

## An Ethical Way to Conduct Layoffs

Among the management, legal and logistic issues and challenges when layoffs occur, there are also ethical choices that employers must consider that can be resolved if they act fairly. Here are some suggestions:

There must be a system in place to evaluate employees so that managers will stay focused on objective criteria for downsizing instead of personal preferences. Length of service, performance, disciplinary history, versatility and adherence to ethics are appropriate benchmarks.

Once the decision has been made to downsize, cuts should be made as soon as possible. Employees pick up clues when things are not going well, and speculation runs rampant and is counterproductive, especially to an organization that intends to stay in business. .

Because downsizing can be a terrible blow to individuals who are involved, ethicist Dr. Bruce Weinstein recommends the following<sup>1</sup>:

Each employee to be laid off should be told personally, however difficult that may be;

The conversation should be done privately – in the manager’s office with the door closed and certainly not within earshot of others;

The manager must give the employee his full attention. The impulse to allow interruptions and to turn to other matters may exist, but downsizing with integrity is one of the most important obligations a manager has;

The manager should be honest, but not brutally so. One reason is a possible law suit by the employee. A better reason: “Compassion – literally “suffering with” someone – honors the dignity of your employee and speaks to the better part of your nature.”

The manager should not rush. The employee is entitled to believe the manager cares and is sympathetic.

It is important that those employees who remain after the layoffs understand why positions were eliminated and, if possible, that they understand that a plan exists for management to move forward.

At the end of the process, management should consider a written case statement for why cuts happened the way that they did.

<sup>1</sup> Bruce Weinstein, *Downsizing 101*, Business Week, September 12, 2008.