

Staff Transitions Handbook

IMPORTANT DISCLAIMER

This document provides best practices and recommendations related to employee separation. This document does not contain or provide legal advice.

All employee separation decisions and processes should be reviewed with a qualified employment attorney in your state or province.

Note on TREC's HR Guidance

TREC is committed to providing new and pertinent information, tools, and samples to meet your Human Resources (HR) needs. Please note that this resource is not intended to be all-inclusive; we make every effort to present thorough and accurate information. However, numerous federal, state and local laws and regulations may vary regarding some of the issues; we encourage all organizations to review local laws and regulations and seek legal counsel when implementing new HR policies and procedures.

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I. Checklist for Employee Separations

Purpose: Ensure staffing separations are handled consistently, compassionately, and in alignment with organizational values, policy, and legal requirements.

1. Decision Readiness (Before Anything Is Said)

- ☐ Decision is final and documented
- ☐ Correct category confirmed
 - ☐ Layoff (role eliminated / funding / restructure)
 - ☐ Termination for cause (performance or conduct)
- ☐ Rationale aligns with policy and values
- ☐ Similar cases reviewed for consistency
- ☐ Legal or HR review completed (if applicable)
- ☐ Timing approved by leadership

2. Documentation Prepared

- ☐ Termination/layoff letter finalized
- ☐ Final pay calculation confirmed (incl. PTO per policy/state law)
- ☐ Benefits continuation information prepared
- ☐ Severance details (if applicable) approved in writing
- ☐ COBRA / health coverage notices ready
- ☐ References or employment verification position decided
- ☐ Internal talking points + FAQ selected (layoff vs. for-cause)

3. Conversation Planning

- ☐ Meeting scheduled privately (in-person or secure virtual)
- ☐ Two organization representatives identified (if policy requires)
- ☐ Script reviewed and practiced
- ☐ Clear opening line prepared ("This decision is final...")
- ☐ Boundaries set (no debate, no new evidence)
- ☐ Support resources identified (EAP, referrals, job search support)

4. Separation Meeting (Day Of)

- ☐ Message delivered calmly and clearly
- ☐ Reason stated appropriately
 - ☐ Layoff: role eliminated; not performance-related
 - ☐ For-cause: expectations not met; prior discussions occurred

- ☐ Effective date confirmed
- ☐ Final pay + benefits explained
- ☐ Transition support outlined
- ☐ Questions answered briefly and consistently
- ☐ Dignity preserved at all times

5. Systems, Access & Property

- ☐ System access removed or scheduled
- ☐ Email/tech access plan executed
- ☐ Keys, badges, equipment addressed
- ☐ Files and work transitioned appropriately
- ☐ Confidentiality reminders issued (if applicable)

6. Internal Communication

- ☐ Staff announcement prepared and approved
- ☐ Privacy-protective language used
- ☐ Managers briefed on what to say / not say
- ☐ Coverage and workload plan communicated
- ☐ Rumor-prevention steps taken (FAQ, check-ins)

7. External Communication (If needed)

- ☐ Funders/partners messaging prepared (minimal, factual)
- ☐ Single spokesperson identified
- ☐ "No personnel details" boundary reinforced

8. Aftercare & Follow-Up

- ☐ Manager check-ins scheduled with impacted staff
- ☐ Team morale and workload monitored
- ☐ Documentation securely filed
- ☐ Process debriefed for improvement
- ☐ Values alignment reviewed

Reminders

- Be **kind and clear**, not vague or apologetic
- Never compare employees or share details
- Assume everything said may be repeated
- Protect people *and* the mission

II. Scripts

Nonprofit Termination Meeting Script

(15 minutes or less; *two representatives present*)

1. Opening (Direct and Calm)

"Thank you for meeting with us today. I want to let you know that this is a difficult conversation."

"As of today, we are ending your employment with [Organization Name]. This decision is final."

(Pause. Let it land.)

2. Reason for Termination (High-Level, Non-Argumentative)

Choose **one** approach—do not overexplain.

Performance-based (after PIP or coaching):

"As we discussed during your Performance Improvement Plan, the required improvements were not met. After careful review, we've decided to end your employment."

Role elimination / funding change:

"Due to changes in funding and organizational needs, your position is being eliminated effective today."

Policy or conduct issue (confirmed, not investigatory):

"Based on our review of the situation and our policies, we've determined that termination is the appropriate action."

"We won't be debating the decision today, but we want to walk you through next steps and support."

3. Acknowledge the Person

"We recognize the contributions you've made to the organization, and this decision does not negate the work you've done."

(Avoid praise that contradicts the termination reason.)

4. Logistics & Final Pay

"Here's what will happen next."

- "Your final paycheck will include all earned wages through today, including any accrued vacation as required by law."
- "Your benefits will end on [date]. You'll receive information about continuation options, such as COBRA, in writing."



- "We'll provide written information summarizing this."
- (Hand /email documents at this point.)

5. Property, Access, and Transition

"We'll need to collect organization property today, including keys and equipment."

"System access will be disabled following this meeting."

"If you have personal belongings, we'll coordinate a time for pickup."

6. References & Communication

"Our standard practice is to confirm dates of employment and job title. Any reference requests should go to HR."

"We'll communicate your departure internally in a brief, neutral way."

7. Close the Meeting

"I know this is a lot of information. Do you have questions about the logistics or next steps?"

(Answer logistics only. If they argue the decision:)

"I understand this is hard. The decision is final, and today we need to focus on next steps."

"Thank you for your time today. We wish you the best moving forward."

Manager Do's & Don'ts (Nonprofit-Specific)

DO

- Stick to facts already documented
- Keep tone calm and respectful
- End the meeting if emotions escalate
- Have HR present if possible – If not, another leader/senior manager

DO NOT

- Apologize for the decision ("I'm sorry we have to do this")
- Debate performance details
- Promise references, severance, or rehire eligibility unless approved
- Cite "culture fit" or vague reasons

Optional Add-Ons (If Applicable)

- Severance Script (if offering):
- "We are offering severance as outlined in this agreement, contingent on signing and returning it by [date]."
- Mission-Centered Close (Use Carefully):
- "This decision was made with the organization's mission and responsibilities in mind."

Nonprofit Layoff Meeting Script

(Role elimination, funding loss, restructuring)

Tone: Empathetic, neutral, non-blaming

Length: 10–15 minutes

Key principle: The role is ending, not the person's worth or performance

1. Opening (Clear + Compassionate)

"Thank you for meeting with us today. This is a difficult conversation."

"Due to organizational changes, we are eliminating your position effective today."

(Pause. Let it land.)

2. Reason (High-Level, Non-Personal)

"This decision is the result of [funding reductions / grant ending / organizational restructuring]. It is not related to your performance."

(Do not explain finances in detail. Avoid apologizing for the decision.)

3. Acknowledge the Impact

"We recognize this is hard news, and we appreciate the work you've done for the organization."

4. Logistics & Support

"Here's what will happen next."

- Final paycheck details (wages + accrued leave per law)
- Benefits end date and continuation information
- Severance (if applicable):
- "We are offering severance as outlined in this agreement, contingent on signing and returning it."

5. References & Job Search Support (If Offered)

"We will confirm dates of employment and position title. If applicable, we're also offering [outplacement support / a neutral reference letter]."

6. Property, Access & Exit

"We'll coordinate return of organization property and next steps for personal belongings."

7. Close

"We know this is a lot to take in. Do you have questions about the transition or support being offered?"

"Thank you for your contributions, and we wish you well."

Layoff Script Do's / Don'ts

DO

- State clearly it is not performance-related
- Be consistent across affected staff
- Use neutral language tied to funding or structure

DON'T

- Compare employees
- Promise rehire eligibility unless approved
- Invite debate about budget decisions

Nonprofit Termination for Cause Script

(Policy violations, misconduct, repeated performance failure)

Tone: Calm, firm, factual

Length: 5–10 minutes

Key principle: Decision is final; do not litigate the past

1. Opening (Direct)

"Thank you for meeting with us."

"Effective today, we are ending your employment with [Organization Name]."

(Pause.)

2. Reason (Brief, Documented)

Choose one—do not layer multiple rationales.

Performance-based:

"As discussed in prior meetings and your Performance Improvement Plan, the required improvements were not achieved."

Policy or conduct violation:

"Based on our investigation and in alignment with our policies, we've determined termination is the appropriate action."

"The decision is final."

3. Boundaries (Prevent Argument)

"We won't be debating the decision today. Our focus is on next steps."

(If the employee argues or becomes emotional:)

"I understand this is upsetting. The decision has been made."

4. Logistics

- Final pay details
- Benefits end date
- Property return and access shutoff
- Reference policy:

"Our policy is to confirm dates of employment and job title only."

III. Talking Points

Below is a **side-by-side, nonprofit-specific set of talking points** that clearly distinguishes **layoffs** from **for-cause terminations**, while protecting dignity, trust, and legal boundaries. You can lift these verbatim or adapt the tone.

LAYOFF (Position eliminated / no longer funded)

Core Message (all audiences)

- "This decision is about the role, not the person."
- "The position was eliminated due to organizational needs."
- "We're grateful for the individual's contributions."
- "This was not performance-related."

1. Talking Points — To the Individual

- "We've made the difficult decision to eliminate your position effective [date]."
- "This is not a reflection of your performance."
- "The change is due to [funding changes / restructuring / program shift]."
- "Here is the support we're providing during your transition."
- "We truly appreciate the work you've done for the mission."

Tone: Compassionate, affirming, unambiguous.

2. Talking Points — To Staff

- "Due to [budget/funding/program] changes, we eliminated a position."
- "This was not related to performance."
- "We're supporting the affected employee and respecting their privacy."
- "We're taking steps to ensure stability going forward."
- "If this change affects your work, your manager will follow up."

Optional reassurance line:

- "No additional layoffs are planned at this time." (*Only say if true.*)

3. Talking Points — If Staff Ask, 'Why Them?'

- "The decision was based on organizational structure and funding."
- "We didn't evaluate individual performance for this decision."
- "We know this is hard, and we're open to talking about how it feels."

4. Talking Points — External Stakeholders

- "We made a staffing adjustment due to funding or program changes."
- "The organization remains financially responsible and mission focused."
- "Our programs and partnerships continue as planned."

FOR-CAUSE TERMINATION (Performance or conduct)

Core Message (all audiences)

- "This decision followed our established process."
- "Expectations were clear and not met."
- "We addressed the issues prior to this decision."
- "We're respecting privacy and won't share details."

1. Talking Points — To the Individual

- "We've decided to end your employment effective [date]."
- "This decision is final."
- "It's based on performance/conduct that did not meet expectations."
- "We've discussed these concerns previously."
- "Here's what to expect regarding final pay and benefits."

Tone: Calm, firm, respectful. No debate.

2. Talking Points — To Staff

- "We're sharing that [Name] is no longer with the organization."
- "This followed our standard process and policies."
- "We won't share details out of respect for privacy."
- "We remain committed to accountability and a healthy workplace."
- "We're focused on supporting the team and our mission."

Values-based option:

- "We aim to be compassionate *and* accountable."

3. Talking Points — If Staff Push for Details

- "I can't share specifics."
- "What I can say is that leadership addressed the issue appropriately."
- "We take concerns seriously and act when necessary."
- "I'm happy to talk about how this impacts the team."

4. Talking Points — External Stakeholders

- "We don't comment on personnel matters."
- "Leadership addressed an internal issue and the organization remains stable."
- "Our work continues without interruption."

What Changes Between Layoff vs. For-Cause

Element	Layoff	For-Cause
Performance Mention	Explicitly <i>not</i> performance	Performance/conduct cited
Gratitude Language	Strongly encouraged	Neutral
Process Emphasis	Structural / financial	Policy-driven
Emotional Tone	Empathetic, reassuring	Calm, contained
Risk of Oversharing	Low	High (avoid specifics)

Nonprofit-Specific Guardrails (Both Cases)

- Never compare employees
- Never share warnings, complaints, or PIPs
- Use the same language consistently
- Assume statements may be repeated or quoted
- Anchor in mission, fairness, and care

IV. FAQ's

Internal Staff FAQ: Layoff (Position Eliminated)

Why are we sharing this?

We know staffing changes can raise questions. This FAQ is meant to provide clarity while respecting everyone's dignity and privacy.

What happened?

A position has been eliminated, and the employee in that role is no longer with the organization.

Was this related to performance?

No. This decision was **not related to individual performance**. It was based on organizational needs such as funding changes, program shifts, or restructuring.

Why was this decision made?

Like many nonprofits, we regularly assess our programs and resources to ensure long-term sustainability and mission impact. This change reflects those organizational considerations.

Was the decision made carefully?

Yes. The decision was made thoughtfully, with leadership review, and with respect for the individual affected.

How is the employee being supported?

We provided transition support consistent with our policies, including information about pay, benefits, and next steps.

Does this affect my role or job security?

If this change directly affects your responsibilities, your manager will speak with you. If you have questions or concerns, please reach out to your supervisor or HR.
(Optional — include only if accurate) At this time, no additional layoffs are planned.

Who is covering the work now?

Leadership is reviewing coverage and priorities. Managers will share updates as plans are finalized.

Can leadership share more details?

Out of respect for privacy and professionalism, we won't share additional information.

How can I support my colleagues during this time?

- Lead with kindness and professionalism
- Avoid speculation
- Stay focused on our shared mission
- Ask for support if you need it

Who can I talk to if I'm feeling unsettled?

Change can be difficult. Please reach out to your manager, HR, or available employee support resources.

Thank you for your professionalism and continued commitment to our mission.

Internal Staff FAQ: For-Cause Termination

Why are we sharing this?

We understand that staff departures can raise questions. This FAQ provides clarity while maintaining appropriate boundaries.

What happened?

A staff member is no longer employed with the organization.

Why did this occur?

The individual did not meet performance or conduct expectations. The decision followed our established policies and procedures.

Was this decision made carefully?

Yes. These situations are addressed thoughtfully and through appropriate process. This decision was not made lightly.

Can leadership share more details?

No. We do not share details about individual performance or personnel matters out of respect for privacy and fairness.

How does this align with our values?

We strive to be both **compassionate and accountable**. Maintaining a healthy, respectful, and effective workplace is part of our responsibility to staff and the mission.

Does this affect my role or job security?

If this change affects your role or responsibilities, your manager will speak with you directly. If you have questions or concerns, please talk with your supervisor or HR.



Who is covering the work now?

Leadership is managing coverage and will communicate any changes or expectations as needed.

How should staff talk about this?

We ask everyone to avoid speculation or sharing unverified information. If you have concerns, please raise them with your manager or HR.

Who can I talk to if I'm feeling unsettled?

These situations can be uncomfortable or concerning. Support is available through your manager, HR, or employee support resources.

What should we focus on moving forward?

We remain focused on supporting our team, upholding our standards, and advancing our mission together.

Thank you for your professionalism and care for one another.

V. Best Practices – Severance, Benefits, References, Transition Support

1. Severance Pay (When & How)

Purpose: Reduce harm, lower legal risk, and demonstrate values—especially in layoffs or no-fault separations.

Best practices

- **Use severance most often for layoffs**, role eliminations, or mutual separations (not required for misconduct).
- **Typical range**
 - 1–2 weeks per year of service (often capped), or
 - Flat amount (e.g., 4–8 weeks) for shorter-tenured staff.
- **Consistency matters:** Apply a clear formula to avoid equity concerns.
- **Written agreement:** Tie severance to a **release of claims** (review with counsel).
- **Timing:** Pay promptly; lump sum is most common.

2. Benefits Continuation

Purpose: Prevent sudden loss of healthcare and stabilize employees during transition.

Best practices

- **COBRA:** Provide required notices immediately.
- **Employer-paid benefits:**
 - Common: pay 1–3 months of COBRA premiums.
 - Alternatively: stipend equal to premiums.
- **Other benefits:**
 - Clarify end dates for life insurance, disability, EAP, retirement matches.

- **Documentation:** Give a simple benefits end-of-employment summary. Short-term benefits continuation is often viewed as a compassionate minimum, even when severance is modest.

3. References & Employment Verification

Purpose: Support future employment while managing risk.

Best practices:

- **Standard policy:**
 - Employment verification only (dates, title), **or**
 - Neutral + confirmation of eligibility for rehire.
- **Layoffs/no-fault exits:**
 - Offer **positive references** when performance was solid.
 - Identify who may serve as a reference (manager vs. HR).
- **Consistency:** Train managers so messaging doesn't vary by individual.

4. Transition & Outplacement Support

Purpose: Reduce trauma, uphold values, and protect employer brand.

Best practices

- **Low-cost, high-impact options:**
 - Resume and LinkedIn review
 - Job search checklist or toolkit
 - Letter confirming layoff/non-fault separation
 - References prepared in advance
- **Outplacement services:**
 - Common for executive roles or large layoffs
 - Even short engagements (1–3 months) are helpful
- **Time to transition:**
 - Allow use of remaining PTO or short paid transition period when feasible.

Even modest transition support sends a strong message to remaining staff about organizational integrity.

VI. Performance Improvement Plans

Long Form Performance Improvement Plan (PIP)

Purpose: This Performance Improvement Plan (PIP) is designed to clearly communicate performance concerns, set measurable expectations for improvement, and provide appropriate support. It aligns with [organization name] values of fairness, transparency, and accountability.

Employee Information

- **Employee Name:** _____
- **Job Title:** _____
- **Department / Program:** _____
- **Supervisor:** _____
- **PIP Start Date:** _____
- **PIP End Date (typically 30–90 days):** _____

Reason for Performance Improvement Plan

Describe the specific performance issues that prompted this PIP. Focus on observable behaviors, outcomes, or results rather than personal traits.

Example: Missed grant reporting deadlines; incomplete donor data entry; inconsistent supervision of program staff.

Description:

Performance Expectations and Improvement Goals

Clearly outline the standards that must be met and how success will be measured.

Performance Area	Required Improvement / Expectation	Measurement of Success	Target Date

Action Steps and Support

List the actions the employee will take and the support the organization will provide.

Action Step	Responsible Party	Resources / Support Provided	Due Date

Support may include training, coaching, workload adjustments, clearer procedures, or increased supervision.

Check-In and Review Schedule

Describe how and when progress will be reviewed during the PIP period.

- Check-in frequency (e.g., weekly/biweekly): _____
- Method (meeting, written update, etc.): _____

Consequences of Not Meeting Expectations

Explain the potential outcomes if sufficient improvement is not achieved by the end of the PIP period.

Example: Further disciplinary action up to and including termination of employment.

Acknowledgment

This PIP is intended to support improvement and does not change the at-will nature of employment (if applicable under state law).

By signing below, the employee acknowledges receipt and discussion of this Performance Improvement Plan. Signature does not necessarily indicate agreement.

- **Employee Signature:** _____ **Date:** _____
- **Supervisor Signature:** _____ **Date:** _____
- HR Representative (if applicable): _____ Date: _____

Final Outcome (to be completed at conclusion of PIP)

- ☐ Performance expectations met – PIP successfully completed
- ☐ Partial improvement – additional action required
- ☐ Expectations not met – further disciplinary action taken

Summary Comments:

Legal and Employment Disclaimers (Nonprofit-Safe Language)

The organization is committed to providing employees with a fair and reasonable opportunity to improve performance. This Performance Improvement Plan (PIP) is intended to clearly communicate performance concerns, expectations, and available support.

This PIP is **not a contract**, does not constitute a promise of continued employment, and does not alter the employee's **at-will employment status**, if applicable under state law. The organization reserves the right to modify, extend, shorten, or conclude this PIP at any time, with or without notice, based on organizational needs or performance outcomes.

Nothing in this PIP limits the organization's ability to take appropriate action consistent with its policies, grant or funding requirements, or applicable federal, state, and local laws.

The organization is committed to **equal employment opportunity, non-discrimination, and non-retaliation**. Employees will not be retaliated against for raising good-faith concerns, reporting compliance or ethics issues, or engaging in legally protected activity.

Short-Form - Performance Improvement Plan (Minor Issues)

- Low-stakes and coaching-oriented
- Appropriate for early intervention (before a formal PIP)
- **Legally safer** for nonprofits (clear non-disciplinary framing)
- Quick for managers to complete and discuss

Use this short-form PIP for minor, correctable performance issues (e.g., timeliness, communication gaps, documentation errors) where the employee is generally meeting expectations and termination is not anticipated.

Employee & Plan Information

Employee Name: _____

Job Title: _____

Supervisor: _____

Date Issued: _____

Improvement Period (typically 14–30 days): _____

Performance Concern (Brief)

Describe the issue factually and concisely. Focus on observable behavior or outcomes.

Example: Monthly program reports were submitted late in March and April.

Expected Improvement

Clearly state what "meeting expectations" looks like.

Example: Submit all required reports by the established monthly deadline.

Support & Resources

Identify any coaching, clarification, or tools the organization will provide.

Example: Supervisor will review reporting timeline and provide a checklist.

Check-In Plan

Check-in date(s): _____

Method: ☐ Meeting ☐ Email ☐ Other: _____

Outcome at End of Improvement Period

- ☐ Improvement achieved – no further action required
- ☐ Partial improvement – additional coaching or formal PIP may be initiated
- ☐ Improvement not achieved – next steps determined per policy

Supervisor Comments:

Legal & Employment Notice

This short-form Performance Improvement Plan is intended as coaching and does not constitute disciplinary action. It does not create a contract or guarantee of continued employment and does not alter the employee's at-will employment status, if applicable under state law. The organization reserves the right to take appropriate action consistent with its policies and applicable laws.

Acknowledgment

By signing below, the employee acknowledges receipt and discussion of this document. Signature does not necessarily indicate agreement.

Employee Signature: _____ **Date:** _____

Supervisor Signature: _____ **Date:** _____

HR (optional): _____ **Date:** _____

VII. Expanded content from Webinar Presentation

Terminations Best Practices

- Terminating someone for cause is a critical moment for everyone involved and the organization.
- Preparation, decisiveness, timing, and communication are the foundations of a solid process

1. Be Precise and Evidence-Based

- a. Cite **specific behaviors or outcomes**, not attitudes or values
- b. Reference prior coaching, warnings, or a PIP (if applicable)
- c. Avoid subjective language ("not a culture fit")
- d. **Good:** "Deadlines were missed on X dates despite written expectations."
Risky: "You didn't align with our values."

2. Keep the Meeting Short and Non-Negotiable

- a. 10–15 minutes
- b. Decision already made
- c. Do not debate or re-litigate history
- d. "We've decided to end your employment effective today due to ongoing performance issues."

3. Limit Empathetic Language (Yes, Really)

- a. Excess empathy can create confusion:
- b. Avoid apologies that sound like regret
- c. Avoid phrases that imply reversibility
- d. You can be kind **without** undermining clarity.

4. Be Conservative with Severance & References

- a. Severance only if legally advised or standard practice
- b. References typically limited to **dates and role**
- c. Avoid promises about future employment

5. Staff Communication: Minimal and Neutral

- a. "X is no longer with the organization. We wish them well."
- b. Do not explain details or invite discussion.

Termination Processes

ALWAYS CONSULT YOUR EMPLOYMENT ATTORNEY BEFORE TAKING ACTION

1. If Immediate termination - Confirm / Prove serious infractions (often detailed via an investigation by HR or third party)
2. If performance/behavior based: Ensure Documented history of Feedback & Performance Improvement Plan (PIP)
 - History of feedback from supervisor (PIP won't come as a surprise)
 - PIPs – timeline, documentation
 - i. Must have rigid timeline & very specific, time bound & measurable outcomes
 - ii. What does success look like?
 - iii. Shared clarity on consequences in writing
 - iv. What happens if they don't meet the expectations – what does failure result in?
 - v. What if they improve marginally, not totally?
 - vi. Stick to the plan
 - vii. (template in this guide)
 - PIP-Common Concerns/Considerations
 - Is improvement likely? Does the supervisor believe change is possible?
 - It's a big commitment for the supervisor – investment of time to track & manage closely
 - No guarantee it will produce results
 - May require ongoing potentially challenging convos & conflict
 - Emotional labor
 - Stress/Anxiety
 - Can be viewed as a “distraction” from the “real work”
3. Notify key personnel in advance (IT, HR, supervisor, leadership team, board?)
4. Plan ahead with IT to remove access to data, apps, platforms – list of assets/equipment to be returned
5. Share talking points to ensure all are aligned on what can/should be shared internally and externally (confidentiality is important).
 - Be clear that people cannot deviate from these talking points or share details of reasons for termination
6. Create a plan for 1:1 conversations
 - Who needs advance notice (leadership/board)
 - Who needs to be talked to immediately after termination
7. Review severance agreement details & deadline for signing
8. Conduct termination meeting with employee (supervisor and HR or leadership team member – two organization representative present.)
 - Create & review conversation script – determine who is saying what – rehearse
 - Stick to the script – this is not a negotiation or a relitigating of the facts
 - Follow up in writing
9. Remove access to all assets - email, platforms, cloud storage, databases, etc.
10. Arrange for return of equipment/keys/assets
11. Conduct exit interview as appropriate
12. Finalize & sign severance agreement if provided

Termination Timelines

Immediate

May be appropriate when:

- If the person has committed egregious violations
- Potential for ongoing harm to individuals or the organization
- Potential for destructive behavior, purposeful damage, gossip/mood contagion/serious detrimental culture impacts

PROs

- Communicates clearly that leadership will not tolerate serious violations & will take action to protect the staff and the orgs culture & impact
- Eliminates ongoing negative impacts on team and work product
- Can be less disruptive internally if managed well
- Happens quickly (band-aid)
- Requires a clear statement from leadership that addresses the termination – addressing any perception cultural inconsistencies

CONS

- Can feel severe or insensitive to some
- May be perceived as counter to org culture/values
- Impact on remaining staff - capacity & ability to meet goals/objectives for programs or departments
- No time for hand-off or thoughtful transfer of duties
- Funder considerations & communication

Future date/off ramp

- Future date = the person remains working for a period of time & has a set departure date
- Off ramp = employee leaves immediately or on a short timeframe (time for hand off) and you provide severance pay.

May be appropriate when:

- Separation is congenial & respectful
- Employee accepts & understands their termination

PROS

- May allow for a more graceful exit for the employee
- Allows for message alignment (agreement on how departure will be framed)
- Time for hand-off & transfer of duties
- Provides time to hire/train a replacement
- Provides time/resources for employee to plan & secure new employment
- Can feel more culturally aligned & compassionate

CONS

- Can feel awkward/uncomfortable for the employee or the team
- Creates an extended goodbye
- Employee may be less productive/engaged (spending more time searching for a new gig)
- Employee may leave early anyway if new job is secured

Layoff Best Practices

1. Anchor Everything in the Position, Not the Person

- a. Emphasize funding loss, restructuring, or strategic shift
- b. Use consistent criteria for role selection
 - i. Good: "This role is being eliminated due to the loss of Program A funding."
 - ii. Risky: "We had to make hard choices about people."

2. Plan for Dignity and Support

3. Advance notice when possible

- a. Severance (even 2–4 weeks matters)
- b. Continued benefits for a short period
- c. Career transition support (letters, references, job search time)

4. Expect (and Allow) Emotion

5. Unlike for-cause terminations:

- a. Layoff meetings may run longer
- b. Questions are appropriate
- c. Emotions are expected and valid
- d. Still, avoid debating whether the layoff will happen.

6. Communicate Transparently with Staff

- a. You should:
 - i. Name the financial or strategic reality
 - ii. Explain what happens next
 - iii. Reassure staff about stability (if true)
- b. You should not:
 - i. Overshare financials
 - ii. Blame funders or individuals
 - iii. Promise "no more layoffs" unless certain

7. Be Consistent Across Affected Employees

- a. Inconsistency increases:
 - i. Legal risk
 - ii. Staff distrust
 - iii. Reputational damage
- b. Same severance logic, same messaging, same support

Layoff Processes

1. Determine impact – How much is your shortfall / amount of cost reductions required?
2. What are the levers you can pull?
 - a. Explore Options other than staff reductions first (or in addition to mitigate staff impact)
 - i. Use of reserves
 1. Is this a one-time short-term issue (funding will be replaced)?
 2. Do you have adequate reserves to fill or reduce the gap and still maintain your reserves threshold (3-6 mo of operating costs)?
 3. Do you need Board authorization to use reserves?
 - b. Explore all possible cost reductions other than staffing (discretionary) to fully or partially reduce shortfall

- i. Travel, retreats/gatherings/events, pro-d, gifts/appreciation, contractors, benefits, rent.... (Each department ID's possible reductions)
3. Review staff reduction scenarios
 - a. Percentage salary reduction for all staff (higher for senior, lower for junior). With a goal of returning to full salaries in the future, if/when possible.
 - b. COLA freeze
 - c. ID individual staff members for layoffs based on clear equitable criteria (impact on programs & delivery of services, mission fulfillment - evaluate across departments, seniority, demographics, performance, etc.)
 - d. If program/grant specific
 - i. Review grant budget staffing costs & ID least impactful reductions that are in alignment with funder expectations
4. Be Bold/Be Realistic
 - a. Make sure your cost reductions fully resolve the shortfall issues
 - b. Ideally, this is a one-time solution that will provide a long-term course correction.
 - c. Repeated layoffs going forward will seriously erode trust & confidence.
5. Leadership determines overall plan, timeline, and communications strategy
6. When/how is the Board consulted or informed?
7. Authentic Senior Staff engagement
 - a. Engage Key Directors/Sr Managers/Team leads
 - b. Input on team impacts, ID which employees should be let go to mitigate impact on programs & departments
 - c. How layoffs will impact the workload & duties of remaining staff – so they can plan for shifts in advance
 - d. Review talking points & comms strategies with this group, ask for input
 - e. Build support, alignment, and trust – You want these staff on board.

Layoff Timelines

Immediate

May be appropriate when:

- In cases of severe & unexpected financial crisis
- hopefully not necessary)

PROS

- Immediate budget impact, increases net savings

CONS

- Lack of perceived compassion & care for departing employees
- Damaging to overall trust and confidence in leadership due to a lack of foresight poor planning
 - Negative impact on team morale - Creates a sense of fear/uncertainty

Future date – Off Ramp

May be appropriate when:

- Revenue/Income shortfalls are understood, confirmed, projected in advance
- Shifts in strategy that impact structure are required to ensure mission delivery (grant requirements, external environment changes)

PROs

- Highly preferable and almost always possible
- Provides time/space for departing employees to plan
- Provides time/space for clear, thoughtful, transparent plans and communication strategies
- Allows for severance packages (when financially feasible)
- Creates space for compassion and respectful exits

CONS

- You can mitigate, but no matter what, it will create some uncertainty & destabilization among staff
- Workloads for remaining staff will likely increase (why planning & advance comms is so important)

Layoff Communications

1. Leadership aligns on timeline as well as rationale, values, commitments (severance & support) and finalizes internal and external statements, talking points, scripts (with input from senior staff and Board if appropriate).
 - a. Be real about the impact on the org and individuals – this is hard
 - b. Transparency is important (trust, confidence) - How did this happen? What's the plan to deal with this situation? What are we doing to avoid this in the future? No promises – because more layoffs might be needed.
 - c. Leadership takes responsibility where appropriate – accountability is key
2. Determine who needs to know and when
 - a. Leadership, Key Senior staff, board
 - b. Impacted employees (those being laid off) - Offer severance as appropriate
 - c. Directly impacted remaining team members (close co-workers, those whose workload or duties may increase)
 - d. General staff (all employees)
 - e. External partners and funders
3. Share detailed review of all actions taken to resolve the shortfall with the goal of reducing layoffs (discretionary cuts, other cost cutting measures)
4. Overview of layoff criteria (how were decisions made) & approach to equity, fairness, and compassion.
5. Present what's next - plan for keeping staff in the loop on financial health
 - a. Expense management strategy
 - b. Revenue strategy
 - c. Regular financial updates to all staff
6. Create post-layoffs plan to rebuild trust, manage grief, and address uncertainty and anxiety related to colleagues leaving and possible future cuts.
 - a. You want to keep the remaining team
 - b. Share detailed financial outlook and strategies for revenue generation and expense management
 - c. Offer one-on-one meetings with leadership to ask questions and clarify any confusion
 - d. Provide grief counseling/coaching as needed

VIII. Additional Resources

- [The Management Center Re-Division of Labor Worksheet](#)
- [Creating Intentional Staffing Transitions](#) – TREC Webinar
“Are you exploring a transition in your role or supporting others in your organization who may be planning a shift? This webinar will look at both how to plan for leaving as well as how to plan transitions from a place of creative opportunity.”
- [TREC Transitions in Leadership Toolkit](#)
- [TREC Exit Interview Resource](#)