## "Demanning" -- what does a rotten economy really mean?

Author: admin

Date: November 9, 2008

LONDON -- In many ways it has been a depressing old autumn. In others you think we get ourselves into these messes. And you wonder why we do that.

Earlier this week there was a column in the Times that caught my attention.

## Speed of the job cuts is the real surprise

\_The Times - Martin Waller

What is startling, in comparison with earlier recessions, is the speed at which industry is cutting the workforce. Those US payroll numbers show a demanning programme under way faster than anyone had expected. They are worse than they seem, because the August and September figures were restated upwards to levels not seen for at least a quarter of a century...

Let's start with language. Demanning? What the heck is that? It's not in the dictionary. (It's a bit sexist.) And it's pretty callous. I think we can all guess what it means, but it's like its evil cousins: reduction-in-force, downsizing or even rightsizing. They are all words to say that people are being put out of work.

What happened to 'layoffs'?

The bigger issue though is that organisations seem to be aggressively laying people off in anticipation of tough times. And that is not the same as laying people off *as a result of* tough times.

Let's look at some statistics from the weekend papers to put this into perspective:

More than 300 people a day file for bankruptcy. Rising between 8 and 10% over the second quarter of this year. (So says the UK Government's <u>Insolvency Service</u>.)

That's not a radical rise. Not if you believe the extent to which credit has been withdrawn in the past months. And what impact has proactive workforce reductions had on that?

What I find discouraging though is that businesses don't seem to be going out of their way to tell employees what is happening... and what that means for their sector or industry.

If we are indeed facing some of the aweful images that appear on the TV and in the papers... if

1/2

times are going to be that tough... then maybe it's time for some business education?

## Demand for job cut advice surges

Financial Times - Norma Cohen; Andrew Taylor

Employers are rushing to obtain advice on cutting staff or slashing their hours in a sign that the recession is beginning to bite and that unemployment is set to rise sharply.

This story was on the front of the FT the same day as Barack Obama won the US presidency. What is interesting about the story is that the reports are that calls are up to trade associations and insurance companies!?

They should be calling people like us.

We've been helping companies communicate with people in good times and bad for years.

Here are a few other pointers from this week that suggest that we are beginning to view the world differently already.

- 1. <u>Thrift chic is back!</u> Columnist India Knight has written a book on how to live better for less. My Yorkshire-born granny would approve.
- 2. We have a new generation of squatters. It's hard to believe that squatters are back. The folks pictured up top are at 18 Upper Grosvenor Street. I remember living in London and working in a pub in the 1980s where some friends who lived in squats were also employed as squat-busters... Throwing people out and changing locks while they were away.
- 3. We still can suffer from a lack of perspective. In the USA last month <u>240,000 people lost their jobs</u>. In the Congo over the last few weeks, <u>250,000 people had to flee their homes</u>. Which one would you rather be?

Demanned, indeed.

/df