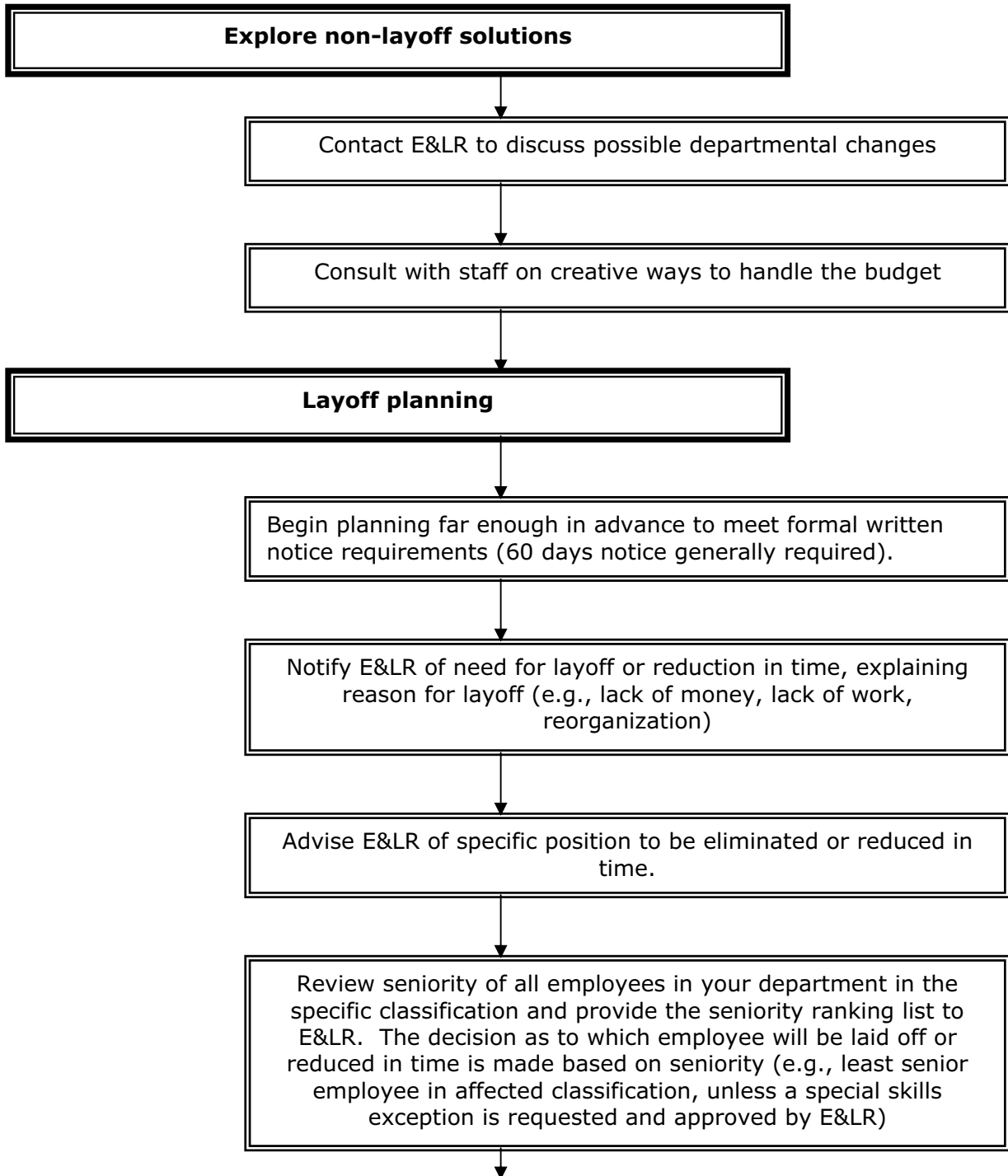
Creative Ways to Think About the Budget

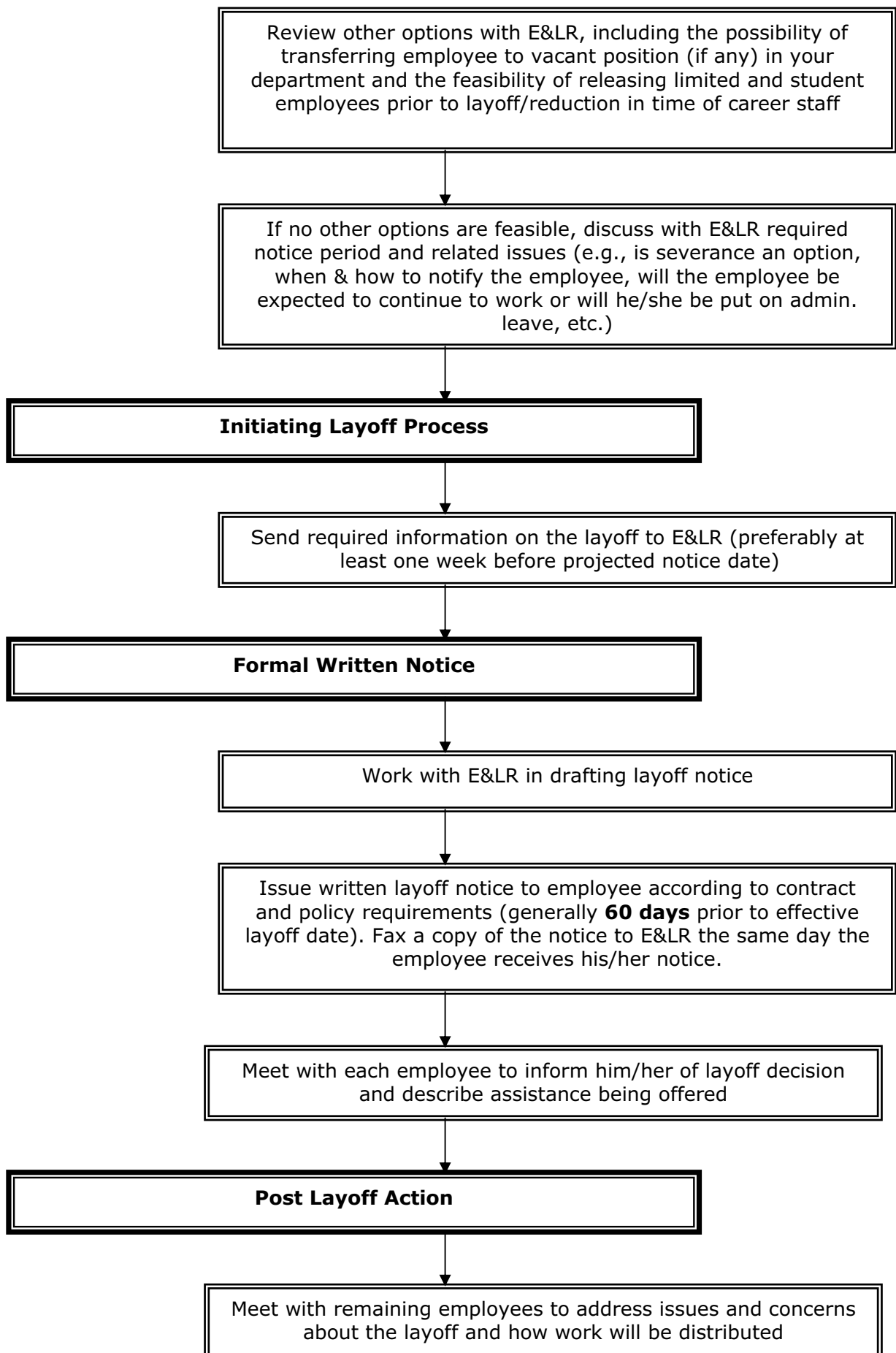
Anticipating budget cuts? Wondering how all the work is going to get done? Worried about having to lay off staff? Before making any decisions, answer the following questions about your department:

- Have we determined our goals for this coming year? Do we know what we need to accomplish? Are our priorities clear?
- Based on our priorities, have we structured the work in the most efficient, effective ways possible? Are we doing work the way we always have, or are we looking at the work in new ways?
- As our department has become more automated, have we examined our procedures to see if any can be eliminated or streamlined?
- What are the peaks and valleys of our workload? Are there times when a temporary layoff or a furlough could be implemented?
- When a vacancy occurs, do we take the time to really assess our needs before filling the position? Does the position need to be immediately filled? Can the position be filled in any other way? Can we use other options such as students, retirees, or temporary employees? Can we use the vacancy as a cross-training opportunity for interested staff?
- As managers, have we taken advantage of staff's interest in flexible work arrangements and telecommuting to maximize individual productivity and overcrowded office space?
- Have we asked staff if anyone wants to participate in the START program? Has anyone who is eligible expressed interest in retirement?
- Are we really getting benefits from all our subscriptions, publications and memberships? Are there any that should be cancelled?
- Have we eliminated all unnecessary travel expenses?
- Are we sure that we have considered every viable option before recommending laying off any staff?

Department Layoff Process Flowchart

This flow chart provides general guidelines for a department faced with budget reductions and programmatic changes. Refer to union contracts and personnel policies for specific notice requirements and key time frames (<http://hr.ucsb.edu/Labor/agreements.htm>). Always contact Employee and Labor Relations (E&LR) before beginning the layoff process.





Summary of Responsibilities

- ❖ The **Department** determines a need for layoff and contacts HR **Employee and Labor Relations**.
- ❖ The **Department** calculates seniority service credit. The department then determines who the affected employees are and gives appropriate and timely notice of layoff (with guidance from Employee and Labor Relations as needed). The department uses the calculated service credit for calculating severance pay. The **Department** may seek further data on service credit from **Human Resources Information Systems** (Please see Human Resources Contacts, page 10).
- ❖ The **Employee** chooses preferential rehire, severance pay or a combination of the two, if allowed by policy or contract (see attachments).
- ❖ The **Department** may seek further data on service credit from **HRIS**.
- ❖ The **Department** processes the layoff (and severance pay, if requested) on PPS. The department may contact **HRIS** for assistance on PPS transactions. The department contacts **Payroll** to process final payout on the employee's last day.

	Dept	E&LR	HRIS	Emplmt	Payroll
Interpretation of layoff policy		X			
General guidance to dept. w/ layoff		X			
Seniority service credit calculation	X		(X)		
Severance pay calculation & PPS	X		(X)		
Severance pay payout	X				X
Track & Process Pref. Rehire/Recall				X	

() = as needed

Department Checklist for Implementing a Layoff

A layoff is elimination of a position due to lack of funding or a lack of work. It may happen as a result of budget cuts, elimination of programs, or reorganization. There are several steps to complete when implementing a layoff. Have you considered them all?

Have you:

- Considered all cost saving measures before contemplating layoffs?
- Consulted with **Employee and Labor Relations (E&LR)** as soon as your department contemplated reducing staff?
- Worked with E&LR to understand your notice requirements and discuss how and when to communicate to management and staff about impending layoffs?
- Determined which positions/classifications will be impacted by layoffs?
- Determined which union contracts/personnel policies govern the affected classifications?
- Provided seniority ranking list to E&LR for individuals in affected classifications?
- Determined if a special skills exception needs to be requested?
- Encouraged an open door policy in which employees can come to you to share their concerns and feelings about the reduction of staff within the department?
- With E&LR's help, drafted a layoff letter for each employee being laid off or reduced in time?
- Scheduled individual meetings with each employee to be laid off/reduced in time?
- Distributed layoff letters and provided E&LR with a copy of each layoff letter?
- Informed the employee about campus resources?
- Met with the rest of the staff after the layoff action to inform them about the layoff and to address issues such as workload and redefinition of roles?

Communicating About Layoffs

How to tell the Employee: Your Job is Being Eliminated

Good communication is absolutely critical in the planning and implementation of layoffs. While the information you have to present is not pleasant, employees must hear it directly and honestly from management not from the rumor mill.

Telling employees that they are going to be laid off is never an easy task. You may experience anxiety and guilt about having to take the action. Recognize that these feelings are normal. Making sure that you treat the employee humanely and compassionately will help to make this difficult situation more tolerable for both of you.

In preparing to meet with employees being laid off, take these steps:

1. Work with Employee and Labor Relations in developing a communication plan on how and when to communicate to management and staff about impending layoffs.
2. Prepare for the next steps: Discuss logistical considerations such as last day of work and the return of keys, etc.
3. Be ready emotionally: Remember that you are not personally responsible for the layoff/reduction in time. Talk to ASAP for help dealing with the stress of laying off an employee.
4. Prepare for the employee's reaction: The employee may be upset or angry. He/she may blame you. Anticipate such a reaction so that you can be prepared to handle it in the best possible way.

Tips for talking to the employee

DOs

- Do speak to the employee in a private place.
- Do get right to the point
- Do recognize the employee's contribution to the unit and to the University.
- Do briefly explain the reasons for the layoff.
- Do listen to the employee and wait for a response
- Do restate the message if necessary
- Do describe the assistance that Human Resources offers.
- Do explain the importance of meeting with someone in the Employment unit and the Benefits unit.
- Do give the employee the layoff letter.
- Do clarify the separation date
- Do offer support and a sympathetic ear; listen without being defensive.
- Do schedule a later meeting to discuss logistics such as turning in keys, etc.
- Do be available to address the employee's issues and concerns about the layoff

DON'Ts

- Don't engage in small talk
- Don't use humor
- Don't be apologetic
- Don't defend, justify or argue
- Don't threaten
- Don't identify others being laid off
- Don't try to minimize the situation
- Don't personalize the anger

Reactions to Expect from Employees

When you tell an employee that he or she is being laid off, the initial reaction may be shock. The employee may say nothing, or the employee may become upset. Although you can't anticipate every employee reaction, preparing yourself for various responses may help you.

Reactions you may encounter from an employee being laid off:

- Shock/Silence
- Disbelief
- Negative attitude toward work
- Excessive absenteeism
- Increased accidents
- Fear
- Loss of productivity
- Grief
- Helplessness

Reactions you may encounter from remaining employees after the layoff action:

- Shock/Silence
- Anger/Blame
- Frustration
- Negative attitude
- Insecurity
- Resistance to change
- Unintentional sabotage by resisting organizational change

Helpful suggestions for managers:

- Be knowledgeable about the layoff process and available resources (e.g., Employment Unit, Benefits Unit, ASAP)
- Understand the employee's perspective
- Handle your own anxiety by preparing yourself
- Talk generally to other supervisors or managers who have had similar experiences
- Maintain open communication
- Don't downplay or discredit the employee's concern
- Allow your employees to express how they feel

After the layoff

It is your responsibility to respond to the feelings of the remaining staff and to communicate a positive image for the future. A series of meetings is a good way to ensure an ongoing safe place for communication.

Here are some important topics to discuss:

- Acknowledge that it is normal to feel anxious during these uncertain times.
- Explain the department reorganization and redefine roles.
- Discuss any impact on workload/work flow.
- Ask for suggestions for improving department effectiveness.
- Assure staff members that no other positions will be affected at this time (if this is true) and that all employees are valued.
- Mention that ASAP services are available for any employees having difficulty with the changes.
- Maintain an open door policy so employees can come to you for guidance and support.
- Recognize that employees differ on how quickly they can adapt to change.
- Express optimism for the future.
- End on a positive note; stress that staff members are valued and important.