

In Face of Staff Cuts, Cities and Towns Need a New **Management Roadmap**



Ten steps to help
make the best of
a difficult situation

BY WILL BROWN

The ripple effects from the recession have caused a tidal wave of stress and uncertainty in cities and towns throughout Massachusetts. Decision makers are confronted with stark budgetary constraints and are faced with choosing the lesser of many evils. In these unprecedented times, these difficult choices are increasingly resulting in staff reductions.

The economic toll has been experienced from North Andover to North Adams. Whether it's the clerk who has been informed that her hours have been reduced from full-time to part-time or the teacher who has learned that his position will no longer exist next year, these workplace traumas cause similar shockwaves to many systems: the laid-off employee's psychological-biological system, his or her family, the community, the state, the nation and the world. >>

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When the fabric of city or town hall has been stripped, when employees are plucked out of the web, we feel broken. So how do we sustain ourselves during these times to keep our head above water and prevent despair? It's so easy to give in to the impulse of feeling the panic of the times.

Monson Town Administrator Gretchen Neggers captures the sentiment. "In this historic economic downturn, the challenge is to keep people together and hopeful that this will pass and things will improve," she says. "People tend to forget that municipal employees fear the same uncertainty about their jobs as everyone else does. They face the same unknowns in their futures. ... Defusing fear caused by uncertainty is the greatest challenge I face on a daily basis. Calming people and reassuring them while trying to make organizational changes to alleviate the pressure of the financial cuts has become a major part of my job."

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Another town administrator from a MetroWest community shares how his town is faring: "The certainty that there will be reductions in force has created a bit of a pall over things in town offices and departments. The uncertainty about the extent of the reductions further complicates things. My sense is that this kind of atmosphere prevails in most workplaces these days, inside and outside of government. One thing that has occurred to me over the last few months is that what would be the normal 'wear and tear' that is brought on by public scrutiny and criticism of local officials now seems to cut a little deeper due to the sense of fragility brought on by the economic crisis."

There is also the fear, he says, that things are going to get worse before they get better.

How can local leaders manage the changes they now face? There are many choices, but the most effective strategies can prove elusive to those who are "in too deep" to see those options. When we are locked in to a particular way of thinking, we cut off opportunities. The ten-step program below gives municipal managers a new roadmap to help them make the best of a difficult situation.

10 Steps for Managing Transitions

1. Understand What Is Ending. Managing organizational change is not as simple as laying people off. It also involves understanding who is losing what. Some employees may have built the department from ground zero, take pride in the existing order, and want to maintain it. Unless managers take time to understand how these individuals are affected by the changes, it will be difficult for employees to work through the process of loss and participate in a new order.

2. Understand What Is Beginning. In order to successfully reach a new beginning after changes occur, managers need to understand what a successful department will look like in the future. This means figuring out how the department will get the work done with fewer staff, or exploring new directions and opportunities in light of the changes.

3. Get Your Team on Board. Successful change begins at the top. Senior managers must be able to understand the reasons for change and "sell" this to their department heads. Discussing the concerns of team members can provide useful feedback to help keep transitions moving in a positive direction. For example, upon learning from her town administrator that there would have to be cuts in her budget, a school superintendent met with all her managers, including union representatives, to discuss the budget issues. She believes that because she included the union leadership from the beginning, the union representatives "bought into the budget plan." As a result, the unions were more willing to work with the superintendent as they all made necessary, and difficult, decisions.

4. Communicate, Communicate, Communicate. It is essential to create a comprehensive communication plan if changes are to be effective. Most employees want to know what will be happening to them—especially whether they will be laid off. Sharing as much as you can about the change will reduce feelings of powerlessness. Do not delay in confirming whether there will be job cuts. Explain in detail why workforce reductions are necessary. Preparing employees by presenting the rationale for change, even if it's unpopular, will go a long way toward making the changes less traumatic for everyone. Employees will understand if the workforce needs to be reduced as a last resort.

Communication plans need to include regular employee meetings to provide a forum for discus-

sion, even if there is no news. If employees know that they are getting regular updates, there will be less speculation and rumors at the water cooler, and the stress level will be lower. In a recent meeting of municipal employees and their supervisors discussing the impact of layoffs on employees, a phrase from veteran Oxford Town Manager Joseph Zeneski summed up the value of keeping all employees in the loop: “Lack of communication = gossip.” The group came up with ideas to stimulate further discussion within their departments about possible efficiencies that could be instituted across departments to save money, such as sharing resources, sharing equipment, prioritizing tasks, and job sharing.

5. Allow for Emotional Responses. Anger, concern, insecurity and survivor guilt are all perfectly natural emotions for employees to feel during a time of staff cutbacks. It is important for managers to understand that it is OK for employees to feel this way. Otherwise, employees may express feelings in non-productive ways. Sympathetic managers often become alarmed at the sight of tears, even though this is really a normal reaction to an abnormal situation, and not a sign of serious emotional difficulty. If it appears that an employee is unable to cope with the stress of the situation, a referral to the employee assistance program may be helpful.

Candace Hall, the human resources director for the Andover Public Schools, recently invited the town’s employee assistance program to give a presentation, “Staying Resilient in Tough Economic Times,” to approximately twenty employees. Many expressed feelings of vulnerability and helplessness relative to the impact of the recession and shared coping methods. The one-hour facilitated discussion gave employees specific ideas of ways to better take care of themselves, such as meditation, talking to others, walking and other exercise, going to the beach, and reducing exposure to news. With the assistance of the EAP, Hall also plans to invite a financial professional and career counselor to make presentations to laid-off employees.

6. Address the Negative Effects of Fewer Staff for the Same Work. Increased workloads for employees who survive layoffs are inevitable. Often this has the added effect of negatively impacting teamwork during a time when everyone has to work together to rethink how tasks are done. When managers involve their employees in the search for solutions, teamwork and efficiency are often the result. Employees are empowered as their level of investment in the future takes hold.

7. Demonstrate Long-Term Interest in the Careers of Survivors. Introducing “stretch assignments” following layoffs is a perfect time for managers to help expand the skills of remaining employees and demonstrate confidence in them. It is also a good chance to increase the frequency of discussions about career-related topics, including possible advancement opportunities.

8. Determine How Things Are Going. Management by facts—not guesswork—is the best way to gauge how employees are performing after layoffs. Managers still must report to their external constituencies: board members, state officials, the media, and the community at large. Periodic, systematic employee feedback instruments enable managers to ascertain the impact of their actions on day-to-day operations.

9. Partner With Human Resources and an EAP. Don’t agonize over what, when and how you will communicate with employees. Human resources and an employee assistance program can help you design communication plans, lead you through the process of managing employee transitions, and help you handle challenging employees and situations.

10. Honor the Endings. Find ways to acknowledge and give thanks to those who have contributed to the organization, especially those who are going to be laid off. Acknowledgments might include scheduling a department lunch for the laid-off employees where co-workers and managers have an opportunity to recognize the contributions of the employees, either individually or as a group, and wish them luck with a cake and cards. Very simple efforts go a long way and are often cherished by those who leave the organization. This will help all employees, both those affected by the layoffs and those who remain, to move on.

Putting these steps into practice takes a conscious effort. Seeking help to support the human resources of your workplace is not only a good idea, it helps to minimize problems. Talk to trusted associates for ideas and guidance so you don’t reinvent the wheel. Employee assistance programs are also great resources to turn to for counseling, training and consultation. Training programs for employees (e.g., “Doing More with Less”) as well as department heads (e.g., “Leading Toward a New Reality”) will help both groups look at ways to best adapt to the times—and meet the challenges together. 🌟