



UNIVERSITY OF GOTHENBURG  
SCHOOL OF BUSINESS, ECONOMICS AND LAW

# “Like any other work task”?

- How managers handle layoffs

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# Abstract

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**Title:** “Like any other work task”? - How managers handle layoffs

**Background and problem:** Layoffs is a recurring practice in many organizations today. Managers themselves state that delivering bad news is one of the hardest things to do. Yet, previous research on this subject has not been focused on managers.

**Aim of study:** This thesis is concerned with the practices and experiences of managers who perform layoffs in the retail sector. The aim is to describe how managers handle the termination process emotionally as well as practically, and analyse the consequences of these actions using a crisis theory perspective.

**Methodology:** The analysis is based on empirical material in form of semi-structured personal interviews with managers and union representatives, conducted at small and medium sized companies, as well as an interview with a coach working at a job transition company who supports employees after a layoff.

**Analysis and conclusion:** This study shows a difference in how managers describe their own behaviour and how union representatives and the coach perceive it. The managers themselves describe their reactions during a layoff as ranging from feeling sad to looking to the company’s best. Furthermore, the existence of the unions and Job Security Councils seem to make managers less eager to put enough effort in how they handle the layoff, given that they know that someone takes care of the employees afterwards.

**Keywords:** Layoffs, Crisis, Managers, Employees, Union representatives, Job Security Councils, Communication

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Sincerely,

Kristina Ekstrand

Therese Johansson

Gothenburg, May 2013

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# 1. Introduction

*We will begin this section by presenting a background to our thesis. We then continue by explaining our purpose with the study, as well as presenting our research questions.*

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## 1.1 Background

Layoffs are a recurring practice in large as well as in small companies today. This thesis deals with the practices and experiences of managers who perform layoffs in the retail sector.

For the people who have to perform layoffs, the process can be seen as a “necessary evil”. “Necessary evil” is part of professional work and refers to situations where professionals must do harm to be able to do good (Molinsky and Margolis, 2005). By treating victims, survivors, and witnesses in a sensitive interpersonal manner, both their and the organization’s welfare can be protected. A sensitive interpersonal manner takes the dismissed person’s needs, rights and feelings into account. This shows us the benefits of carrying out layoffs in a good way, not only for society as a whole, but also from a managerial perspective. The manager has to make sure that the organization survives and that its reputation is positive, which makes it important to treat all people involved in a layoff in a good way. If the dismissed people feel that they are treated poorly or unfairly, this can affect the organization negatively, which can ultimately reduce its ability to attract labour and investors.

Managers themselves invariably state that giving bad news is one of the hardest tasks to do (Bies, 2010). Even so, research on those who deliver bad news as part of their profession has previously not been focused on managers. According to Bies, there is therefore no integrative framework that guides its study (Bies, 2012). However, several theories exist of how people handle crises and how to best communicate with them in such situations (Ptacek & Eberhardt, 1996, Baile et al, 2000).

The layoffs in most organizations, in general, are organized and become increasingly standardized. Large employers are quite good at having descriptions and policies of how to handle different kinds of processes and situations during layoffs (arbetsmarknaden.se). If, for some reason, they cannot work it out themselves, they get support from the industrial health service. In this sense, it is much more risky to get dismissed if you are employed in a small company, especially if the employees are not connected to Job Security Councils through the collective agreements, or industrial Health Care. Small companies rarely have the same basic processes of handling different situations, which make them more likely to handle this adrift. Three out of ten employees are not members of a union, and even if they are, the union representative might be employed at a union division office instead of that specific company (handels.se).

Working with layoffs is often supported or led by the human resource employees in a company. In general, human resource (HR) issues are handled differently depending on the size of the company. For example, large companies often have a separate HR department to handle these issues. Micro enterprises (which have less than ten employees), on the contrary, have a more diffuse organization of work, and the managers usually take responsibility for HR issues themselves (Samuelsson and Selván, 2010). The manager handles the issues based on intuition and feelings at informal meetings, which differs from the larger companies' more rigid structures. Furthermore, the managers in micro enterprises experience no need for support. When they do need support, they turn to their trade union (ibid).

When a person is dismissed, they are often described as victims (Bergström, 2006). The dismissed person can often feel pessimism, loneliness, social isolation and despair. Defrank and Ivancevich (1986) argue that a dismissal has a negative impact on the person's psychological and social well-being, presenting several studies that show higher rates of psychiatric symptoms and depression among unemployed people than employed. However, there is a lack of previous studies of how the managers themselves describe their own and employees' reactions during layoffs. This thesis will show that it is an important factor to, as a manager, have an understanding of the importance in delivering bad news in the best possible way.

The data material used to study layoffs in this thesis comes from the retail sector<sup>1</sup>; a sector where layoffs are currently common. One reason for this is that during the last twenty years, retailing has undergone structural changes (HUI, 2010). These changes are mainly driven by changing consumer patterns, internationalization and increased use of technology. One example of this is the development of e-commerce. Compared to other sectors, retailing has experienced major growth since the mid-1990's. The GDP share of retail in Sweden has increased by 25% since 2000 and today has a total share of three per cent of GDP. However, due to the recession there has been a decreased growth rate (handelnisverige.se).

Swedish retail is historically characterized by many small companies, but large companies are increasingly taking over a larger share. In 2008, only 3 per cent of the retail outlets had more than 20 employees. Simultaneously, large companies represent forty per cent of the turnover in the industry (HUI, 2010). There were around 249 000 people working within retail in 2012. For many people, retail is a way to enter the labour market. In 2012, 51% of the employees were between 16 and 34 years old (handelnisverige.se). Retail is also characteristic when it comes to the share of part time workers. This is explained by the need for a flexible work force due to long opening hours and a varied demand during the day (HUI 2010).

The recession in economy during the past couple of years has also had an impact on the retail business. The number of businesses that went bankrupt in 2012 increased by 10 % compared to the previous year. The majority of these businesses are small companies (UC, 2013). One way of surviving a recession is cutting the cost of labour, in other words dismiss one or several employees. Delivering termination decisions and other bad news is part of a manager's weekly, if not daily, work (Bein, 2012). It is the managerial dilemma - how to deal with layoffs in order to benefit the organization and simultaneously treat the laid off persons fairly - that we want to investigate further. It is particularly interesting to examine the managers' perspective and

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<sup>1</sup> The definition of retail is when something is sold to the end consumer (businessdictionary.com). Retail can be further divided into two different categories; consumables and durables (HUI, 2012). The term consumables comprehend groceries like food, flowers and tobacco. The term durables cover products such as clothes and home decorating.

behaviour since their experiences of “necessary evil” has not been widely investigated (Molinsky and Margolis, 2005).

The study presented in this thesis is based on empirical material in form of personal interviews with managers and union representatives, conducted at small and medium sized companies, as well as an interview with a coach working at a job transition company who supports employees after a layoff.

## **1.2 Purpose**

The purpose is to investigate and analyse how managers handle termination processes in small and medium-sized companies that operate in, or are directly affected by, retail. We focus our thesis on how the managers handle the termination process emotionally as well as practically, and analyse the consequences of these actions using a crisis theory perspective.

## **1.3 Research questions**

The questions we want to investigate are the following:

- How do managers experience their own and the dismissed peoples’ reactions during a layoff, and how do they handle the communication?
- How do trade unions and job transition coaches describe the manager’s and the employee’s behaviour?

## 2. Earlier studies

*This section will provide an overview of existing research and previous studies in terminations in general, and the dismissed employees' reactions in particular. The studies we mention below have given us insight into what has already been done and what the research gap is.*

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Studies have been made on how employees react when notified of a termination decision, focusing on the individual's own experiences. One of the insights is that the evaluation of justice is a crucial aspect (Kieselbach and Mader, 2002; Datta et al, 2009). This means that if an employee feels that the decisions made are fair, they are more likely to accept them. The importance of getting an explanation for the decision is also highlighted, concerning why a termination has to take place and why the specific individual is the one that has to leave.

Regarding the practicalities during a termination process, for example who has to leave, which ultimately affects his or her perception of justice as described above, the Employment Protection Act is of great importance (this law will be further explained in the method section). It is common to deviate from that law, which advocates "last in first out", by making agreements such as contract lists and severance payments (Olsson et al, 2010). An important conclusion is that the manager has the possibility to shape the organization as they wish, keeping the people they want and letting others leave, as long as they can pay for it. Here, we can make a clear connection to the concept of justice; if someone else than the person that should, legally, leave the workplace is chosen, the termination may be regarded as more unfair and therefore affect the employee's reactions negatively.

When it comes to treatment of the dismissed employee, several studies show that employees react differently and therefore need individualized treatment (Gustavsson, 2012; Bergström, 2006). How the employee reacts to a termination decision depends on their life situation as well as their history. Even if a dismissed employee often reacts negatively, some of them may instead see opportunities to change careers

(Bergström, 2006). This helps us understand that a standardized treatment will probably not be successful in all cases.

To understand how the managers treat dismissed employees, it can be useful to get an overview of how leadership works in general in micro enterprises. For example, holistic leadership is common in these types of enterprises, where the owner has a wide range of responsibilities including HR-issues, due to the lack of a separate HR department (Samuelsson and Selvén, 2010). This may also be applied to enterprises larger than micro enterprises.

We conclude this section by establishing that there have been several studies concentrating on the dismissed individual and his or her reaction to the dismissal. These studies have shown that the dismissed has an easier time to accept the dismissal if they think it is justified. Their reactions can also differ due to the employee's life situation and history. However, there is a lack of studies regarding the managers' description of their own acting towards the individual in practice. Therefore, studies such as ours can contribute to a deeper understanding of what consequences the managers' perspective and perceptions have. The study could also help managers act better in situations that many of them will face during their careers, by helping them to reflect upon their own experiences and perhaps perspectives taken for granted.

## 3. Theory

*In the introductory part, the dilemma for managers and the benefits of handling layoffs in a good way were explained. Since our aim is to investigate the managers' experiences of layoffs and analyse them together with theories about what type of treatment the dismissed people need, we have looked into theories that either explain how people react during crisis or how they should, ideally, be treated by their manager during layoffs. The theoretical framework will be based on work by Cullberg (2007), Kets De Vries and Balazs (1997) and Bies (2010), combining knowledge from the field of both management and psychology in order to better understand behaviour by using several perspectives.*

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### 3.1 Crisis theory

Johan Cullberg is a physician specialized in psychiatry and a psychoanalytically trained psychotherapist (Cullberg, 2007). He is the author of several books within the field of psychodynamic theory. Cullberg argues that psychodynamic theory is indispensable for understanding the complexity of the human psyche. The approach focuses on making sense of individuals' experiences, relationships and how they see the world. Furthermore, it argues that all behaviour have a cause. Psychodynamic theory has been criticized mainly because of the fact that it is unscientific and subjective. On the other hand, the theories around, for example, the unconscious mind are impossible to test scientifically (simplypsychology.org). At the same time, Cullberg believes that cognitively characterized psychotherapy practice is as indispensable as the psychodynamic theory, and is thus less affected by this criticism (Cullberg, 2007).

Cullberg (2007) explains what a psychological state of crisis is by dividing it into four different aspects. First of all, the situation that triggers the crisis must be identified. Here, Cullberg differs between traumatic crises and development or life crises. The former are sudden and unexpected, threatening your social identity and safety, including for example termination. The latter are triggered by events belonging to the

daily life, but still becomes overwhelming. Cullberg exemplifies with having children or retiring. In this thesis we will focus on the former - traumatic crises - without regarding the person's stage of life.

Secondly, the inner, personal significance of the triggering situation must be understood. Earlier experience and development are essential in this understanding, since people can perceive and react to the same situation differently depending on their background. Thirdly, the current period of life has importance. Age has influence on how the person looks upon the situation and upon his future possibilities. Fourthly and finally, the social conditions together with family and work conditions must be regarded. In the specific case of being laid off, Cullberg says that self-rejection is common. The person can feel useless and abandoned, which may lead to depression.

### **3.1.1 Phases**

According to Cullberg (2007), a traumatic crisis has four phases. However, the phases cannot be completely separated since some of them can be missing or be interwoven with other phases. Therefore, the division should be seen as a helpful tool rather than a rigid model.

#### *1. The shock phase*

In the initial shock phase, the person is experiencing an inner turmoil. It can be difficult to grasp information and behave normally. This phase lasts for only a short moment up to several days.

#### *2. The reaction phase*

In the previous phase, the person tried to escape reality, while in this phase he is trying to face it. Defence mechanisms are activated and the person attempts to make sense of the situation, not uncommon blaming himself. Together, the first and the second phase must not exceed six weeks in order to be considered an acute crisis.

### *3. The processing phase*

When the acute phases are over, the person can start to concentrate on the future rather than the past events that led to the traumatic crisis. The process can persist for six months or a year after the triggering situation.

### *4. The reorientation phase*

The last phase has no end, since the person is “scarred” from the past events and will never forget what has happened. Still, life must go on.

Since this thesis will focus on the termination process, we will use the first two phases of Cullberg in the analysis. The third and fourth phases of Cullberg are not less important, but fall outside of the scope of this study.

Bell and Taylor (2011) present stage models of grief and state that the concept is often applied to individual job loss, in order to understand and manage their responses to the event. This shows us that psychological stage model theories, similar to the crisis theory, have been used within the field of layoffs to explain the employee’s reactions and feelings. However, the study also presents alternative perspectives on the process of loss, which rely on newer theories. These show that loss and grief is often handled through continuing bonds with the person/organization that is lost, instead of arguing for a normative progression through stages of letting go and moving on. The continuing bonds theories are still not used in the study of layoffs and might be difficult to study from the perspective of the managers that are in the midst of an ongoing layoff situation, since they are then letting go and moving on from their employees. Even if continuing bonds might exist at a later stage, we argue that the layoff is better characterized by the process of cutting bonds. For this reason we argue for the use of the stage model of the crisis theory for the current study.

#### **3.1.2 Behaviour towards the dismissed**

According to Kets De Vries and Balazs (1997), the manager’s behaviour towards the person dismissed is one of the most crucial factors in the termination process. It could determine the outcome of the whole process, not only for the persons being laid off but for the employees staying in the company as well. To make the best of the

situation, the manager should provide the dismissed with caretaking services, such as psychological and career counselling and support through Job Security Councils.

When communicating with a person in a crisis, there are certain things a therapist needs to think about, according to Cullberg (2007). It is not only a professional therapist that is referred to here, a manager should also regard these advices since he or she is one of the first persons that meet the employee after conducting the layoff. From now on, we will therefore refer to what a *manager* needs to think about when discussing this approach. The purpose of the communication should be to support the recovery from crisis. The manager should help the person confront reality, trying to avoid distortion. By supporting this acceptance of reality the person is also helped to express his feelings and understand that these feelings are natural (Cullberg 2007).

In addition to this, the manager can also be what Cullberg calls a “substituting hope”. By having a hopeful attitude towards the person in crisis, the manager helps to remind the person that life is not over, even though it might feel like it at the moment. According to Cullberg, this substituting hope is one of the most important factors of the communication.

Feigenberg (in Cullberg, 2007) describes three traits that are important to maintain a therapeutic approach. These are knowledge, empathy and self-knowledge. Knowledge, in this context, refers to the knowledge of psychological and social problems. Empathy is the ability to understand another person’s thoughts and emotions. Self-knowledge is the ability to acknowledge one’s own strengths and weaknesses.

A manager who wants to treat employees well emotionally in time of layoffs, have to regard more than the described therapeutic approach. Cullberg (2007) states that the people who meet the dismissed can easily feel incompetent or like an intruder, due to lack of experience in such meetings. Therefore, the person delivering the termination decision (usually the manager) may face similar feelings depending on his experience. Furthermore, Kets De Vries and Balazs (1997) found in their study that the person delivering the news felt distressed when having to lay off people they have worked with for many years and that had become their friends or acquaintances. Along with

stress symptoms, feelings of guilt were also expressed. However, the study found that their reactions during the downsizing process varied depending on their personalities.

Kets De Vries and Balazs (1997) also express the importance of communication during downsizing. Even so, they state that the communication is often reduced instead of the opposite. Reasons for this are the increased pressure the manager must face, along with the dilemma where they are forced to meet people face to face with bad news.

Cullberg (2007) states that all people in traumatic crisis are different. Thus it is important to listen in order to find out what the individual needs. Kets de Vries and Balazs (1997) argues similarly that all people have their own way of dealing with stressful situations; ranging from adaptation to depression.

We will use this theory to analyse the managers' descriptions of the dismissed employees' reactions, the way they have communicated with them during the layoff and how they describe their own feelings during this time.

### **3.2 Phases and the Ten Commandments**

Robert J Bies is a professor in Management, with a Ph.D. in organizational behaviour. His current research focuses on leadership and the delivery of bad news, which has been published in several academic journals, such as the Journal of Management ([explore.georgetown.edu](http://explore.georgetown.edu)).

In his research, Bies (2010) identified three different phases in the delivery of bad news. These phases are preparation, delivery and follow-up. The phases should be looked upon as different, yet interrelated. The preparation phase refers to all activities undertaken by the manager before actually delivering the news. The delivery phase contains factors such as who, what, where and why. Timing is a crucial factor in this phase. Finally, the follow-up, or transition phase, concerns everything the manager does after giving the news. Together with leaders, Bies identified prescriptive advice within the phases on how to deliver bad news effectively. Although the advice is not

precise, in the sense that they tell one exactly what to say or do, it gives some guidance on how to behave in different situations, as well as how to treat others. These advices, by Bies (2010) referred to as the Ten Commandments, are the following:

*10. Never surprise*

Bad news should never come as a surprise. Warnings need to be made, in order for the employees to not be surprised when the bad news is delivered.

*9. Never delay*

Many people keep the bad news to themselves, hoping it will soon get better. This often worsens the situation. Therefore, a manager is recommended to deliver bad news as soon as they know they must be delivered.

*8. Never hide the facts*

It is not uncommon for managers to withhold some facts, because the facts make them look bad. This could instead make it worse for the whole company, being costly et cetera. Thus, even though the facts are bad, they should never be hidden away.

*7. Always put it in writing*

When giving bad news, one should always document meetings or warnings related to the news. This is especially important if the bad news concerned an employee's performance. The records should include any evidence or reasons for the problem.

*6. Always justify*

When delivering bad news the receivers often want to know the reason for the bad news. It is therefore important to always justify the news by giving concrete reasons for how and why.

*5. Always look for the silver lining*

One should always try to find something positive associated with the bad news. This could help keep motivation up within the company.

#### *4. Always bring solutions*

There should always be a solution or an action plan delivered at the same time as the bad news. This keeps the attention to the future and brings positive thoughts that the bad news can be solved.

#### *3. Always remember the multiple audiences*

One should always remember that there are more people listening than just the receiver of the bad news. When someone is being laid off the people that got to stay are also interested in what is happening, along with the union and other interested communities.

#### *2. Always follow-up and follow-through*

After a solution has been identified, one should always look back and track any progress in the solving of the bad news. Feedback of the progress is important in order to rectify original reasons for bad news.

#### *1. Always treat them with respect and dignity*

This could, aside being a good thing for the person receiving bad news, also be a positive effect for the company. Studies have shown that both people being laid off and people remaining after a layoff work better after a dismissal if have been treated in this way. As Bies (2010) states, it not just makes moral sense, it makes business sense as well.

Apart from this advice, the manager should also understand the potential for anger and what causes it, as well as treating the employees fairly. The reason for this, Bies states, is that when employees experience injustice, they seek to do justice. Most people do this in a non-professional way that could damage productive workplace collaboration. If the employees instead perceive the process as fair, they do not complain, even if they do not get the outcome they had wished for. However, Bies (2012) concludes that the badness of any news is in the eyes of the beholder. The meaning of the badness is interpreted differently depending on who receives it. In our study we will not make use of Bies Ten commandments model for the analysis. However it gives some recommendation regarding communicating and also what consequences a lack of such communication could have. It is therefore an important

complement to crisis theory. Due to the similarities between the two theories, the Ten-commandment model helps to give an understanding as to why crisis theory is relevant in the analysis of our study.

To conclude, a dismissed person can experience feelings similar to people in crisis. According to crisis theory, the managers must adapt to the needs of the individual, and at the same time try to cope with their own feelings of stress and guilt. The Ten commandment model identified three phases when delivering bad news. Within these phases, ten advices were developed. These advices give some guidance to managers of how to behave in different situations. The theory will help to answer the research question of how the managers have handled the communication with the dismissed employees. It can also help us to better understand the different reactions of the employee that are described.

In the forthcoming analysis, the first two phases of a traumatic crisis, according to Cullberg, will be used. The first phase, shock phase, lasts between a short moment up to several days. The second phase, reaction phase, lasts up to six weeks after the delivery of the bad news. We will also use the concept of therapeutic approach, which also includes substituting hope. A therapeutic approach during the communication is a crucial factor that could determine the outcome of the whole process. A therapeutic approach should be used throughout all phases. Finally, we will use the concept of individualized treatment. Cullberg (2007) states that all people in traumatic crises are different. Thus it is important to listen in order to find out what the individual needs. Individualized treatment should also be used throughout all phases. The ten-commandment model and the theory presented by Kets de Vries and Balazs (1997) will mainly be used in order to support crisis theory and show how crisis theory can be applied on management.

## 4. Method

*We begin this section by introducing a context for the study with an aim for the reader to get a better understanding of our selection criteria. The context further presents the legal conditions of the activities our respondents have gone through. What follows is a description of the interviews conducted and the analysis work.*

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### 4.1 Study context

#### 4.1.1 Unions

In some countries, there are laws regulating minimum wage, working hours and additional wage during inconvenient working hour. In Sweden, this is instead handled through collective agreements. It is the employers and unions that negotiate and establish these collective agreements. This is called the Swedish model (avd.34.handels.se). The unions have a major role regarding both the working conditions, as well as in the process when a company lay off employees. For example, they have to inform the union regarding the background and reason for the layoff, as well as how they believe the company will function after the layoffs have been carried through. Then the union decides whether or not they find these arguments legislative to perform the suggested layoffs.

The union is divided into several departments. What department a person should be a member of, is decided by what they work with (lo.se). The Swedish Union of Commercial Employees is active within trade and retail, and was established in 1906. They have approximately 145 000 members, represented at around 25 000 workplaces (avd.34.handels.se).

#### 4.1.2 Job Security Councils

When a company is facing redundancies, they can turn to Job Security Councils for support and advice. Trygghetsfonden TSL is an insurance system, which is based on a

collective agreement between The Confederation of Swedish Enterprise and The Swedish Trade Union Confederation. It applies to blue-collar workers in the retail industry. TSL's mission is to support the company and the individual in the restructuring process, guiding the employee to a new job or starting his own business.

There are specific requirements for support from TSL: the employee must have been dismissed due to redundancy, the employee must have worked at the company for at least one year (16 hours per week), the company must be connected to TSL (by paying 0.3 per cent of the salary to TSL) and the employee must have a permanent employment at the time of termination. In Swedish retail, temporary employments are common due the nature of the sector (Handelns utvecklingsråd, 2010). In combination with the fact that not all companies are connected to TSL, many employees cannot rely on the support of outplacement companies.

#### **4.1.3 The Employment Protection Act**

When a company is forced to perform layoffs due to rough times and redundancy, there are regulations that must be followed. The Employment Protection Act states that a company needs to have a reasonable cause to dismiss an employee (Law 1982:80). The law further regulates in what order the employments should be terminated. This priority of order is called Last-In-First-Out. However, some people are not included in this list. If an employee has a role of managing the business, he or she is exempt from the list. This exception also includes family members of the manager. Apart from these exceptions, a company that has ten or less employees is allowed to exclude two employees from the priority order, if they are considered to be of specific importance to the company. This is called the two/ten-principle (riksdagen.se). The law can, to some extent, be negotiated away by collective agreements and during lay-off negotiations, if both parties agree.

## **4.2 Choice of method**

Since the aim was to investigate how the participants describe their own experiences from layoffs, a qualitative study is preferred. This type of study is useful when the problem or area is not thoroughly defined (Blumberg et al, 2008). Personal interviews were used to collect information. Thus, it was possible to ask follow-up questions and the participants could share their experiences easier than in for example a survey. Another advantage with interviewing is the depth of information that can be achieved (Blumberg et al, 2008). On the other hand, interviews are time consuming, both in execution and interpretation afterwards.

Semi-structured interviews were chosen, which allows for the respondents to turn the interview into different directions depending on their experiences and for the interviewers to focus on different areas (Blumberg et al, 2008). This form of interviews were an important choice, since people's personal experiences can differ greatly from each other and a too rigid structure would make it difficult to collect data.

## **4.3 Data collection**

This section will present the different stages we went through in collecting the data, including selection criteria, description of the respondents, interview guides and execution.

### **4.3.1 The Process**

We are collaborating with researchers at Centre for Retailing, which have access to databases containing companies that have been in contact with the Job Security Council Trygghetsfonden TSL. From these databases, we chose three companies (managers) to study. The selection criterion was small- and medium-sized companies active within retail or directly affected by retail, operating in Sweden. We also chose three trade union representatives, who are a mix of people that are employed by one of the interviewed companies, union representatives that had taken part of the

interviewed companies' termination processes and union representatives that had not taken part in any termination process by the interviewed companies. This way, we could better analyse different views of the union and get a wider spectrum of their work, not just analysing the processes of the interviewed companies.

An email was sent to the companies we were interested in, containing an introductory letter about the objective and procedure of the study (see Appendix 1). After one week, we contacted the companies that had not answered the email, by phone. Blumberg et al (2008) highlight the importance of motivated participants; for example the participant must believe that his or her answers are of importance for the study. Through the introductory letter, the participants got information about the study and its importance. Still, the response rate was low. Only one company (manager) responded to the introductory letter. The other companies said yes to an interview when we contacted them by phone.

The trade union representatives were not sent an introductory letter beforehand, since they were contacted later in the process. We instead contacted them by phone. In addition to this, we contacted a representative from the Job Security Council and Job Transition providers to get insight to their work. This person was also contacted directly by phone. Finally, interviews carried out by our collaborators at Centre for Retail were also included in order to increase the number of interviews and data for this study. In total we interviewed three managers, three union representatives and one job-coach. We included two interviews with managers as well as two interviews with union representatives from the co-collaborating study, leading to a total of eleven interviews used as the empirical data. What follows is a description of the respondents.

**Manager 1:**

Works in a company active in three countries in the Nordic region, including Sweden. The company currently have around 75 employees in Sweden. The person interviewed is CEO, which he has been for the last two years. He is also a shareowner in the company, together with one other person. In total, he has been with the company for 13 years. The last downsizing, they laid off three people.

**Manager 2:**

Works in a company active in Sweden. They have several stores where each store has 8-15 employees. In total, the stores employ around 130 people. The person interviewed is sales manager and personnel manager for all stores. He has been with the company for three years, but has previous experience from working as a manager. The last downsizing they liquidated a store and dismissed that store's whole workforce.

**Manager 3:**

Owns a store, which she bought three years ago. The store previously had two employees. The person interviewed does not work full time herself in the store, but has an employment as a social worker. The last downsizing she had to lay off one of the employees, resulting in one remaining employee.

**Manager 4:**

Works as a site manager since 17 years, being responsible for the store's staff and budget. Is an educated economist, and has previously worked as a teacher and in the car industry. The store has ten employees, and is connected to a larger chain even though the store itself is privately owned. Had to lay off one person of the warehouse workers due to financial problems. Has previously laid off people a couple of years ago.

**Manager 5:**

Works as logistics manager, data manager and head of customer service. Has been working in the company for 13 years. Is an educated engineer and has previously worked as a consultant within finance. The company has 18 employees, and belongs to a parent company of 500 people active within Scandinavia. Has dismissed four of the warehouse workers during the last six years due to financial problems.

**Union representative 1:**

Works in the same company as Manager 1. Has a role as a team leader within the company, as well as being chairman of the local union. He has been with the company for almost 10 years, and started up the local branch of the labour union at the same time.

**Union representative 2:**

Works centrally within The Swedish Union of Commercial Employees. She has done this for several years, and has been active within the Union since before that, when she was active as chairman at a larger workplace. She has been involved with the layoffs of company 2, where the whole store was dismissed.

**Union representative 3:**

Works centrally within The Swedish Union Of Commercial Employees. He has done this for nine years. Before this he worked around 15 years in a food store, during which time he became active within the Union. The last years before becoming a central union representative he was active as chairman. This representative has not been involved in any of the layoffs of the companies we have interviewed.

**Union representative 4:**

Works as an ombudsman at The Swedish Union Of Commercial Employees. Has done this for 15 years. Has a background in the timber industry, where she started to engage in the union. This representative has not been involved in any of the layoffs of the companies we have interviewed.

**Union representative 5:**

Works as an ombudsman at The Swedish Union Of Commercial Employees. Has done this for 18 years. Has a background in the paper industry, where the representative first began to engage in the union. Also works with competence development and education. This representative has not been involved in any of the layoffs of the companies we have interviewed.

**Job transition coach:**

Works with job transitions, meeting people who have been laid off because of redundancy and are connected to Job Security Councils. He has worked at the company for one year. Before that he has worked as a self-employed consultant specialized in staff supervision. He is a trained pedagogue and therapist, although being a therapist is not a requirement to be able to work as a job transition coach.

Before the interviews were carried out, interview guides were developed to make sure that all important areas were covered (see Appendix 2). Since we are collaborating with a larger project, and this project needs specific information from the interviews, we were provided with basic questions that had to be included. Then, these questions were modified and we also added questions that fitted the aim of our thesis to create three final interview guides, which were slightly different depending on the party that we were going to interview (manager, union representative and coach). The questions added were mainly about the reactions of the employee and how the manager dealt with these reactions.

Structured guides improve the comparability of the answers, while unstructured guides increase flexibility (Blumberg et al, 2008). Since it is suggested that the questions should not be too specific, open-ended questions were used. The interview guide contained main areas, such as the manager's actions, perceptions of reactions and needs as well as the purpose of the actions, which could all be investigated in any order and allowed us to give interesting answers and areas extra attention depending on the situation.

When executing the interviews we always visited the respondent at his or her place of work, as suggested in the introductory letter. Each interview lasted for about one hour. Both authors were present during all interviews, but during each interview one author acted as the moderator and the other was listening and taking additional notes. This way, the one asking the questions could focus entirely on the respondent and notice things that were not said, such as body language. The other person could observe the conversation and ask follow-up questions if needed. Having one person taking notes the whole time also made it easier to see right away if there was an area in the questionnaire that was not fully answered, or needed to be more thoroughly explained. Which role the authors should play was decided before each interview. The roles were evenly divided between the authors so that both could act as moderator and observer. If the other person came up with any follow-up questions or other questions that were relevant, these questions were asked.

Blumberg et al (2008) suggests that ethical treatment of participants consists of explaining the benefits of the study, explaining the participant's right and protection, and to obtain informed consent. Before the interviews we explained that the answers were confidential. We also ensured that we had the respondent's permission to record the interview, which all respondents approved to. We also offered the respondent's to take part of the final result, which they all wanted. All interviews were then sent away to get transcribed.

In addition to our own interviews, we have also used four transcripts from interviews conducted by our tutor on the topic of layoffs in retail. Our tutor's aim of her interviews was not to study reactions and feelings in particular. Therefore, we have had greater benefit from our own interviews, although the transcripts have given us some additional insights and useful material.

#### **4.4 Data analysis**

We started with an initial content coding where we went through the transcripts and our own notes from the interviews thoroughly, reading them several times. According to Charmaz (2006), one begins to define what is happening through coding. When comparing data with data, one can also learn what the recipients view as problematic and start to treat it analytically.

Both of us read all the transcripts. We created initial content codes of the practices and emotions described such as: the employee's reactions, the manager's way of communicating and the manager's experiences. We then used axial coding by creating a separate document with the research questions as headlines, hence creating categories to gather the results in. The headlines were the following; what are the manager's own experiences, what are the manager's experiences and descriptions regarding the employee, how has the manager handled the communication with the employee. Axial coding answers questions such as when, where and why. Axial coding can thus help us to find patterns in our answers. It aims to link categories with subcategories and show how they relate to each other (Charmaz, 2006). Our categories being the research questions, we used our theoretical concepts as

subcategories in order to find and analyse patterns and differences within the results. Our theoretical concepts were the following; first phase, second phase, individualized treatment, therapeutic approach. We thus linked the subcategories to our research questions, which are related to each other through the aim of the study. Individually, we placed the interviewees' answers in the appropriate category in order to get a good overview. We then selected the specific quotes that we wanted to use (which were either particularly representative or illustrative), and shortened down the other answers to be able to summarize them. Since the interviews were carried out in Swedish, a translation of the chosen quotes was made. After compiling the results, we started to compare the results with the theory to find similarities and differences. This was conducted in a separate document. We discussed our findings with each other as well as with our tutor, to be able to look at them from different perspectives and make sure that other people made the same connections and conclusions.

#### **4.5 Trustworthiness**

Tape-recording is preferred in the case of unstructured interviews since they allow the interviewers to focus on the conversation, and it also makes the material easier to analyse afterwards (Blumberg et al, 2008). On the other hand, recording may make people feel uncomfortable and reluctant to share their thoughts freely. However, we believe that this does not constitute a major problem due to the fact that the answers are confidential and will only be used in research contexts.

We are aware that the answers given by the interviewees are not representative for all companies in the retail sector. Still, since the aim was to investigate people's experiences and not to draw conclusions applicable to all companies within retail, the results are trustworthy. The study is based on people's personal experiences, which cannot be evaluated in the same way as a quantitative study (Blumberg et al, 2008). This also cause that people who conduct similar studies as ours, may receive other results and different patterns, depending on what people they interview and their personal experiences. This lack of replicability does not affect the trustworthiness.

It is easier to interpret transcripts from our own interviews, since we can compare the answers to our notes and memories. However, since we were able to discuss the other interviews with our tutor, who had conducted them, we minimized the risk of making incorrect conclusions.

In coding, several individuals may code data separately and then compare their different coding in order to increase the trustworthiness of the coding process (Charmaz, 2006). Therefore, the coding of the transcripts was done individually. Also, we did this because the same data can be interpreted in different ways and we did not want to affect each other if we had different interpretations. To a great extent, we had marked the same things. The difference instead lied in which of the research questions we perceived that the coded material belonged to. We had discussions regarding the coded material we had interpreted differently, both with each other and with our tutor, until everyone was satisfied with the coding.

One of the limitations of the study is that we have studied how the managers experience the reactions of the employees, without comparing it with how the employees describe their own feelings. Another limitation is the small number of respondents, leading to that we are not able to see the complete picture and draw any general conclusions. However, this was not our aim. Another limitation is the fact that only some of the union representatives interviewed have been part of the layoffs that the managers in the study have performed. This makes it difficult to compare how the managers explain their own behaviour and how other parties perceive it.

The questions asked are about people's experiences, hence we cannot determine whether the answers are correct or not. Since the topic can be seen as sensitive there is a risk that people, deliberately or not, fail to mention details they themselves do not feel comfortable with, or beautify reality. By also interviewing people that were not subject to the topic themselves, but rather asked about their experiences of other people, we could then compare this to the rest of the data and make a legitimate analysis.

## 5. Results

*This section will provide an overview of the answers from the interviews conducted with managers, union representatives and a coach. The answers are divided into four main categories, which are connected to the research questions.*

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### 5.1 Employees' reactions

We identified six different types of reactions among the employees that the interviewees described: shock and crisis, sadness, anxiety, feelings of unfairness, understanding and relief.

One reaction described is a state of shock. Although the news is not a surprise in some cases when the employees are aware of, for example, the store's financial problems, it is still shocking to them.

*"It may not come as a huge surprise, but it is still some kind of shocking news when you get an end date to when you are not getting paid on the 25th anymore."*

(Manager 2)

The union representatives also talked about shock and that, in some way, the employees stop listening when they are in that state.

*"Many get shocked, they do not really get that they have been laid off. They may have been there for 20 years and then get dismissed all of a sudden and then you are 55 years old. It is not so easy."*

(Union representative 1)

The job transition coach described that the shock could last several days.

*“It may be that they got the news on a Friday and we are seeing them the next Monday to talk about how to apply and what the program involves. And then they can be in a state of shock.”*

(Coach)

One union representative instead described a reaction of ending up in a crisis situation. This reaction takes longer to recover from than the shock reactions described above.

*“Well, most of the people being laid off end up in a crisis situation and it takes time /.../, you have a frustration and a bitterness towards your old manager, to everyone really. Towards society, it can be towards old colleagues, it can be towards all possible directions.”*

(Union representative 3)

Another reaction of the employees that the managers described after having received the news was sadness.

*“Some people may become a little bit sad and such. Most of them, maybe not the majority, think it is sad of course”*

(Manager 4)

One manager described the sadness as a reaction to having to let go of a large daily part of your life. The job means more than just an income; it is also a kind of social interaction that plays an important role in life.

*“Partly they think it is very sad, absolutely, because you do not only lose a job, you lose your colleagues and things like that, and a social interaction disappears, kind of. After all, you have spent eight hours per day at this workplace.”*

(Manager 2)

Apart from reactions like shock and sadness, we have also identified that the employees initially seem to start worry about the future and feel insecure. They wonder whether they will find a new job elsewhere.

*“The closer it got to her last day, I experienced it as though she became more bitter, maybe, and became more worried, surely, how she would handle it financially /.../ It is quite natural that the closer it gets, the day I stand without a job and I have not found anything else, what will I do?”*

(Manager 3)

The union representatives explained that the affected employees feel insecure and that they do not want to become unemployed, given that this is associated with many negative emotions.

*“She is so worried, she simply does not want to become unemployed, and worried about if she will get a job in the future.”*

(Union representative 4)

Similar to the managers, the union representatives described a worry about letting go of something familiar, their job. The employees feel insecure since they are now pulled away from their everyday life and routines, feeling some kind of separation anxiety.

*“It is some kind of separation anxiety also; this is the work I have been going to all these years, and now I am not. And the insecurity about standing alone in the labour market.”*

(Union representative 4)

Additional negative reactions described were feelings of unfairness and disappointment. According to one manager, the dismissed person compared herself to the person who got to stay, and considered herself to be better than her. Therefore she seemed to perceive the choice as unfair. The dismissed person did not talk about her disappointment directly with the manager. Nevertheless it became evident in other ways.

*“And then it showed a little more that she was disappointed about it not being her that got to stay, and she felt that I had been a little unfair and such /.../ We have*

*understood by customers afterwards that she had mentioned something, that she felt she had been unfairly treated.”*

(Manager 3)

Although this was a case of deviation from the last-in-first-out list, the interviewees made no general connection between the degree of disappointment and whether or not the dismissed person was the one to leave according to the list.

*“The dismissed thinks it is unfair, whether the last-in-first-out list is used or not.”*

(Manager 2)

The job transition coach stated that employees could experience it as unfair when they did not get a chance. If someone has to leave according to the list, that employee still feels unfairly treated if he or she thinks he/she is better at the job than the persons still employed.

*“The degree of disappointment is probably... there is no big difference in that way but more about a feeling that one did not get the chance or have been unfairly treated, simple as that.”*

(Coach)

Regarding the last-in-first-out, there could be more severe reactions if the person that had to leave had been employed for a long time, especially if the person that were allowed to stay had only been employed for a short while. This could be done by using the two/ten-principle, where the manager could make two exemptions from the list. According to the union representative, it is not uncommon that managers put two people against each other and considers the age when choosing who to send home.

*“The one that was dismissed that was our member had been employed since -84 so it is a large contrast to be laid off with 20-25 years of employment /.../ it is what I have experienced because frankly it is, so to speak, that you most often choose between an older and a younger.”*

(Union representative 3)

Having described the negative emotions that can occur among dismissed people, which ranges from shock and crisis, sadness, anxiety and feelings of unfairness, it is time to move on to the reactions and emotions that can be seen as less negative.

The first less negative feeling described by the interviewees, is understanding. One manager said that she had based her decision on things that the dismissed had expressed before, about thinking of moving and switching jobs. According to the manager, she also explained this to the employee.

*“I think she understood it... that she understood why she was laid off.”*

(Manager 3)

Another manager expressed a similar experience, where the understanding derives from past events.

*“In this specific case, everyone understood it. Everyone understood, everyone had seen that savings have been made along the way. /.../ There were no difficulties from his part really. He said like, ‘yes I have kind of understood that it has not been going so well lately’ ”*

(Manager 4)

Additional emotions among the employees are relief and an insight that they now have new possibilities. One manager believed that the employee has had other plans for his/her life, but has just not taken the opportunity to search for another job. Also, even though the employee is initially shocked and worried, he/she may feel relieved after a while when the news has sunk in and he/she understands the possibilities to change his/her plans of life and do what they really want.

*“Well, it is very, very different. Because some have, in a way, been thinking about doing something else, but have not done anything about it. And now they are getting compensation for a long time, and a possibility to redirect.”*

(Manager 1)

The relief can also come instantly, as one manager described.

*“But I think she took it very well when she received the decision. I believe she, at that point, felt a little relieved, because she had been wanting to do something else for a long time.”*

(Manager 3)

Similar to the managers, union representatives experienced that, after a while, some people see the dismissal as an opportunity. It becomes a motivation to do what you really want with your life, for example applying for other types of jobs or moving somewhere else.

*“But often, when you meet them afterwards, they have been thinking that they wanted to do something else but did not dare to do anything about it. And this is like a kick in the backside and after a couple of years, if you meet them on another occasion, they say that it was the best thing ever happened to them.”*

(Union representative 4)

However, none of the described reactions automatically excludes the others. On the contrary, most dismissed employees have had several of these reactions, although the order, duration and intensity of the reactions varied. As one manager put it:

*“Some people get angry, and think it sucks, and get annoyed. Some people may become a little bit sad and such. Most of them, maybe not the majority, think it is sad of course, but then a couple of day passes by and they can start processing. And then, everyday life goes on.”*

(Manager 4)

To conclude the description of the employees' reactions and feelings, we have found that the employees can feel shocked, although the news is not always a surprise. A state of crisis is also described, causing the employees to stop listening, which can take time to recover from. Another reaction is sadness, since the employee has to leave a workplace and also the social interaction there. The employees further worry about the future and wonder about the possibilities to get a new job. They experience a separation anxiety and a loss of routines. Furthermore there can be a feeling of

unfairness or disappointment when the employees feel that they should not be the one who has to leave. But it is also expressed that even employees that are the one to leave according to the last-in-first-out list, feel the same way. On the contrary, some employees seem to understand the decision due to knowledge about that the company is troubled or why they are the one who has to leave. Finally, relief and an insight of new possibilities are described. The employee may have had thoughts about doing something else for a long time, and the layoff makes it possible for them to fulfil their visions.

## **5.2 The managers' way of communicating**

We identified four main ways of communicating among the managers: optimism, openness and explanation, avoidance and prolonging or communicating unprofessionally.

First of all, the managers emphasized that they try to be positive and explain to the employee that life goes on, convincing them that he or she will soon find a new job elsewhere.

*“So I said: ‘as competent as you are, you will soon have another job somewhere else’.”*

(Manager 3)

They even told them that this is the time for him or her to find out what he or she really wants to do in life, pushing them to reflect upon the opportunities that await them.

*“So I have talked to quite a lot of people about the fact that life is not over just because you are leaving this workplace. It can actually be the trigger for someone to go in another direction or find something better. Then they also have enough money to not to be in a hurry. I have even told someone: take it easy, and think through what you want to do.”*

(Manager 1)

Another way of communicating is to be open and explain why the layoff has to take place. The managers talked about being there for the employees if they have any questions, showing that they are available and invite to a conversation.

*“It is really important to make time for people to ask questions and such, so I will be here for two hours. If I get one question in five minutes, well, then I will sit here for one hour and 55 minutes and wait for the next question. If it never comes, it does not.*

*But to really show that ‘I am here for you’.”*

(Manager 2)

Additionally, one manager stated that he tried to explain the reason for the termination, in one way.

*“We try to talk to them, that it has nothing to do with you as a person, you have been fantastic here. Try to support them mentally, but then what are you supposed to do, our responsibility is that we have a profitable business. Because if we do not, then everyone has to leave. Simple as that.”*

(Manager 5)

According to one manager, it is important to communicate the decisions to the employees as soon as possible when they are made. Everyone knows that someone will be laid off and there is a worry in not knowing whom it will be.

*“It is never a good time to inform about this but it is worse to keep the whole workforce in agony rather than the people it concerns.”*

(Manager 1)

One of the union representatives said that he thinks that good terminations include a transparency and openness during the whole process.

*“I believe that when terminations work well... for managers, for unions, or for everyone... there is a transparency and a journey in which you have time to breath*

*and understand. Then it works. And I believe that the manager has great benefit out of it. It is more expensive if you do not do it right.”*

(Union representative 3)

Above we have described the positive views of the manager's way of communicating. The managers said that they try to be optimistic and give the employee new hope for what the future can hold. Some of them also tried to show that they are available if the employee needs to talk about anything regarding the termination. Now we move on to the more questionable and negative parts of the communication.

An element of avoidance and prolonging the process can be identified. One manager explained that when the discussions with the union were done and it was time to deliver the decision, Easter was approaching. She therefore decided to wait until after the holidays to deliver the bad news. She delayed the information out of consideration to the employee.

*“We waited until after Easter, I remember. /.../ It was hard to come with something like that just before Easter.”*

(Manager 3)

After the news was delivered, the manager expressed that she has avoided the dismissed person. This was a deliberate decision since she thought interaction was too uncomfortable.

*“I tried... when I came down here, when both of them still worked full-time, and I was not working in the store myself. Then I tried to talk to both of them just as much, and tried to be there. But of course, a little bit later on, I avoided coming in when I knew she was here. (...) But sometimes I was here when both of them were present, of course, but... then I think I tried to, well, behave correctly and such. But of course, I felt some kind of tension. I did.”*

(Manager 3)

It was also for the sake of the employee that the manager behaved this way, to avoid hurting her in any way by discussing the future.

*“It feels unfair to sit and talk about the future with N.N, how we are going to handle the orders for Christmas and so on, when you know that she is not going to be here. (...) Maybe it was stupid of me, but a little bit to avoid hurting her, that by then she will not be here anymore”.*

(Manager 3)

The union representatives also explained some kind of avoidance from the manager’s side. In some cases, the manager seemed to want the union representative to take care of the layoff meetings.

*“Some managers try to hand it over, like: ‘but, can’t you talk to that person?’ No. So we are very clear about that, we do not execute the termination; it is not our job in that situation. Instead the manager has to learn to, well, deliver very bad news.”*

(Union representative 3)

In other cases, the manager did not communicate more with the employee than they have to as stipulated by the law.

*“There are companies who basically shut the door, they do what they have to. They issue all the necessary papers and ignore the individual. ‘That’s it’.”*

(Union representative 3)

Additional support for the opinion that managers do not communicate extensively is obtained from the coach’s answers. He mentioned that many people he meets experience that their manager did not listen to them when they needed it the most.

*“Many times /.../ no one has listened to them. They may have been through a process where the company has treated them in an unjustly way, as they see it, and they did not have anyone to talk to.”*

(Coach)

Another view expressed by the union representatives, is that the manager sometimes shares too little information with their employees about the company’s financial

situation, or that they inform the employees too late. The interviewees also explained that the manager sometimes does not talk to the union before talking to the employees, which can lead to misunderstandings and an inaccurate process. Similar statements are made by the coach, who said that it sometimes happens that the manager informs the staff about the need of layoffs very late in the process.

*“Other variations are that you do not inform your staff/.../ And then, suddenly, this news are coming out of the blue. It comes as a complete surprise. And of course, that does not make the situation better. So that is a problem, that they do not inform.”*

(Coach)

Some of the union representatives also mentioned that managers often wait too long before they act.

*“I can say that I sometimes feel it is irresponsible that you as a company has not acted earlier, but when you come forward it is acute.”*

(Union representative 3)

A negative pattern identified is that some managers seem to communicate unprofessionally. One union representative stated that there is too little knowledge regarding behaviour. The case does not have to be like the situation described above, where the manager avoids the employee or gives too little information, but that the manager simply approaches it in the wrong way.

*“And then it could happen that this regarding terminations can be sort of wrong because you approach it the wrong way, you say the wrong things or it is going to fast in that case. And I would like to claim that, it depends entirely on who the manager is.”*

(Union representative 3)

Further, the union representative said that the manager seems not to understand the employee in these situations.

*“But in some way you wish that the knowledge would have been better, like this behavioural science and that part is missing a lot regarding just this with understanding people’s behaviour in these sorts of vulnerable situations.”*

(Union representative 3)

After a decision to terminate has been delivered, the dismissed person may sometimes get a labour exemption; they can stay home from work during their whole time of notice. The union representatives had different opinions about this, depending on the reason for the labour exemption, criticizing that it applied regardless to the individual.

*“When the manager sometimes suggests that one can get relieved from work because you do not want them at the workplace.... I do not consider that reasonable, because, in some situations you might get stuck at home in front of the TV. And then you are even more difficult to hire in four months. So you have to look a little from situation to situation.”*

(Union representative 5)

One interviewed union representative stated that some managers treat the employees as numbers while others handle the situation very well.

*“It is very different from manager to manager. Some handle it nicely and some handle it less nicely where you sort of do not actually care so much. Because then the workforce are seen as numbers, simply, and then you do not think so much about that.”*

(Union representative 3)

The union representative speculated that the varying treatment might have its cause in the manager’s personality.

*“But for others this come naturally because I think that it also has to do with, a little bit their personality depending on empathy, those bits, again a little speculation from my part. But you do experience that it has a little something to do with what type of person it is.”*

(Union representative 3)

To conclude, some managers try to be optimistic and convince the employee that they will soon get another job. Another approach is to be open and show that you are available if the employee wants to discuss anything regarding the layoff. They also want to explain why the layoff has to take place and why that specific person has to leave. Among the negative approaches to communication we identified avoidance and prolonging, which means that the manager avoids communication or waits before delivering the decision. Finally, some managers seem to have an unprofessional way of communicating where they approach the situation wrongly and do not understand the employee's behaviour. One union representative meant that managers behave differently depending on their personality and empathy.

### **5.3 The managers' experiences**

The managers expressed that they experience a lot of emotions during a termination process. These emotions are all negative, even though some of the managers seem to focus more on the company than the affected employee. We identified four main ways of describing the experience of performing the tasks accompanying layoffs: sadness, routine and professionalism, speaking on behalf of the company, or the burden of working in a small company.

Initially, sadness is described. One manager said that it is sad to deliver the news to one of your employees, especially in a small workplace.

*“That is the saddest part of your work, to terminate people. Because in a smaller workplace, it becomes intimate. You get to know everyone. And then it becomes really difficult and really sad to deliver the news that terminations have to be made.”*

(Manager 4)

Another manager expressed that it was even more difficult if he hired the person himself.

*“I have hired him myself and thought that it felt really sad, I like him very, very much.  
He is really good, very good labour. So it felt hard.”*

(Manager 4)

Other managers described the task as more routinized and professionalised, and therefore do not become as affected as described above.

*“This is like any other work task for me.”*

(Manager 2)

One of the managers said that he suffers, but that it has become easier with time.

*“I do not take it as personally anymore. Really. I am not saying that I am becoming colder, because I suffer just as much from it. But it is like everything else, you have practiced.”*

(Manager 1)

In addition, one manager seemed to find it easier to handle the process if she focused on the company's well being rather than the individual's. When talking to friends, they reminded her that the company has to come first.

*“This is not a social charity, you still have to make sure that the company survives.”*

(Manager 3)

The next approach is about speaking on behalf of the company. One manager explained that she had decided which person she was going to lay off based upon previous statements the employee had made about looking for jobs elsewhere. Due to the fact that she only had two employees she could not risk losing them both. For the sake of the company she made this decision, though personally she thought the dismissed did a better job than the other employee.

*“If she had not come forward with this, that she was on the way, that she was tired of being here and that she had met a man in another city /.../ and I explained, I told her*

*that then I would not have had any reason to make an exception from the last-in-first-out, if she had not said that she was going”*

(Manager 3)

A completely different view on the termination process is some kind of pride, knowing that the process was done favourably for the company as well as giving the employee good termination conditions.

*“We should be very, very, pleased, from the company’s point of view, that it turned out almost the way we wanted, and if one can be a little bit proud in some way, that we also have compensated the person in a pretty good way. We have not been ungenerous.”*

(Manager 1)

Some managers imagine that there is a difference regarding how hard it is for them as a manager to have to deliver bad news, depending on the size of the company. Although they may not have experienced both roles they have some assumptions about this.

*“It is a lot of small businesses, you come quite close with each other. It gets more private than at large companies where you have a human resource department that handles it, and can relate to it in a different way, distance oneself. /.../ Yes, you get to know each other and become more close, so when you have to dismiss someone it becomes harder.”*

(Manager 3)

One union representative described the same experience, saying that it gets more emotional during layoffs in small companies, where the manager feels like they have to dismiss a friend and co-worker. In larger companies there is often a region or personnel manager that just comes out to handle the layoffs. According to the union representative, these do not have the same personal connection with the employees.

*“It gets quite business-like in such a situation. I mean, they are handling it professionally. They have people hired to take care of employees and who does*

*handle this. There is a difference compared to small, private workplaces where the owner works together with his employees. I see a difference... I have been to places like that many times, where everybody cries. Even the manager.”*

(Union representative 2)

One union representative expressed that small businesses sometimes do not react in time. They are reluctant to face the fact that they have to make changes in their business in order for it to survive.

*“If you start a company that you put your entire focus and interest and life on... And it does not really work out, but you still feel that your idea is good. Then you say to them: kill your darlings. I mean you have to let someone outside say no, now it is enough, now it is going to hell, right.”*

(Union representative 5)

To conclude, the managers' experiences are varied. Some find it very difficult to manage the situation and becomes emotional. Others have a more professional approach, seeing the layoff as just another work task, which becomes routinized after a while. Consequently, they are not as emotionally affected by the layoff. Furthermore, some managers handle the situation by looking for what is best for the company. If they do not conduct layoffs, the company may not survive, which makes the layoff justified. Finally, there is a perception among some interviewees that it is harder to deal with layoffs in a smaller company.

#### **5.4 The role of trade unions and Job Security Councils**

When we interviewed the union representatives and the job transition coach about their experiences of managers' behaviour during layoffs, we realized that they also have an active part in handling the crisis. Moreover, the managers are aware of this and sometimes seem to adapt their own behaviour because of this active part. We therefore found it not only important, but also necessary, to present the results.

Some of the managers described the union as a support when they need them, especially when you run a small company.

*“All small companies are dependent upon external persons, because you cannot contain all the knowledge yourself, there is no way. And that is why the Union, in our case, is a speaking partner. I mean, if there is anything I wonder about I call and ask them, ‘what do you think about this, then?’.”*

(Manager 5)

One manager had never had any contact with the Union before she had to due to the termination. She thought the Union would not go easy on her for having to let people go, but she was positively surprised. Next time she will not be so nervous.

*“I was really nervous when I was going to the Union. Oh God, I thought, they will look at me with terrible eyes. But I felt that I received a very, very good treatment at the Union, and they understood precisely when I showed the numbers and also understood my motivation to why I wanted N.N to stay and such. So I felt that I got a lot of help from them, actually.”*

(Manager 3)

The union representatives expressed similar views on their own role. They said that the managers contact them when they need advice. Some important advice, which they often share, is the importance of information; to be clear towards the employees as to why they act as they do.

*“And I come back to how well-grounded the company has been and also when they explain to the employee how they have made the judgement. Because that is something that we point out that you have to be clear and you have to say why you have decided to weigh these two people against each other.”*

(Union representative 3)

The union representatives also stated that they act as a support for the employees, showing that they are available if the employees have any questions or need any other kind of support.

*“And always be there, hand over... ‘Here is my telephone number, here is my email address, contact me when you have questions.’ Only that I think is a safety. And you notice, some call a lot afterwards and have questions you did not wanted to ask in a meeting together with others. It is very individual”*

(Union representative 2)

Concerning the Job Security Councils, one of the union representatives said that they play an important part in the process for the employee.

*“I mean, you should get help so you can see that it is going upwards again and here the Job Security Councils has, at least from my own experiences, fantastic programs where they really help so that they sort of start to see that you begin to work and look forward.”*

(Union representative 3)

Some of the union representatives also talked about how the Job Security Councils are seen as positive by the managers as well, that they find the termination easier to handle because of them. The managers seem to trust that the employee is cared for after he or she has left the workplace.

*“I believe they perceive it as positive that someone takes care of it so that they sort of not just throw the person out but that they hand over him/her in a better way at least.”*

(Union representative 3)

The job transition coach described his role as to get the person to move on with his or her life and find a new job. Before they can do this however, they sometimes need to deal with the past.

*“It could be that they have been in a conflict at the workplace where they have not received a good closure, where they did not find out why properly. /.../ And to have someone to listen to their version, it is very soothing. And it is also an opportunity to move on actually. Then it is a sort of closure you do here instead, when you establish*

*that 'well, this is unfair and it was not right, but I do not have any control over it anymore. And eventually, where do I want to put my energy; back where it happened or forward for my own sake?' And sort of shift the focus then, in that way."*

(Coach)

It is not just about shifting focus however. By being there and listening, the job transition coach also stated that he gives room for hope back to the employee because they are able to let go of the negative feelings they have been carrying with them.

*"You are not a therapist, but it can be therapeutic to lay over your problems and the things you have not been allowed to talk about in someone else's knee, to express it knowing that it will not go any further, it will not be used against me and so on. /.../ It gives room to just regain hope and motivation."*

(Coach)

The reason why these steps are necessary is explained by the coach as that you have to have motivation to move on in order to find a new job. This motivation is not something anyone can give to you.

*"You can never really motivate people but the motivation needs to come from inside. So that when... it is always about meeting people where they are and start where they are."*

(Coach)

Furthermore the coach explained how he acts when he meets a person in a crisis.

*"So you might say that it is about receiving the feelings but not getting filled with them yourself. It is a part of you could call it a coaching approach, that you get... you may also mirror back sometimes, that they are aware of how they are."*

(Coach)

He explained a coaching approach as a way of making the terminated persons aware of what happened and give them the opportunity to deal with their emotions and perhaps be able to deal with it differently next time if it were to happen to them again.

*“Coaching approach is a help to self-help you might say, basically. Sometimes I use the picture of the soccer coach that goes through the fundamentals and sets goals and tactics and strategies for the match and perhaps the series as a whole. And then he or she is standing on the side-line and the players are on the field. The coach never steps in to play, he lays the foundation and then the players gets to take responsibility to fulfil the strategy.”*

(Coach)

To conclude, union representatives and not least the job transition coach has an active role in the dismissed process of handling the crisis. Union representatives act as a support to both managers and employees, although the support to managers is more about how they should act practically than being a mental support. The job transition coach often meets people in crisis and states that it is important to meet people where they are mentally and listen. Furthermore it is important to always maintain a coaching approach.

## 6. Analysis and discussion

*In this section, we will interpret and analyse the empirical results together with the theories previously presented, guided by the theoretical concepts: first phase, second phase, individualized treatment and therapeutic approach. Finally, we will reflect upon the role of union representatives and job transition coaches.*

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### 6.1 First phase

Regarding Cullberg's (2007) first phase, the shock phase, the managers seem to be aware of the fact that the initial shock makes it difficult for the employees to grasp information. At the same time, it seems as if they do not give extensive information at a later stage either. The initial phase can last for only a short moment up to several days. Therefore, the employee ought to be ready to be exposed to extensive information during the period of notice (which can last to up six months). Even though some workplaces use a system where the employee does not have to work during the period of notice, it is still the manager's responsibility to inform the dismissed person properly.

Our results presented several different descriptions of how the employee had reacted when receiving the news. According to Cullberg (2007), the reactions of terminated people are correlated with their life situations, age, previous background and social conditions. Bergström (2006) expresses a similar view upon the matter. The managers seemed not to have reflected much upon this however, since they do not describe the reactions as correlated with any factors. Another explanation can be that they are not aware of what factors that differed among the employees, implying that they do not know much about their employees' personal lives. However, one manager had taken those factors and turned them into a justification as to why a specific person should be laid off rather than another. Hence, the factors were not used to bring an understanding into the person's reactions.

Contrary to what the managers explained, the union representatives could identify

behaviour among managers that regarded the most obvious factor: age. They made a connection between the employee's age and how severe that person's reaction would be: the higher the age, the higher the expectation of crisis. They also made a connection between how long an employee had been working at the company and the expectation of crisis, which can be considered to be part of their life situation.

But not everyone reacted negatively when receiving the bad news. Some of the managers and union representatives describe a totally different reaction among the dismissed people; they somehow feel relieved when delivered the news. In these cases, it seems like they are neither shocked nor end up in crisis. Nevertheless it is important that the manager handles the communication in a good way to avoid feelings of uselessness and depression. It can also be the case that the shock- or crisis reaction is delayed, and therefore the employees will need support later on, when they have fully understood the consequences of getting laid off. A case of delayed feelings was explained by one manager, where the dismissed employee was relieved at first, but after a while she turned bitterer and expressed negative feelings.

It is also important to reflect upon the reason why employees react with shock and crisis. As stated by the union representatives, the managers sometimes do not communicate enough with their employees about the company's financial situation, which leads to that it comes as a surprise that the workforce must be reduced. Even when they know that the financial situation is bad, they may not make the connection that some may have to leave. If the communication is continuous, everyone knows about the situation and whether or not someone may have to leave the workplace. If so, people can start to process the fact that they may be the one who has to leave and start reflecting upon what they want to do instead. On the other hand, this open approach to communication could also be dangerous, since it can make the employees worried and insecure about their employment, causing them to leave before an actual decision to lay someone off is taken.

## 6.2 Second phase

The second phase, the reaction phase, describe the person as trying to face the truth and make sense of the situation (Cullberg, 2007). The managers seem to be aware of this phase, as they describe the importance of being available and being prepared to answer questions of emotional character, such as ‘why me?’ But being available is a passive rather than active approach, which puts the responsibility on the person being laid off to actively ask the questions. If they do not do this, they will not receive any answers either.

Cullberg (2007) also states that communication is important in order for the dismissed person to confront the reality, trying to avoid distortion. Kets De Vries and Balazs (1997) give an explanation to lacking communication in difficult situations, stating that communication is often reduced instead of increased because of pressure and the need to deliver bad news. From the interviews conducted, we can see that it seems like managers are showing that they are available if the employees have any questions. This is, though, not the same thing as handling the communication in a good way. Saying that you are available may invite to a conversation, but this behaviour puts the responsibility on the employee to approach his or her manager. Naturally, not all employees feel comfortable enough to approach their manager, not least after being delivered a termination decision. Furthermore, if the managers only inform the dismissed people when they are in the initial shock phase, there is a substantial risk that the information is not perceived correctly, but instead becomes distorted by the dismissed. If this distortion of the truth creates a grudge, or even an anger towards the manager, there may not be an interest by the laid off person to confront the manager with these questions. The correct information will then never get through to the dismissed and this may be negative for the manager in a later stage. Thus, this behaviour may be a way for the manager to take the easy way out rather than facing the difficulties and communicate properly with the employee, but this behaviour can have negative effects in the long run.

As stated in the previous section, the shock phase can linger up to a few days. In workplaces that have systems where the employee does not have to return to his or her work after being delivered the termination decision, he or she may not even meet

the manager when he or she has moved on to the second phase and would be ready to deal with problems and questions. It seems to be more likely that the employee, by then, approaches their family and friends or union representatives rather than contacting their former manager. Since they are no longer present on the workplace, an additional communication barrier emerges. The managers cannot know what the dismissed are saying to the people around them, and thus it becomes even more important to communicate actively. This has to be made for the sake of the employee to get through the crisis, as well as making sure that the company's goodwill is not at risk of being harmed.

In the reaction phase, it is not uncommon for the dismissed employee to blame him- or herself. In the description given by the interviewees though, the blame seems to be focused more on the manager, according to both the managers and the union representatives. The managers explain how they continuously try to justify themselves by showing why they do as they do and that they have to lay people off. The union representatives and the coach speak of bitterness and a grudge that the dismissed can feel against the company. Even though none of them use the actual word of putting blame against the manager, that is what they indirectly seem to refer to.

Managers should provide the employee with caretaking services such as psychological and career counselling as well consulting by Job Security Councils, as stated by Kets de Vries and Balazs (1997). Most managers seem to do this by consulting Job Security Councils. Although, there seems to be a risk that the manager forgets their own responsibility to support the employee if they know that someone else will take care of them later on. Consequently, the crisis could be prolonged and also create the earlier mentioned negative feelings towards the company. In most cases, it seems to be the Job Security Councils that help the person move on from phase two to phase three, which becomes evident from the feelings of the employees that the coach describes.

Our results also found that after delivering the termination decision, it was not uncommon of the managers to give the employee a labour exemption during the time of notice. The argument was that the employee could stay home in order to rehabilitate and move on, because they would not be able to achieve this if still

working in the company. This behaviour can be connected to Cullberg's thoughts upon that the person, in case of a termination, may feel useless and abandoned which can lead to depression (Cullberg, 2007). If given labour exemption without being asked about it, these negative feelings may in some cases be more severe. The employee may believe that the manager wants them to stay home because they cannot contribute to anything at the workplace, even though this is not what the manager implies. Additionally, some union representatives state that leaving a workplace can cause separation anxiety and a loss of social interaction. For the sake of the individual, the question of labour exemption could therefore be discussed with the employee instead of being automatically applied.

On the topic of feeling useless and abandoned, avoidance of the dismissed person can be questioned. As one manager stated, she avoided discussing future orders with the person that was going to leave, trying not to hurt her feelings. However, this may hurt the employee's feelings just as well, if she feels that her manager no longer cares about asking her advice. All changes in behaviour may trigger the employee to search for an explanation to it. The employee may also feel excluded if she cannot take part in the same work tasks as before the decision to lay her off.

### **6.3 Individualized treatment**

Individualized treatment is important when consulting both Cullberg (2007) and Kets de Vries and Balazs (1997). This is also mentioned in earlier studies by Bergström (2006) and Gustavsson (2012). Some of the managers express that dismissals have become an ordinary part of their work. This can be a possible explanation for their poor communication skills. If delivering dismissals and handling the overall process becomes a routine or is performed mechanically, there is a risk that the manager does not adapt his communication and behaviour to the individual and each specific situation. They may even not recognize the seriousness of the situation. On the other hand, a routinized process can be perceived as a proof that the managers can now handle their own feelings better, which makes it easier for them to manage the process. This implies that they are now better at giving bad news, not worse. If so, it is positive for both the manager and the dismissed.

Another view, expressed by the managers, was that they have to look for the company's best to make sure that it survives. This standpoint is partly crucial in order to run a successful business. At the same time it should not go to extremes. The core of any company is its employees, and as Kets de Vries and Balazs (1997) has stated, the manager's treatment of dismissed people can affect the whole company negatively. Therefore, based on our findings in this study, we argue that the managers in this perspective should find the right balance between ensuring their own interests and the interests of the dismissed person. That the managers say they look out for the company's best, may also show that they try to emotionally distance themselves from the situation, so that they do not get filled with negative emotions. They simply need a justification for laying people off to reduce their own feelings of guilt, while in fact; the feelings of guilt would be reduced if they treat the employee well.

Another way of justification seems to be to give the employee good termination conditions, as one manager expressed that he feels proud of. This can also be a way of escaping the real problem, because what the dismissed person needs in the long run cannot be valued in money even though a generous dismissal pay may ease their situation.

Furthermore, the way the manager feels can also speed up the process, in order to make it as painless as possible for themselves without focusing on the employees' needs. As in the example of the manager who avoided to communicate with the employee after she delivered the news; it clearly showed that she wanted to escape the difficult situation. This can imply that managers need more support in the termination process, so he or she can cope with her or his own feelings as well as give the employee individualized support.

The managers' coping with their own feelings seems to be even harder when the manager knows the employee on a more personal level. The views of Kets De Vries and Balazs (1997), stating that managers feel more distressed when having to lay off people they have worked with for several years, are also expressed by the interviewees. Many of them mention that it is more difficult to terminate people who they have worked with for a long time or have become friends with. Having this kind

of relationships in a workplace may increase the feelings of guilt, because you do not want to let your friend down and also knowing that you will probably ruin your personal relationship as well by laying the person off. Among the interviewees it was mostly the small businesses that were expressing this difficulty. It is possible that a correlation between finding the layoff difficult and working in a small business is found. On the other hand, none of the managers we interviewed in the medium sized companies work closely with any of the laid off persons. A comparison regarding whether or not they would have found it as difficult can therefore not be made. However, based on the interviews made, it seems more common for small businesses to work closer together, making it more common in small businesses to find the layoffs difficult to handle. This assumption was also made by most of the interviewees.

#### **6.4 Therapeutic approach**

Cullberg (2007) states that having a therapeutic approach is important in order to manage a good communication with an employee in a crisis. A therapeutic approach involves, apart from being aware of the other person's situation, also an awareness of oneself and how one's own feelings could affect the situation. The managers that had delivered several or many termination decisions talked about the importance of sticking to the matter of facts, and that you learn how to deal with terminations. This could mean that they have learned about their own emotions during earlier termination decisions, and that they are now better at handling them. To stick to the matter of facts could also be an active choice to avoid ending up in emotional situations that might aggravate the end of it. The job transition coach talked a lot about a coaching approach, which he described in a similar way as the therapeutic approach. The most important part in a coaching approach was according to the job transition coach to make the laid off person look forward instead of backwards. Although they describe the approaches in different words, there are many similarities. The reason for this could be that he is an educated therapist and has therefore gained important knowledge about how to deal with a person in crisis.

According to the union representatives, the way a termination was handled depended on the personality of the manager and that it had a lot to do with empathy. If the manager had the ability to understand the person's feelings, they handled the termination better. Other managers were instead described as only thinking of the employees as numbers, which could indicate a lack of empathy. Empathy is one of the traits Feigenberg (in Cullberg 2007) describes as important to maintain a therapeutic approach. Here, the theory and the results from the interviews seem to correspond. However, Feigenberg (ibid) stated knowledge and self-knowledge as two other important traits.

According to the union representatives, there is a lack of managers' knowledge regarding behavioural science. Moreover, there does not seem to be any reflections by the managers regarding their self-knowledge. None of them had any specific thoughts of their personality and how they prepare themselves before delivering bad news. Still, this does not mean that they act wrong in such a situation, but the importance and the awareness of the personality and preparation seems to be greater in theory than what is described in the interviews.

As expressed by the interviewees, managers are sometimes lacking in their information and communication skills. A reason for this can be the way the managers themselves feel during a dismissal process. As expressed in the previous section, they often feel uncomfortable and sad. This can be connected to Cullberg's opinion that people who meet the person can feel incompetent or like an intruder, due to lack of experience in such meetings (Cullberg 2007). Even if the manager has handled many meetings about dismissals, he or she may never feel entirely comfortable. And since all reactions are individual, one may never gain "enough" experience. By having a therapeutic approach where they are aware of their feelings could benefit the communication in these situations. Although they themselves feel these uncomfortable feelings, they are aware of them and do not let them interfere in the communication.

An important part of the therapeutic approach is substituting hope. The fact that managers try to talk positively about the future and make the employees look ahead, instead of processing what has happened, can be viewed from two different

perspectives. On the one hand, this behaviour can be a part of the crucial substituting hope that Cullberg (2007) presents. If so, the employees can move on more easily. On the other hand, it can also be viewed as a barrier from processing what has happened, according to the idea of the phases. If the employee is not allowed to process the past, he or she may have a hard time moving on, and may also affect his or her view of the manager negatively.

## **6.5 The role of union representatives and job transition coach**

When hearing the union representatives and the job transition coach describe their respective roles in the layoff process, it became clear that they have a very active part in it. It is not uncommon for the job transition coach to meet people that are still in crisis. This indirectly means that the people being laid off are still in crisis when leaving their workplace. The managers have thus not successfully been able to get the person out of crisis, before handing him or her over to the Job Security Council, this assuming they have tried at all. The reason might be a lack of time. For a person to be able to process the phases through a crisis could take several months and people do not always have such a long notice period. More likely however, is that the person in crisis is unable to look forward as long as he or she is still in the same situation that triggered the crisis in the first place.

In the third phase presented by Cullberg, the person starts to focus on the future rather than past events (Cullberg 2007). This phase may be difficult to reach with just the support from the manager. It is therefore important that managers hand over the dismissed people to job security councils or any other person that can help them get through the crisis, who can support the employee when the manager cannot do it anymore, for example when the employee's time of notice has come to an end or if the situation cannot be handled solely by the manager. Even though the managers cannot do it themselves, they can take responsibility in form of making sure that someone else will take care of the employee. Otherwise, there is a risk that the crisis is prolonged and turns into long-term unemployment or depression. Although the conducted interviews shows that this procedure is quite common, it is still optional for the manager to apply to a Job Security Council on behalf of the dismissed. As long as

it is optional, we argue, there will always be some companies that do not apply, increasing the risk of the negative effects mentioned earlier.

## 7. Conclusions

*In this part we present the conclusions made from our study. Our aim is to answer the research questions, which were the following:*

- How do managers experience their own and the dismissed peoples' reactions during a layoff, and how do they handle the communication?*
  - How do trade unions and job transition coaches describe the manager's and the employee's behaviour?*
- 

Regarding the first research question, this study has found that the managers experience a wide range of feelings during a layoff, for example sadness or responsibility towards the company. Further, they also describe the employees' reactions as varied; some react negatively while others feel relief. This variation in reactions is consistent with the theories by Cullberg (2007), Kets de Vries and Balazs (1997) and also a previous study made by Bergström (2006). The fact that the reactions are varied requires an individualized treatment. The treatment does not seem to be individualized though, especially not in the cases where the managers perceive layoffs as a routinized work task.

To move on to the second research question, it is found that some managers try to hand over the responsibility of the layoff to the unions. This shows that the managers do not want to handle the situation themselves, which can be a sign that they think the situation is too hard to handle and would need support in such situations. Furthermore, the existence of the unions and Job Security Councils seem to make the managers less eager to put enough effort in how they handle the layoff, given that they know that someone takes care of the employees afterwards. The fact that the employees do not get adequate support from their manager can prolong the time in crisis and also make it harder for the job transition coaches to support them in their job seeking. It is therefore in everyone's interest that the manager handles this in the best possible way.

Generally, we have identified a difference between how the managers describe their own behaviour and how the union representatives perceive it. The managers describe their behaviour towards the employee as open and inviting. The union representatives, on the contrary, describe it as less optimal. To conclude, managers have a major responsibility to handle layoffs in a good way, but they seem to need additional support to be able to do this.

## 8. Ending reflections

This study has contributed to research of layoffs by filling a part of the research gap concerning the managers' experiences of their own and the employee's reactions. It will hopefully help managers realize the importance of proper treatment of dismissed people, by seeing how their own perception of their behaviour differs from how the union representatives and the coach perceive it.

Earlier studies mentioned in this study have presented how the dismissed individual reacts when being delivered a termination decision. It is stated that justice is a crucial aspect (Kieselbach and Mader, 2002; Datta et al, 2009). Furthermore, earlier studies showed that employees react differently and therefore need individualized treatment (Gustavsson, 2012; Bergström, 2006). Our study gives support to these earlier studies, as well as presents a new theory applicable to studies within this area, namely crisis theory (Cullberg 2007). Crisis theory is applicable as it, apart from presenting how employees react, also reflects on how other persons – in this case managers – can act to prevent or change such reactions.

Future studies on the subject of layoffs have several interesting directions. For example, a comparative study upon how all involved parties experience the same situation could make a major contribution to this research field. This makes it easier to directly see how a certain type of behaviour affects the dismissed person, following a structure of cause and effect.

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# Appendix 1. Information letter

## Information letter sent to the companies

Hello!

We are two students at School of Business and Economics in Gothenburg, writing an essay in cooperation with researchers at the Institution of Business Administration and Centre for Retail. We are studying changes that are ongoing within retail. The science project "*conversion expertise within retail*" is funded by the Trade Development Council and aims to study the consequences of the ongoing structural conversion and especially what needs of transitions of labour that means, namely cutbacks, shutdowns and/or layoffs. Our essay will focus on layoffs and the treatment of the dismissed people.

We have received your contact information through TSL since you have carried out layoffs within the last two years. We are now looking for a company representative and a representative of the trade union at your company, that want to participate in the study and talk about their experiences of transitions and layoffs, together with the conditions of your business. If possible, we also wish to get in touch with the person or persons that have been dismissed.

The interviews will be performed individually, last for maximum one hour and will be carried out during March and April 2013. The interviews will be performed at a time and place that suits you. The company and the respondent's answers will be anonymous and used for research only. The project will be reported to the Trade Development Council, Swedish Trade et al. and you are welcome to take part of the reports and our essay. We would be very grateful if you would like to contribute to the development of knowledge regarding labour work within trade by participating in this project.

Kind Regards,

Kristina Ekstrand

Therese Johansson

## **Appendix 2. Interview guides**

### **Guide for interviews with managers**

Info about us, the project, voluntary participation, anonymity, contact information, recording

#### **Background information about you and the company**

What do you do, what is your role at the company?

Tell me about your background, how did you begin here?

Life outside work?

How is this workplace organized? What are the forms of employment, generally?

#### **Transitions**

What kind of transitions and dismissals have you experienced?

How does a typical dismissal look like?

When you dismissed people most recently, what happened?

-The background and reason for dismissal

-How did you inform (was informed)? In what order? Explanations?

-Have you informed people about that they are getting dismissed personally?

-How do you prepare for the dismissal?

-How did you feel? How did other people react?

-What did you think?

-Which individuals and institutions were involved in the process, how?

-Ending conditions, Job Security Councils?

How did you experience the dismissed person's feelings and reactions, both when the news was given and afterwards? How did you try to deal with those feelings?

How long had the dismissed person been working in the company? What about his/her life situation?

If you had been able to choose freely, would you dismiss the same people? Explain.

Have you announced dismissals earlier? If yes, do you experience any similarities/differences? For you? For the dismissed? Examples?

What have you learned during these processes? What do you recommend others to think about?

Do you see anything particular about dismissals in retail (and SMEs)?

What trends and changes do you see in retail right now, which will affect labour and transitions?

What do you think about the future, will more people get dismissed?

## **Guide for interviews with coaches**

Info about us, the project, voluntary participation, anonymity, contact information, recording

### **Background information about you and the company**

What do you do, what is your role at the company?

Tell me about your background, how did you begin here?

Life outside work?

How is this workplace organized?

### **Transitions**

What does transition support mean?

In your opinion, how aware are the managers about the existence of transition support?

How and who decide about transition support?

How does the process with transition support look like?

### **Treatment and feelings**

How do you deal with the dismissed people? What are their reactions and feelings?

How do you react yourself?

How is the process adapted to the dismissed person's life situation and feelings?

What are their expectations? How well are they met?

What is required of you and the dismissed person, respectively?

When does the process end? What is the goal with the support?

How does the dismissed person feel when the process ends?

Which treatment do you think that they need?

Do you have any particular experiences from people being dismissed from small companies? From the retail industry?

## **Guide for interviews with union representatives**

Info about us, the project, voluntary participation, anonymity, contact information, recording

### **Background information about you and the company**

What do you do, what is your role at the company?

Tell me about your background, how did you begin here?

Life outside work?

How is this workplace organized?

### **Transitions**

What kind of transitions and dismissals have you experienced?

How does a typical dismissal look like?

When you dismissed people most recently, what happened?

-The background and reason for dismissal

-How did you inform (was informed)? In what order? Explanations?

-Have you informed people about that they are getting dismissed personally?

-How do you prepare for the dismissal?

-How did you feel? How did other people react?

-What did you think?

-Which individuals and institutions were involved in the process, how?

-Ending conditions, Job Security Councils?

-What kind of support have you given the dismissed person? What treatment do you believe that they need?

Which discussions are made with the union? How would the dismissals look without involvement of the union?

How is the manager handling the process? (Treatment of the dismissed, reasoning before the decision etc.)

How important is the role of the union when it comes to dismissals? How do the manager and the employee experience the role of the union? Oppositions?

Percentage of union members at the workplace? How does the process look like when the employee is not a member, compared to when he/she is a member?

Does the union usually agree upon deviating from the Employment Protection Act? What were the reasons?

Have you announced dismissals earlier? If yes, do you experience any similarities/differences? For you? For the dismissed? Examples?

What have you learned during these processes? What do you recommend others to think about?

Do you see anything particular about dismissals in retail (and SMEs)?

What trends and changes do you see in retail right now, which will affect labour and transitions?