



Outplacement The Do-It-Yourself Guide

Introduction

Whether you've got a reduction-in-force coming up or are just looking to reevaluate your current outplacement service offerings, here is everything you need to know about the outplacement business.

The purpose of this guide is to:

1. Help you understand the services an outplacement firm offers
2. Explain how best to work in conjunction with them
3. Teach you the steps to take to bring some or all of these offerings in-house.



What is Outplacement?

- ◆ The process of facilitating a terminated employee's search for a new job by providing professional career coaching services in the form of one-on-one counseling or group workshops
- ◆ Coaching covers resume consulting, articulating a list of accomplishments, preparing an elevator pitch (or 30-second commercial), professional and online networking, behavioral-based interview preparation, communication and negotiating your offer, and preparing for your new challenge
- ◆ This service is paid for by the former employer and all meetings thereafter are confidential to the terminated employee and coach



The Planning Process

- ❖ The Business Case for a RIF
- ❖ Logistics
- ❖ Employer Risk
- ❖ Special Circumstances
- ❖ How to Select an Outplacement Firm



The Business Case for a Reduction-in-Force

Reductions-in-Force often arise from the need for an organization to reduce costs rather than from the organization having less work to do. Reducing labor costs through layoffs seems like the most obvious way to immediately and dramatically lower expenses.

As a business partner, make sure that management has looked at other alternatives that could reduce cost and save jobs including:

- Reduce travel—use phone and video conferencing rather than expensive business trips
- Renegotiate leases and rentals
- Postpone purchases
- Freeze salaries (postpone salary increases and bonuses)
- Go to a reduced work-weeks
- Initiate shut-downs during summer and holidays

These and other cost-cutting steps may not eliminate the need to reduce headcount, but they may lessen the number of individuals impacted.



Logistics

A RIF can be a logistical nightmare. From the moment you learn of the layoff, you should be looking into how to pull this process off with minimal upheaval.

1. Roll with the punches. If this is your first RIF, the first thing to understand is that the list is going to change as the total number grows and contracts, and people will be put on and taken off the list as internal negotiations abound
2. Once you have a final list, be sure to do an analysis to see if any protected group is being adversely affected. In those cases where a particular group is inordinately represented, work with management to review the criteria that is being used for selection and ensure that the decisions are consistent with the methodology
3. Make sure you have enough resources to conduct the notification quickly and efficiently. The key to pulling off a relatively-painless layoff is to make sure its done in a quick and disciplined way. Note that once the first person is notified, the news will spread like wildfire. Generally, all work stops as people wait to see who is going to be impacted. If you don't have enough internal HR resources to help you with this, bring in some contractors for a few days.



Logistics Checklist

Before any layoff or termination, it is important that the HR team and all key decision-makers set aside the time to discuss the circumstances surrounding the action.

- WHO is impacted, who are their managers, and who is needed to pull this off?
- WHAT is each person's role, what is the message, what is the termination package?
- WHERE are the geographic locations, where in the building(s) will the meetings be conducted?
- WHEN is this going to take place for each individual, when will there be an all-hands meeting to inform survivors?
- WHAT will the actual steps be before, during, and after notification?



The Selection Methodology

Whether union or non-union, companies often use tenure as the most important determinate of who is impacted in a layoff. Although it can be good to recognize loyalty to the company, it can also miss the critical aspect of a layoff—to strengthen the organization. Over time, even the best organizations are often saddled with marginal performers who, for whatever reason, have not been dealt with in the performance management process.

A reduction-in-force is actually a good time to reevaluate the contributions of each employee and eliminate those individuals who are redundant or who do not serve as a strong asset to the company. Employees know who the good performers are. Terminating a high performer over a mediocre performer with longer tenure can send the wrong message to the employees you are retaining. By using performance as a major determinant, you not only send a message to employees that, even in tough times, the good performers can be confident of remaining with the company, you also take steps that ultimately make for a stronger organization poised to better address the continuing challenges ahead.



Employer Risk

Brainstorm and identify any potential risks to the company. This is generally where an outplacement firm would be invited in to discuss how they might help mitigate these risks.

Potential issues can include:

- Impacted employees not getting new jobs quickly and staying on unemployment, thus increasing insurance costs
- Impacted employees being angry and taking legal action
- Surviving employees being upset and worried, severely impacting morale and productivity
- Your company getting bad press about the layoffs, thus impacting your company's brand in the employment market



Employees with Special Circumstances

Often, there are employees with special circumstances that can impact their response to a layoff or termination. This can include:

- Medical ailments
- Maternity leaves
- Divorce proceedings
- Caring for disabled family members, etc.

It helps if you can identify your special needs employees and, together with the outplacement firm, discuss the best ways of engaging with these specific individuals, customizing both the level of service and the approach to ensure they feel positive and supported throughout the transition.



Why You Should Engage an Outplacement Firm

The advantages to using an outplacement firm include:

- Helping you plan the entire layoff, notification and logistics
- Communicating to both current and soon-to-be impacted employees that the company is concerned for their employees' welfare even when they are no longer with the company
- The legal advantages of helping individuals look forward to their next opportunity rather than stewing on how they can get back at the company
- On-site take-outs, or pick-ups, gives the impacted employee the opportunity to emotionally disengage with you, the employer, and reengage with their career coach

There is often resistance from executives to spending money on individuals who will no longer be with the company, particularly when money is tight. It is important to objectively weigh the cost of the service against the advantages such support brings. This is a business decision and needs to be treated as such.



Evaluating Outplacement Firms

In addition to cost, other important criteria include:

- Experience of the firm in similar-sized layoffs, similar populations, and industry specialization. Job development for PhD's in a biotech R&D role is very different from job development for grocery store clerks
- Expertise of the individuals actually working with the impacted employees. Review the bios of the consultants. Are they licensed career counselors? What training have they had? What career assessments are they certified to administer? How many individuals have they worked with? How long have they been with the firm?
- Geographic locations of the firm and their reach. Is this a local layoff, or are multiple offices impacted? Would you like one outplacement firm to coordinate your efforts worldwide, or would you like to engage a local firm for each region?
- Flexibility in the services provided. Is the firm willing to give you what you require, or must you modify your needs to fit their programs?
- Follow-up activities/support provided for longer-term job seekers. For how long? What type of follow up? How do they handle difficult cases?



Roadblocks to New Employment

Additionally, an experienced outplacement firm will schedule a separate conversation to discuss potential roadblocks to each impacted individual's success in completing a rapid career transition. Having this discussion allows you to look at different scenarios and imagine how each person will react when first notified, as well as how they will fare later on during their job search. This information will help you determine what services each employee will need. For example, some employees may only require communications coaching or interview preparation, while others need to start from scratch and create their resumes. By providing only the specific services each employee requires, you can create a custom-tailored package for each employee that provides maximum utilization and minimal cost.



Choosing an Outplacement Firm

The most common mistakes companies make when selecting an outplacement firm are:

1. Not bringing in a firm early on in the planning phase to help you assess and identify your impacted employee's specific career transition needs
2. Placing a premium on price over quality, capability, and culture-fit
3. Not taking the time to interview several firms before making your selection

And Remember!

To ensure confidentiality, it is best to get an outplacement consultant or firm under a non-disclosure agreement (NDA) before entering into initial conversations to determine fit.



The Outplacement Package

- ❖ Counseling
- ❖ Assessments
- ❖ Resume coaching
- ❖ Job development
- ❖ Compensation discussions



Counseling

Counseling (noun): *professional guidance in resolving personal conflicts and emotional problems*

In career transition and outplacement, this covers a wide range of issues and activities, including psychological, emotional, career development, financial and family issues, in addition to self and professional assessments and upfront triage-type counseling.

Outplacement counseling is divided into two parts:

1. Triage/intake
2. Customized support



Counseling: Triage & Intake

As an outplacement consultant, the first thing to do with any new outplacement candidate is reach out and attempt to engage them in one-on-one dialogue, building the trust-based relationship that will enable them to effectively utilize the services and support provided. This tends to get trickier the more time passes from notification to outreach. Candidates also tend to connect less well over the phone so on-site take-outs by certified career consultants guarantee a much-higher utilization rate. Directly following notification, the HR representative simply escorts the employee into a room where the outplacement consultant is waiting to talk to them. Based on the employee's emotional response to the notification, the consultant must then adapt each of three strategies to help them address their next steps.



Take-Out Strategies: Part 1

1. Counseling Strategy

No matter how the candidate responds, have your tactics in place in advance and stick to them. Otherwise, you may get sidetracked by a strong response and neglect the details you need to cover. These details include conducting a quick yet thorough assessment for anger level and see if there are any obvious triggers for hurting themselves or others; finding out if they have anyone whom they could call for emotional support; giving them the time to ask questions; educating them about their personalized outplacement program in detail, and gaining their commitment to show up for the first outplacement meeting or scheduled workshop.



Take-Out Strategies: Part 2

2. Psychological Strategy

It is important in this first meeting to start transferring the employee's primary relationship from their former employer (you) onto one they can hold with their outplacement consultant temporarily until they either find a new employer (preferred) or at least build some job search support relationships. Transferring the relationship helps take anger away from the employer and dissipate it, mitigating the risk of litigation. On the candidate side, the time spent in anger would be better focused on forward-facing activities: healing emotionally, introspection, self-marketing, and networking.



Take-Out Strategies: Part 3

3. PR Strategy

One of the most important discussions during a take-out is in helping candidates verbalize their current status to their family, friends and colleagues. Specifically, how they can comfortably communicate that, yes, they have lost their job but that the company is paying for them to get help in finding the next one, beginning with a scheduled workshop or private meeting in the next few days. This goes far towards getting them and their loved ones past the anger/bad situation phase, and onto the process/rebirth stage.



The Role of an Outplacement Consultant

From the onset, the outplacement consultant should make it clear to candidates that they have been engaged by the candidate's employer to help the candidate get a new job sooner. They will go over the components of the outplacement program in detail and make sure that each candidate knows something about their professional background. This gets the candidate comfortable and assures them that the consultant is a neutral third party, paid for by their employer, but here to support them. A conversation about confidentiality and any reporting that the employer has requested is then communicated to make sure that the candidate is in agreement. Due to the importance of keeping third-party neutrality, this report should only involve confirmation of engagement and include no details or specifics.



What Consultants Don't Address

Often candidates will ask extremely specific and seemingly random questions relevant to themselves or their careers, usually falling into one of the following categories:

- HR questions
- Unemployment insurance questions, or
- Legal questions

None of these are addressed by outplacement consultants, even if they know the answer, because they need to stay neutral in their role as counselor. Instead, consultants will refer them back to their former employer (you), to government websites, or sometimes to other online resources. About half of the time, candidates will ask if they should sign their waivers or if they should hire an attorney. Outplacement consultants find that the best way to handle this is by communicating upfront about the issue and taking the time to discuss the relationship, what help they can and cannot provide.



Assessments

To quote the company that produces the most widely-used career tests in the world,

“Effective career counseling begins with assessing your clients' and students' interests and personality.”

You have to know and understand a person—who they are and what their issues are—before you can counsel them in any particular direction.



The Danger of Assessments

Psychological assessments are often referred to as “instruments” or “inventories” by the professional community. It’s important to use outplacement consultants who are certified by a reputable professional coaching institute to administer and interpret psychological, personality, and skills-and-interest inventories and assessment instruments. Administering statistically-invalid, unreliable, irrelevant instruments can mean that you end up, from a position of authority and credibility, telling someone incorrect information about themselves. Certain instruments, like the Enneagram, have not been proven valid through rigorous, impartial statistical testing. They can be used for fun but should not be considered a cornerstone of testing for career development. Other instruments are too psychological in nature, such as the Minnesota Multiphasic Personality Inventory, and should only be utilized by licensed psychologists or psychiatrists for clinical diagnosis, and should absolutely not be used in a career counseling setting.



Assessments for Professional Development

The right assessments to use are a group of instruments and inventories that allow the candidate to self-report on critical and colorful aspects of his or her personality, including:

- The Myers Briggs Type Indicator®: the world's most popular assessment tool
- The Strong Interest Inventory®: the traditional career assessment tool that predicts what careers will give an individual the greatest sense of fulfillment based on comparisons of others in the same demography
- The Campbell Interest and Skills Survey®
- The 16PF®

A licensed career counselor or psychologist with a strong background of professional development in career development theory and practice will generally administer a combination of no less than two and no more than four of the tools, preparing the candidate in advance for the testing, providing detailed instructions on how to take the instruments, and advising the candidate on what kind of mood to be in while taking them. After the inventories have been scored, the professional will then plan out what information to share with the candidate to give them the introspection, support and validation they need, and how to present it.



Myers-Briggs Type Indicator® (MBTI)

The *Myers-Briggs Type Indicator*, or *MBTI*, is the best known and most trusted personality assessment tool available today. From developing more productive work teams to building closer families, the MBTI is available to the global community in 21 languages and helps:

- Improve individual and team performance
- Nurture and retain top talent
- Guide career development and career selection
- Develop leadership at every level of an organization
- Reduce workplace conflict, and
- Explore the world of work

Focus: how you make decisions, process information, react to situations and communicate



Strong Interest Inventory®

The **Strong Interest Inventory** assessment provides time-tested and research-validated insights to empower individuals to discover their true interests so they can better identify, understand, and often expand their career options. The in-depth assessment covers a broad range of occupations, work and leisure activities, and educational subjects, mapping out broad interest patterns to describe personalities and preferred work environments, providing more specific information about areas of interest, relating interest patterns to those of satisfied workers within the occupation, and describes the preferred style of working, learning, leading, risk-taking and team participation.

Focus: shows you what occupations people with similar interests are happy doing



Campbell Interest and Skill Survey®

The **Campbell Interest and Skill Survey**, or CISS, measures self-reported vocational interests and skills. Similar to traditional interest inventories, the CISS interest scales reflect an individual's attraction for specific occupational areas. However, the CISS instrument goes beyond traditional inventories by adding parallel skill scales that provide estimates of an individual's confidence in his or her ability to perform various occupational activities. Together, the two types of scales provide more comprehensive, richer data than interest scores alone. The CISS instrument focuses on careers that require post-secondary education and is most appropriate for use with individuals who are college bound or college educated.

Focus: self-reported skills and activities, how well the test-taker thinks s/he does these skills and activities, shows us what the person likes to do and what they should focus on developing more



16PF® Fifth Edition

The **16PF** instrument has been widely used for a variety of applications, including treatment planning, couples' counseling and to provide support for vocational guidance, hiring and promotion recommendations. Psychologists and career counselors can use the 16PF assessment to:

- Provide information for general vocational guidance to help determine occupations for which the individual is best suited
- Assist with personnel selection and career development through measurement of five primary management dimensions frequently identified to forecast management potential and style
- Assist with clinical diagnosis, prognosis and therapy planning by providing a normal-range measurement of anxiety, adjustment, and behavioral problems

Focus: gets into good detail about personality and gives you information about how you will act on the job and which job might be right for you



Resume Coaching

The best advice to give to any candidate is, “Make your resume scream out who you are.” Don’t worry about getting rejected; worry about getting selected!

This means still making sure that the resume is technically perfect, including grammar, format, and featured information. But take some risks if the desired reader of the resume would like those risks. Make the resume be exactly what the reader would hope the ideal candidate’s resume would be like on his lucky day.

For entry level roles, come across as neat, tidy, cooperative, stable and ready to help. For mid-level individuals, come across like you have been successful as you climb the ranks, e.g., fresh, energetic, polished, and with great technical skills. For C-suite executives, come across as disciplined, visionary, a great leader and a great communicator—basically, someone who can lead the troops to success even in difficult times.



Job Development

Part 1

With the information from assessing each candidate via observations or formal career assessments, make a construct of who the person is and what makes up the facets of their personality.

Consider:

- Their likes and dislikes
- How they communicate
- How they make decisions
- What stresses them out
- What energizes them
- What their values are
- What they respect and disapprove of
- What they feel they should be doing and why
- Where they are on their personal maturation cycle
- How they were raised
- What their parental expectations were
- What their siblings do for work
- What their spouse does for work
- Where they went to school and what that might say about them
- What kind of experiences have shaped them on the job
- Where they live
- Their socio-economic profile
- What their talents are



Job Development (continued)

Part 2

Identify work environments where the candidate would be happy and successful on the job, and could stay there for a long time.

Part 3

Research companies with these environments, strategize with the candidate to determine which they would like to pursue, and coach the candidate to come across as having exactly what the company needs during the interview process.



Compensation Discussions

Spend time with candidates upfront, coaching them to look at all the issues around money:

- How much they've been making
- How much they need to make without changing their lifestyle
- How much the market will think they're worth (consult [Glassdoor](#) for guidance)
- What they're targeting
- What they're willing to accept

Also address how long they estimate it will take to get a new job and whether they need to consider cutting their current spending if the job search drags on.

Candidates will need to share their compensation expectations as soon as they are asked for it so make sure they are prepared. For executives, this means their last base salary, their bonus target, how the bonus was calculated, any other perquisites, such as gym membership or childcare, they received or were qualified to utilize, their equity package and estimated dollar amount, pensions, upcoming sabbaticals, etc. Make sure you coach the candidate on how to walk that fine line between holding out for a better offer and turning off the prospective employer.



Post-Coaching Follow-up

Once the candidate has accepted the job offer and the appropriate celebrations have been had, spend some time with the candidate developing an onboarding plan. Focus on determining what the culture is of the new company, and how the candidate needs to modify his or her style in order to be successful there.



The Preparation & Notification Stage

- ❖ Written Communications
- ❖ Manager Training
- ❖ When to Notify
- ❖ On-site “take-outs” or “pick-ups”
- ❖ Communicating to the “survivors”



Written Communications

“If you hired them individually, fire them individually.”

This means handling the communications in a way that not only protects you legally but will make your employees feel as good as they can possibly feel in an unpleasant situation.

Your outplacement firm should help you with this by producing individually-addressed letters for each candidate that highlight their services, inform them of their first meeting or workshop, and provide contact information for their dedicated outplacement counselor. These should go directly into each impacted employee’s notification packet.



Manager Training

One of the most important tasks in prepping for a termination is to coach managers on how to notify their direct reports that their roles are being eliminated. Each termination is such a personal situation to the employer, the manager and the individual employee that having a mass training session defeats the purpose of personalized, employee-centric outplacement services. Training your managers on what to say during a notification is only providing part of the story. Yes, you do generally want to thank people for their contributions, tell them that you're sorry, say that you appreciate all they've contributed, and discuss the finality of the business decision. However, a large dose of sympathy and discipline in how you deliver the script can go far in controlling a situation. Get your managers to think back to when they've been rejected for something, be it in sports, getting laid off or having a boyfriend/girlfriend break up with them. How would they have liked it to go? What worked? What do they remember even years later? How can they make it respectful and appreciative of what the employee is going through, yet be fast, thorough, and professional?



When to Notify

Most outplacement firms recommend notifying early in the week and early in the day, the reason behind which is the notion that impacted employees won't then go home and stew all weekend. We would, however, recommend otherwise.

1. They will be stewing over the fact that they got laid off, whether it's over the weekend or during the week
2. More importantly, consider the welfare of notifying managers. Have you ever had to do terminations first thing in the morning? It ruins your sleep the night before and, often, the person you want to notify may not even be there

Why not just pick the time of day and date that makes the most sense for your team? This way, you can ensure that your team will be comfortable with what needs to be done and they will be in a much better position to be gracious, compassionate and strategic in their communication.



On-site Notification Support

The most critical first component in an outplacement program is an on-site “take-out” or “pick-up”. Although often viewed as an ‘extra’, having access to a professional career coach who can give impacted employees thoughtful and timely advice as soon as they’re notified will help them sort through their emotions and calmly think through next steps. Notified individuals often feel more comfortable asking questions and addressing their concerns with someone whom they don’t view as a direct representative of the company that just let them go, hereby beginning the process of breaking their emotional bond (and negativity) with your company and building a new bond with the outplacement consultant who will be helping them through their transition.



Communicating to the Survivors

Often lost in the chaos and emotion of a layoff is the importance of communicating to those who remain with the company. Be sure you are working with management to develop a message that is clear, concise and realistically-optimistic. Those that remain may be feeling bad for those impacted, or feeling relief mixed with guilt that they were not one of them, concerned for the future of the company and, most likely, concerned that they may be next.

Important points to hit in the message:

- ❖ Reasons this action was taken
- ❖ That this was a difficult but necessary decision
- ❖ That there are no plans for additional cuts (hopefully this is the case!)
- ❖ Why this makes the company stronger



Survivors: When, Where, How

Call an all-hands meeting the same afternoon of the RIF. In person, face-to-face is always the best way to present this message. When this is not possible, video conferencing or teleconference may have to suffice. Provide time for people to ask questions. Be sure that all management is well-versed and clear on the message—this is a particularly critical time for management to be in sync. Be extremely careful with any company-wide email messages—whatever is sent invariably will get forwarded externally and often will reach the media.

Don't forget to have your leaders communicate regularly in the weeks and months following. Messages need to be reinforced or they'll be forgotten!



This is Tough!

Yes, it is.

In fact, the day this becomes easy is the day you are in the wrong job. It is also a time when you are needed the most and can be a huge asset to both the company and the employees.



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