



Reductions in Force (RIFs)

Overview

The decision to implement a reduction in force (RIF) or other layoff is one of the most consequential actions an employer can take. Whatever the root cause – economic turbulence, cost savings, improving efficiency or "right-sizing" your operations – you must carefully consider and carry out these plans in a lawful manner to realize the intended benefits. Employers who believe a RIF may be necessary should begin planning as soon as possible to comply with applicable notice requirements, and to avoid business interruptions, negative publicity and potential litigation.

Members of Fisher Phillips' RIF team have helped hundreds of employers across myriad industries in connection with layoffs and WARN Act compliance matters and defended them in some of the most significant WARN class action cases in the country. We'll work with you to evaluate your options, tailor and carry out effective and compliant plans, and defend your company against any resulting claims.

We also offer a <u>RIF/WARN Toolkit</u> containing helpful resources for companies considering or planning RIFs.

We'll help you:

Assess the situation. Our team collaborates with clients to help determine whether a RIF or series of layoffs is necessary given their business goals. Often, for example, you may be able to achieve the same results through less-drastic alternatives such as temporary furloughs, reductions in compensation, voluntary layoffs, or worksite relocations.

Set the process in motion. Where RIFs or layoffs are necessary, we'll help you take crucial initial steps, including creating and coordinating with a decision-making team to take charge and make important threshold decisions about the RIF including its scope, budget, and the timing of layoffs.

Create a selection process for involuntary layoffs. We provide clear guidance on the most scrutinized part of most RIFs: which employees will be let go. We'll help you formulate criteria to make your selections in light of your business objectives and answer important questions such as whether there will be different selection processes for different types of jobs (e.g., hourly and salaried positions). Where unions are involved, we'll help evaluate and carry out your bargaining obligations. And we'll work with you to conduct an adverse impact analysis of your intended selections to identify and address potential claims of discrimination related to the layoff.

Understand and comply with intersecting laws. You'll need to understand the potential impact of state and local laws that could affect many aspects of your action, including its timing, decision making, and notification responsibilities. We'll help you understand and comply with governing rules under the Worker Adjustment and Retraining Notification (WARN) Act, Older Workers Benefit Protection Act (OWBPA), Age Discrimination in Employment Act (ADEA), relevant state laws, and immigration laws affecting foreign workers, among others.

Create legal documents. We'll work with you to create severance policies consistent with your corporate policies, federal benefits law (ERISA), and severance agreements that account for state and federal law. If WARN applies, we can also work with you to prepare state and federal compliant WARN notices to affected employees, union representatives, and required government entities and officials.

Communicate. Our team is experienced at helping employers handle what can be the hardest part of any RIF: communicating the news to those affected by the layoff and the rest of your workplace. We'll assist in crafting supportive messages to these audiences as well as public announcements, if appropriate.

In addition, we frequently train decisionmakers in all aspects of these processes.

If you're contemplating a RIF or other layoff, Fisher Phillips is ready to help. Please contact a member of our team to learn how we can work together to achieve your goals.

Insights

NEWS

06/12/25

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Matthew R. Korn, Spencer W. Waldron

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Brett P. Owens, Lorie Maring, Danielle Hultenius Moore

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Colin P. Calvert, Stephen C. Mitchell

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INSIGHTS

08/30/24

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Victoria Abercrombie, Steven M. Bernstein, Sheldon J. Blumling, Ted Boehm, Risa B. Boerner, Max Bungert, Colin P. Calvert, Kathleen McLeod Caminiti, Caroline Cheek, Jonathan Crook, Micah Dawson, Melissa A. Dials, Michael P. Elkon, Stephen R. Gee, Janet M. Himmel, Marty Heller, Michael R. Greco, Corina Johnson, Usama Kahf, Danielle M. Kays, Matthew R. Korn, Braden Lawes, Courtney Leyes, Emily N. Litzinger, Todd B. Logsdon, Todd A. Lyon, C. F. W. Manning II, Lindsay Massillon, Kelly Ahern, Alen A. Samuel, Shanon R. Stevenson, Terri R. Stewart, Shaun J. Voigt, Spencer W. Waldron, Sarah Wieselthier

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RIF/WARN Toolkit