

Summary of Key Points from Literature Relative to Reductions in Workforce

Three critical issues repeated in most articles:

- Communication
- Involvement
- Taking care of people

Employees remaining in the work group may show:

- Grief, resentment toward the University and their managers, insecurity toward own job
- Reduced trust and organizational commitment when they perceive that the organization breaks its “psychological contract” with them
 - This negative attitude toward an organization can affect the surrounding community and develop a negative reputation for the organization
 - The resulting decrease in commitment may present a leadership problem; it threatens effectiveness and productivity
- Increased anxiety, uncertainty - if lay-offs are happening to others, it can happen to me – how the organization treats those who leave affects the attitudes of those left behind
- Temporary decrease in productivity

What can leaders do?

- Communicate – Communicate that the layoffs were necessary and why. Emphasize that efforts are being made by the university to assist the laid-off employees, and to assist those that remain.
 - Treat those that remain with respect and support - helps them adjust more quickly and may improve retention of valued employees; assists the group in being as effective and productive as possible.
- Observe for levels of stress, any confusion or disagreements about who is doing what and other signs that may indicate the group needs assistance readjusting/reorganizing.
 - Team meetings could give employees an opportunity to share their perceptions, ask questions and hear suggestions for dealing with stress as the team implements transition plans to handle the work previously performed by the laid-off employees.
- Provide leadership - be visible. Let your employees see you being active in supporting them, dealing with problems and talking with them about how the transition plan is working.
 - If stress of problems increase, don't wait for it to become a crisis. Get involved, or contact Employee Relations
 - Actions/behaviors of the leaders during these times shape the attitudes and actions of the team
- Rebuild: Continue to provide information to employees about the University and issues that affect their work setting. Utilize group or individual meetings as appropriate to develop the new team. Consider Team building to adapt to new structure/workload, morale building
 - Don't assume that people are adjusting and just feeling grateful to still have their jobs. Practice positive change management leadership that fosters increased communication, more frequent updates, input from staff whenever possible, clarity regarding needed outcomes, permission to stop doing the activities that do not add value (or are not required) and provide opportunities for reward and recognition.
 - Focus on tomorrow – something to look forward to – what the future brings, need something to work toward instead of just coping with today's problems, provide optimism