

Downsizing and Layoffs Policy

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Document Overview



Use this customizable PeopleGoal Downsizing and Layoffs Policy template as an outline for your company's downsizing policies. The PeopleGoal Downsizing and Layoffs describes terms for downsizing and layoffs. Simply adjust the information in the brackets to suit your company's needs.

Downsizing and Layoffs

In the unlikely event that it is necessary to terminate an employee's position or reduce their hours because of funding changes, the termination or reduction is considered a layoff. Employees that will be laid off will be given notice to the greatest extent possible, usually no less than thirty days. All notices of downsizing or layoffs will be issued formally, in writing and distributed by the [Human Resources Manager].

An employee that is subject to a layoff may apply and be considered for employment in other departments with [the company]. However, an employee's experience with this company does not guarantee a job offer or an interview.

Downsizing and layoffs are the decision of [senior management] at [the company]. Choices are made anonymously based on a variety of factors including the immediate need for the position, an employee's performance history, and the salary expectations of the position. Before eliminating positions, [senior management] is advised to review the work product of individuals in a layoff group and create a layoff plan.

A layoff plan will be provided to the all affected employees. The plan will include information relating to the effective date of the layoff, the positions affected, and will contain contact details for the [Human Resources Manager] so that affected employees may be advised of layoff details.

Following a layoff, the position is expected to go unfilled for [at least one year]. Solely senior managers of the company determine layoffs. The normal employee payment schedule will not apply during a period of company layoffs. This does not mean that employees will not be paid. However, there is a possibility that paychecks may not be issued during a period of layoffs. After leaving the company, medical benefits may still extend while an employee looks for other work. Laid off employees may be directed to use the Consolidated Omnibus Budget Reconciliation Act (COBRA) to provide continued medical benefits under these circumstances.

Employees that are terminated due to downsizing or layoffs are required to turn in all company property, submit their badges and access passes, and remove any company intellectual property from their personal devices. It is the responsibility of the [Department Manager] to ensure that the layoff protocol for returning company property is followed.

For more details about the effects of downsizing and layoffs, contact the [Human Resources Manager].

Disclaimer



The PeopleGoal Policies are general templates and should only be used as a basis for company policies. Please take into account all local, state, and federal laws when drafting your company's final policies. This is not a legal document or a contract, and PeopleGoal will not assume any legal liability associated with the use of this document.

