Is there a good way to deliver bad news?
Psychologists at Saarland University examine layoff interviews

Researchers at Saarland University have identified factors that play a key role when managers have to convey bad news to employees. If, for example, a manager has to lay off a member of staff, the tone the manager adopts when informing the employee is crucially important. If they treat the employee fairly and with respect, the latter is more likely to accept redundancy. While this may sound trivially obvious, it is still rarely implemented in practice – as demonstrated by the many instances in which employees decide to fight their case in the courts. So far, there have been no scientific studies that have examined these issues. The Saarbrücken research team from the Industrial and Organizational Psychology group at Saarland University have published the results of their study in the Journal of Applied Psychology.

‘Jones, you’re fired!’ or ‘Mr Jones, I’m afraid I’ve got some bad news: Unfortunately, we’re going to have to let you go. Please, take a seat and I’ll explain the situation to you.’ As in so many areas of life, it’s not so much what you say, but the way that you say it that counts – even if you have to tell someone that they are being laid off. If a manager adopts an aggressive tone, the employee is far more likely to react to the bad news in a confrontational manner than in cases in which the manager takes time to explain the situation and the underlying causes. Badly managed layoff interviews are not only a cause of intense frustration, they all too often lead to the employee suing the company. About half of the roughly 400,000 cases dealt with by employment tribunals in Germany are layoff-related.

(Source: https://www.destatis.de/DE/Publikationen/Thematisch/Rechtspflege/GerichtePersonal/Arbeitsgerichte.html – available in German only)

If layoff interviews followed certain rules, it would be possible to avoid not just legal disputes of this kind, but also the emotional distress experienced by both the recipient of the bad news and by the manager tasked with delivering it. A team of psychologists at Saarland University led by Professor Cornelius König, who holds the Chair of Industrial and Organizational Psychology, have conducted experiments designed to establish the best way for managers to communicate bad news to employees.
Together with her colleagues, the study’s lead author Manuela Richter carried out experiments that used a variety of psychological role-playing exercises. ‘In our initial study, we split the participants into two groups. One group received training in how to communicate the factually correct arguments for a layoff and were also shown how to treat employees fairly. The second group conducted layoff interviews without having undergone this training,’ explains Manuela Richter. The research team discovered that employees were more likely to accept the manner in which the layoff interview was conducted and the decision itself if the messenger had received prior training than in those cases in which notification of termination was simply communicated to employees in a formally correct way.

‘In the second study we wanted to discover whether the perception of “formal correctness” or that of “fairness” was more important in the recipients’ reaction to the layoff interview,’ said Manuela Richter. The second experiment therefore had two training groups in addition to the control group. Members of one of the training groups received training in both formal correctness and fairness; the members of the other training group were only trained in formal correctness. ‘We found that it is actually fairness that is critical to how the layoff interview is judged,’ says Richter, summarizing the team’s findings. Employees whose supervisor had received training solely with respect to the formal procedural aspects of the layoff interview were just as dissatisfied as those whose managers had received no training at all.

‘Fairness includes elements such as process transparency and treating an employee with respect,’ says Professor Cornelius König. Managers who had received fairness training explained to employees losing their jobs that the layoff was not a reflection of their performance but the result of the economic difficulties that the company was in, forcing it to lay off some of its staff.

The research team at Saarland University feel that there is real potential for companies to make good use of these findings in their day-to-day business practice. Conveying bad news, particularly terminating an employee’s contract, is still very much a taboo subject among company executives. Evidence-based guidance on how such interviews should be conducted is not currently available. ‘Research of this kind can make it easier for all involved to cope with the ordeal of giving and receiving bad news,’ explained Cornelius König. After all, unpleasant news is a daily element of today’s society, and business culture should have the means to deal with it.

Background:
The study ‘Displaying fairness while delivering bad news: Testing the effectiveness of organizational bad news training in the layoff context’ was conducted on the basis of experimental spoken communication scenarios. In both sets of experiments, the role of
supervisor was played by volunteers who were asked to conduct a layoff interview; the role of the employee receiving the news was played by an actor whose shocked reaction was always the same. They were not informed about the nature of the task beforehand. The spoken communication situations were observed by psychologists. To verify the authenticity of the interviews, audio recordings of the dialogues were presented to a number of active human resource professionals. The HR experts specifically confirmed that those unpleasant interviews in which the aspect of fairness was not taken into account by the manager were indeed very similar to real layoff interviews. The conclusion reached by the Saarbrücken research team is that their scientifically established method for training managerial staff could be of real value for all those involved in these challenging communicative situations: employees, managers and the company itself.

The complete article can be accessed at: http://www.uni-saarland.de/fileadmin/user_upload/Professoren/fr53_CKoenig/PDFs_Publikationen/RichterEtAl2016.pdf

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