



No set rules when it comes to staff cuts

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If you are the recipient of a pink slip, no matter what the rationale, it never feels fair when it happens to you. So many others were more deserving. Like Jeff in sales whom everyone - including clients - hates. Or Cindy in marketing who doesn't know which end is up.

So what really goes on behind conference room doors when deciding who goes as the mandate comes from the top to cut personnel? Does your management do what seems most sensible - jump on the chance to get rid of dead wood? Not necessarily.

Companies tend to make up their own processes, says Liz Ryan, CEO of WorldWit and former human resources professional, "as long as the layoffs don't end up having a disparate impact on people of one race, ethnicity, religion or affect any specific protected class." That could cause legal problems.

Layoff decisions are typically made under the "equal pain theory," says Dan Dooley, a turnaround specialist with Morris Anderson & Associates in Chicago. A company comes up with a percentage for cutting heads and every department is expected to cut their fair share. "This is a really fair but a highly irrational way of reducing costs," he says.

He encourages management to clean house of problem employees and those "untouchables" every company has, using performance reviews as criteria. These are people in your company who annoy everyone around them. They are chronically late, blame others for their mistakes or don't get things done on time, if ever.

Managers might weigh whether someone else can cover a job and if they can afford to keep a person, adds Dooley. Personality can play a significant role and "the morale impact of letting a very well-liked guy go is often considered as well as the therapeutic benefit of letting go trouble makers and malcontents."

Unfortunately, too many companies "afraid of potential lawsuits lay off on the basis of last in, first out rather than getting rid of 'dead wood,'" says ArLyne Diamond, management consultant in Santa Ana. Smart companies evaluate employees often enough to know who the bottom 10 percent are and lay off accordingly, she says.

A firm may also decide to lay off people by position, so if your position is eliminated, you're toast "whether you're the worst worker in the place or one of the best," says Ryan.

Even though you don't control the process, when the axe falls you can lessen your odds of becoming a victim by influencing what you do control: being as valuable as possible and making sure the right people know it.

Broaden your skill set, says Ryan, and become known as someone who can handle multiple responsibilities. Know the critical roles in your company and learn as much as you can about those roles. "Fill in for a co-worker who goes on vacation and volunteer for extra assignments."

Become a hard-to-lose employee. These are people assigned to high-profile, mission-critical projects and those well-known and trusted by important clients, she says.

Most of all, make sure your performance is tip top and people like you so that when they do trim problem employees, you don't make the list. And know that as good as you are, the company might decide some day to kiss even you good-bye.