

# Layoffs: 3 Ways to Soften the Blow

by Emad "Emo" Alaeddin



## TODAY IS THE BIG DAY

you've been directed to lay off an employee, a group of employees or even an entire department. Experts say that firing an employee is possibly the most difficult decision you'll ever have to make as a manager. And this is considering that the employee has been given all the warnings and write-ups that have been coordinated with HR that by this time it's an expected outcome by the employee.

Firing an employee because of them not meeting their goals or because they're just not a good fit culturally doesn't make letting them go any easier. But that burden pales in comparison to laying off employees in the middle of economic crisis like that of the COVID-19 coronavirus pandemic. There is no easy way to let an employee know that today will be their last day as an employee, especially if it had nothing to do with

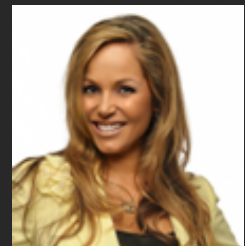
their performance or conduct and everything to do with the economy. But alas, here are two important tips to make sure that it's as painless as possible for you, the manager, but more importantly for the employee about to be let go.

## 1. BE HONEST, UPFRONT & DIRECT

Pulling proverbial bandage right off is the way to go: make sure that you are in a private area and accompanied by someone from HR. It's always easier to give the bad news using straight talk, no beating around the bush. In fact, it's best to lead off with a simple "The reason you've been called in is because we have let you go".

Eye contact and a friendly but firm disposition goes a long way for an employee that you hold in high regard, but it's also the way to show that this is a decision that cannot be negotiated. As difficult as it may be, they will appreciate you for it even though they may not thank you right away.

*Continued*



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## MANAGEMENT TIPS

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#### 2. PREPARE A SEVERANCE PACKAGE

The first question your employee will be asking themselves and some cases out loud is “what do I do now?” And as a manager, it’s imperative that you have something ready and substantial for them to fall on. During an economic crisis, there may not be a budget for severance pay, but that doesn’t mean you cannot put together a severance package that they can use to move forward.

In the very least, you should recommend professionals who can help them manage the impact of this life event such as a trusted recruiter, a professional therapist, and more importantly a trusted financial advisor to prepare them for a financially secure future. Photograph by **Aubrey Garner**

In most cases, your employees will have a 401k with the company. They will need to speak with a trusted financial advisor to handle their 401k rollover, otherwise it will remain with the company unmanaged. Recommending a trusted financial advisor as part of the severance package ensures that your employees will not feel like they are on their own in managing their finances.

If you don’t have a trusted financial advisor, we highly recommend Melissa Levin, certified financial planner with I Retire in Style. She’s been in the industry since 1997 and has been through two major financial market drops in 2001 and 2008. If anyone knows how to devise a severance package for your employees, it’s her.

#### 3. GET IN, GET OUT AND GET ON

The last thing you want is to overcomplicate letting go of your soon-to-be-ex-employees and a plan to move forward is the best, and sometimes the only, thing you can offer.

#### IN CONCLUSION

There are currently record number of unemployem cases filed in the United States. So despite it being devastating news, your employee will likely see this coming. These three steps will help you ensure that the deed is done and your employee best interests are kept at heart.

If you're looking to talk to a certified financial planner whom you can trust, you can call Melissa directly at 714.831.1515 or via email at [melissa@iretireinstyle.com](mailto:melissa@iretireinstyle.com)



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