

TECH CEOs USUALLY AREN'T VERY GOOD AT THIS.

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Satya Nadella. Getty Images

There seems to be some sort of condition that prevents people who lead large companies from doing layoffs well. Obviously, there's no great way to tell a bunch of people that they no longer have a job, but there are definitely bad ways.

For whatever reason, many of those people who lead large companies default to the bad ways. Look no further than Elon Musk's elimination of half of Twitter's employees by email. Part of that might be that if you're the CEO of a huge tech company with lots of employees, it can be easy to

think of those employees more as a number than as, well, people.

There are a number of reasons that's problematic, the least of which is that you should always treat people with dignity and respect, even if you're eliminating their job.

Microsoft is the latest big tech company to lay off a large number of employees, announcing it will cut 10,000 roles by the end of the third quarter. To put it in perspective, 10,000 people is a little less than 5 percent of Microsoft's 220,000 employees. That's not a huge layoff in terms of its size relative to the overall company, but it's a big deal if you're one of those 10,000 people who won't be getting a paycheck in a few months.

Of course, Microsoft is not Twitter, and the company's CEO, Satya Nadella, is not Elon Musk. Nadella seems to understand that it's possible to let people go with a measure of humanity that is too often lacking in these sorts of things.

Look no further than Nadella's statement announcing the layoffs, which does a great job explaining how to handle this type of decision. It's not complicated—in fact, it all comes down to just three words. Here's what Nadella said in a communication to employees that was published on Microsoft's blog:

*We know this is a challenging time for each person impacted. The senior leadership team and I are committed that as we go through this process, we will do so in the most thoughtful and transparent way possible.*

Those three words, "thoughtful and transparent," just might be the three most important words when it comes to making difficult decisions.

Look, on some level, if I'm getting laid off, it doesn't matter how thoughtful you are about eliminating jobs if the result is that I no longer get a paycheck. Except, on another level, it does matter because it means that you're far more likely to try to make it the least terrible you can.

"We will treat our people with dignity and respect, and act transparently," Nadella wrote. "These decisions are difficult, but necessary. They are especially difficult because they impact people and people's lives -- our colleagues and friends."

What does that mean in practice? Microsoft says it will provide employees with "above-market severance pay, continuing health care coverage for six months, and continued vesting of stock awards for six months." Contrast that with the fact that Twitter employees are still waiting for the severance they were promised when the company announced layoffs without any notice at all.

Look, it's never great to lose your job, but it certainly makes it less terrible to know that the people making the decisions recognize the impact they have on real people's lives. It's amazing how far a little thoughtfulness and transparency goes in giving people a sense of dignity. That doesn't change the fact that companies have to make hard decisions, but it does change the way they handle those decisions.

For the most part, the people you are letting go aren't responsible for the fact that your company grew too quickly, or that the economy changed dramatically over the past six months. Still, they're the ones bearing the burden. You owe it to them to get it right.

Ultimately, that's the point. You can do this poorly, or you can do it well. Doing it well means being thoughtful, sharing information transparently, and treating your employees--even those you are letting go--with respect and dignity.