

Layoff Toolkit

TO FACILITATE COMPASSIONATE TRANSITIONS



Introduction

The goal isn't just to execute a process—it's to protect people, trust, and dignity every step of the way.

Conducting a reduction in force (RIF) is the single most difficult responsibility in Human Resources. It is a collision of legal compliance, financial necessity, and human emotion. This toolkit is designed to guide HR leaders through the process with integrity, ensuring the dignity of departing employees while protecting the company's legal standing and remaining culture.

As of late 2025, the intensity of job cuts has seen a sharp increase compared to previous years. U.S. employers announced approximately 1.1 million job cuts through October 2025 alone (a 65% increase compared to the same period in 2024). You are not alone in this experience. And with the right tools and planning, you have the power to impact the experience of others going through this difficult transition.

What's Included

Before - The Preparation & Compliance Phase

1. The Selection Criteria
2. The Legal Compliance Checklist
3. The Severance Package

During - The Notification Phase

1. Logistics
2. The Script (The "Band-Aid" Method)
3. What NOT to Say

The Aftermath - Managing the Survivors Phase

1. The "Survivor" Town Hall
2. Re-Recruiting Your Top Talent

Risk Strategy and Matrix

HR Process Checklists

- Preparation Checklist (2–4 Weeks Before)
- The "Day Of" Checklist for HR
- Post-Layoff Checklist (1–4 Weeks After)

Before

The Preparation and Compliance Phase

Before a single calendar invite is sent, the foundation must be airtight.

◆ Before

To avoid discrimination lawsuits and to ensure more equitable practices, selection must be based on objective, defensible business reasons.

- **Role Elimination:** The position is no longer needed (e.g., automation, restructuring).
- **Performance-Based:** Based on documented performance reviews (risky if documentation is sparse).
- **Seniority-Based (LIFO):** "Last In, First Out." Safest legally, but may deplete new talent.
- **Skills-Matrix:** Evaluating employees based on critical skills needed for the future state of the business.

◆ The Legal Compliance Checklist

- **Adverse Impact Analysis:** You must run a statistical analysis to ensure the RIF does not disproportionately affect a protected class (race, gender, age).
- **WARN Act** (US Specific): If you are a large employer (100+ employees) and laying off a significant percentage, you may be required to give 60 days' notice. Check state-specific "mini-WARN" acts as well.
- **OWBPA** (Older Workers Benefit Protection Act): If asking employees over 40 to sign a waiver/release, you must provide them with 21 days to consider it (45 days for a group RIF) and 7 days to revoke, plus a disclosure of the ages of those selected vs. not selected.
- **Unionized Workforce Considerations:** If your workforce is unionized, the Collective Bargaining Agreement (CBA) supersedes standard company policy. Ignoring the CBA can result in Unfair Labor Practice charges. Check for specific clauses on:
 - Notice Periods and Notification Protocols
 - "Bumping" Rights
 - Recall Rights
 - The "Duty to Bargain"
 - Weingarten Rights

◆ The Severance Package

Determine the formula to ensure consistency. Consider what your company has the capacity to provide. This will determine if the focus is on the bare minimum to ensure the company can survive, or on the best interest of those impacted and employer brand reputation via more generous offerings.

- **Standard:** 1–2 weeks of pay per year of service.
- **Benefits:** COBRA coverage subsidy (e.g., company pays premiums for 1–3 months).
- **Outplacement:** Providing services (resume writing, career coaching) is crucial for brand reputation.

During The Notification Phase



◆ Logistics

- **Timing:** Mid-week (Tuesday/Wednesday) is currently preferred over Friday. Friday firings leave people isolated over the weekend with no support services open.
- **Setting:**
 - **In-Person:** Private room, tissues available, water available.
 - **Remote:** Video ON is mandatory. Do not disable their access before the call.
- **Attendees:** The direct manager delivers the news; HR is there as a witness and to handle the logistics/paperwork.

◆ The Script

When layoffs happen, HR becomes the steady hand others look to. In moments that feel heavy and deeply human, your role is to deliver clarity, care, and structure—without making the conversation harder for the person on the receiving end. The next slide provides a clear script that gets to the point respectfully, guidance for navigating emotions in the room, and the phrases you should avoid to prevent harm or false reassurance.

The goal: to help you lead layoffs with professionalism and humanity, even when the news is hard.

The "Band-Aid" Method

Do not small-talk. Do not "sandwich" the bad news. Get to the point within the first 30 seconds.

Manager: "Thank you for meeting with me. I have some difficult news to share. As we discussed in the all-hands meeting regarding our financial restructuring, we are eliminating positions across the department.

Unfortunately, your position is being eliminated, and today is your last day.

I want to be clear that this is a strategic business decision and not a reflection of your performance. We have appreciated your contributions."

HR: "I know this is difficult to hear. My role here is to walk you through the details of your transition. We have prepared a severance package for you, which includes [X weeks' pay] and [healthcare details]. I'm going to send this document to your personal email now. Let's look at the next steps..."

What NOT to Say

- "This is really hard for me, too." (Do not focus on your feelings).
- "Maybe in a few months, we can bring you back." (Do not give false hope).
- "I fought for you." (Do not throw leadership under the bus).

The "Survivor" Town Hall

The employees who stay will be anxious, guilty, and skeptical. Productivity usually drops by 20-40% after a layoff.

Hold a meeting immediately after notifications are complete.

- **Acknowledge the Pain:** "We said goodbye to many talented colleagues today. It is okay to be sad."
- **Explain the "Why":** Be transparent about the financial reality.
- **Define the Future:** "This was done to secure the company's future. Here is our plan for the next 6 months."
- **Provide Support:** Lean into EAP and mental health benefits. If your culture is typically rich and very connected, consider bringing in a third-party resource to lead a discussion about survivor's remorse and grief.

Re-Recruiting Your Top Talent

Your high performers are now flight risks: 74% of employees who keep their job after a corporate layoff say their own productivity declines after the layoff, and 87% say they are less likely to recommend their organization as a great place to work.

Conduct "Stay Interviews" within 2 weeks of the layoff to reassure them of their value and the stability of their role.

- **Conduct "Stay Interviews":** Schedule 1:1's within 7 days. Acknowledge the layoff as the reason for the check-in and provide transparency. Ask: "What is one thing that keeps you here?" "How can I support you as a manager through this?"
- **The "Criticality" Conversation:** Do not assume they know they are safe. Explicitly tell them: "You are a cornerstone of our future strategy. Here is exactly how your role fits into the new vision."
- **Spot Bonuses / Equity Refreshes:** If the budget permits, a small retention bonus (even \$1k-\$5k) signals "we are investing in you," not just cutting costs.
- **Access to Leadership:** Grant your top 10% access to skip-level meetings with the C-Suite to ask questions directly.
- **Accelerated Growth:** Assign them to high-visibility projects that were previously blocked by bureaucracy.

Risk Strategy and Matrix

Business Size Specific

| | Small Business (<50 Employees) | Medium Business (50–500 Employees) | Large Enterprise (500+ Employees) |
|----------------------------|--|--|---|
| The Culture Risk | Extreme. Everyone knows everyone. A layoff feels like a "family breakup." | High. Rumors travel fast. Inconsistent messaging between departments can cause chaos. | Moderate. Risk is less about personal connection and more about public reputation/Glassdoor reviews. |
| The Process | High Touch. The Founder/CEO should likely deliver the news personally or be very visible. | Structured. HR leads the process, and managers deliver news. Scripts are mandatory to ensure consistency. | Industrialized. Strict timelines, timed IT shut-offs, security presence (if needed), and mass communication. |
| Compliance Focus | Discrimination Risks. Ensuring the selection wasn't personal bias. State unemployment laws. | Adverse Impact. Ensuring protected classes aren't targeted. State Mini-WARN acts. | WARN Act & OWBPA. Federal reporting requirements. Press/PR management strategies. |
| Offboarding Support | Personal Networking. The CEO making calls to their network to help land jobs for departing staff. | Severance & COBRA. Standard financial packages. | Outplacement Firms. Hiring external vendors (like LHH or Randstad) to manage career transitions. |
| Common Mistake | Over-sharing. Trying to explain "why" too much to justify the decision, leading to arguments. | The "Leak". Managers telling their favorites, "don't worry," before the official announcement. | The Robot Approach. Disabling Slack/Email before the meeting occurs, causing panic. |

HR Process Checklists

This series of checklists covers the HR lifecycle of the event, from the initial planning to the post-mortem.

Preparation Checklist (2–4 Weeks Before)

This preparation checklist outlines the core legal, operational, and communication steps HR must complete in the weeks leading up to a reduction in force. It ensures every detail—from impact analysis to manager readiness and workflow redistribution—is in place well before notification day.

[Download](#)

The "Day Of" Checklist for HR

This checklist captures the critical tasks HR must complete on notification day to ensure a smooth, secure, and legally compliant process. It keeps every detail—from IT access and payroll readiness to manager scripts and employee support—organized and ready before the first meeting begins.

[Download](#)

Post-Layoff Checklist (1–4 Weeks After)

This checklist outlines the key follow-up actions HR must complete in the weeks after a reduction in force to ensure compliance, clean operations, and proper support for both departing and remaining employees. It helps you finalize legal and benefits processes, monitor organizational health, and realign internal systems to match the new structure.

[Download](#)

Final Thoughts

“A compassionate layoff isn’t soft—it’s strategic, humane, and the mark of a truly mature organization.”

A well-run layoff isn’t about perfection—it’s about preparation, clarity, and compassion. When HR leads with structure and empathy, we protect not only the organization’s long-term stability but also the dignity of every person affected. Use this toolkit as your guide, adapt it to the realities of your workplace, and remember: the goal is never just to execute a process, but to steward your people through one of the hardest moments in their employee experience.

Good luck. We've got
your back.

Questions? [Ask Ellie.](#)