

When Bad News Gets Worse: How to Help Employees Make Good Decisions During Times of Company Tumult



Guiding workers through the period after less-than-ideal news is shared can increase employee retention.

Shel Holtz

Withholding bad news from employees is one of senior leadership's oldest kneejerk behaviors.

Leaders sometimes believe that, if shared, the bad news would provoke a bad reaction, a concern only exacerbated by the Great Resignation. (Often, the truth is that leaders don't want to deal with any emotional response from employees.)

Communicators have been making the case for years—with some degree of success—that employees are more sophisticated and able to process bad news better than leaders think, especially those leaders who fail to spend time mixing with their workers.

Research shared by the Harvard Business School in 2021 adds a wrinkle to the bad news discussion.

Bad news leads employees to make tough decisions

Outside of work, people frequently take pains to avoid unpleasant information.

Think about people you know who shrug off climate change, buy fashions from companies publicly outed for manufacturing with child labor or consume foods that may well kill them in the long run. Some people tune it all out, freeing them from accountability for their actions.

At least, that has been the assumption: that people avoid information “when it may help them to feel better about making selfish decisions, or decisions that benefit themselves at the expense of others,” according to Christine Exley, a Harvard Business School associate professor.

Continue reading here...