

# Week 8: experiential exercises-10.1: making a layoff decision

[Business](#), [Management](#)



Making a Layoff Decision Introduction Before any layoff is done, it should begin from the top management. Senior management or owner of the company should write a memo directing to the middle level managers specifying the criteria to be used in making layoff decisions.

The easiest criteria to use in layoffs are seniority. The employees should be laid off according to their seniority in the company. The senior employees should be retained in the company. This is because they have more experience on how to handle their duties, they are in good terms and understand each other with coworkers also they have undergone training in company. Tartaro should also look in to cross training, attendance, ability to get along with others, prior discipline and quality of work (Nelson & Quick. 2010p. 120).

Based on the designated criteria Tartaro should develop a list of the employees in the department identifying the three employees selected to be laid off. Tartaro as the manager should be able to justify why he chose the three out of the nine employees. In addition, he should prepare to that effect. After the list has been created it should be verified as per the performance and ratings applied by the human resource department or someone else senior. This should be done as the might graded low and put at the bottom of a layoff as per their yet they are productive in the company. This is an inconsistency, which will create problems later in the company.

A list of all employees in the department should be created with the proposed departing employees at the bottom. At the top should be the list of potential discrimination categories. These categories include, workers compensation claims, sex, age, race, recent or current pregnancy, and

ethnicity. All employees in the department should fill the list as per the categories. If all employees who are on the workers compensation list are also on the layoff list, some adjustments need to be done on the list to correct the error. It does not matter whether the employees on the layoff list are on leave or not, so long as they would have been laid off even if they were present. For the bias of age to be faced out, the average age of the workforce before and after the layoff proposed should be calculated. If there is any an obvious lower age average, the manager in charge of the department should make some more adjustments.

After the matrix list has been created and any reshuffles done, the manager should write a memo to the human resource department to inform the decisions of every employee. The list should be collected, filed, and kept as reference for future use in case of any challenge or decision later. After the final layoff decisions have been made, the management should finalize any benefits offer to the laid off employees if there is any. The employers should be flexible enough to give the benefits to the laid off employees even if this is done during a time of economic stress. The benefits include medical insurance premiums paid, severance pay, or even company car transfers (Nelson & Quick. 2010p. 124).

Employers should make a decision whether they are getting any return out severance pay. As per the flexible rule, severance pay of less than four weeks will not warrant a release, unless it is a group layoff release will be a reasonable proposition. For employees who are 40years and above release should include age discrimination in employment, which is a 21-day waiting period. If it is group, layoff of two or more employees the waiting period will

be 45 days. The laid off employees should be prevented from accessing computer systems and should be escorted to from work locations when packing their belongings. The environment should be in control as much as possible during layoff processes. If the employees laid off are in possession of confidential or secret information, the employer should gather all the material as soon as possible before the layoff.

#### Conclusion

All employees in an organization should be told about layoff in groups and not individually. For employees who long term valued, special handling should be given to them and can be addressed in private beforehand. It is better to talk to employees in large numbers to avoid rumors, which will be spreading and employees will be in groups discussing.

#### Reference

Nelson, D. L., & Quick, J. C. (2010). *Organizational Behavior: Science, the Real World, and You*. Oklahoma: Cengage Learning.