

Forget the cardboard box and security-guard escort. Some employers are giving workers advance notice of their layoffs so they can look for a new job.

Chris Pinner, a 42-year-old technical writer in Cleveland, knows his last day on the job is Dec. 29. The software company where he works told him so back in April.

At first, Pinner was puzzled by the supersize notice that his job would be eliminated. But the advance warning has given him more time to look for a new position, which Pinner said he appreciates. He is still in job-search mode as his end date draws closer.

Pinner and many other workers facing termination are experiencing a different kind of corporate cutting—layoffs with a long runway that can take weeks or months to finally come to pass. Wells Fargo and Disney are among large employers that have done some long goodbyes instead of more-traditional, abrupt ones, in which laid-off workers learn they are cut and leave on the same day, often escorted out by security.

The old way protected companies from security problems or lost clients as laid-off workers walked out the door, and workers had little recourse. Now employers are trying to appear transparent and compassionate when cutting, several executives and leadership consultants said.

“Companies can’t lay people off on the quiet anymore,” said Sarah Rodehorst, chief executive of Onwards HR, a software platform that helps companies with legal compliance during employee terminations. “Whatever they do is much more under a microscope. They have to hold themselves to a higher standard.”

Avoiding a backlash

Demand for white-collar workers has taken a big hit this year, as companies acknowledge they overhired during the pandemic and job openings dry up. The tightening job market means employers are piling on layers of new requirements and lengthy, additional rounds of interviews for a few coveted jobs, dragging out the hiring process as they grow more selective about whom they bring on.

Layoffs that are seen as insensitively done can spark backlash on social media, with laid-off employees venting online and circulating internal details, said George Penn, a managing vice president at Gartner who advises companies on staff restructuring.

Layoffs became not only a legal but a reputational nightmare for some organizations,” he said.

Federal law requires employers of a certain size to give 60 days’ notice to workers when conducting big layoffs. Some companies have gotten around advance warning by paying terminated workers a lump sum to cover that period.

Some affected employees said they would still receive severance pay after their long layoff notice periods, though it would be reduced if they left before their designated end dates.

In the Houston area, James Ridgway Jr., 40, is working at Huntsman, a chemical company, after learning in August that he would lose his job at the end of the year. The father of two children with another on the way said the news was initially an “existential gut punch.” He said the long lead time has given him more time to network and tighten family finances.

“It’s not a great place to be in, but I appreciate that I do have that runway,” said Ridgway, adding that the notice is helping him as he hands off responsibilities to co-workers.

Ridgway, a communications manager, is still looking for another full-time job. Because his colleagues know he is job-hunting, ducking out for interviews is less awkward than feigning doctors’ appointments, he said.

Wade Rogers, Huntsman’s senior vice president of global human resources, said giving laid-off employees months of notice shows remaining and prospective workers that the company treats its people well. That approach, he said, could help the company recruit and retain good hires in the future.

“How we handle ourselves and how we handle our relationships with our associates matters,” he said.

Take every advantage’

Not all workers want to stick around after a layoff. A Wells Fargo employee said staying motivated after being terminated was tough. She was told months ago that her job would be eliminated. No precise date was given, making it hard to plan her job search.

“Every day, you go in, and you’re like, is it going to be today?” she said.

Wells Fargo said it periodically needs to adjust its staffing levels according to business needs. During layoffs, “We always treat our employees respectfully, including giving them reasonable time to prepare,” the bank said

At Disney, a former corporate employee who was given several months’ notice this past spring said she was annoyed that she was expected to keep doing her job even though it was ending, until her manager said she could stay home and stop working. Two other Disney employees said they weren’t asked to work during their advance-notice period; they used the time to consider next career steps.

Earlier this year, a laid-off Disney marketing executive was given two months’ notice of his layoff. While he collected paychecks, he used the time to job-hunt and made use of his employee benefits. He took his children to Disneyland free several times.

“I am going to take every advantage of this as possible,” the former executive recalled thinking.

Disney declined to comment.

Some companies simply can't give employees much warning, but some of those are trying to soften the blow.

“If you're dealing in an environment where you have confidential patents or access to business plans, you just want to protect your company assets,” said Tashia Mallette, a longtime human-resources executive who conducted layoffs last year at Therabody, a wellness-technology company.

Mallette said that workers were notified on the day they had to leave but that Therabody encouraged managers to check on them and created an alumni Slack channel so people didn't feel abruptly cut off. Mallette herself has left the company.

Companies don't want workers to feel burned during a layoff. If anything, they want workers to feel that they would rejoin the company if given the chance.

Jennifer Bender managed layoffs of hundreds of people during her years at Change Healthcare, where until this past spring she was a senior vice president of human resources. The company had to trim staff during acquisitions and project and client fluctuations, and it also had to fill hundreds of openings a month, she said.

The company decided to tell people two to four weeks ahead of their layoff dates, she said. It felt more compassionate to workers, and it also made it easier to redeploy some people into other roles the company needed to fill, which was a benefit to the company and employees who were interested in staying on.

While longer notice periods involve risks, including security issues or unmotivated people who don't want to work during that time, Bender said the company let employees know that performance issues could still result in corrective action, including termination for cause. That meant, she added, that it wasn't much of an issue.

“It's really a best practice at this point,” Bender said.