



BEST PRACTICES

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To grow, keep 'em in the know

As our recession drags on, I am finding many companies are struggling to communicate with their employees. Companies have been affected in varying degrees, from severe business loss to minor setbacks to some moving along as if things are normal.

Employees see what's happening around them, as well as the bad news on TV and online. Some even still read the newspapers.

In light of this, stay communicative with your employees. They know something is going on, and they want to know how it could (or will) affect them. Fear of the unknown can be very unsettling and disruptive to your work force, and can lead to deteriorating morale and productivity.

Communications should be:

- ▶ **Honest.** During times like these, you need the full trust and commitment of your work force. If layoffs are possible, warn them — but at the same time tell them what you're doing to avoid job cuts and how they can help stave off layoffs.
- ▶ **Consistent.** Do not go out and paint a rosy picture to keep everyone happy, then be put in the position of having to dribble out bad news. You will lose your credibility, and that leads to trouble. Avoid mixed messages: For instance, do not tell

everyone, "We need to cut back and watch our pennies," then do something that could be perceived as extravagant, such as buy a new car.

▶ **Open.** Seek employee input, and give them a chance to ask questions — whether it be in group settings or with their managers — as to how changes might affect them. Make sure all managers are on the same page with their messaging.

When the belt tightens ...

If you reach a point where you must cut back, here are some suggestions:

- ▶ **Be objective.** Look at your organizational chart — without names — and see which positions can be eliminated. If you look at it with names, emotions involving particular people will influence your willingness to keep or eliminate each position.
- ▶ **Promote from within.** Once you've trimmed your organizational chart, fill it with qualified people from your existing staff. Job qualifications are important because they will help prevent filling positions with favorites.
- ▶ **Cut deeply enough the first time.** There is nothing more painful or unsettling to your company than progressive cutbacks.
- ▶ **Keep your finger on the pulse of employee morale.** Employees will be watching and evaluating your decisions. Beware of favoritism and of protecting sacred cows, especially divisions that have been longtime "loss centers." This can lead to serious morale issues, as well as create a disgruntled faction within your company that could undermine what you're trying to do. It also chips away at the bottom line.
- ▶ **Keep a positive attitude.** Approach this process as an opportunity to get the right people in the right places to strengthen your company for the rebound. Build on the successful implementation of your plan and create a positive team dynamic. Constant, consistent communication is key. Keep people focused on a more positive future — not a depressing present, if that is the case.

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