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**Talent & Organization
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Downsizing: Checklist: Reduction in Force (RIF) Strategy and Selection Checklist

Welcome David Fogarty ▼

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Reduction in Force (RIF) Strategy and Selection Checklist

STRATEGY

1. Identify the future vision and organizational structure that will most effectively accomplish the mission of the organization.
 - What do you hope to accomplish?
 - What is the intended end result?
2. Draft a downsizing plan.
 - Determine which locations, divisions, departments, and/or types of jobs may be affected.
 - Determine how to measure the depth of the necessary RIF (e.g., number of FTEs affected, number of locations closed, certain efficiency measure achieved, or percentage of total compensation budget reduced).
 - Develop a RIF budget. Weigh the costs of the RIF (attorney fees, severance, unemployment, reduced productivity due to lower morale, communications strategy costs, outplacement services, administrative costs, and potential lawsuits).
 - Develop a timeline.
 - Additional considerations:
 - § Do you plan to ask for volunteers under an early retirement plan or voluntary separation plan prior to conducting an involuntary RIF?
 - § Are you planning to terminate temporary workers prior to regular employees?
 - § Have you frozen your current open positions?

Article: Tips for Employers Who Want to Avoid Legal Claims for Downsizing

3. Ensure legal counsel has reviewed the downsizing plan.

SELECTION

1. Establish selection criteria for determining individual employees to downsize (e.g., seniority, skill sets, performance level, clients or contracts assigned, etc.)
 - Will you utilize one or more than one selection criteria? If more than one criterium, how will you prioritize them?
 - Where can you obtain the information necessary to distinguish between employees based on the established selection criteria? Is it available through your HRIS system, in a skills inventory or knowledge management system, in the individual personnel files? Or, does this documentation need to be created?
2. Determine who will be responsible for documenting and/or helping to make individual selection decisions.
3. Train these managers on the selection and documentation process, including the associated legal risks.

Sample Training: Reduction in Force Training for Supervisors

4. Document selection decisions.

Article: Selection Principles Are Key to Limiting Legal Risks in RIF

5. Ensure a second manager familiar with the relevant department has reviewed selection decisions. This will help reduce potential favoritism issues, especially when the selection criteria are more subjective in nature.

AUDIT

1. Conduct an HR review of selection decisions and supporting documentation. Assess affected individuals in protected classes for potential liabilities, including:
 - Employees with a disability or regarded as having a disability.
 - Employees over 40.
 - Employees who are minorities (race, national origin).
 - Employees with a recent grievance against the company.
 - Employees on FMLA or recently returned from FMLA.
 - Employees on WC or recently claimed WC.
 - Employees with a disability or regarded as having a disability.

Article: HR's Involvement in Layoff Planning Reduces Legal Risks

2. Conduct an adverse impact audit (under attorney-client privilege).

Article: Use Statistical Analysis To Avoid Disparate Impact Based on Age

Conduct an attorney risk assessment. No RIF is without risk; therefore, employers must assess the level of risk against their confidence in the documentation created to support these decisions.

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