

You Can't Stop Your Ex-Employees from Badmouthing Your Company... But You Can Start Building Lasting Goodwill with Your Remaining Teams. Here's How.

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[Photo: Yifei Fang/Getty Images]

Early last year, we parted ways with a talented seller as part of a small round of layoffs. I was sorry to see this person go, but very glad that he soon landed in a similar role at one of the leading pharmaceutical companies in Europe.

A few months later, he called to say he was bringing us in to be the analytics platform at his new employer. It's not every day that someone you've laid off becomes an advocate for your product at their next job, and it got me thinking: How do you ensure former employees become champions for your company, even when you've had to part ways?

This is important, because so much business depends on word of mouth and referrals. You need your current and former employees to burnish your reputation as a great company to work for and to do business with. This is even more critical when employees share freely about their experiences on social platforms like Glassdoor, and it's particularly relevant now, at a time when the Great Resignation shows no sign of letting up.

Digitization has rewritten the employee-employer relationship

The key to ensuring employees depart on good terms is understanding how the demands and expectations of the modern workplace have changed. In today's always-connected world, a new type of social contract is taking shape between employers and employees, and it's essential that both sides recognize this new relationship and abide by its terms.

For much of the recent past, work was a 9-5 affair. People clocked out at 5 and didn't think about work again until the next day—they weren't expected to. The flip side is that employees were essentially viewed as expendable parts of the machine. It was a transactional relationship, with no expectation that workers would become champions after they leave.

Digital life has changed all of that. For many of us, the line between work and home has been blurred by technologies like smartphones and Zoom and being a part of global teams that cross time zones. Many employees now have the flexibility to work when and where they choose. They can begin a task in the morning, take the dog to the vet in the afternoon, and finish up after the kids have gone to bed.

But as work and home life become more integrated, it's important for both sides to set clear expectations and respect boundaries. In many cases, workers are making a more passionate commitment to their employer than they have in the past. Stock ownership, profit sharing, and the reality of competing in a fast-changing, technology-driven world means employees often feel more invested in the business and are willing to go the extra mile to ensure success. But investing in success must go both ways.

If employees are making a greater commitment to your company, you need to reciprocate by treating them with greater empathy, respect, and transparency than was required in the old 9-5 world. That starts with giving them the tools, flexibility, and support to do their best work, and being honest about the state of the business and what the future holds.

Cultivating champions in every employee

If you can build this reciprocal relationship based on honesty and respect, then departing employees will always be your champions. So what does the new social contract look like in practice?

Flexibility must go both ways. If employees are always connected and willing to respond to an urgent customer inquiry after hours, then employers should provide the flexibility to take time in the morning to run an errand or deal with a family emergency.

Measure output, not input. This is how you ensure the work gets done within this framework of flexibility. Don't fixate on the hours someone spends on a project; look at the quality of the output. Set clear goals so your people know what's expected of them, and allow them to meet those goals on terms that work for their individual circumstances.

Invest in people's future. The best companies invest in their employees' lives and careers. Don't just train people for the job you need done today. In manager meetings, talk to employees about their interests and aspirations. Help them to achieve their career goals. By demonstrating that you want what's best for them, they will be far happier and more committed to their work— and more loyal after they leave.

Be honest about the business. That doesn't mean sharing every financial detail. But don't mislead your staff by making assurances about the future that are unrealistic or untrue. In the event you have to lay people off, it should never come as a complete surprise. If employees are giving 110% under the false assumption that the future is bright, they will be highly resentful when that's suddenly revealed to be a lie.

Always be fair. Ultimately, employees understand that businesses are there to make a profit, just as your employees' primary concern is for their careers and their families. What's important is to treat people fairly while pursuing those goals. When someone takes a job at your company, you are making an implied commitment to their well-being. A job provides not just a livelihood but, in the U.S., also health insurance and other important benefits. So treating people fairly is not just good business, it is the right thing to do. And if an employee knows they work for a fair organization, they will be better able to deal with any hardships that may arise in their jobs.

Be committed to radical candor. Managers should meet with reports weekly and be candid about their performance. You owe your employees honest feedback, and if they're underperforming, they deserve to know it and have the chance to improve. Being let go for performance reasons should never be a surprise.

Companies that break this social contract often do so because they overpromise and fail to deliver. WeWork was a prime example. The company sold a kumbaya fantasy that it was a big family and that massive success was imminent. When it came crashing down and the company was forced to lay off thousands, employees were understandably bitter and complained loudly about their experience.

In fact, a company is not a family, and it's not productive to think of it as one. At ThoughtSpot, we are a team—a tight-knit team that works well together and has each other's backs. But ultimately this is a business relationship. Your family would never “lay you off,” whereas a business might one day have to do just that. Being honest about any relationship creates respect and trust, something happy talk and false promises cannot buy.

Leaders earn the trust and loyalty of their employees by laying out a strong vision and strong values, and executing on that vision with fairness, honesty, and transparency. Treat your employees with respect, set them up to excel in their work, and they will become your champions wherever the future leads.