



The Ultimate Workforce Reduction Checklist

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Summary

Establishing a solid plan to navigate a workforce reduction will put your entire team at ease.

Regardless of how agile your company typically is, you need specific strategies to ensure your layoff process is as seamless – and trauma-free – as possible.

This checklist is specifically designed to guide you through the four phases of a layoff:

- Phase 1: Making the Decision
- Phase 2: Planning & Preparation
- Phase 3: Managing Notification Day
- Phase 4: Leading Company Recovery

Planning ahead reduces risk and stress during a very difficult time. As you evaluate your company's mission, future direction and business reasons, our checklist creates a clear path toward success for everyone.



Contents

Phase 1: Making the Decision	4
Phase 2: Planning & Preparation	6
Phase 3: Managing Notification Day	9
Phase 4: Leading Company Recovery	11

PHASE 1 *Making the Decision*

As you evaluate your reasons for reducing your workforce, analyze how it will affect the remaining workforce, your community and the financial stability of your company.

Key areas to address in this phase include:

- Determine how many positions will be eliminated.
- Stay in front of the potential negative affects the workforce reduction will have on your organization as a whole.
- Establish the budget for the reduction in force project.
- Ensure your HR team and managers are up-to-date on any relevant Federal and State regulations.

PHASE 2 *Planning & Preparation*

Careful planning will help your reduction go as smooth as possible. This phase is crucial to ensure your HR team and managers understand how to manage the project with compassion.

Key areas to address in this phase include:

- Create severance packages for the different employee levels.
- Select career transition services for separated employees.
- Prepare notifying managers for delivering the news.
- Develop a clear and compassionate message to share with employees.

PHASE 3 *Managing Notification Day*

As separated employees face the news, your team needs to be prepared for a variety of reactions. This phase addresses the in's and out's of leading a successful notification day.

Key areas to address in this phase include:

- Prepare paperwork and information for notifying managers.
- Address the immediate grief needs of separated employees.
- Create a contingency plan for employees on vacation or out sick.
- Talk with your remaining staff members as soon as possible.

PHASE 4 *Leading Company Recovery*

A "Go-Forward Plan" will help your company recover and provide remaining staff with clear direction. It is important to maintain open communication after reducing your staff.

Key areas to address in this phase include:

- Set follow-up meetings with teams to discuss next steps.
- Encourage managers to take an active interest in employee concerns.
- Create a plan for supporting high-potential employees.
- Ensure managers remain open and available to support their teams.

PHASE 1 *Making the Decision*

Company Mission & Future Direction

- ☐ How will the reorganization affect the mission and future direction of the company?
- ☐ What is the budget for the reduction in force project?
- ☐ What other cost-cutting measures has the company put into place?

Rationale

- ☐ What are the business reasons for reducing staff size?
- ☐ Are there multiple strategies and options for reducing the workforce size?

Effect on Organizational Structure

- ☐ What departments and functions will be affected?
- ☐ How will the functions be performed and managed after the reorganization?

Effect on Staff

- ☐ What criteria will be used to determine who will be laid off?
- ☐ Who will the criteria effect?
 - Union staff
 - Exempt staff
 - Executives
 - Nonexempt staff
 - Management
- ☐ What is the profile of the separated employees?
- ☐ What will be the effect on affirmative action and cultural diversity?
- ☐ What will be the effect on the remaining, strategic workforce?
- ☐ How will the company maintain the productivity and morale of the remaining workforce?

Redeployment Opportunities

- ☐ Will employees be given the opportunity to look for other positions within the company for a specified period? For example, 30, 60 or 90 days.
- ☐ Will employees receive training in résumé, interviewing and job search strategies?
- ☐ Will support be provided via group settings, a one-on-one coach or a combination of both?
- ☐ Who will provide the redeployment services?
 - Internal HR staff
 - National career transition firm and internal HR staff

Legal Impact

- ☐ What are the federal/state requirements for voluntary/involuntary dismissals?
- ☐ Is there evidence or the appearance of unlawful discrimination?
- ☐ What are the legal rights of employees according to internal company policies?

External Affect

- ☐ What will be the impact on the customer, client or supplier?
- ☐ How will the downsizing affect the community?
- ☐ How will the downsizing affect the competition?
- ☐ What will the stockholders say or do?
- ☐ How will the media report the news?
- ☐ Who will be the primary company contact for each of the above groups?
- ☐ What message about the company will be given to each of these groups?

PHASE 2 *Planning & Preparation*

Severance Packages & Other Monetary or Perk Options

- ☐ What severance package is currently offered to non-management employees?
- ☐ What severance package is currently offered to management employees?
- ☐ Does the severance package need to be changed for this project?
- ☐ What special “sweeteners” might be offered for those signing waivers?
- ☐ Has the company policy been explained in the separation package?

Notification Meeting

- ☐ When will the meeting take place?
 - Monday or Tuesday is ideal.
 - Avoid Friday so separated employees have time to take action and launch their search.
- ☐ Have you determined the length of the meeting?
 - Under 10 minutes can be seen as insensitive.
 - Over 20 minutes can lead to questions you don't want to answer or negotiation by the employee.
- ☐ Has a location been selected for notifications that will be done in person?
 - Select a private, "neutral" place – not your office or the employee's office.
 - Arrange chairs in an informal or comfortable seating arrangement.

Manager Notification Training

- ☐ Who will deliver the news to the separated employees?
- ☐ Has this group been formally trained on delivering the message to protect the culture, identity and brand of your company?
- ☐ Is the group prepared to handle difficult questions and deliver a clear message? Consider how they should respond to questions like these:
 - "Why me?"
 - "Who suggested I be let go?"
 - "Why me and not (name)?"
 - "I'm going to call my lawyer."

Manager Notification Training, Continued

- ☐ Do managers understand common reactions and how to respond?
 - Denial: "I'll be fine."
 - Shock: "This can't be true."
 - Anger: "You can't do this to me!"
 - Acceptance: "Where do we go from here?"
- ☐ Do managers understand what to avoid during the meetings? Recommended topics to avoid include:
 - Extensive justification or discussion of the reorganization
 - Criticism of "higher authority"
 - Arguing over past performance
- ☐ Do managers know how to structure the meeting and how long the meeting should be?
- ☐ Do managers have facts about the situation and understand the business reason?
- ☐ Do managers understand severance package details?
- ☐ Has HR approved a script or talking points for managers to use during the meeting?
- ☐ Are managers prepared to discuss these 6 areas during the meeting?
 - Business rationale
 - Notification message
 - Benefits/Severance details
 - Outplacement services
 - Structure for next steps
 - Meeting closing
- ☐ Has this group prepared themselves mentally and rehearsed the message several times?



IMPACT Group provides formal training for HR teams and notifying managers. We help reduce the risk of your staff reduction. Learn more about this program today.

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Career Transition Services

- ☐ What outplacement services will be offered to separated employees?
 - Dedicated one-on-one coaching support
 - Group workshops focused on job search techniques
- ☐ What levels will receive these services?
 - Executives
 - First-line supervisors
 - Union employees
 - Middle managers
 - Hourly staff
- ☐ Who will provide the career transition services? National outplacement firm?
Diversity of suppliers?
- ☐ When will separated employees be able to start the career transition services?
- ☐ Will employees be supported until they find their next career opportunity?
- ☐ Will the outplacement provider be on site or available via virtual meeting the day of notification to explain the career transition programs to separated employees?
- ☐ Will an EAP representative be on site or available via virtual meeting the day of notification?
- ☐ Will separated employees have any access to EAP after their last day of work? If so, how long and how will services be accessed?



"We've used other outplacement firms, many of them offer services by way of rhetoric. Unlike the others, IMPACT Group delivers a strong experience and high value, demonstrating that Grainger values all employees – including those who are leaving."

Hank Galatz, Associate General Counsel at Grainger

PHASE 3 *Managing Notification Day*

Materials & Arrangements

- ☐ Have all written materials for separated employees been prepared?
 - Notification of last day of work (and/or time of termination)
 - List of benefits available
 - COBRA information
 - Notification of pay in lieu of notice
 - Explanation of career transition services
 - List of company services (Employee Assistance counseling, Benefits Help Desk, etc.)
- ☐ Have all materials explaining the outplacement / career transition services been included in the severance package?
- ☐ Will career transition support be provided the same day? In person, via webinar or via phone?
- ☐ What is your contingency plan for employees on vacation or who call in sick?
- ☐ Will computer and phone access be cut off before or at the time of notice? Who will monitor?
- ☐ Will employees be allowed to send “goodbye” email to clients, staff, etc.? If so, how will the guidelines be communicated?
- ☐ What procedures will remote employees follow to return company property, such as laptops and computer equipment?
- ☐ How will employees retrieve personal items from their workspace and computer?
- ☐ Will employees be escorted to clean out their space (in high-security type environments)? If so, how will dignity be maintained?
- ☐ Will employees have the option to claim personal items immediately? Will they be given an option to schedule a time to come back at a later date?
- ☐ Will boxes for personal goods be brought to work spaces or be available in a centralized area?

Workforce Communications & Activities

- ☐ Is a plan in place to communicate with remaining employees immediately after the notifications?
 - Schedule a meeting or call with your remaining team members as soon as possible.
 - Understand this is a stressful situation for everyone involved.
 - Be honest about situations that are not resolved.
 - Communicate the purpose of the meeting and what happened.
 - Share the company's rationale and the plan for the future.
 - Offer ideas of how employees can help everyone move forward.
 - Don't get defensive, apologize or make promises of no further layoffs.
 - Focus on the positive things the company is doing to assist the separated employee(s), including severance package and career transition services.
- ☐ How will you communicate with remote workers?
- ☐ Will “survivor” workshops be facilitated? Will they be conducted by an impartial third party, such as an outplacement provider?
- ☐ Do you need to create a third-party communication plan?



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communicating the news to
all your audiences.**

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PHASE 4 *Leading Company Recovery*

Go-Forward Strategy

- ☐ Have follow-up meetings been set to discuss next steps with your workforce?
 - Meet with staff members to reinforce department goals, roles and responsibilities.
 - Meet with individuals whose jobs are changing to clarify roles, objectives and career opportunities.
 - Meet with employees reassigned to new teams to discuss roles, department goals, etc.
- ☐ Are managers taking an active interest in their employees' feelings and concerns?
- ☐ How will you provide support to high potentials / high performers?
- ☐ How will you train and direct leadership to continue to be transparent, available and present?
- ☐ Will you hold company-wide town hall meetings to address questions and concerns?
- ☐ Who needs to be involved in redistributing workloads, with an emphasis on the path forward?
- ☐ Will managers include employees in the decision-making process when structuring new work assignments?
- ☐ Have managers been advised to not make drastic changes to their management style, knowing employees have enough changes to deal with?
- ☐ Do managers understand how to care for themselves during this time?
 - This can be an emotionally and physically draining time. Diet, exercise and proper rest are critical during peak stress events.

About IMPACT Group

In business for more than 30 years, IMPACT Group is a leading outplacement services firm with coaches situated around the globe. For decades, we have worked with Fortune 1000 as well as smaller organizations through crisis as well as routine off-boarding.

IMPACT Group provides one-to-me (1:Me™) coaching for employees at all levels. We also partner with HR teams to ensure layoffs are executed flawlessly and with compassion.

Our virtual delivery model enables us to provide immediate support to companies leveraging our team of expert outplacement and career coaches.

We can help during this stressful time. Partner with an industry expert to ensure your reduction in force goes as smoothly as possible for everyone at your company. Learn more about our services at:
<https://impactgrouphr.com/business/services/outplacement/>



Plan ahead!

Contact IMPACT Group to prepare your team today.

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