Preface

It started out as a seminormal morning. It soon became clear, however, that everything that needed to be completed had already been done. There was not much left to do around the plant. Most of us were biding our time, waiting for that final exit process that would sever the ties for good.

People stopped by to give their best wishes and final goodbyes, which were inevitably stated as only temporary. "Let's stay in touch." "I'll give you a call and see how you are doing." Everyone fully recognized that this was not likely to happen. But maintaining these pretenses did help to soften the finality of leaving. All we could do was to swallow hard and wish other employees well—we were already missing the associations formed over so many years.

Over the past decade plant closures and downsizing have affected many different industries. The semiconductor industry in particular had been buffeted by the ups and downs of the computer market, foreign competition, technological breakthroughs leading to obsolescence, and the ever-increasing costs of the capital investments required to produce integrated circuits. Consequently, by the early 1990s many companies within the industry suffered from overcapacity and sought to find ways to counteract the high costs of doing business. Some companies tried to thwart this trend by forging business alliances with foreign firms. Others resorted to layoffs and plant closures to stem the flow of red ink.

In January 1992, managers of the semiconductor plant where I worked in Orem, Utah—Signetics—were notified that the plant would become the next victim of this troubled industry. Employees were informed that the plant would be closed in December of that year. The plant's work was carried out by long-term employees who

had banked their careers on the company in Utah, and despite a full year's notice, most employees were unprepared to deal with the realities of finding new employment.

In my role as human resources manager I had been involved in processing many employee exits. After my own expedited interview and exit process, I gathered up what was left of my personal belongings and boxed-up materials, made arrangements for purchased office furniture, and prepared to take the final walk down the empty hallways. As I turned off the lights in my office for the last time, a lump lingered stubbornly in my throat as I gave my remaining co-workers a hug, knowing that I might never see them again.

Once I was outside, the world appeared strangely normal and unaffected. As I glanced back at the building that would soon be empty, it was as if the closing had all been a surrealistic dream. Why weren't there crowds of spectators outside watching the demise of a once very important business in the local community? Didn't they realize the significant impact this plant closure had had on so many lives? Perhaps even outsiders too had tired of the lengthy closure process. It was time to put it all behind us and move on. Yet something inside made us want to savor this moment and remember—something had happened to us that changed us. We were once a community of workers: sharing the daily travails of the business, making our singular contributions to the company, creating relationships that would soon transcend the organization. This was an experience that would live on for us—one we would never forget. We would never be the same again.

The idea for this book took shape after the closure was announced. I was no more prepared for the news than anyone else working at the plant. Early in February 1992, I attended a professional conference, where a colleague remarked that I should write a book about my experiences. We laughed about it at the time, but on further reflection, I considered the idea more seriously. After all, if in doing so I could find some release for my own anxieties and frustrations, why not? Such a book could make a real contribution to those who were in my position, a victim of downsizing and yet charged with its orchestration.

I immediately began keeping a journal to capture events as they

unfolded. My entries made it quickly apparent that what I found most compelling were the stories of how individual employees responded to the closure process. Almost as intriguing was the way in which the parent company treated the plant over the course of that year. I found myself looking at the closure in a new way, no longer as an unwilling participant but as a critic who could advocate a better way of managing this pervasive phenomenon. This work is nonfiction. The stories actually happened, but I have changed the names of individuals in order to protect their identities.

The one-year closure period at Signetics offers the opportunity to analyze the phases that the employees and organizations go through during downsizing. I have organized this story as a monthly chronicle that attempts to capture each stage in a closure or major downsizing of a plant. The adaptive and adjustment process closely followed the experience of dealing with a family death or major illness. At each phase in a closure or downsizing, the potential for downward spirals is real, and yet the capability exists for moving quickly and successfully through the transition period.

In the final chapter I review the processes and interventions called for in successfully managing reductions-in-force or plant closures. I have highlighted key issues and made recommendations for management practices based on those that did or did not work well in this particular plant closure. In addition, at the end of each chapter there is a section analyzing the implications of that part of the story and providing practical suggestions and considerations by phase for employees, managers, and policymakers who are involved with the downsizing process or closure at a plant.

The events at Signetics have become a too-familiar scenerio for many employees in many different companies and industries. What challenges and problems face managers, policymakers, and employees who are forced into the circumstances of significant workforce reductions or plant closure? Can this process be understood and managed in such a way that both the company and the employees benefit in the end?

I hope that this story of individual employees, including managers, who were affected by the Signetics closure offers lessons to those who may someday find themselves dealing with plant closures or sizable reductions-in-force.

This work would not have been possible without my many friends and associates at the Signetics plant. It is to this community of former employees that I dedicate this book. My hope is that this account of our experiences will help provide support and guidance to those who find themselves in similar circumstances.

I want to thank my family for their encouragement and love. My appreciation to my husband for helping me get through this difficult time and for his unselfish devotion. To my children, Trevor, Alexander, and Lauren, I express my adoration and desire for a bright and promising future.

LOUISE MOSER ILLES

Provo, Utah

SIZING DOWN