

## **J. Michael Locke**

### **Musings**

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#### **#7: The Bad Side of Being in Charge: Layoffs**

#### **March 29, 2020**

Feel free to forward these emails onto anyone or send a name you want added. I promise they won't continue daily once Governor Pritzker says I can leave home.

Layoffs are the worst thing a leader has to do. You are taking away a family's income. However, you have responsibility to protect the business and protect the income of the other employees (those not being let go). If you have to let folks go, a couple thoughts. Do it all at once. Don't have some reductions one week and then more later. Overestimate how "deep" you have to go, do it once and be done. Be precise in your communication planning --- don't have the organization hear about layoffs through a rumor mill. Be direct and genuine to everyone about what has happened. Leaders must always be authentic but especially in times of stress.

Go long telemedicine. There are certain practice areas that don't really need face to face. My wife had her first telemedicine appointment recently due to the CV and afterwards asked "why would I ever need to go to the doctor in person for that?" The crisis will force a digital approach in ways the consumer otherwise might not have tried. If it is a good experience, the consumption pattern will change. Personally, I recommend everyone take a "digital first" approach to their business whatever it is. Look at every business process and say "how can this be done online?" This will require rotation of expense structure towards IT, data and analytics. Short commercial real estate and airlines.

Tidbit – with phone lines/circuits/waves running out of capacity – start your conference calls at odd times and not at top of hour. Start your call at 9:50 vs 10:00.

Be safe and remember that boat stores are essential businesses in Wisconsin and Gamestop thinks it is essential everywhere.