Checklist

Planning Employee Separations

Legal Disclaimer

Information provided in this document is for information and discussion purposes only. It has been compiled from our experience with the Career Transition process during a RIF. It is not intended to be inclusive, and all practices may not apply to every company's unique situation. Prior to utilizing any of the information contained herein, we recommend approval by the company's legal department.

Employee Separations, whether a large-scale RIF or smaller reductions, require careful planning and detailed project management to ensure a smooth process while achieving business objectives.

There are many stakeholders, and plenty of details to consider – we recommend implementing the planning process as early as possible to avoid potential issues and unnecessary speedbumps that can impact employee engagement and morale.

Included in this document:

Phase 1 - Initial Planning

Person Responsible	Target Date	Complete?
		Y/N

1. **Establish a core Project Team for the project.** The core team may consist of:
   - ❑ HR representatives (Corporate and Local HR managers)
   - ❑ Selected Corporate representatives
   - ❑ Legal Counsel
   - ❑ Business/Operations Manager(s)
   - ❑ Communications (internal and external)
   - ❑ Physical Security
   - ❑ IT Security
   - ❑ Union Representatives (if applicable)
   - ❑ CareerCurve Consultant
     - ➢ Define a single point of contact to work with CareerCurve relationship manager.

Person Responsible	Target Date	Complete?
		Y/N

2. **Clear and consistent communication** is vital throughout the process, and it starts with leadership alignment outlining the reason for planned separation(s). Early on in the planning phase, senior leadership should determine and discuss the options with HR and other management stakeholders and arrive at the business reason for the planned separation(s).

   - ❑ Do business records/documentation exist that objectively supports the business reason for separation(s)?
   - ❑ Consider all alternatives, the following are some non-RIF options:
     - ➢ Offer voluntary/early retirement to select employee groups (refer to Appendix C – Voluntary Separation/Early retirement options); CareerCurve can provide onsite coach for employee **Career Decision counseling and Retirement Planning consulting** to support voluntary separation goals
     - ➢ Attrition /hiring freeze
     - ➢ Redeployment/reassignment of workforce to retain some or all employees – CareerCurve can support with **coaching, workshops** and offer **Spouse Relocation services** to support redeployment goals
     - ➢ Job sharing/reducing work hours
     - ➢ Restructure compensation/Total Rewards

- ❑ Start working on Master Communication Plan (refer to Appendix A – Communication Planning)
- ❑ Develop ongoing Talking Points/FAQ answer list as part of the overall communication plan. Add to this list as questions arise throughout the planning process. (Refer to sample FAQs in Appendix A – Communication Planning)

Person Responsible	Target Date	Complete?
		Y/N

3. Project Set-up and Timeframe

- ❑ Establish project Timeframe – based on project type: at least 60 days prior to Separation for pre-announced Separations (subject to WARN). Recommend 90-120 days if Voluntary Separation Program will be offered first
- ❑ **Set Date of RIF. All planning revolves around this date.**
- ❑ Establish preliminary target number of employees for RIF to meet business objectives.
- ❑ Define process/guidelines for selecting employees who will be affected
- ❑ If separations are pre-announced: Develop incentives to retain terminated employees until separation date
- ❑ Activate hotline number/FAQ website for employees (Unemployment Compensation, COBRA, redeployment selection process, early resignation affecting severance payout/stay bonus, etc.

Person Responsible	Target Date	Complete?
		Y/N

4. Review of employee list selected for separation to minimize legal risk:

- ❑ Age, length of service, minority status, performance, succession pipeline
- ❑ EEOC considerations – discrimination complaints, sexual harassment, etc.
- ❑ Union agreements
- ❑ Awareness of any employee Health Issues
- ❑ Alien Worker requirements
- ❑ WARN Act and Older Workers Benefit Protection Act (OWBPA) issues
- ❑ HRIS "Paper Trail" of documented performance
- ❑ Awareness of any employee personal issues which could lead to a claim of intentional infliction of emotional distress
- ❑ Whistleblower issues with any employees on list
- ❑ Any Employee(s) on Workers' Compensation
- ❑ Any verbal promises of job security, promotions, etc.

- ❑ Any other issues or episodes related to potential discrimination relative to race, color, religion, gender, sexual preference, national origin, disabilities, age, pregnancy, childbirth
- ❑ Review any Individual Employment Contracts
- ❑ Current Employee Handbook or Benefit Plan obligations (severance policies, termination policies, etc.)
- ❑ Statistical review of protected groups
- ❑ Final review/signoff with legal counsel?

Person Responsible	Target Date	Complete?
		Y/N

5. Worker Adjustment & Retraining Notification "WARN ACT"

- ❑ Official Notices/Letters (such as WARN Act) sent to employees (if applicable – refer to Appendix B – WARN Provisions)
- ❑ Announce closing date of site to employees and the press, (if applicable)

Person Responsible	Target Date	Complete?
		Y/N

6. Separation Benefits Determination

- ❑ Pay in lieu of notice
- ❑ Vacation pay, accumulated paid leave/PTO as applicable
- ❑ Life insurance-accidental death, travel, dependent life
- ❑ Severance pay – policy consistently applied
- ❑ COBRA/Medical Coverage Continuation
- ❑ Savings Plans: stock options, 401(K), savings bonds, investment plans, applicable pension plans; other retirement benefits – vested/non-vested
- ❑ Miscellaneous – tuition reimbursement, adoption assistance, product/service procedures
- ❑ Expense Reports
- ❑ Payroll Deductions – credit union, garnishments, etc.
- ❑ Unemployment Compensation eligibility
- ❑ Outplacement/Career Transition Assistance – decide if individuals can start services immediately after separation, prior to separation, or once a signed agreement is returned.
- ❑ Other training funds available
- ❑ Policy on employee Reference Requests
- ❑ Will affected employees be eligible for rehire?
- ❑ Reminder of previously signed Non-compete and Non-Disclosure Agreements

Person Responsible	Target Date	Complete?
		Y/N

7. **Define process for the return of company equipment**, keys/ID/access cards, laptops and personal computers, smartphones, manuals, samples, proprietary information, confidential files, etc.

    - ❑ IT/ security clearances, access codes, voicemail access, e-mail access, etc. Work with IT on timing to shut off access.
    - ❑ Define process for employees to exit the building.

Person Responsible	**Target Date**	**Complete?**
		Y/N

8. **Separation Packet(s) prepared for each employee.**

    - ❑ Finalize list of employees being released – ensure only the most current version is in circulation
    - ❑ Separation Letter
    - ❑ Separation Agreement/Release
    - ❑ Benefits Guide
    - ❑ Outplacement Information Packet
    - ❑ FAQ and 'Who to call' lists

Person Responsible	**Target Date**	**Complete?**
		Y/N

9. **Notify the Payroll Department or Payroll vendor to prepare final paycheck(s).**

Person Responsible	Target Date	Complete?
		Y/N

10. **Notify outside Plan Administrators of any employee status changes and relevant dates.**

Person Responsible	**Target Date**	**Complete?**
		Y/N

11. **Finalization of Transition Services provided by CareerCurve**

    - ❑ Schedule on-site meetings with coaches during separation process
    - ❑ Determine program level for each individual.
    - ❑ Prepare list(s) of affected employees, addresses, phone numbers, email etc. to submit to CareerCurve.
    - ❑ Determine if outplacement services must be initiated within a set timeframe (e.g., 90 days after separation date), and include this in Benefits/Separation Agreement.
    - ❑ Prepare Messaging and a Communication Document for retained employees to be distributed immediately after notifications are completed. (This should contain business reasons, reassurance of either no further anticipated activity or an explanation of what happens next.)

Phase 2 - Notifier/Manager Training

Person Responsible	Target Date	Complete?
		Y/N

1. **Training on How to Conduct Separation Meetings – for notifying managers**

- ❑ CareerCurve can provide Manager training as part of Outplacement support
- ❑ Consider off-site training
- ❑ Keep printed information to a minimum to avoid potential leaks.
- ❑ Provide Notification Scripts to Managers
- ❑ Dry run of meeting logistics (e.g., Manager delivers short scripted message→HR provides benefit information→CareerCurve coach discusses transition support and immediate next steps→employee exit process with Manager/HR/escort/security

Person Responsible	Target Date	Complete?
		Y/N

2. **Communications and Logistics training – all relevant managers**

- ❑ Consider conference call vs. in-person meeting to avoid speculation from employees
- ❑ Provide FAQ/talking points to all managers

Phase 3 – Planning for Notification Day

Person Responsible	Target Date	Complete?
		Y/N

1. **For separated employees:**
   - ❑ Establish a schedule of the meeting(s). Early in the day is recommended, but need to factor flex-time, shifts, etc.
   - ❑ Develop/distribute meeting schedule and contact list to all involved, include cell phone numbers etc.
   - ❑ Confidential/private setting - reserve enough rooms for notification meetings
   - ❑ Communicate process for any absentees
   - ❑ Discreetly place tissues in room(s)
   - ❑ On-site assistance from CareerCurve - reserve extra rooms/plan logistics
   - ❑ Plan for discrete planning meeting with CareerCurve consultant just prior to notifications taking place
   - ❑ Are escorts/runners needed during the process (in addition to HR and notifying manager)?
   - ❑ Availability of medical personnel, EAP
   - ❑ Employee Departure Time
   - ❑ Movement of Personal Property (immediately after notification or at a later time?)
   - ❑ Employee Transportation - do individuals need a ride home?
   - ❑ Any Security issues? Schedule security support staff and location(s). Do exit doors stay locked?
   - ❑ Update Employment Files and Office Directories (phone, e-mail, address book, etc.)
   - ❑ Re-route business mail/email/phones

Person Responsible	Target Date	Complete?
		Y/N

2. **For remaining employees:**
   - ❑ Develop plan for senior leader visibility (town hall, all-hands meeting, walk the floor)
   - ❑ Reason for the restructuring
   - ❑ How work will be transitioned
   - ❑ What can be said about separated employees
   - ❑ How is the phone answered?
   - ❑ Identify how separated employees are being helped through their transitions (e.g., severance, career transition services, etc.)
   - ❑ Announce ASAP after last separation meeting to ease anxiety for remaining employees/survivors

Person Responsible	Target Date	Complete?
		Y/N

3. **For external constituencies:**

- ❑ Who notifies clients, vendors, agencies, etc.?
- ❑ Establish Media Contact/PR person
- ❑ Develop Press Release, list of media outlet contacts
- ❑ Who is authorized to answer questions from the press? (Refer to Appendix A – Communication Planning)

Phase 4 – Post-Notification Day

Person Responsible	Target Date	Complete?
		Y/N

1. **Monitor Progress towards Business Objectives**

- ❑ Track and Collect signed Agreements/Releases/Waivers (waiving of legal claims against the employer)
- ❑ Conduct Exit Interviews
- ❑ Monitor and enforce post-employment agreements, such as Noncompete and Nondisclosure Agreements
- ❑ HR establish regular check-ins with managers regarding team/workgroup engagement levels, address ongoing concerns. Provide change management/team-building workshops as necessary.
- ❑ Monitor Social Media for 'chatter'/disparagement of the company following RIF.
- ❑ Review reports from CareerCurve on former employee progress towards landing.

Appendix A

COMMUNICATIONS

Typical FAQs from Employees:

- Will my severance package be different if I leave before my separation date?
- How should I handle my ongoing medical needs?
- How will my tuition reimbursement plan be affected by current coursework?
- If I'm eligible for retirement, who will handle the paperwork and to whom do I direct questions about my pension/401 benefits?
- What happens to my 401(k) (or other retirement) plan?
- What unemployment benefits will I be eligible for and when can I apply for unemployment?
- What do I do if I am currently on a leave of absence, STD, or LTD?
- What will happen to any loans I may have taken?
- Will I be paid for any unused vacation/PTO?
- I have an employment anniversary milestone this year - will I still get my length-of-service award?
- Will my pension benefit be bridged to include my upcoming anniversary/level of service?
- What are the Career Transition/Outplacement services available to me?
- What is the process for selecting employees for other positions within the company?
- Can I apply for more than one internal position?
- When will I know if I will be offered an alternate internal position?
- If I'm offered a position at another location and it requires relocation, will the company pay for my move and can my spouse receive transition services to find another job?
- If I decline a position offered to me at another location or in a different business unit, does it affect my severance?
- Is my employment (or non-compete) agreement affected by this separation?

Communication Planning

The following is a sample communications planning checklist. It is not inclusive, and every situation is different. This is intended as a general guide only.

Internal Communications

Person Responsible	Target Date	Complete?
		Y/N

1. **Work with senior leadership to develop a strategic business rationale and messaging.**

Person Responsible	Target Date	Complete?
		Y/N

2. **Senior Leadership Steering Team agrees on goals and communication priorities for key stakeholder groups:**

   - ❑ Board/Owners/Shareholders
   - ❑ Senior Leadership
   - ❑ Mid-Managers/Supervisors
   - ❑ Employees affected by RIF (if 60-day advance notice required)
   - ❑ Survivors/remaining employees
   - ❑ Contractors
   - ❑ Key customers
   - ❑ Identify any other stakeholders

Person Responsible	Target Date	Complete?
		Y/N

3. **For each stakeholder group identified above, identify all messaging channels to be utilized (will vary for each group):**

   - ❑ Individual face-to-face meetings
   - ❑ Town Hall
   - ❑ Recorded Video
   - ❑ Webinar
   - ❑ Conference Calls
   - ❑ Mailing
   - ❑ Email distribution
   - ❑ Corporate social media
   - ❑ Corporate Intranet
   - ❑ Other channels

Person Responsible	Target Date	Complete?
		Y/N

4. **Begin designing communications toolkit for each stakeholder group, including messaging and timeline.**

Person Responsible	Target Date	Complete?
		Y/N

5. **Develop plan/timeline/logistics for day of announcement, include three days immediately before and after announcement (the critical time period for precise communications regarding the RIF/restructuring).**

Person Responsible	Target Date	Complete?
		Y/N

6. **Develop a master plan and timeline for the roll-out of all communications programs:**

    - ❑ Pre-announcement (restricted to need-to-know leadership and managers)
    - ❑ Announcement day
    - ❑ Post-announcement day

    Prepare and organize logistics for the timing of announcements, meetings, communications, and follow-ups.

Person Responsible	Target Date	Complete?
		Y/N

7. **Develop message(s) for CEO/president or Leader for all identified communication channels.**

Person Responsible	Target Date	Complete?
		Y/N

8. **Prepare information sheets for managers (both notifying and non-notifying managers) including potential FAQs, HR contact, who to call, etc.)**

Person Responsible	Target Date	Complete?
		Y/N

9. **Secure all necessary approvals to finalize Communications/Information packets for managers and affected employees – Legal approval, Leadership, HR.**

Person Responsible	Target Date	Complete?
		Y/N

10. **Coordinate internal communication program with other constituents (external communications/PR consultant; media relations).**

Person Responsible	Target Date	Complete?
		Y/N

11. **Provide Notifier Training/Coaching for notifying managers. Schedule as close to Notification/announcement day as possible.**

Person Responsible	Target Date	Complete?
		Y/N

12. Finalize and print/develop all communications toolkits for all stakeholders. Verify that toolkits/briefing materials include and are clearly marked for each the following periods:

- ❑ Advance notification
- ❑ Announcement/Notification day
- ❑ Post announcement follow-ups and monitoring
- ❑ Distribute according to master timeline schedule.

Person Responsible	Target Date	Complete?
		Y/N

13. Design employee and other stakeholder feedback process, pulse check surveys and/or other monitoring (e.g. social media) to gauge ongoing sentiment. (e.g., develop process for the Sales Dept. to provide feedback from key customers)

Person Responsible	Target Date	Complete?
		Y/N

14. Prepare script and contact list for administrative assistants, receptionists, switchboard operators, and perimeter guards for announcement day(s).

Person Responsible	Target Date	Complete?
		Y/N

15. Identify and inform employees with special information needs:

- ❑ Worker's Compensation
- ❑ Disability leave
- ❑ Maternity leave
- ❑ Vacation
- ❑ Part-time or contract salesforce.

External Communications

Person Responsible	Target Date	Complete?
		Y/N

1. **Work with senior leadership to develop a strategic business rationale and messaging.**

Person Responsible	Target Date	Complete?
		Y/N

2. **Identify key external stakeholders and community groups, such as:**
   - Clients/customers
   - Vendors/suppliers
   - Partnerships
   - Unions
   - Industry associations
   - Local Chamber
   - Other stakeholders
   - Consider contacting the State and bringing in an unemployment specialist if applicable.

Person Responsible	Target Date	Complete?
		Y/N

3. **For sensitive locations (e.g. Large RIF or plant closure, where the company is the largest employer in town):**
   - Establish a community relations program, work with community leaders. Consider working with a Public Relations consultant.

Person Responsible	Target Date	Complete?
		Y/N

4. **For each stakeholder group identified above, identify all messaging channels to be utilized (will vary for each group):**
   - In-person meetings
   - Recorded Video
   - Corporate Website/Customer Extranet
   - Conference Calls
   - Mailing
   - Email distribution
   - Corporate social media
   - Other channels

Person Responsible	Target Date	Complete?
		Y/N

5. Begin designing communications plan for each stakeholder group, including messaging and timeline. Develop main message(s) from CEO/president/Leadership to each external stakeholder group.

Person Responsible	Target Date	Complete?
		Y/N

6. Create a task team to identify any potential business needs related to the event (e.g. some clients may need proactive reassurance from senior leadership regarding continued service quality and meeting deadlines).

Person Responsible	Target Date	Complete?
		Y/N

7. Develop a master plan and timeline for the roll-out of all communications programs. Prepare and organize logistics for the timing of announcements, meetings, communications, and follow-ups.

Person Responsible	Target Date	Complete?
		Y/N

8. Secure all necessary approvals to finalize External Communications – Legal approval, Leadership, etc.

Person Responsible	Target Date	Complete?
		Y/N

9. Coordinate external communication program with other constituents (internal communications/HR/legal/leadership/media relations).

Person Responsible	Target Date	Complete?
		Y/N

10. Establish a feedback process to channel and respond to feedback from each external stakeholder group. Monitor social media channels.

Media Relations

1. **Identify critical outlets for media relations (decide if scope is local/regional/national) in:**

   - ❑ Print
   - ❑ Online
   - ❑ Social media
   - ❑ TV
   - ❑ Radio
   - ❑ Other media.

2. **For each outlet, design a media relations framework, including the following:**

   - ❑ Identify and prepare spokesperson(s)
   - ❑ Draft press release(s) or information kits
   - ❑ Identify company spokesperson(s) and media contacts
   - ❑ Create a process to route all media questions to an authorized spokesperson.
   - ❑ Ongoing media monitoring.

3. **Develop strategic press statements and circulate to spokespersons.**

4. **Develop Master media plan in preparation for the roll-out.**

5. **Provide training in media management skills for spokespersons and relevant executives.**

6. **Provide guidance to Security/front gate/receptionists regarding any media who arrive onsite unannounced.**

Appendix B

The WARN Act

The following information is a summary only, please consult legal counsel to confirm the current notification requirements.

In 1988 Congress enacted a law, the Worker Adjustment and Retraining Notification (WARN) Act, which offers protection to workers, their families, and communities by requiring employers to provide notice 60 days in advance of covered plant closings and covered mass layoffs. This notice must be provided to affected workers or their representatives (e.g., a labor union), to the State dislocated worker unit, and to the appropriate unit of local government.

WARN General Provisions

Any company, whether profit or non-profit, that has at least 100 employees and meets the qualifications is required to file the 60-day notice under federal law. Some of the qualifications commonly encountered are:

- Single facility closure where at least 50 employees will be laid off
- Mass layoff of 50-499 employees, if at least 1/3 of the workforce is being laid off
- Any layoff in excess of 500 employees requires notification
- A series of layoffs within any 30-day period requires the same filing notice

Excerpt from the US Dept. of Labor:

"Employees entitled to notice under WARN include managers and supervisors, as well as hourly and salaried workers. WARN requires that notice also be given to employees' representatives, the local chief elected official, and the state dislocated worker unit.

Advance notice gives workers and their families some transition time to adjust to the prospective loss of employment, to seek and obtain other jobs, and, if necessary, to enter skill training or retraining that will allow these workers to compete successfully in the job market.

Generally, WARN covers employers with 100 or more employees, not counting those who have worked less than six months in the last 12 months and those who work an average of less than 20 hours a week.

Employees entitled to advance notice under WARN include managers and supervisors as well as hourly and salaried workers.

Regular federal, state, and local government entities that provide public services are **not** covered by WARN. "

Some helpful links for compliance assistance on the DOL website:

Employment Law Guide (Overview of WARN Act):http://www.dol.gov/compliance/guide/layoffs.htm
WARN Guide to Advance Notice of Closings and Layoffs: http://www.doleta.gov/layoff/warn.cfm
Employers Guide (PDF): http://www.doleta.gov/layoff/pdf/EmployerWARN09_2003.pdf
Workers Guide (PDF): http://www.doleta.gov/layoff/pdf/WorkerWARN2003.pdf

Appendix C

Voluntary Separation/Early Retirement Program Options

Reductions-in-force can have major consequences for business profitability, and these decisions are never taken lightly. When considering a major restructuring event, organizations often run through a list of cost-saving options before deciding to implement a RIF. One option is to consider a voluntary reduction. Implementation of Voluntary Separation/ Early Retirement programs is one way to achieve business objectives during a restructuring that do not negatively impact employee engagement and performance. Consider the following issues when deciding if a voluntary program is right for your organization:

- ❑ Conduct analysis of target populations and determine eligibility parameters
- ❑ Decide severance benefits provided for eligible employees. **CareerCurve can provide outplacement and Retirement coaching programs** as additional severance benefits to assist with the transition.
- ❑ Examine 'worst/best case' scenarios (e.g., ALL eligible employees elect to take severance package, or NO employees elect this option)
- ❑ Conduct Analysis with various % take-up rates to determine 'break-even' point on achieving business objectives.
- ❑ Establish timelines and decision/application windows
- ❑ Work with Legal dept regarding possible legal concerns (e.g., disparate impact studies)
- ❑ Factor in the possibility of losing high performing/high potential employees. Coordinate with talent/succession programs to identify 'flight risk' candidates.
- ❑ Develop a Communication plan to clearly provide options to employees.
- ❑ Provide information resources for employees to examine their options – FAQs, benefits consultant access, onsite financial planner etc.
- ❑ **CareerCurve can provide onsite career coach to provide pre-decision career/retirement counseling** to help employees make a decision.
- ❑ Continue to communicate to all employees in a transparent manner. Realize that if goals are not met, the company may still have to conduct an involuntary RIF.

CareerCurve can support you by providing the following services to support Voluntary Separation/Early Retirement initiatives:

Pre-decision consulting with an independent Career Coach

Provide employees with access to an onsite professional consultant to help them reach a decision that is right for each individual and their family. CareerCurve can provide scheduled onsite sessions (1 or 2-hour sessions) for a private consultation. Employees can freely discuss current career status, goals, and objectively evaluate the Voluntary Separation package. Spouses are often included and welcome to attend the session with the employee. Note: this consultation focuses on career, life balance, retirement options, and adjusting through the transition. We recommend that the company also provides access to a financial planner to assist the decision from a financial perspective.

Career Transition and Retirement Coaching Services

While retirement was once an invitation to leisure, relaxation and less significance, today's retirement is fraught with uncertainty, many questions, and for 75% of retirees, continued employment. Employees who enroll in the Voluntary Separation/Early Retirement program would greatly benefit from a Transition/Retirement programs provided by CareerCurve, as part of the severance package.

This standard practice severance benefit will support the smooth transition from the organization. Whether the employee will be seeking new employment or retiring, a coach will help bridge through the adjustment period.

Current research shows that retirement today still involves continued work for many retirees – whether full-time in a completely different role, part-time, consulting, or volunteering.

CareerCurve transition programs are designed to support all transition paths, including retirement coaching to help eligible individuals evaluate their options in a structured process. This includes resumes, coaching on networking skills, research assistance etc. Retirement coaching often includes the individual’s spouse, and we encourage couples to embark on this new chapter together. Some of the coaching topics for people considering retirement:

- De-bunking myths and misperceptions about retirement – how will you spend your time?
- Developing a realistic vision for the future
- Aligning values and interests
- Leisure /Work balance – volunteering vs. part-time, community involvement
- Learning and training opportunities for new skills
- Health and ability concerns