

# Lay Off the Layoffs

Make alternative decisions to reduce downsizing your staff.

As the speaker at the career day of a local high school several months ago, I posed a question to the 16 through 18 year-old audience: “When you think of careers in industry and manufacturing, what comes to mind?”

Once the ice was broken, the answers started flowing. Most of the observations revolved around perceptions that manufacturing is dark, dirty, dangerous and monotonous. While these responses were troubling, one response to which many of the teens in the audience nodded in agreement really stuck with me. When one young man thought of careers in manufacturing, the first thing that came to mind was “layoffs.”

Perhaps a parent or close relative was laid off at some point, and it is possible that his perception was derived from the local news media that spreads the word of manufacturing layoffs whenever they occur.

Regardless, his observation weighed on me in the following weeks as I asked myself two questions. First, if the perception that employment in industry can lead to an individual being laid off, should manufacturers be surprised that young people are reluctant to consider us as a potential career choice?

Second, can an argument be made that the young man’s observations are unfounded?

Sadly, I concluded that the answer to both questions is no.

Several times in my career I have had to make the unpleasant decision to lay off part of my workforce. Doing so is not easy. Laying sleepless in bed the night before, the pit in the stomach during the morning commute, second guessing and then looking people in the eye and letting them know that, at least for the time being, they no longer have

do so. I also recognize that in some circumstances—losing a major customer, an economic recession, the end of a major project—a layoff may be unavoidable if the company is to avoid insolvency. When a layoff is imposed to boost short-term earnings, however, considering alternatives would pay dividends of another sort, namely improving the perceptions of our employees, communities and future team members.

When faced with a potential layoff, I suggest beginning by reducing or eliminating temporary workers. Then, call for volunteers to take time off. Especially if employment benefits are continued, some employees may choose not to work for a period of time. Building a small amount of inventory—while not “lean”—may keep employees working during a brief downturn. Consider insourcing services that are outsourced. Reduce shifts or dedicate time to refurbishing equipment. Pull a group of team members aside to participate in a Kaizen or 5S event. Invest in workforce training or cross-train by having two people do one job for a period of time. When business comes back, the workforce will be much stronger.

When business slowed, a friend of mine scheduled tours at his largest customers’ facilities, taking a dozen or so employees. His people had a better understanding of his customers and the customers loved the attention. Another employer paid his employees one day each week to perform volunteer work in his community; what a great message that sent.

Sometimes a leader is left with no alternative than to reduce the workforce. I get that. However, finding alternatives is one more way to send the message to the world that American manufacturing is a fantastic career choice. **PF 80**



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a job. It’s not fun, but at least I still had the privilege of coming to work the next morning, which is much more than I could say for the people on the receiving end of the layoff.

While the message I agonized over was the one delivered to those being laid off, unbeknownst to me at the time, a message isn’t received only by the members of the manufacturing workforce being cut. A message is also received by those that remain working—that they work for an organization that is willing to cut its people. A message is received by the community—fair or unfair—that the company imposing the layoff cares more about profit than the families. Some may even paint all of manufacturing with the same brush. A message is also sent to the children of those being laid off: manufacturing is a risky career choice.

Granted, manufacturers aren’t the only employers that reduce workforces from time to time, though anecdotal evidence suggests that we get the most publicity when we

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