

# Pruning For Growth - Layoffs With Grace and Hope. A Case Study by Al Lopus and Carrie Cavanaugh



We are facing difficult economic times in our organizations. Yet, God calls leaders to care for their staff...in good times and bad. However, with the recent economic stress, major challenges to providing for staff have emerged. As leaders examine the alternatives available to them we encourage them to consider some of the highlights of this fresh case study.

We find comfort in the parable of the vine and the branches, John 15. As Jesus says, "I am the vine, and my Father is the gardener. ...He prunes so that it will be even more fruitful." Of course, this requires great faith on our part. Knowing how much to cut and still produce more fruit in the next season is a challenge. We encourage you to prayerfully consider six steps in the pruning for growth process.

**Careful Analysis.** For HomeWord, a ministry dedicated to building strong families based in San Juan Capistrano, California, seeing their giving decline to 50% of what it used to be in just one month, they knew they'd have to make some hard decisions and fast. It became apparent that the only way to keep the ministry afloat was to cut back staff by 40%. As difficult as this was to face, it was necessary. Jeep Jensen, Executive VP at HomeWord, and his staff took every effort to implement the layoff in a way that would glorify their King.

Jeep began working for HomeWord this September, just as the economic turndown was starting. That very month giving drop by 50%. HomeWord, like many ministries, has most of its budget met through large donations.

These donations just stopped coming. The trend continued in October. And by November, when they had their main fundraising event, the future was written on the wall.

**Ministry Strategy Assessment.** Naturally, a layoff was their last resort. Everyone had gone to the drawing board to come up with solutions. Jeep explains that this trial resulted in some remarkable creativity for how best to utilize resources and alternative means of

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funding. Although they were always good stewards of what they had, God has, in a sense, helped themselves to be even more fruitful. Yet another aspect of this vitality-giving pruning is HomeWord has been forced to go back to their niche of what they do best, letting others accomplish their own specialties. This, Jeep believes, will make HomeWord all the more effective and give them the ability to persevere throughout this current economic turndown.

One of the creative ideas of adjusting to their new budget is to partner with other ministries who have similar goals. HomeWord has a vibrant radio ministry in 45 states, the cost of airing those programs

comprises the majority of the ministry's budget. Currently, they are working on creating alliances with like-minded ministries who share the same target audience, hoping to split the costs for the air time.

**Thoughtful Resource Planning.** Even with all the creative solutions, they were forced to acknowledge that they would still need to lay off a significant portion of their staff. As they went forward with how to do this, they sought ways to care for both the staff that would remain as well as their departing coworkers. They approached this as if they were laying off their own family members, wanting to treat them as well as they could.

**Transparent Communication to All.** Openness with their staff about the economic pressures on their ministry was the first thing to accomplish. Then as the time approached for the actual layoffs, everyone was made aware there was going to be a cutback in staff allowing time to emotionally prepare. Jeep recognizes this is a delicate stance to take because you want to be careful not to ruin moral, yet in this case, he felt it was the right thing to do.

Before telling the staff, Jeep gave the news to the managers, instructing them to love on their employees, especially the ones who would be asked to leave.

A week later, the afternoon of the Tuesday before Thanksgiving, all staff who were going to be laid off were called into a room and given the news. Realizing they wouldn't be able to cope with work very well the remainder of the day, they were sent home.

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**Courage, Compassion and Closure.** Jeep met with the remaining staff, encouraging them to love on those who had been asked to leave, emphasizing that it was due to no fault of their own.

The next day, each of the laid off staff had an opportunity to meet individually with management to talk over their specific questions and concerns. It was also a regular work day, which gave them time to wrap up things they were working on.

Recognizing that the loss of their job affected not just the staff member, but their family as well, HomeWord made a point of providing severance packages—one week's worth salary for every year they had been with the ministry (a minimum of two weeks). Additionally, they timed the layoff so that medical benefits would be provided for another month.

Jeep and his team wanted to do more, particularly to equip the staff who would be leaving with what they would need to successfully find a new job. They took advantage of local church ministries for job seekers and were able to bring in a recruiter the Monday after Thanksgiving to give training on resume writing, networking skills, and other tools they could draw upon as they reentered the job market. Jeep's desire was to have them know as they left that God was working through this for their good. He realized that having someone outside of the situation, in this case the recruiter, communicate that message, his former staff were able to hear it more clearly.

Finally, HomeWord held a lunch for the entire staff, providing a time for everyone to say goodbye. This opportunity for closure actually brought about an even closer-knit community.

Although they had to keep a few people on longer, most of those laid off said their final goodbyes that Monday. The goal was to create a new vision of the future for those who were left.

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As much as Jeep and his team were trying to focus on the good things that are coming out of this time of transition, he also made a point of letting himself grieve the obvious losses HomeWord was experiencing. He encouraged others to do the same.

**Building Hope For the Future.** Jeep admits that this has been a really difficult time, but he sees it as a healthy transition. The economic challenge has resulted in HomeWord being in a position to be around for the long haul.

In addition, there has been a new flourish of creativity and they are now operating in a dynamic, new way.

Typically, a layoff results in reduced commitment not only from those who were laid off in their future jobs, but also those who remain. Jeep asserts that HomeWord was actually able to gain credibility with their staff by going about the layoff in the way they did.

Jeep's advice to other ministry leaders is to be brave enough to make the necessary cuts early enough to retain your cash reserves. He points out that we don't know where the "bottom" is going to be.

In the end, Jeep was happily surprised to find a good number of the staff, who had been asked to leave, come to him and thank him for the manner in which the whole process was conducted.

We pray you will not have to take steps as dramatic as HomeWord has, but if you do, we hope Jeep's experience will be an example and an encouragement to you. God's model of pruning for greater productivity may just be the way He plans to work in your ministry.