

# Managing After Downsizing

Your organization has just experienced one of the most unsettling events in life and now YOU are expected to make things work under the new rules. But what are the new rules? How will you re-engage the traumatized workforce and get the business back on track?

## **As bad as it seems...**

You are not the first to go through this and you won't be the last. Once viewed as extreme measures, downsizing, delayering, restructuring, and other dramatic changes in the workplace are now "normal" business practice. Change management has become an important leadership skill for all managers.

People and organizations DO survive and adjust to the new reality. Not only does life go on, but many people actually prosper and grow as a result of having change thrust upon them. It is often true that "when one door closes another is opened."

## **What you are dealing with...**

Downsizing is a very personal and emotional experience for people caught up in the events. Some managers believe that those who are not dismissed will feel relieved, even grateful that they survived to keep their jobs. This might be true in some cases, however, sometimes people can experience a wide range of emotions and even go into shock.

## **Strange as it seems at first, those who survive the downsizing process may suffer as much as those who don't!**

The survivors experience an emotional shock that prevents them from suddenly changing direction. They freeze like a "deer in the headlights." The familiar pattern is broken and the momentum that comes from routine and repetition will take time to recover. Not knowing what to do, people will wait and see what happens. They are waiting for leadership, someone to tell them what to do next.

Even more than the loss of familiarity and momentum is the sense of personal loss that many people feel at seeing their friends leaving or their positions eliminated. It feels very much like a death in the family and needs the compassion and time for mourning that we expect whenever a loved one is lost.

A good manager will have the compassion for the human need to cope with the shock and fear that people feel, combined with a sense of optimism, direction and mission that will help them through the often painful transition from what was to what is to be. There are actually 3 steps that will need to be accomplished before the new organization is back on its feet.

**Endings** - People need to understand and come to accept that the changes are real and not reversible. The old organization, the old ways are gone. It is reasonable and proper to mourn for the loss, but eventually it is necessary to move on.

**Transitions** - There is an in-between time when you are letting go of the old and getting familiar with the new. It is a time of uncertainty and often confusion, discomfort and high stress. People may even feel incompetent until they master new tools, new skills and new roles. This is the wilderness through which managers have such a critical role of leadership if the new organization is to take hold and prosper.

**New Beginnings** - As people come to accept and master their new roles, the structure of the organization begins to gel and once again a routine and sense of "normalcy" begin to become apparent. The old ways fade into memory and the new ways become the expectation. People feel competent and confident again. Productivity increases as people focus on the job at hand rather than dwelling on personal anxieties.

### **Tips for Managing After Downsizing...**

Recognize that downsizing or any dramatic change will be met with an emotional response that will be as intense as the situation is threatening. In many cases people will feel victimized and will need to mourn their losses before they can move on.

In any given group, expect that 70 to 80% will be apathetic or take a "wait and see" attitude. They need to be led. Another 10 to 15% will be openly hostile or will subtly sabotage the changes and try to return to the way things were before. The remaining 10 to 15% are your leaders. They will proactively try to help you make things work. Put them in charge of the others.

Try to exude optimism and "can do" regarding changes that need to be made. Promote optimism and positive thinking and speaking as much as possible. Don't deny the trauma and pain that is occurring, but find the bright spots and emphasize those rather than dwelling on the losses, the difficulty of making the transitions or all the work that is piled up and needs to be done. Minimize criticism and fault finding. Celebrate every success, no matter how minor.

Develop a vision of the future that draws people toward doing the right things. Specifics can be developed as you go along, but it is essential that people have a clear and understandable picture of the goal in their minds. It is also important that they see something in it for themselves so they will begin to get on board and lend their voluntary support.

Build teamwork. Create a sense that "we are all in this together and need each other to make it." Acknowledge that everyone's contribution is essential and their input is valued. Encourage group discussions where people can freely express their feelings and offer suggestions. Bring treats. Sometimes even a bag of cookies can offer some comfort and break the ice. Get people kidding and laughing.

If you can see what is coming with some time to prepare, then start creative problem solving as soon as possible. Get training for managers and other leaders in the human aspects of change. In good times, most managers are 80% technically oriented and 20% people oriented. During times of crisis, those numbers should

reverse until routine is established again. Most technical managers will need human resources training and support. Read books and take courses on managing change...before you have to implement.

Over communicate everything. When things seem to be coming apart, the normal communication links break down just as suspicion and mistrust begin to predominate. Some news is always better than no news, even if it is the same old news. If people don't hear anything, they fear the news is so bad that no one wants to tell them. Bore them to tears with as much detail as often as possible. Trust will build.

Be honest about the realities and future expectations. Don't say "the layoffs are over" if there is any uncertainty that they might not be over. It is not uncommon for a series of changes to occur during the process of readjustment. If people begin to relax their guard only to get more shocking news, they will be much slower to trust any statements in the future.

Empathetic leadership is far more effective than being a threatening autocratic boss. Certainly some things need to be pushed, but during the traumatic transition period; don't focus too much on efficiency, mistakes or poor attitudes. Instead spend your efforts in coaching and encouraging people to be successful in bridging the gap between the old and new. Reward each success and let the ones who adjust more quickly be examples for the struggling members of the group.

Remember that personal strength and strong supportive relationships are often forged in the fires of adversity. When the crisis has passed, many people will be surprised by some of the skills they exhibited that they would otherwise never have realized. They may well be on the road to new careers, happier lives and better jobs.