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Local News

A sign of the times: downsizing seminar

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STURTEVANT — The seminar title alone, “Downsizing With Dignity,” said so much.

In a grim reflection of this recession, Tuesday’s two-hour seminar was a how-to and how-not-to lop off chunks of a work force.

The Racine County Workforce Development Center sponsored the event at the Center for Advanced Technology and Innovation, 2320 Renaissance Blvd.

Ironically, three of the five panelists, all veteran human resources professionals, have lost their corporate jobs and are consulting.

Much of the advice was no doubt basic human resources practice. The facilitator, University of Wisconsin-Parkside Associate Professor Karen Crooker, said that cutting jobs the right way can help companies avoid workplace violence and lawsuits, and boost survivors’ morale.

That sounds logical, but Crooker said there are “horror stories” about companies that sacked employees on their birthday, with a note on the chair, over the public-address system and so on.

She said downsizing should be a science that includes careful planning, a script, the right day of the week and the right person delivering the news.

Panelist Terri Steidl, who worked for the former Western Publishing, had this downsizing advice: “Never on Friday. Because then those people can’t go to outplacement. You want them to do that the next day.”

Steidl added, “You can also set a mentality in your organization of Black Friday.”

Crooker said it’s important to tell workers how executives decided who to cut. Most people will want to know why they — and not the person they worked next to — were let go.

She also said, “Generally speaking, people who have more information will behave in a better-behaved manner.”

Christopher Stone, former vice president of HR for Midwest Airlines, said he had to preside over wave after wave of job cuts at Midwest over the years. His consulting clients now include Harley-Davidson.

At Midwest, the chief executive officer held forums with employees to explain the deteriorating business situation, Stone said. “So he made a compelling business case to change a lot of things at Midwest, including our work force.”

There was no uniform advice about whether to immediately escort a displaced worker out the door, or to give some lead time.

At Midwest, Stone said, “We generally told people with a huge amount of lead time” — months ahead of the actual separation. They could look for other work, prepare their family and so on.

But Crooker noted that there have been sabotage incidents, making that a very difficult question.

Investment specialist Mike Haubrich said a severance package can encourage a calm parting.

Stone agreed and said a strong severance agreement can also be a release that “pretty well immunizes the company against litigation.”

Crooker’s suggestion to “Cut deep, cut infrequently,” surprised some in the room. “Then, bring people back as the work comes back,” she said.

Dan Schulz, formerly with Surgitek and JohnsonDiversey, agreed. “Having people see you walk through the plant and ask, ‘Who’s Dan going to cut today?’ is not what you want.”

Doing your best

Is there any solace to take from cutting a person’s job? Maybe just a little.

Bob Sheppard, plant superintendent at Pioneer Products, said he had to decide which workers to cut — “including a guy I worked side-by-side with for 18 years.”

Sheppard advised, “You have to draw on the fact that you did the best you could to save the other jobs.”

Former Midwest Airlines HR executive Christopher Stone said that, for workers who are laid off, “There is more anxiety now because of the dismal (job) market conditions.” But Stone said one aspect is kinder to victims: “The whole world understands that losing a job is not a stain on their capabilities right now.”

Outplacement options

People who lose their jobs through downsizing should be strongly nudged into immediate outplacement services, HR executives say. The Racine County Workforce Development Center, 1717 Taylor Ave., can offer dislocated workers, from entry level through managerial, help with:

- Job search and interviewing techniques.
- Resume creation.
- Unemployment insurance.
- Career counseling.
- Interim health care.

The center also works with employers before a job cut to make sure services are in place.