



STRESS TEST FOR THE NEW MILLENNIUM, DOING MORE WITH LESS

Reduction in force (RIF), downsizing, rightsizing, strategic restructuring, reengineering, reorganization... whatever organizational change is called at your company, few firms in corporate America haven't experienced one. Many have had several. At first, most of these changes and employee termination programs were intended to be cost cutting measures. Increasingly, they have become strategic in nature. That is, while eliminating some individuals and positions, other specialties or disciplines selectively grow.

While employers have dealt with the structural aspects of termination, there has been limited focus on the human side of the organization. Benefit claims for stress related problems are up across the country. There are **implicit problems**, such as insomnia, depression, eating disorders, ulcers and migraines and **explicit problems**, such as counseling and prescription costs. Further, difficulty with concentration and a sense of being overwhelmed by the need to do more with fewer resources are evident. This article comments specifically on the management level in the professional service firm, although many of the points are applicable across industries.

Most organizations try to do a good job with the difficult process of letting people go. They do a careful review of the candidates, often with several levels of discussion and serious concern about diversity issues in the workforce, age discrimination, client relations and project responsibilities. Companies often provide severance payments, benefit continuation and assistance with job hunting or outplacement. If they do their homework well, and are lucky, they may even escape with no litigation or employee claims of discrimination against the firm.

There is a two-fold challenge in being an implementer of employee terminations. It is essential that you be controlled, correct and respectful of the affected employees, which is difficult and emotionally draining. However, these necessary characteristics often result in criticism from snipers in the remaining workforce that you are heartless, icy, distant and too professional. The basic double bind!

Sometimes, there is another interesting dynamic that also occurs. Often, the senior executive gets support for these tough choices from lending institutions, stockholders and directors. This may happen while those in lower organizational levels get no kudos and minimal support for the difficult actions they must implement. As a July 1994 Fortune magazine article stated, *Dismissal attacks the ego of the person being fired, but also assaults the ego of the person wielding the ax.*

Another conflict emerges from RIFs. Increasingly, we are been trained as managers to be coaches rather than cops. We've been encouraged to get closer to employees as mentors, not as controllers and order givers. But, there may be a basic incompatibility when we are asked to assume the role of cost cutter, efficiency promoter and a "do more with less manager." It's hard to lead when you are pushing so hard.

So how will your company handle this stress test? Here are some suggestions:

- Maintain your self-esteem and that of the key people around you.
- Talk about what is going on... yes, that means expressing your feelings.
- Discuss together what can be done differently, or eliminated now that there are

fewer people. Don't assume service levels or project efficiency can stay the same (or improve) without thought and planning.

- Work on how you will avoid an organization that is fearful, uptight and strained.
- Find ways to get managers and others involved in problem solving. This will encourage a sense of control at a time when few feel this way.
- Create an environment where people feel like doers (active state) rather than getters (passive state).

On a personal level, think about the following too. Remember, for yourself and others, to keep the rest of your life in balance. Explain to family and friends that a lot is going on, not as an excuse, but for understanding. Accept support when it is offered. Don't do anything to excess (e.g., overeating, under eating, drinking alcohol or caffeine). Participate in extracurricular activities that are social, religious, exercise, or just plain fun.

In summary, as leaders today, look at ways to revitalize and reenergize your organization. One particularly important component is strengthening the managers responsible for terminating employees. Then you will be better positioned to do more with less, thus passing the stress test of the new millennium.

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