

13 musts for breaking bad news to your employees

Have to tell the troops about layoffs, an upper-level scandal, an imminent hostile takeover or divestment? Follow these essentials.

breaking news

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Nobody likes to be the bearer of bad tidings, whether it's news of layoffs, a product recall, a reduction in benefits, financial woes or an executive resigning under a cloud.

Yet to succeed as an executive—or a communicator—it's essential that you level with your employees.

Transparency is an increasingly important goal for organizations. Internal communications expert Sean Williams says a related concept may be just as essential: authenticity.

Publicly traded companies can't always open their books to the world, but they can make a commitment to be straight—authentic and honest—in their communications, he says.

This means holding to this promise: “If we're asked directly about something, we're going to answer directly,” Williams says.

Here are more tips for successfully breaking bad news:

1. Prepare.

Good messaging doesn't emerge spontaneously, especially in times of trouble. At a previous company, Todd Johnson, now president and board chairman of Kollektive, was part of a team that spent six hours preparing the chief executive for a 15-minute presentation onstage to employees. The leader didn't do well at first.

“He was going to sound like he was spinning,” Johnson says. “He wasn't going to answer any questions about layoffs. People were going to think there was some grand scheme behind all this, and none of it was true.”

By working through it, the CEO boosted trust in his message.

Decide who is the best person to announce bad news, and in what format, Williams says.

Is it the chief executive? If so, what is gained by that? If not, who would better make the announcement?

What is the best forum? A live meeting? A livestreamed video? An email?

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The person making the announcement should rehearse in front of a fellow communicator or executive and solicit feedback about tone, eye contact and other factors.

2. Hold a Q&A.

If you make an announcement in a meeting, allow ample time for questions. This requires rehearsal. In preparing a leader for a Q&A, Johnson says, ask yourself, “What’s the worst thing somebody could bring up?” Then spring that question on your exec. This helps the leader to work on his or her response.

Distinguish messages that will be announced in prepared remarks from those that should be addressed in the Q&A.

In one instance, the executive team listed two points of information that the CEO should address during the Q&A even if no one raised those questions. One was about layoffs.

Nobody dared ask the question, but the executive addressed it anyway. It might help to assign a moderator to the Q&A to field questions from the audience and prompt the executive to raise any forgotten points.

3. Explain clearly.

Many executives go behind closed doors to think through a situation, then emerge to announce their decision, and they expect employees to fall in line, says Dianna Booher of Booher Research Institute. That’s unrealistic.

“Those employees haven’t looked at the same data and haven’t explored the same reasoning,” she says. “They have to have time to go through the same information to arrive at the same conclusions. To expect otherwise is unreasonable.”

Don’t overload employees with information, however, says Chicago-based consultant Mike Lemon. “Give people the facts,” he says. “However, don’t focus too much on the financials driving a decision. Even though times may be tough, everyone knows that the top rarely suffers the way everyone else does.”

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4. Use HR as a resource.

Communicators' and executives' responsibilities don't end once they make that difficult announcement. If there's a major layoff, what happens to the employees left behind? How will the additional workload be distributed? In the case of a divestment, what will the effects be?

Make sure that your HR department is open and explains a bad situation to the other employees, those who are not directly affected by the layoffs or other bad news, adds Sacha Ferrandi, founder and owner of Source Capital Funding.

“An office culture shrouded in secrecy is not a healthy work environment and will foster gossip and shift the focus away from work,” Ferrandi says.

5. Reach the entire organization through video.

If your leaders are making a live announcement, video ensures that remote employees get the news along with everyone at the home office. Video allows leaders to use body language and expressions to convey sincerity, concern and competence, Johnson says.

Video “addresses the one message, one point in time to the whole company, and it gives you that verbal/nonverbal communication opportunity that’s so important,” he says.

Videos should include a tighter shot when your executive makes the announcement. Pull back for a wider shot for questions from the audience.

6. Be empathetic—but don't overdo it.

You shouldn't burst into phony tears or offer hugs when announcing bad news. It is important, however, to show that you appreciate the gravity of the news you are imparting, Williams says.

Be careful with your words. It's not empathetic, but rather callous, to tell employees, “When you look back, you'll say this is the best thing that ever happened to you,” Williams says. You will infuriate affected staffers by trying to short-cut the emotions they are processing. It's better to reassure staffers that you have great confidence they will do well in the future.

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7. Don't sugar-coat bad news.

As a former emergency department doctor, Dr. Susan O'Malley learned how to deliver bad news, she says. Now the owner and medical director of Madison Med Spa, she says it is imperative to get your message across so there is no confusion.

“Speak directly and honestly so you get your message across, but have compassion,” she says. “Don't ever say, ‘It's not personal; this is only business.’ It's always personal.”

Talk in everyday language, avoiding fancy terminology, adds O'Malley, who is author of the forthcoming book, “Leadership Lessons from the Emergency Room.”

Don't use insensitive euphemisms such as “right-sizing” for layoffs. Jobs are a basic part of people's self-esteem, how they define themselves. The term might make you feel better, but it won't cheer employees to learn that the company will be “right-sized” once they're gone.

A laid-off employee will go home to face questions from friends and relatives, Williams says. Your goal is to have them say, “I'm disappointed, but I understand why this happened.”

8. Solicit suggestions.

During tough times, the people affected have a vested interest in finding solutions, says Marion Grobb Finkelstein, workplace communication consultant. Let them be heard.

“Offer several ways for them to communicate with you, as different communication vehicles work for different people,” she says. “Email, face-to-face meetings, suggestion boxes (physical or virtual), anonymous input, employee suggestion recognition programs, and facilitated team input meetings are just a few ways that work.”

9. Choose the right day.

Break bad news to your employees on a Thursday or Friday, Ferrandi says. This way, they have the weekend to reflect and digest the information.

“Sometimes, especially in when a company downsizes, breaking the news on a Monday or Tuesday will cause a big lapse in efficiency during the workweek,” Ferrandi says.

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10. Cut to the chase.

Restrict your build-up, and get to the point. Employees will only grow anxious during long paragraphs of introduction or history recounting how the firm ended up in this place. The same is true of verbal delivery. Say what you have to say, and then offer explanations or background.

11. Involve internal communications in your crisis planning.

Crisis plans often focus on communicating with the public and news media outlets. Don't neglect the internal side of things. If you work for an airline whose plane went down, staffers may have lost friends or loved ones. Plan for emergency communications to staffers, as well as to the press.

12. Avoid misdirection and trickery.

It's tempting to load up bad news communication with a bunch of good news in the hopes of distracting your audience. (We might be laying off half of you, but hey, the company picnic is coming up soon.) Doing so will damage employees' trust in you and make it seem that you are failing to treat serious news with the respect it deserves.

13. Communicate about the results.

After the dust settles, let staffers know what you've accomplished. Did you right the ship by divesting that business or outsourcing those jobs?

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