

Leadership Considerations During Budget Cuts

For managers and supervisors, there are always multiple agendas that must be addressed. During times of high stress, such as the current budget shortfall, it is extremely helpful to be aware of these agendas and our own role so we can be more effective when providing leadership to our employees. Five leadership agendas that co-exist are:

- 1) managing one's own reaction
- 2) managing employee reactions
- 3) managing the flow of information
- 4) managing work group dynamics and changing relationships
- 5) getting the day-to-day work done

Depending on how we react to stress and our own level of depletion, there may be a tendency to ignore some of these agendas at any given time. It is helpful to be clear that each of these five areas need attention—particularly now—as most state employees are anxious about what the budget cuts will mean for them.

Consider These Basics:

- Increase your own stress management and focus on ways to get support for yourself.
- Anticipate a range of employee responses. We each act out our stress and anxiety in different ways though we experience the same event.
- We cannot over-communicate during this time. With any potential or actual change, individuals crave information—even if it is bad news. Keep telling employees what you do and do not know regarding the impact of budget cuts.
- Anticipate that there may be a drop in productivity. One model reminds us that during times of transition, our focus shifts to the

basic survival questions of:

- 1) What is my job?
- 2) How am I doing?
- 3) What is our work group mission?
- 4) How do I fit into the big picture?
- 5) How can I help?

Often the mistake made by leadership is to ask employees to help embrace the change before answering the other basic questions that are dominating an employee's attention.

- If you have to lay off some employees, know that the emotional needs of the laid-off employee will be very different from those remaining. Anticipate the differences when you deliver the message.
- Consider meeting with staff to acknowledge the current stress and that it is coming on the heels of the extraordinary stress of the last six months. Be certain to express your hope and belief in the ability of the employee group to come through this. Don't ignore the losses and the anger but state your belief in the mission and in the group's resiliency. It is okay to say "I don't know how things will look—but we'll figure it out".
- Remember to focus on what is within your control. One element of control is giving support to one another. Another element of control is to reflect on how the group has survived hard times in the past and to acknowledge each person's value and contribution to the work.
- It is important to reflect on individual and work group losses. People need to acknowledge loss before they can experience a new

vision. The emotions of anger and sadness that accompany loss are often uncomfortable for leaders and there is an urge to not allow them to be expressed. These feelings need to be there and can be managed productively.

- There are fluid phases to a change process. Help identify what is and is not ending and let individuals experience the impact. You as the leader cannot fix those feelings but you can acknowledge and help clarify changes in roles, responsibilities and priorities.

Many Heads Are Better Than One

In spite of a proliferation of writing about workplace changes and transition, few organizations have mastered the process. The transitions of the last six months in state government have forced all levels of leadership to draw on all of their skills and it is clear that the leadership learning curve continues. Ask for help, talk with your colleagues, talk with HR, and recognize that this is hard work that doesn't have a clear path to successful resolution. The **State EAP** is preparing more written material regarding transition management and, as always, is available for individual or management team consultation. **State EAP** consultants can be reached by calling **651.296.0765** or **1.800.657.3719**.

