Just Laid Off: Now What?

Many workers experience a lay off at some time during their work lives. Since few jobs provide lifetime job security, every job is a temporary job. This Guide provides information that you can use as you seek your next job.

Layoffs...

• Are generally due to circumstances beyond the employee's control. The economy may be flat or in a decline: the company's products may no longer be in demand or competitive with similar companies. Many companies and businesses were forced in 2020 and 2021 to layoff employees due to the Covid-19 pandemic.
• Typically occur because companies have to adapt to the rapidly changing needs of the marketplace. From your local American Job Center you can obtain information about which technologies are becoming outdated and which are in more demand. Use these clues to find a new job.
• Are often temporary in industries that have seasonal cycles; e.g., the construction industry slows down significantly in winter months. In contrast, when a company downsizes (i.e., becomes a smaller business or closes) the dismissals are usually permanent.
• Can be a drain on your emotional strength, your physical and economic well-being and your relationships with others. Be prepared to do everything you can to protect all these areas of your life.

Remember...

Things you cannot change:
✓ You cannot change the past.
✓ You cannot change the fact that the layoff occurred. It's in the past.

Things you can change:
✓ You can change your future by changing what you will do today.
✓ You can find a new job.

What to do when you're laid off.

Very few people are completely surprised when they get their layoff notice. Companies rarely just close the door and slip out in the night. The signs of an impending layoff are usually present weeks before the actual time. Workers often either ignore the signs or are convinced that they are not included.

When it happens to you, be prepared:

1. **Get it in writing!**
2. Ask if the layoff is permanent. If not, find out when they want employees to return to work.
3. Get a letter of recommendation that day from your supervisor.
4. Get answers to when you will receive your last paycheck, severance pay and unused vacation time. Find out the status of benefits such as health care and retirement funds. Get responses in writing.
5. Ask your supervisor if there was anything you did that contributed to your getting laid off. This will either clear your mind or help you avoid future layoffs.
6. Get the names of others who've been laid off. Form a job search group.
7. Find out where and how you apply for unemployment benefits. Take your layoff letter with you.
8. **Start your job search!**

More about Severance Agreements... 

Typically, your employer will ask you to sign some documents, including the severance agreement. What you do next is critical to your future. **Don't sign anything without first taking the time to review it** and perhaps showing it to someone whose opinions you trust. It's okay to:
- Tell the employer that you've had a shock and need some time to think.
- Schedule a time for the next meeting.
- Leave the office and take the papers with you.
- Have your union representative review the papers.

Severance benefits are often negotiable!

The 3 big things you want are:
1. **Income**
   - In most industries, there is usually a formula such as one or two weeks' pay for every year you've worked for the company. Check your employee handbook.
   - If a number of workers are being laid off, find out what others are getting, or what people have received in the past.
2. **Health insurance benefits**
   - Find out how long your coverage will be paid.
3. **Out-placement services**
   - Ask what the company will do to help you find a new job.
Why did the company lay you off? Will they call you back?

Find out why the company laid you off. Was it due to a history of poor decisions by management, the economy or some other reason? It may be a combination of several factors. This information can help you decide what to do next.

Is the lay off permanent or will you be eligible to be called back? The company may not be able to give you a definite answer to this question so you must be realistic about the future of the company and your chances to be rehired. Rather than waiting an indefinite period of time for the company to call you back (which they may never do), it may be wiser to move on to a new employer.

Perhaps it is time to obtain new skills and retraining.

It is often said that the downside to new technology is that workers with old skills get displaced. The plus side to new technology, however, is that few people are experts because it is so new. That means that there are usually many training programs and high demand for those who become skilled. In today's fast-changing world, one of your strongest assets will be your willingness to learn and obtain new skills.

How to answer interview questions about the layoff.

Sometimes people who have been laid off are afraid that potential employers will look unfavorably on them simply because they have been laid off. The following are sample scripts that you may use when communicating with future employers. These responses can help you to explain why you're currently unemployed.

"The company was restructured and my position was affected."
"The company closed the division where I worked."
"The business had to close because of Covid."

These statements explain that your unemployment had nothing to do with your willingness and ability to work, but was a decision of the company. When talking about your former employer, avoid saying bad things about your supervisor or the company.

Find safe ways to express your anger and frustration.

It's completely understandable that after being laid off, you're going to feel angry for a while. An angry attitude, however, can hinder your job search, especially if you make angry comments about your supervisor or the company that laid you off. A constructive way of burning off anger is to talk to a trusted friend, clergyman or therapist, who lets you safely vent your anger.

A period of mourning

People who become laid off are as devastated as they would be with the breakup of a marriage or the loss of a loved one. Expect to go through a period of grieving for the lost security, the blow to the ego and a future that might have been. Allow yourself a brief period of mourning.

The sooner you begin to take action on your own behalf, the better you will feel!

Money matters

- If you don't already have a budget, now is the time to make one. It is vital to figure out how much money you need to live on each month. Your list of monthly payments will include mortgage or rent, utilities, food, insurance, health care costs (see below), travel costs and anything else you need.

- Calculate how many months you can take to find a job by determining how long your money will last. Remember to figure in unemployment payments.

- When money is tight, don't damage your credit by letting bills pile up without paying them. Instead, you can make it easier to pay your bills. Buy yourself more time for job-hunting by lowering your monthly commitments.

- Contact your creditors and negotiate to cut the size of your monthly bills by spreading payments over a longer period. Explain that the situation is temporary and that you are actively job-hunting.

- Talk with a counselor at your Local American Job Center. Many centers have financial counselors on their staff who can help you negotiate with creditors. They can also provide information about government assistance programs.

Health care insurance coverage

- Have you already signed and accepted a severance package? If so,
  - Take the time to read the terms and conditions.
  - Figure out how many weeks of health-care coverage it offers.
  - When will your health-care insurance run out?
  - Shop around for health-care coverage before your insurance expires.

- If your spouse is a full-time employee with access to full benefits, see if you can be added to that policy.

Internet resources

www.nolo.com/legal-encyclopedia/layoffs-plant-closings-know-rights-33596.html – Know your rights when you have been laid off.


For information on ordering JobSearch Guides for your organization, visit www.jobshoppublishing.com