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In the line of fire

Letting go of people in a brutal economic climate can be done humanely. Here's how.

With the economic down-turn, it is inevitable that organizations will continue to downsize. And with the ongoing mergers and acquisitions of companies, there will be an overlap of some sort, resulting in more people being let go.

This exercise is one that is dreaded most by HR professionals. While some managers rise to occasion and do a good job, others may not, leaving a bad taste in the mouths of employees being let go. If you are to let go of people, stop and ask yourself if you are professional and compassionate. Some points to note:

1. Be constructive and decisive.

When a strongly-rumored merger is finally announced, the natural reaction is to anticipate changes. By delaying any such news, employees will feel a lot of anxiety and stress.

The supply chain director of a large multinational, who declined to be named, said of his experience: “Naturally productivity was at an all-time low, not knowing if we still had a job or not”. In this situation, your clients or customers are less likely to do business with you as your employees are probably more worried about securing a job elsewhere.

2. Help cushion the landing

If your organization has any plans to help retrenched staff with school payments or financial assistance, don't wait for them to ask before offering.

A research director of a US multinational had this to say about how he was treated: “We were just told that we would be out of a job by the end of the week. All the company is doing is paying us one month's salary in lieu of notice. I'm the sole breadwinner and I'm supporting my parents. Why can't they give us more time so we can find another job?”

3. Allow for competition for new positions

Sometimes, who gets the pink slip comes down to a choice between two persons. If the management decided to keep one and not the other, it may be a good idea to consider how the latter's skills and his contacts can be used to help the company compete. This is important because you don't want to lose someone able to the competition and who has an axe to grind against your company.

4. Hand out pink slips with caution

Asian workers pride themselves on their loyalty. And more often than not, older workers get offended if junior staff tell them the bad news.

Said a purchasing director: “We have been with the company for almost 20 years. The least they could have done is to have the managing director or the general manager, whom we worked with for so many years, deliver the news personally.

Finally, this applies to what-ever field you are in: HR or otherwise. Be careful of any company you join in this climate – even if you were headhunted with oodles of cash.

Said one engineer who had to be let go three months after being headhunted to join a company: “In my previous company, I had a secure job. Now, I'm told the retrenchment policy is “last in, first out”.

It is important to find out why the company wants you. Take a tour of the company and gauge if people are productive and committed.

The company may simply be desperate to hire someone to turn things around. If you are not up to it, think twice about your options.

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