HELPING EXITING EMPLOYEES TRANSITION TO NEW CAREERS
A new approach to layoffs
Layoffs typically produce negative consequences for both displaced employees and organizations.

WHAT THE RESEARCH SHOWS

How organizations suffer:
- Impaired reputation.
- Decreased shareholder value.
- Reduced long-term performance.
- Lower employee engagement, commitment, discretionary effort, and mental health.

What displaced employees suffer:
- Significantly lower income persists.
- Reduced job opportunities.
- Greater likelihood of being displaced again.
- Contraction of social and professional support networks.
- Increased mental health issues.
- Disproportionate physical health problems.
- Substantially lower trust in organizations and society in general.
This is not 2009

Projected economic impact is much higher:

- 50% higher annualized unemployment rate by mid-year.
- GDP decline far beyond 2008 and 2009.
- This is going to make it a lot harder to find a job, especially in the short term.

Cultural impacts:

- In many countries, losing your job strips your access to health care
- That was true in 2008, but there wasn’t a viral pandemic then.
- Social media is fundamentally different now—layoffs play out in real time as employees share and vent.
A human-centric approach to layoffs

For displaced employees

- Act sooner rather than later to free up investment to provide high-quality support for all displaced employees.
- Be aware of how these circumstances affect notification, as more people are at home without access to their networks for support.
- Offer choices—consider voluntary layoffs or giving employees a choice among supplemental benefits.
- Go beyond resume advice and interview prep—offer assessments and guided skills development.
- Continue engagement beyond when displaced employees find a new job, or the formal career services program ends.

For remaining employees

- Focus on mental health and engagement.
- Encourage them to have counseling.
- Follow layoffs with changes that give people reason to believe they won’t face the same:
  - New initiatives.
  - Leadership opportunities.
  - Offer vision for what happens next.
- Show them they will be treated well if they lose their jobs by how you treat displaced employees.