

Understanding The Human Factor in Downsizing

Downsizing, whether caused by mergers and acquisitions or economic times, was prevalent in 2009. Thankfully the economic forecast for 2010 looks brighter but mergers and acquisitions will continue to be commonplace in business. Downsizing impacts not only those leaving an organization but also those that remain. Addressing the people needs forthright will strengthen the organization.

Dissecting and understanding the human side of this change will help determine what to watch for and how to help. Putting support and intervention mechanisms proactively in place will mitigate the churning and loss of productivity that will occur.

Cycle of Response to Change

Individuals need to progress through "stages" when change is thrust upon them. The labels applied to the stages change from research study to the next but intrinsically are the same.



Uninformed Optimism

The first "stage" might be characterized as uninformed optimism. This is where little to no data about the change is available so there is a wait and see energy permeating the organization. This is typically a good energy that temporarily fuels optimism.

Informed Pessimism

This is quickly followed an informed pessimism when the true price of the change is realized. Negativity and anger are the exhibited behaviors. Neutralize the anger by giving individuals the space to express their feelings. Acknowledge the anger and do not take it personally, even if it sounds personal.

Disengagement

Disengagement or checking out happens next which provides a safe place for the time being as the individual detaches from what is happening. Some get stuck at this point.

Checking out is one of the most destructive places people can get stuck. Chronic disengaged employees give their time but not their energy. They withdraw, avoid, and productivity plummets.

It is important to draw these people back into the organization. This can be accomplished by providing safety and assurance. Be prepared to listen. Be open about the differences to come. Not all supervisors will be comfortable with these conversations. Equip supervisors with the script to hold honest discussions.

Hopeful Realism

Hopeful realism is the view that the end can be seen by understanding what is occurring. There is a sense that there is a place for everyone, even if that place is no longer with the organization. The future path becomes clear. The door is opened to informed optimism.

Informed Optimism

Informed optimism is the sense that the change is achievable. People are engaged and proactive about their work. New assignments are met with enthusiasm. Taking on assignments outside their job role is viewed as belonging and important to the organization.



Ignoring the behavioral clues provided by understanding the cycle of response to change is a formula for chronic disengaged employees. The HRD and training departments can play a

major role in giving supervisors the tools needed to recognize behaviors and apply appropriate strategies with employees. Proactively thinking through what tools supervisors will need and providing guidance in advance will avoid unnecessary churning.