

## **Appreciative Downsizing? An Interview of Madelyn Blair**

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*Key Learning: The story recounted here suggests that, even when downsizing is unavoidable, the humanizing introduction of the quality of “caring” can have significant impact on the economic productivity of those who remain, as well as positive, though difficult to determine, impacts on those departing into the larger world system. On the premise that this quality is a learnable skill, the piece introduces specific pointers for developing and demonstrating caring.*

### **An Example of Successful Downsizing**

Because of the atmosphere of insecurity it creates, resulting in time wasted with preoccupation and worry, politicking, gossip, and associated phenomena, downsizing nearly always has a deleterious impact on corporate productivity in the short term. The example cited below, from which we can extrapolate various useful lessons, recounts one manager’s experience with a brutal downsizing process that, in defiance of conventional wisdom, saw subsequent Division productivity actually increase, with a high level of job satisfaction reported.

Madelyn Blair, head of the IT Customer Services Division at the World Bank, describes the re-organization her Division weathered in the 80s as “heart-wrenching.” In the midst of job insecurity, the Division was asked to move and re-install almost every desktop computer – their own and 5000 thousand others -- into new offices at the World Bank headquarters. Ultimately, numbers were cut by “only” ten percent, but the entire Bank staff lost their jobs and had to compete for rehire. Managers were required to meet together to present their justifications for hiring each person. Madelyn describes her thoughts at the time:

I was concerned for the division as a whole, as some managers believed we were superfluous. And, my group was larger than most, a fact that hung like an albatross around my presentations. I fought for my staff. In the end, we were a working team of forty.

Madelyn reports a blend of feelings upon returning from the manager meetings: relief that the negotiations were over, anxiety on behalf of the four people she had to let go, and anxiety for the group as a whole, knowing they could all easily suffer from survivor guilt.

The Bank had scheduled the final re-hiring decisions to be completed by the Friday before a three-day weekend. Madelyn’s set a clear intention: she would take each staffer through “a difficult but not dehumanizing process, so that they were *fully* functional on Tuesday morning.” Madelyn was determined that each person would feel honored as a person. Although it would be time-consuming, she decided the gains of meeting with each one personally were worth her time and energy. She describes the philosophy that drove this choice:

Downsizing is dehumanizing and horrific. Anything that dehumanizes reduces people's creativity, energy and productivity, whether they leave or stay, unless it is treated in a way that deals with people as human beings. Even if you are firing someone, you have to do it in a caring way. Because they are human, they just don't fit that job. You need to prepare them for success in their next position.

Madelyn scheduled 44 meetings that week, and according to her, "every one of them was emotional." She began by thanking each person for their contributions, letting them know that their expertise was valued, and addressing, as much as possible, each person's concerns about the re-organization. Then she told them whether they would be returning to work or would be let go.

She expected that the conversations with those who had lost their jobs or received downgrades would be trying – and they were, particularly in one case, where Madelyn knew the staffer had done a good job. "I felt honored to have worked with someone who took her responsibilities so seriously, and I told her so." But she was surprised to find that the conversations with those who were staying were also taxing.

Those who remained at the Division were relieved to be hired back, but felt angry about the process. The Bank had been a patriarchal organization where employees felt protected, and were committed in return. The idea of a blanket firing and selective re-hiring violated their trust. Madelyn could see that people were hurt, and felt, despite the extreme effort it required, that a display of honesty and respect would be absolutely critical to a successful transition.

I listened to each person, maintaining a sense of presence that ultimately led to my absorbing the anguish of my entire staff. I spent the three day weekend in bed, exhausted from the process – but confident that I had done the right thing. I did not know it at the time, but I later discovered that most of the Bank employees learned of their status from the manager's secretary, or were informed by temporary staff used to relay the decision. The managers themselves did not sit down with each employee. My choice to do so deeply drained me, but the fact that I knew I had not abandoned my staff for one instant allowed me to step back into the office with the knowledge that I was perceived as a trusted leader. My staff rolled up their sleeves on Tuesday morning and we all got to work.

As is common with this degree of change, the Bank experienced a 30% drop in productivity that year. The Customer Services Division, however, gained in productivity and expressed even greater job satisfaction on institutional surveys than did employees in other divisions.

## **Lessons**

It seems clear that the division's success is attributable to Madelyn's judicious and painstaking communication of honesty and respect as a direct antidote to the implicitly dehumanizing message of the re-organization. Madelyn identifies the most important

factor in the mix as simple caring. What are the specific lessons on caring that can be extracted from her story for your own use?

- *Be intentional.* Madelyn's goal was to take each staffer through "a difficult but not dehumanizing process, so that they were *fully* functional on Tuesday morning." Keep a guidepost in front of you that is phrased in the positive, rather than in negative or avoidant terms such as "having a process that is not hurtful." A vision of a positive end-state will inspire you through the more difficult moments.
- *Attend to every staffer.* Why did Madelyn speak to all 44 employees rather than delegating the conversations to her line managers? Delegation is an option, but, Madelyn adds, "If you are committed to supporting people, you have to have full confidence in that line manager that they understand and can execute your intentions. Not all of my line managers were this mature in their management capabilities."
- *Give each staffer adequate time* to absorb and respond to the information. "I took the time to make sure they got the news from me, privately, with time to react," Madelyn reported. Give each one time and permission to process emotionally. In Madelyn's words, this is time "where they can do what they need to do." This might be to ask questions, to vent, or to make statements that they can see do in fact register with you, the leader of the unit.
- *Take care of your own needs.* If you have given yourself fully to caring, your system will need to rebalance. Madelyn reported enormous fatigue, though it didn't surface until the ordeal was over. "I really got sick," she says. Make sure that when you are finished with the meetings, you can go home and completely relax. Clear your weekend or time off of any houseguests or activities that require social energy.
- *Care.* Last but not least, genuine caring communicates, regardless of technique. Madelyn remarked that she "literally became a transmitter of energy to the person. In fact, in my mind's eye, as I spoke to them, I experienced a sensation of outreach and holding, although I did not physically touch them. I was actively caring for them and wishing them well. I cared how they felt walking in and how they felt walking out."

In an era of downsizing, how managers go about the process has a potentially broad impact, systemically. If every manager had done what Madelyn did, the large and globally-connected World Bank would not have experienced a 30% drop in productivity, and the many people who left would probably have experienced less of a drop in personal productivity and confidence.

Perhaps this last point holds the key to Madelyn's remarkable performance in this story. She had a broader point of reference and operated from a core value that actually went beyond personal comfort, or corporate efficiency. In her words:

Even though you see it as just your division, your division is still connected to the larger corporation and the larger world and how you come out of that and through that, affects these larger elements. There's a ripple effect to what you do.

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Those of us in leadership positions do not always appreciate the trust our staff invests in us. I had a conversation during the re-hiring process that, at the time, felt like one of the many, many steps in a long and complicated negotiating process. It turned out to be one of the most memorable of my career.

I met with Char, who was originally from Thailand, to let her know that the Bank might offer her a downgraded position. This was despite her superior qualifications and excellent performance, and was not a reflection of her – it was more an outcome of the many changes in staff assignments.

“You do not deserve this downgrade. It is the guarantee of a job, but you do not deserve this downgrade,” I told her. “I will go back and fight for you, but cannot promise anything.”

I remember Char staring at her hands for a few moments, considering the possibility of the downgrade or saying no and risking the loss of her position. She then lifted her eyes, gazed into mine, and answered. “I respectfully say ‘no.’”

I used her very expression when I presented her case. I was able to save her position. When we met to discuss the final decision, she cried at the news. “Now I do not have to go home in shame,” she told me, and I realized that in a very real way, for this individual, the decision saved her life.

Accepting the downgrade or returning home meant enduring a stigma that I could not have imagined. She took me at my word when I said I would fight for her, trusting me in a way I did not understand until the battle was won.

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