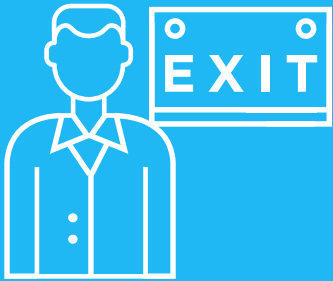


How to Fire and Lay Off Employees



JUSTWORKS.

You know you have to let an employee go, and you dread doing it. Firing people because they did something wrong, or simply laying them off because of what is happening within your business, involves sensitive emotions. Perhaps, due to an economic downturn, you have to let someone go with whom you have forged a friendship over the years. In other cases, you may fear that your employee will become angry and look for ways to damage your business after you part ways. You may also harbor concerns about how your other employees will react after you let someone go.



Fortunately, there are some things you can do to mitigate the discomfort of letting employees go. Apply the following tips as you prepare to let someone go, as you inform your employee that his job has been terminated, and as you deal with the aftermath of the event.

Before delving into the correct way of letting someone go, however, you must understand why it is so important to handle the situation properly.

Why the Proper Procedure Is Important

Mistakes that occur when you let someone go can plant the seeds for a grueling legal battle. For example, if you base a termination on one poor performance evaluation, or on data that you previously stated would be used for other purposes, you could face a wrongful termination lawsuit.



The [Americans with Disabilities Act](#) protects people with disabilities. If an employee claims that you let him go because he is disabled — and that you did not make reasonable efforts to accommodate him — you may have to pay steep penalties. The incident could also damage your reputation as a fair, integrity-keeping institution.

A different type of disaster could ensue if you mishandle the termination of a temperamental employee. The person may come back to harass you and your employees or engage in an online smear campaign.

It is impossible to predict how employees will react when you let them go, but you can often shield yourself from explosive situations by carrying out terminations in a reasonable, methodical way.

Another benefit of carrying out layoffs and firings in the right way is that it sends a message to your remaining employees. When you handle situations with dignity, tact, and empathy, you build your team's confidence in you as a leader.

Leading Up to Letting Go

There are a few [reasons for which you may immediately dismiss](#) employees, such as if they are guilty of sexual harassment or theft. In most cases, however, firing someone is not a spur of the moment decision. Prepare for the act of letting someone go by:



Not making it a surprise

A contributor for [The Muse](#) wrote, “The first and most important step in the firing process is to make sure your employee can see the train coming, long before it arrives.” Clearly define your reasons for letting someone go. This could be monetary issues for the company, performance problems, or you may simply feel that someone does not mesh well with the company culture. Don’t hold back from kindly giving your employees feedback that indicates the end of their time at your company is near.



Giving the employee an opportunity

If you feel that letting someone go is not a certainty, but just a possibility, have a serious talk with the person. Set specific goals for him, and clearly outline the consequences if those goals go unmet.



Having an [employee review](#) process

This will help all your employees know where they stand, and those who do not measure up to your standards will not be shocked when you must fire them.



Taming the gossip mill

If your company is facing financial difficulties, or if a particular person continually has performance or behavioral issues, company gossip could easily get out of hand. While you don’t want to keep your employees in the dark, neither do you want them to feel free to speculate. Discourage talk that could cause your employees to feel undervalued or like they have the right to badmouth their fellow team members.



Practicing what you’ll say

When the time comes for you to have the termination talk, you want to have clearly in mind what you’ll say; this will help you control your emotions and get to the point. This doesn’t mean you must memorize a speech, but you may want to jot down your talking points and do a brief rehearsal beforehand.

Handling the Talk

How exactly should you handle that uncomfortable moment when you inform someone that he must leave your company? It will not be easy, but to [make the process as painless as possible](#), you should:



1

Choose a comfortable, private setting

You do not want to humiliate your soon-to-be-former employee by firing him when others can look on. You may want to go into your office or step outside for a few minutes.



2

Have another supervisor there

The other supervisor doesn't even have to say anything. Simply having someone else around can temper the employee's reaction. You'll also have a witness to support you if the employee later claims you wrongfully terminated his employment.



3

Get to the point

Starting the conversation with pleasantries or jokes can give the wrong impression.



4

Demonstrate empathy

If circumstances allow for it, let the person know you are happy to provide a reference to help him find another job. You might also choose to let the person resign; this can feel more dignified than an outright layoff or termination. However, you shouldn't voice complaints about how difficult it is for you to let him go. As painful as it is for you, it is worse for her.



5

Talk about next steps

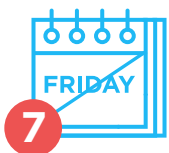
Have the person's final paycheck ready, and if a severance package is available, present its terms.



6

Don't allow the person to linger

Politely ask him to leave the premises immediately, after he collects any personal belongings. Have him escorted out; this can prevent theft or malicious gossip.



7

Try not to fire on a Friday

A writer for [Entrepreneur](#) recommends that you "Never fire someone on a Friday, because then they can 'stew about it' over the weekend and come into work the following Monday ready for a fight, or even worse."



8

Ask for a release of liability

Have your attorney draft a release of liability for you, and ask the employee to sign it. While you can't force him to put his name on the dotted line, you can offer an incentive, such as an extra week of severance pay, for doing so. The release will shield you against a wrongful termination lawsuit.

Be Ready for the Aftermath

The steps you must take after you let someone go depends on the circumstances that led to you having to release him.



If You Had a Hostile Parting

If a former employee threatens to sue, you may have to do some legal research or get in touch with your attorney. Prepare any documentation that will help you in your case, such as performance evaluations and records of disciplinary action or complaints filed against him. This is especially important if he refused to sign a release of liability.

The fired person may come back into the office looking to harass you or your remaining employees. Warn your team about him, and provide coaching on what to do if he shows up. Depending on the degree of his hostility, you may have to establish temporary extra security measures. Your remaining employees should avoid conversing with him; he may try to entrap one of them into saying something that could provide fuel for a lawsuit.

Sometimes, [a disgruntled former employee](#) will take to the Internet in search of revenge by badmouthing you on social media. Never retaliate by spreading gossip about the person you let go; that will only damage your own reputation. If there is a ring of truth to some of the negative things a former employee says about your company, don't be so defensive that you fail to address the issues that may have contributed to the person's termination.



If You Had to Let Someone Go for Financial Reasons

If the unfortunate situation arises when you must ask someone to leave for financial reasons, you should let your other employees know what happened and why. While you don't want them to be in fear for their own jobs, they should be aware of future possibilities.

Try to [keep the mood positive](#) by sharing your plans to help your company get back on its feet.



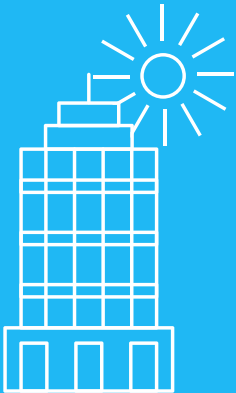
If a Performance or Behavior Issue Led to Termination

You want to be reasonable and fair, but you do not want to keep people around who do not contribute to the success of your businesses. After you let someone go because he failed to live up to expectations, use the occasion to remind other employees about your company's standards. Remind them that you and other supervisors want to help everyone reach their full potential.

This is also a good time to review your own expectations for the job of the terminated person. Was there something you or other members of your team could have done to prevent the termination? Take a close look at why you had to fire the person, and honestly consider if there was any lack of performance on your part that contributed to the situation. You'll be able to make adjustments that may prevent similar occurrences in the future.

Look to the Future

No matter your [reasons for letting someone go](#), it is never a pleasant task. You may feel guilty for taking away someone's livelihood, or you may fear retribution. However, you should not let your compunctions get in the way of doing what you must to preserve the integrity and functionality of your business.



To make the process of letting someone go as easy as possible, you should prepare for the event, handle it in a professional, dignified way, and design a plan for dealing with the aftermath. When everything is said and done, you can turn your gaze away from your company's past and back toward its future.

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Everything you need to take care of your team.



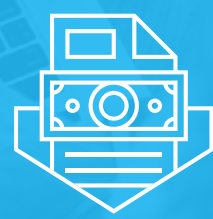
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