

REDUCTION-IN-FORCE RESOURCE GUIDE FOR SUPERVISORS



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APPENDIX - North Carolina A&T State University Reduction-in-Force Policy

I. REDUCTION IN FORCE NOTIFICATION MEETING PREPARATION

When preparing for a Reduction in Force notification meeting, please use the following information:

- **Share with the employee** that positions, not people, are being eliminated.
- **Consider the employee's psychological state.** For most people, losing a job is a devastating experience. Anticipate any of a number of emotional reactions, including anger, tears, sadness, shock, denial, embarrassment, fear and even relief.
- **Understand that the employee may react out of fear, frustration and anger.** Do not personalize. Realize that normal healthy people are reacting to an abnormal situation that is stressful and traumatic. Be patient!
- **Respond appropriately to emotional reactions.**
 - **Pause** - Once you have delivered the news, give the employee a few moments to let it sink in before you continue with the details.
 - **Listen** - Often the employee will respond to the news by venting his or her feelings. When this is the case, allow him or her to speak without interruption.
 - **Validate** - Acknowledge that the employee has every right to his or her feelings. Approach the employee with empathy, but be firm about the reduction in force decision. Avoid becoming defensive.
- **Communicate openly, honestly and factually.** The employee will be less likely to “personalize” the reduction in force if the decision is explained in factual, objective terms.
- **Consider allowing an employee to take the time** needed to gain composure and absorb the information. Some employees may not feel comfortable immediately returning to their workstations and may need time away.
- **Be prepared to answer questions.** It is essential that all questions the employee may have regarding the situation be answered. If, during the meeting, information is not available, make sure that you, or someone else, gets back to the employee as soon as possible with the information.

II. UNDERSTANDING THE EMOTIONAL TRAUMA OF JOB LOSS

The trauma of losing a job through a reduction-in-force can cause a wide range of emotional reactions. Much of a person's sense of self is connected with their career and work role. It is truly a loss of identity and self-worth when a person loses a job. When this happens, a person is likely to experience a number of emotional reactions.

The process a person goes through with the loss of a job is much like the stages of grief when a loved one dies. Everyone in the person's environment is affected. The first stages of grief are shock, denial and disbelief. A person faced with job loss feels stunned and disbelieving. He or she may vacillate between feelings of shocked belief to disbelief to the desperate hope that the job loss is not actually happening or going to happen. Employees suffering from disbelief or denial may run a variety of "if only" scenarios through their minds. Accepting a loss that seems totally unacceptable takes time. During this stage employees may experience anxiety, vulnerability, depression, sadness, hopelessness, confusion and isolation. Pre-existing psychological problems may be intensified by the stress of impending or actual job loss, resulting in a decreased ability to cope. The pressure may also spill over into an employee's home life thereby adding more stress and further decreasing the employee's support network.

In the second stage, anger, bitterness, resentment and blaming oneself or the employer for the loss of the job are typical reactions. These feelings may also be directed toward co-workers, family members or service providers who are trying to be helpful. Many of these feelings arise from being powerless to prevent the loss of something important; an outgrowth of extreme frustration.

The third and final stage, acceptance, is when the person begins to come to terms with negative feelings and can start focusing energy on taking constructive steps toward changing his or her circumstances. This may consist of taking better care of oneself, letting go of some of the negative emotions associated with job loss, taking steps to plan for and look toward to the future, exploring career options, and finding employment. Acceptance is the end point of the process of working through the emotions that were created by the loss.

III. CONTINUING TO WORK WITH THOSE WHO HAVE BEEN NOTIFIED

After the notification has been made, there will be a period of time that supervisors and the notified employees will still need to work together. How this time is handled is very important. Sensitivity and empathy should be a major focus. Communication is also vital to this process. Supportive supervision and open dialogue will help everyone manage these difficult working conditions.

IV. TIPS FOR DAILY MANAGEMENT

- **Be available to your employees.** Visit with your employees and ask them how they are doing. Listen to their concerns and issues. Realize that they may be expressing a range of powerful emotions. Allowing an employee to ventilate their feelings and thoughts can be the clearest sign that you care.
- **Be aware of how different employees manage notification of job loss.** Behavior will differ from one employee to another. It will be important for you to be adaptive in the way you respond to these differences. Employees that are overtly upset may be processing the transition in this way as a means of coping. Employees that withdraw and do not talk about the issue may be overlooked even though they may need your support even more.
- **Be empathetic, not sympathetic.** Those who have lost their jobs do not want pity or people to feel sorry for them. Listen to their concerns, identify with their feelings and express your regret. It is also important not to trivialize what has happened. Although you may be trying to be optimistic and supportive, statements like “I wish I could leave this place” or “You are going to be just fine” do not reflect an appreciation of the loss they feel.
- **Realize how the change is affecting you.** As a manager, you will be facing all of your employees concerns as well as having the additional burden of representing your organization. Perhaps you had to deliver the news yourself. Be aware of its effect on you physically, emotionally and behaviorally. Take especially good care of yourself during this difficult time.

Allow employees to utilize the services made available to them. A major focus for a person losing his or her job will be to obtain information about services that can be helpful to them. Employees will need to have access to and understand benefits that can address their financial concerns and as well as options for locating new employment. Simply encouraging and allowing an employee to access services may be the best support you can provide.

Materials utilized from the National Employee Assistance Services, Inc. and the EAPA Exchange

V. REDUCTION IN FORCE NOTIFICATION MEETING COMMUNICATION

Please review and use the following verbiage in your notification meeting:

State the purpose of the meeting right away. (Don't put off the bad news.)	"I'm meeting individually with all employees whose positions are being eliminated. I'm sorry, but you are one of the people who have been affected by the reduction in work force."
Give the employee a chance to respond to your news. This is essential; without a few minutes to absorb the news, the employee will not be likely to hear the rest of what you say.	"I'm sure this is not good news for you..."
Alleviate any feelings of guilt or personal responsibility that the employee may have.	"Sometimes people have a tendency to take this information personally and blame themselves. I want to emphasize that this decision was not related to job performance. Positions, not people, are being eliminated."
Provide the employee with information on the overall budgetary issues and how it led to the reduction in force.	The University's reduction-in-force has become necessary with the loss of approximately \$15,000,000 of state funds. The reduction-in-force and determination of which positions to abolish have undergone a thorough evaluation using a systematic process. This evaluation included examination of all the possible alternatives.
Provide the employee with information on the criteria used in selecting those positions that are being eliminated.	"Certain positions and job functions were identified for reduction. Your position was chosen because..." (state the reason)
Allow time for a dialogue in which you: <ul style="list-style-type: none"> • Answer questions as specifically as possible. • Reassure the employee of his or her value. • Acknowledge the employee's contributions. 	"You have been a valuable employee. I especially appreciated your contributions to our unit and the University."
Restate that the reduction-in-force is a result of economic circumstances and is a final decision.	"The decision to eliminate your position has been reviewed by management. It is not negotiable."
Give the employee an overview of the services available to him or her.	"The Division of Human Resources will provide information and services to help you through the transition period. Your appointment with Human Resources is _____"
Advise the employee about their benefits continuation.	There are many benefits associated with a reduction in force, including continuation of healthcare. A Benefits representative will provide information regarding your benefits during your scheduled meeting with the Division of

	Human Resources.
Shift focus to the future. Stress again that positions, not people, are being eliminated.	"I know this must be very difficult for you. I want to encourage you to move forward and start looking for a new position as soon as you can, a Division of Human Resources transition coordinator will assist you with this."
<p>Restate specifically when the employee's last day will be and what is expected of them until that time.</p> <p>Ensure that the employee documents any processes that are unique to their work and provide on the job training to those that may be assuming those responsibilities.</p> <p>If time permits, the employee may spend some designated portion of their time in the 30-day notification period:</p> <p>Taking courses listed in the Center for Leadership and Organizational Excellence catalog,</p> <p>Seeking re-employment assistance from Human Resources,</p> <p>Searching for re-employment.</p> <p>You are also encouraged to provide flexible time to allow the employee to attend any employment interviews they may be able to establish.</p>	"Your last day is scheduled for (date). Until then"
Encourage the employee to continue to use you as a resource.	"I'd like to know how your job search is progressing. Let me know how I can be of help to you."

VI. DEALING WITH REDUCTION-IN-FORCE for remaining employees

After the “good-byes” have been said to colleagues that will no longer be a part of the organization’s workforce, it is very difficult for remaining employees to return to a normal work routine. In fact, “normalcy” will need to be redefined once a reduction-in-force has occurred. The impact of the transition on the employees left behind is often overlooked and many may feel both lucky and guilty that they still have a job.

When long-term friends and colleagues have been removed from the workforce, a void is created in personal relationships and professional assistance. Work duties may increase for some and others may fear the threat of future reductions. It is important for the agency and individual workers to legitimize and recognize that a reduction-in-force is an emotional and psychological trauma.

Certain steps can be taken to help create a new sense of normalcy.

- The first step for any employee is to **take care of yourself**. While this may appear a strange suggestion, it is vital to be aware of your own needs and physical/emotional condition. The basics of proper eating and sleeping habits is crucial in times of stress, as well as exercise and taking time to enjoy the things that calm and relax you. While seeking ways to relax, be wary of habits that can lead to unhealthy means of “self-medication”. Then, allow others to care for you. Family and friends are there to support you and this is the time to allow that support. Ask them for what you need – a listening ear, a day fishing, or perhaps some quiet time at home.
- Allow for **grieving**. There may be strong push by others and perhaps by yourself to “get on with things” and start to address the new obstacles ahead. In fact, a sense of urgency to tackle the new challenges may be a way to avoid facing the loss of co-workers and community. But it is vital to recognize and adjust to the loss and change. It is not “hanging on to the past” to talk about old times or to keep mementos of former workers. It is an important part of airing the thoughts and feelings that many may be feeling. Don’t be afraid to talk about it at appropriate times.

As with other types of tragic loss, there is often a cycle of such reactions that people will experience. Knowing that this is a normal expected reaction will make it less upsetting.

- Even with the expectation of the transition, there may still be an initial sense of **shock**. Certain behavior, such as calling the extension of someone who has left, may be a force of habit or a subconscious means of protecting yourself from the impact.
- It is also natural to feel a sense of **relief**, which will link with a strong sense of **guilt**. Why was it them and not you may be a recurring thought. You may feel compelled to do something for them, or to prove your worth to the agency.

- **Resentment** and **anger** is also to be expected. A need to know why this happened and disagreement about how certain decisions were made may impede any sense of commitment to the organization.
- **Worry** may also be over very real concerns. More work will be expected with fewer resources. Key people and services may be absent and the prospect of accomplishing core tasks may appear dim.

It is important in any of these stages to recognize when it is lasting too long or is felt too severely. If your thoughts or behavior are drastically affecting your ability to do your work or carry on in your personal life, seek help. It is not a weakness of character or a defeat when a traumatic situation reaches a point at which you can no longer manage it yourself. Reaching out and finding support **is** a way of managing the issue.

- Finally, despite the reduced resources and the potential negative atmosphere, **opportunities** often occur during a restructuring. With job duties shifting, the very manner and means of your work is changing. You may have the best understanding of how projects may be completed and may be able to personally impact the new structure to maximize positive outcomes. In the confusion and uncertainty of trying things a new way, there is an opportunity to try a novel approach or to approach things from a different perspective.

Share new ideas with your colleagues and supervisors. You may provide the key to accomplishing more with less. Also, as you take on some of the duties and responsibilities of co-workers who were affected by the reduction-in-force, you will have the opportunity to gain new skills and broaden your capabilities.

Materials utilized from the National Employee Assistance Services, Inc. and the EAPA Exchange

APPENDIX



Authority Office of State Personnel
Title Reduction in Force (RIF) Policy
Responsible Office Division of Human Resources
Subject Employment
Applies to SPA Employees

History: First issued: May 17, 2002. Last revised: March 30, 2009

Additional References: North Carolina General Statute Chapter 126-7.1, Office of State Personnel Reduction in Force Policy, Sample Layoff Letters

Related Policies: Severance Pay Policy, Health Insurance Policy, Priority Reemployment Policy, Discontinued Service Policy

Purpose

A layoff or reduction-in-force is an action to reduce the number, type, or level of positions in one or more work units that may result in the termination of employment for one or more employees. A layoff may become necessary due to reduced funding, reorganization, changed workload, or to the cancellation, amendment or completion of a grant or contract.

Department management is responsible for determining which positions shall be abolished or modified and which employees shall be laid off or reassigned, subject to the advance approval of the Assistant Vice Chancellor of Human Resources. Because permanent employees must receive 30 days advance written notice of being laid off, department management is expected to contact the Division of Human Resources at least six weeks prior to the anticipated separation.

This policy also contains provisions for providing layoff options to employees for positions slated for a reduction in FTE or reassignment downward.

Coverage

Employees in all SPA permanent appointments are subject to separation due to abolishment of their position(s). This policy does not apply to EPA employees.

Definitions

A "**Reduction in Force**" is the separation of a permanent SPA employee from a position because of a shortage of funds or work, position abolishment, or material change in duties or organization.

The **"Same or Related Class"** is defined as groups of positions which are similar in title, qualifications, duties and responsibilities and among which a reasonable skill transfer may exist.

Alternatives to Layoff

The University expects that department management will lay off employees only after examining all alternatives, including but not limited to:

- The management of vacant positions
 - Re-deployment of current permanent Staff
 - The abolishment of vacant positions
 - The implementation of a hiring freeze
- Optional early retirements
- Job sharing arrangements
- Limiting purchases of items/services and business travel and expenditures
- Work schedule alternatives

The Assistant Vice Chancellor for Human Resources, in conjunction with the EEO/AA Officer, will facilitate this review of alternatives by preparing a listing of vacant positions and a listing of employees from the affected group who are eligible for early or regular retirement.

In the event that economic or operational factors require the NC A&T State University to eliminate jobs, the University is committed to attempting to retain staff with established acceptable performance records and qualifications. An acceptable performance record is defined as an employee with a current overall performance rating of Good or better with no active Disciplinary Actions.

Where possible, the University will first try to redeploy staff into comparable positions in which they meet the minimum requirements. A comparable position is defined by the State as a position with the same salary grade equivalency, working the same hours per week, and earning the same rate of pay as the position held prior to the layoff. Next, training options will be considered to provide an affected staff member with skills sufficient for placement in a position of comparable level and pay.

Division of Human Resources staff will be responsible for managing the re-deployment process, including matching comparable vacant positions to the skills and competencies of staff identified for re-deployment. This process will be managed for the duration of the notification period to ensure successful placement prior to the date of layoff. Upon successful re-deployment, the employee will receive a confirmation of re-deployment notice, informing them of their new position title, department name, supervisor name and contact information, start date and salary.

Finally, if redeployment is not possible or if the employee declines the position to which they are being re-deployed, the Layoff process will be implemented.

Identifying Positions to Abolish and Employees to Lay-off

A layoff decision requires a thorough evaluation of the need for specific positions and the relative qualifications of affected employees so that the University can provide

the highest level of service possible with a smaller work force. A layoff necessarily compels a thorough evaluation of the accomplishments of specific programs, the need for particular positions, and the relative value of specific employees.

The University has established the following systematic process for identifying positions to abolish and employees to be laid-off. Justification for action from department management must adhere to these criteria. Questions regarding these criteria should be addressed to the Division of Human Resources.

Management should make every effort to achieve budgetary reduction goals through the elimination of temporary appointments prior to eliminating permanent positions.

Determination of Work Unit

The area of review used in making the layoff selection depends on the organization. Normally, the unit level at which this review should occur is the department level. However, management may choose to broaden the scope of the work unit across several departments or constrict the scope of the work unit to a subunit of a department as deemed appropriate or necessary.

The source of funds for a position is not necessarily a relevant factor in determining the appropriate position(s) to abolish or employee(s) to be laid off. The appointment type, relevant skills, relative performance, and length of state service of all the employees in the work unit(s) under consideration may be considered without regard to funding source.

Position Classification:

When identifying positions to abolish, management must define:

1. The continuing work to be performed by the work unit(s),
2. The position classifications necessary to perform the continuing work, and
3. The number of positions in each position classification needed to perform the continuing work, with comparisons made among positions with the same or closely-related career banded title and competency level. "Closely-related" means that there exists a reasonable skills transfer among the career banded titles and competency levels.

The number of positions in excess of the continuing need in each classification defines the number of positions to be targeted for abolishment.

Once the number of excess positions in each position classification has been identified, the criteria for determining which employees are to be laid off must be applied in the order listed below:

1. The appointment type of each employee in the affected classification(s),
2. The relative efficiency of employees in the affected classification(s),
3. The length of total state service of employees in the affected classification(s), and
4. The actual or potential impact of the layoff decision on the diversity of the work force.

Type of Appointment:

Once the relevant position classifications for the layoff have been determined, department management shall decide which employee(s) in those classifications shall be laid off based first on type of appointment, using the following priority criteria:

1. Abolish vacant positions in targeted classification(s) – this may result in the separation of temporary employees filling these vacant salary lines,
2. Separation of probationary employees in targeted classification(s),
3. Separation of trainees who have not completed their trainee progression in targeted classification(s),
4. Separation of employees with time-limited appointments in targeted classification(s), then
5. Separation of employees with permanent appointments in targeted classification(s).

Temporary employees need only be considered if they are being paid currently through recurring salary-line funds (ie, the vacant salary line is being abolished). However, elimination of non-salary line temporary staffing should be explored to achieve fiscal savings before pursuing the abolishment of permanent appointments.

Part-time SPA permanent employees may be retained over full-time SPA permanent employees if the part-time employee is otherwise better qualified and is willing to work at the hours per week necessary for the continuing work. Employees who would be required to take a lower FTE (full-time equivalency) to continue employment must be offered the option of being laid off (see "Reduction in Hours for the Position" later in this policy).

Relative Efficiency:

If, after applying the above criteria to appointment type, additional positions within a classification must be abolished, or if management must choose among more than one employee in a single criteria group listed above, then the department management must consider the relative efficiency of these employees. Relative efficiency includes a combination of the relevant skills and relative performance of the remaining employees.

Employees to be retained must have the skills relevant to the continuing work of the work unit or be able to attain those skills within a reasonable period of time, generally within three months. Determination of relevant skills must include a comparative consideration of the employees' most recent Employee Competency Assessment.

Employees' relative performance also shall be considered, including:

- the existence of any active disciplinary action (may be performance-based or conduct-based);
- the overall and principal function ratings on the employees' last annual performance review (or interim review if any employees have not had annual reviews);

- documented performance or conduct difficulties communicated to the employee but not rising to the level of disciplinary action;
- any other documented indicator of performance.

Layoff decisions that contradict documented performance and/or conduct may be denied by the Division of Human Resources.

Length of Service:

If, after applying relative efficiency, management must choose between more than one employee with comparable skills and performance, then the employee(s) with the least Total State Service must be laid off. Eligible veterans must be accorded one year of state service for each year (or fraction thereof) of military service, up to a maximum of five years of credit, in computing total service.

Work Force Diversity:

Once a layoff determination has been made, department management may consult with the Division of Human Resources to assess any potential adverse impact of the decision on the University's work force diversity.

Requesting Layoff Approval & Notifying Affected Employees

The department head (or his/her designee) must submit a written request for approval of each proposed layoff to the Division of Human Resources. The request must be approved by the Assistant Vice Chancellor of Human Resources before any layoff action can be taken.

Because State policy requires that affected permanent employees must receive written notice of layoff at least 30 calendar days prior to the effective separation date, department management is expected to submit the layoff approval request to the Division of Human Resources at least six weeks prior to the anticipated separation date of any employee to be laid off. Failure to do so shall not reduce the employee's required 30-day minimum notification period.

Departments may submit the "SPA Layoff Selection Analysis Worksheet" for review of layoff approval or may submit a written request that contains the following:

- the reason(s) for the layoff,
- anticipated date(s) of separation,
- name(s) of the employee(s) to be laid off and justification for the decision,
- a list of all vacant positions in targeted classifications,
- status of recruitment activity for vacant positions in targeted classifications,
- efforts department has made to avoid the layoff of the selected employee(s),
- a management contact.

After receiving approval from the Assistant Vice Chancellor for Human Resources, the department must provide the following information, in writing, to the employee(s) being laid off at least 30 calendar days before their layoff separation date:

- the reason for the layoff;
- the effective date of the layoff;

- instructions to contact the Division of Human Resources for information on: leave payout; benefits options, including unemployment insurance eligibility; priority re-employment eligibility; severance pay eligibility; and
- the employee's applicable appeal rights under the University's SPA Grievance and Mediation Policy.

Reduction in Hours for a Position

In the event that a department needs to impose a reduction in hours for a permanent SPA employee, the department must offer the employee the option of accepting the reduction in hours or being laid off.

A reduction in hours must include a corresponding reduction in pay and a possible reduction in benefits. (For example, if the reduction in hours would take an employee below 75% FTE, the employee will lose participation and contribution to the Retirement System, employer-contribution to the employee's State Health Plan premiums, reduction in vacation/sick leave earnings, etc.)

The department must provide the employee with a reasonable amount of time to consider the decision to accept a reduction in hours or to be laid off. Departments may wish to consult with the Benefits Department in the Division of Human Resources about the impact of the change in FTE on the employee's benefits and leave.

If the employee agrees to a reduction in hours, the department must draft a letter outlining the changes to be made. This shall include:

- the new FTE,
- the new salary rate,
- the effective date of the FTE change,
- the new leave earnings rate,
- the effect this reduction will have on the employee's benefits,
- contact information for the Benefits Department in the Division of Human Resources for information regarding benefits and leave changes,
- a signature line for the employee.

A copy of the signed letter must be forwarded to the Division of Human Resources.

The employee must sign the letter in order for the action to take place. If the employee will not sign the reduction-in-hours letter or does not agree to the reduction-in-hours option, then the department must proceed with the layoff process.

The department will then process a change in FTE through the normal reduction-in-hours process. The employee does not need to receive a 30-day advance written notice to make this change because the employee has already agreed to the change.

Voluntary Reassignment Downward

In the event that a department needs to reclassify a position to a branch/role with a lower journey market rate or a lower salary grade equivalency, the department must offer the employee the option of accepting the voluntary reassignment downward or being laid off. A permanent reassignment downward generally includes a reduction in pay. The department should consult with the Division of Human Resources

regarding the proposed change and inform the employee if the change will result in an FLSA exemption status change. The department must provide the employee with a reasonable amount of time to consider the decision to accept a reassignment downward or to be laid off.

If the employee agrees to the reassignment downward, the department must draft a letter outlining the changes to be made. This shall include:

- the new branch/role/competency,
- the new salary rate (if applicable),
- the effective date of the reclassification,
- the effect of the reclassification on the employee's FLSA exemption status,
- contact information for the Division of Human Resources for information regarding this action,
- a signature line for the employee.

A copy of the signed letter must be forwarded to the Division of Human Resources.

The employee must sign the letter in order for the action to take place. If the employee will not sign the voluntary reassignment downward letter or does not agree to the reassignment option, then the department must proceed with the layoff process.

The department will then initiate the position reclassification process. The employee does not need to receive a 30-day advance written notice to make this change because the employee has already agreed to the change.

Abolishment of Position

Once the layoff plan has been approved and once any laid off employees have separated or been reassigned, department management must complete the layoff process by abolishing the approved positions or by submitting revised classification actions as approved by the Division of Human Resources in the layoff plan.

Questions

If you are a department manager and have questions about the layoff decision-making process, contact the Division of Human Resources.

If you are a layoff candidate and have questions about your layoff benefits, contact the Benefits Department in the Division of Human Resources.

Approved:


Linda R. McAbee, Vice Chancellor for Human Resources

Date: 3/30/09


Stanley F. Battle, Chancellor

Date: 3/30/09