**Initial Meeting Script**

**1. Introduction**

What *(I/we)* wanted to do today, is share with you some information about the company’s financial position, business model and the need for changes to ensure our continued viability.

As such, the two main areas we need to talk through are the company’s financial position and the company’s structure. This is not meant to scare or upset anyone, but it is the economic reality of what we are grappling with and what needs to be addressed.

**2. Body of Presentation**

a. *(Financials)*

Overview of the financial situation.

In relation to Company profitability, we made a loss of *(($) for the last financial year/ we have made losses for the past x number of financial years).* Here are some figures *(quote loss number/s).*

Given our current operating model, our forecasts indicate that this situation will *(continue/worsen)*.

When we analyse the costs, the biggest one is employee costs (which is the same for most businesses). Our business model is clearly no longer working.

We are committed to making this business profitable and therefore sustainable but if we stay where we are at now, neither is possible.

b. *(Company Structure)*

As you will appreciate from the information, we cannot continue to do what we have been doing in the way we have been doing it. We need to address this situation sooner rather than later so that we can become the profitable, successful and ongoing business that we have to be.

The Management/Exec team have already spent some time thinking about what the changes may look like. As a result of the research we have done and as part of our examination of our own situation, 2 things become clear.

a. Our competitors are doing much better than us

b. Our current structure is not going to take us forward

What we believe we need, to make our business survive and thrive, is a structure that allows us to [Details].

Whist we are finalising how the above may be achieved, there are a couple of key takeaways I would like to you to consider in the coming week:

a. Any changes that are made will affect all of us

b. We would welcome your thoughts and ideas about how the above may be achieved.

**3. Conclusion**

This information may not be a surprise to most of you but *(I/we)* think it is important for you to have a clear sight of the imperatives driving the need for us to change.I am conscious this is an unsettling time for many of you.

As such, please give the above points some thought. If you have any suggestions/ideas to discuss, come back to me early next week so these can be considered as the Management/Exec team finalise their thinking on the required structural changes.

We will meet with you all again next week to advise of the above and the next steps.

Thank you for your ongoing support and professionalism and remember, EAP is available, as needed.

Responses to possible Frequently Asked Questions

1. Will there be redundancies? Yes, this is possible, but we are looking at all options and will know more once we have the structure finalised.
2. How much money will I get if I am made redundant? We will talk more about this next week, if required.
3. What other changes are you considering? At the moment, just the ones we have flagged with you today.
4. Will there be voluntary redundancies? We will talk more about this next week, if required.
5. Who else in the company is affected by this restructure? At the moment we are only discussing this with you.
6. Are the Management/Exec going to be affected by the restructure? Not directly at this stage.
7. Why are we being targeted? You are not being targeted. We need to make changes to our business for the reasons covered today.
8. Isn’t this just a numbers game i.e. get rid of some many people to address the bottom line issues? No, there is more at stake than just reducing numbers, we need structural change.