

Managing Complex Terminations

Dec. 2018. I wrote this article originally 17-years ago and looked at it recently as a result of the announcement of the GM Plant closure, the massive dislocations in Alberta's oil patch, and potentially soon for Oshawa employers. As employers face the most difficult challenge of transitions, adjustments and sadly, employment terminations or being declared surplus in the government, they are advised to take a humanist approach to supporting their people. Those so many years ago, a core crew of top-notch HR and Career Transition professionals worked fervently to bring a humanist approach to 'delivering bad news', it is time for a refresher...

Complex terminations can be the stuff of nightmares. Complex terminations include those which seem entirely without positive aspects -- complete plant shut-downs, for example, and those involving emotionally volatile and/or potentially violent employees. However, complex terminations can be some of the most rewarding and growth-oriented tasks any manager can undertake.

Effective transition planners tend to follow a well-proven 5-step process. The first step, planning, includes setting measurable goals, establishing a guiding principle, and developing the scripts and tactical strategies that will be carried through the remaining steps of Manager training, Notice delivery, Handling reactions and Re-engagement. Complex termination planning starts with the same 5-step process. The challenge, and the rewards, lie in creative execution.

One highly effective way of managing a potentially difficult multi -termination situation, is to employ the "Self-Selection Process", in which an organization redefines itself, while simultaneously offering employees the opportunity to redefine themselves and what they have to offer. At some point the employees themselves determine if they fit with the new organization. Here is how one large Canadian Association made creative use of the Self-Selection process.

The Association membership totaled almost 50,000, predominately licensed professionals. Influenced by government reforms, the Association embarked on a re-examination of who they were and re-defined their strategic direction. One of the things they discovered was that they were a professional association that just happened to do union work. This realization proved to be a critical element in setting the stage for establishing a new public image, taking a new, pro-active role in determining legislated reforms, and in finding new methods to deliver member services. This was a significant departure from the Association's historical "order-taker" culture.

The Association went through a process to establish a new vision. One of the four key goals identified, was: "to be a responsive employer that promotes staff satisfaction". This set the stage for the transformation to a team-based structure grounded in the principles of "participatory democracy". This allowed people to be involved in determining the way their work is done: Semi-autonomous work teams control and coordinate their own work, and people are accountable for team functions to support the organization's vision.



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The Association had to downsize its unionized labour force by just under 20%. Innovation in process design was imperative, as the involvement and support of the internal staff union were essential to a successful transformation. The Association decided against selection by seniority, or by seeking volunteers, as neither of these systems fit with the new organizational vision.

The Association customized a career assessment program with a values-based approach linked to their new vision. The program had integrity and gained such acceptance that all levels of managers, professionals, and staff enthusiastically participated in integrated workshops. This was instrumental in helping individuals discover who they were and what was important to them, and in assisting them to link their new self-awareness to the Association's fresh strategic direction. In short, people could decide whether they fit or didn't fit within the new organization.

This process proved highly successful for all concerned. The overall organizational review resulted in the Association shedding its somewhat stale administrative identity, in order to adopt a new, proactive, professional role. The career assessment process resulted in the Association retaining a fully committed, re-charged workforce. Additionally, precisely the right number of people departed, and all for the right reasons. No one felt forced. No one cried foul. And each of the people who left took with them the all-important sense of empowerment with which they could positively pursue their continued career development.

Guiding Principles Really Do Count!

Guiding Principles are vital directional tools with a broad variety of applications Consider this:

Two hospitals merged. A senior manager from one competed for a new leadership position, but was not the successful candidate. The Hospital agreed to a termination date of 4 months beyond the date on which he was notified that he had not won the position.

Was this a good decision on the part of the Hospital? ... well...yes & no.

No, because there was significantly lower productivity, and there was some tension in the working relationship between the successful and unsuccessful candidates.

Yes, because the individual had historical/ practical experience which was of some help during the transition stage. More importantly, it was the right decision because giving this individual the opportunity to make a contribution was seen by all remaining employees as in keeping with the guiding principle of treating individuals with **fairness, dignity** and **respect**.

PAY ATTENTION TO DETAILS

That complex terminations often involve much smaller work groups, or even one specific employee, does not make them any less daunting. Nor less deserving of detailed planning. Remember, in this era of twitter™ and Instagram™, one angry employee can do an enormous amount of damage. With technology, maliciously planted viruses, embedded messages and improperly documented codes can all be timed to take effect far into the future. You may not know you've been had until months, perhaps years down the road.

Managers who even remotely suspect the termination candidate will seek vengeance, can minimize their risk by obtaining expert advice right from the get-go: management consultants, medical, legal, and IT security advisors, in addition to human resources specialists. Listen to your instincts and listen to what other employees are saying too.



Few employees will denigrate or malign a colleague, especially if you have promoted a healthy, open dialogue between staff and management. But employees who sense trouble ahead can and will drop important hints. Be alert. Whether it's in planning the delivery of your termination message or safeguarding your remaining staff/ operation against possible acts of retaliation, pay attention to the details.

NEVER FORFEIT LEADERSHIP CREDIBILITY

Details... Details... Details!

Whenever you think you've checked enough, check again.

In termination planning, as with most things in life, it's the small things that can do you in. The most carefully planned terminations have been blown away by silly slip-ups, such as:

- ⇒ Managers exchanging information about upcoming terminations via non-confidential e-mail.
- ⇒ Employee discount credit cards being canceled in advance of termination notice being given.
- ⇒ Employee parking and/ or recreational facility privileges being withdrawn in advance of termination notice being given.
- ⇒ People learning about their terminations when renovation/ painting staff walk in and start to rearrange the workspace.
- ⇒ Someone being off sick on notice day only to return the next day and see their name on a list posted in the coffee room.
- ⇒ Inflexibility of timing, resulting in individuals receiving notice of termination at particularly bad times (on the same date that a spouse or child is hospitalized, or a religious holiday, for example).
- ⇒ Blind adherence to "procedures" that result in perfectly well behaved people being "marched" from the workplace by security guards, when a more humane escort by a manager or HR professional would suffice.

Throughout the process of implementing complex terminations, the remaining employees will be examining the intricate details of how, why and what was done, from a highly personal perspective. Many employees will experience strong emotional reactions to the plight of their former colleagues, including feelings of guilt, sadness, and relief. They will also wonder how they could have helped their colleague(s) be more successful. This will occur even if the terminated employee was not liked or respected; even if the department or branch to be closed was generally perceived to be of little value.

The remaining employees will also examine the efforts of management to look at all the alternatives and options available to them in their decision-making processes. They will "judge" how the decision was made - regardless of how much actual information they have access to - and how the decision was implemented. If employees "judge" that this was a bad decision, leadership credibility is lost. And as the following example shows, once lost, it cannot be regained.

A manager who had not been coached in how to deliver bad news effectively, opted to deliver the bad news via written notifications only. The letters were placed in envelopes marked "personal and confidential" and left on the exiting employee's desks during the lunch break. The manager then promptly left on vacation. Five years later, the company still cannot issue envelopes marked "personal and confidential" without creating absolute panic. The manager involved never regained the trust and respect she had once enjoyed and, in the end, had to leave the company.

SOME MESSENGERS BECOME OVERWHELMED

Sometimes, the prospect of dealing with complex terminations seems just too overwhelming. And if it IS a plant closing, managers can be tempted to avoid tough situations instead of managing them. Those who do are inviting more trouble than they think possible. Here's one example of how NOT to manage a complex termination...

On arrival at one industrial workplace, all employees found personally addressed envelopes marked: "DO NOT OPEN UNTIL 10:00 AM". Of course, most people opened them immediately. Inside, some found pink slips, others found information about the overall changes. Long before 10:00 a.m., the workplace atmosphere was positively toxic with mistrust and anger.

Employees had also made sure that family, friends, and the media had been informed. In fact, the entire community, including the company's shareholders, customers, suppliers, and financial institutions learned about the job cuts in the same shoddy manner. Net result: the plant had to close a year ahead of schedule. Even several years later, the organization had difficulty selling the plant location and equipment at a fair value.

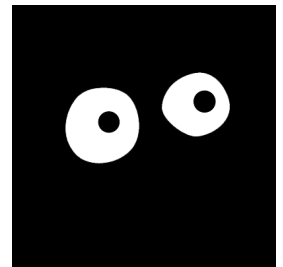
Careful planning will lead to the discovery of the best approach for each termination situation. Managers who plan carefully and formulate sound guiding principles will find themselves well equipped to manage the job.

PERSONAL VALUES COUNT

During stressful times, leaders must be allowed to question their own personal values and how those values can remain anchored throughout the adjustment process. By this process, leaders will identify the core values that will allow them to implement the termination decision with integrity. For example, a senior leader who struggled with implementing a termination mandate realized that his long-held belief in fairness, had inadvertently become belief in 'a job for life'. By redefining "fairness", he could complete his assignment with a clear conscience. If he hadn't been able to change his belief, he would have struggled through the assignment.

Sometimes senior management tries to avoid bad situations by keeping line managers in the dark. Bad move: managers who don't know how they will be affected by the termination(s) will have difficulty projecting strength to the remaining staff. Informing those charged with the task of implementing the termination decision and allowing them the freedom to review the decision and honestly conflict with senior management's views, is necessary to the overall success of the operation. Line management will face the same questions from their staff and must defend the corporate decisions. Here's an example of what happens when senior management opts for the "keep it a secret" approach:

In a branch plant closure situation, fax notices containing the bare facts were sent directly to all employees. Line managers and executives received the news along with everyone else, and were totally unprepared to answer any questions, provide support or give direction. The parent company's method of delivery was perceived as cruel, demeaning, amateurish and cowardly. The message came through loud and clear: as we have no immediate use for you, neither your well-being nor your continued goodwill is of any importance. The head office executive forgot that former employees are shareholders and customers.



RISK MANAGEMENT STARTS WITH SOLID PLANNING

Senior management must plan to deal with all identified business risks - what will be harmful to the business? Who are the stakeholders? How will customers and suppliers be impacted? What will affect current/ staying employees? How will this impact our future recruiting efforts and succession development? What impact will it have on our strategic initiatives? Having effective contingency plan may be critical to the success of your termination program.

For example, a manager faced with terminating an individual known to have an explosive temper, planned carefully, prepared himself with a coach, and had an Outplacement or Transition Consultant standing by to assist. The employee, when notified, did react with considerable anger. Remembering the guiding principle of dignity and respect, the manager simply took a deep breath and really listened to the employee's outburst. He then sincerely acknowledged all the employee's concerns, said that he would be willing to discuss them in detail the following day, and introduced the employee to the consultant without further upset.

The termination process can be managed so that everyone affected will come out whole, and with minimal impact on the community. Complex terminations are not easy. They take a lot of planning. But when managed effectively, the benefits include better internal and external relations, and easier transition management for all affected. Actions will speak louder than any carefully crafted messages that may be sent out after the fact. Know it, plan carefully, and act accordingly.

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Possessing expertise in planning employment adjustment processes is an unusual but highly valued capability. Catherine has guided many organizations in handling this very hard management and leadership imperative, with grace, ethical principles, and compassion for all affected. She has designed processes for entire sectors (steel, food, industrials, hospitals, government...) impacting thousands, and complex individual situations such as returning a nun from a community. With some of the examples provided here, Catherine was brought in after-the-fact to help clean-up the mess created by unprepared leaders. Imagine what could have been done if she was brought in earlier. The process might be painfully difficult, but it can always be done with compassion.

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