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IN THESE TIMES

Layoffs are tough on everyone — including managers. Here, experts provide guidelines for dealing with the stress.

Bearing the Burden

In the realm of traumatic situations, losing your job ranks among the top, just below death of a loved one or going through a divorce.

But dealing that blow to an employee is no picnic, either. While not as stressful as sitting on the other side of that desk, it does take a toll.

Tim Murphy learned this when he was forced to lay off more than 100 people in the past two years. "As time progressed it got really hard," says the CEO of Presidential Pools & Spas, in Gilbert, Ariz. "You think about it at night, you worry about their families. The economy is so bad that you wonder, 'Are they just going to be another person in the unemployment line? Where are they going to go?'"

There's also the guilt, thinking that maybe if you had done X, Y or Z, no one would have to leave.

And through it all, managers need to pump up the troops, stretch resources to the limit and make sure the business remains solvent.

"What keeps me going is the survival of Presidential Pools," Murphy says. "I try to take my emotions out of it. I look at the company as a separate entity that has a responsibility to its employees, customers and subcontractors. Presidential Pools has to go on, and therefore I have to make the right decision."

Successfully handling layoffs means much more than preventing lawsuits or dealing with employee morale. Those things are important, but almost equally meaningful is taking the right steps to handle the difficult emotions that come up for both employer and staff. Here are some guidelines to help make the process easier.

Before the layoff

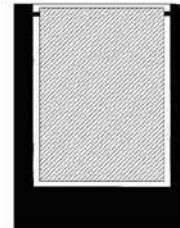
Proper mental preparation can help minimize the pain of a layoff and ensure a successful meeting.

"The best way for managers to handle

this is to ask themselves, 'How do I want to remember this three months from now?'" says Douglas McKenna, a business consultant and CEO of The Oceanside Institute in Greenbank, Wash. "If you feel as



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good as you can about how you handled the process, that's going to lessen the guilt."

Practice the meeting beforehand. In his experience, McKenna found that some managers would show nervous ticks, such as giggling. "Imagine how giggling would come across to an employee who's hearing that they're going to lose their job," he says. By practicing in advance, you can root out such idiosyncrasies.

To steel up for a layoff, remember the four C's – calmness, connection, conviction and courage.

To steel up, McKenna recommends what he calls the Four C's: Calmness, Connection, Conviction and Courage.

When laying off an employee, it's crucial

to come into the meeting as calmly as possible. Taking a walk beforehand can be helpful, as can breathing exercises. If the manager performing the termination is scattered, defensive or too emotional, it's almost a guarantee that the meeting will go poorly.

Next, consider your personal connection with the employee to help anticipate their reaction. Think about his or her personality, as well as your relationship, and craft the message with those things in mind.

Third, it's important for a manager to remember his or her convictions. Again, consider how you want to treat the departing employee. And remind yourself that this layoff will benefit the company and its remaining employees, and that needs to be any business owner's first priority.

Finally, have courage. "Even though your voice may quake in the meeting, you need to stay true to your message," McKenna says. "Acting with courage means delivering a principled message and then creating space for that employee to talk about their reaction and their feelings."

If it's appropriate, arrange for someone else to attend the meeting. Another manager or

the person who handles human-resource matters can act as a buffer and provide additional information when needed.

During the layoff

During the meeting, it's tempting to do certain things to minimize your own guilt and discomfort. But try to avoid some of these impulses.

One tricky area is the question of how much empathy to give the employee. It's best to avoid saying things like, "I understand how you feel," as this often provokes anger.

"You may think you understand, but you don't — even if you've gone through it yourself, because everybody's situation is different," says Sue Murphy, association manager of the National Human Resources Association in Nashua, N.H. "That's one of the worst things you can say."

In addition, don't make promises you aren't certain can be kept. It's OK to say that an employee is eligible for rehire, but don't speak in definites. "No one's promising anybody anything now," says Chris Ragel-Hazen, co-owner and human resources manager for Patio Pools & Spas in Tucson, Ariz. "There's

never been a time like this, and we can't predict what's going to happen."

Finally, it's wise to keep the meeting short. You want to give the employee an opportunity to react and ask questions, but not so much time that the meeting becomes overly emotional and counterproductive.

"I'll ask [a manager], 'How long did it take?' They'll say, 'We talked for about an hour and a half,'" says Thomas Fuller, a business consultant and president of Strategic Planet, a Cedar City, Utah-based company that has worked with the pool and spa industry. "I don't mean to be callous. But the initial step needs to be quick and effective."

Some experts are more conservative here than others. Fuller believes the meeting should take around five minutes. Others say up to a half-hour.

After the layoff

After letting people go, some managers make serious missteps when interacting with remaining employees. Here again, managers want to make themselves or others feel better. But these techniques can backfire.

Often, in an effort to calm the staff they

make promises they can't keep. "There's a temptation to say, 'OK, we're not going to have to do any more layoffs. Your jobs are safe,'" says Paul Sessions, director of the Center for Family Business, University of New Haven, in West Haven, Conn. "But unless you are 100-percent sure, I'd be really careful with those statements."

Other managers want to isolate themselves and say as little as possible about the state of the company. Immediately after the layoff, you may need time to decompress, but over the long term it's not a good idea to remain too close-mouthed with employees. Staffers become more anxious.

And while you may hope to prevent gossip from spreading within the company and among competitors, being uncommunicative won't do the trick. "Do you know how you stop gossip?" Ragel Hazen asks. "You tell them the truth. Because if you don't say anything, they'll make stuff up."

But how much to tell? The answer varies depending on personal style, but it's wise to let employees know how sales have been. "I believe that companies should open up their profit/loss or their income statements

to employees," Fuller says. "Not balance sheets, debt load, or how much money is in the bank, but what are we selling, what's it costing us to sell that, and how can we continually work to improve."

You may hope to prevent gossip from spreading, but not communicating won't do the trick.

Sharing that information will help employees feel less out of control, and may even make them better workers. "They have a psychological ownership of what's going on in the company," Fuller says. "They may go the extra mile."

This kind of communication also will make any layoffs in the future go smoother, since they will be somewhat expected. ■