

# Should You Accept a Post At a Downsized Company?

*By Joann S. Lublin*  
As seen on [The Wall Street Journal Online](#)

**MY SON DAN**, a senior at Dartmouth College in Hanover, New Hampshire, is ignoring my career advice, even after I shared in this column how I learned to tactfully intrude into his job-hunting plans.

Against my wishes, he recently sought a job with a company wracked by layoffs. I told him he was foolhardy to pursue, much less accept, a position at a shrunken workplace. But after checking with career coaches, recruiters and job seekers, I believe I was wrong. In this sluggish economy, you can ill afford to ignore an attractive offer from any business.

"If you take the job, you should do it with your eyes open," cautions Caela Farren, a principal of MasteryWorks, talent-development consultants in Annandale, Virginia. "You just don't want to take the risk of being one of those laid off."

So before plunging into such high-risk employment, make sure you can answer several crucial questions.

First, is your potential employer relatively healthy despite the reductions? Grill any acquaintances working there. Pore over analysts' reports. Ask competitors about the company's weaknesses.

"This is an environment where the more informed you are, the better decision you will make," says David Pace, senior vice president for human resources at I2 Technologies. In early April, the Dallas business-software concern revealed plans to shed about 610 jobs, or 10% of its work force.

**DUE DILIGENCE WILL** enable you to separate candor from baloney. During a job interview with Mr. Pace, for example, he undoubtedly will tell you to join now because I2 is well positioned to emerge stronger from the current slump.

In fact, the company continues to recruit for some entry-level posts in certain growth areas, such as Asia. But will there be further layoffs? If the industry slowdown persists, he concedes, "there could be more cuts."

Which raises a related question: What professions, job levels, departments or regions bear the brunt of your would-be employer's cutbacks?

You're often better off being a relatively inexpensive new hire at a concern that has just laid off its high-paid veteran staffers and that is adding personnel selectively and deliberately. But a business dismissing many highly experienced employees may lack "enough corporate memory to get the lights back on when things get better," warns Phil Simshauser, president of the Center for Executive Options, a New York division of Boston career consultants Drake Beam Morin.

You should uncover the rationale behind the layoffs and management's fallback position in case the moves don't trim expenses fast enough. "What's Plan B?" Mr. Simshauser asks. "If the answer is the possible sale of the company, you may not want to join."

You also need to know whether your hiring manager views your skills as a critical source of future corporate growth.

Greg Hooper, a second-year student at Duke University's Fuqua School of Business, decided to join Dell Computer this June -- after he learned the Round Rock, Texas, computer maker had unveiled its first-ever job cuts. The 4% staff reduction, affecting 1,700 people, "did make me think twice," the 30-year-old engineer recalls.

But Mr. Hooper accepted Dell's offer because he will become a products-planning manager in a product-marketing group, which he says was unaffected by the dismissals announced in mid-February. "Dell is going to win the battles they are fighting right now," he says. "If I stay with them long term, I'm a winner -- if I last that long."

By contrast, a fellow Fuqua student turned down a job with a different Dell group, which did suffer layoffs. Even his prospective supervisor was laid off. "I got skittish," the 27-year-old M.B.A. candidate concedes.

**WHAT ARE YOUR** chances for mentoring and advancement at a company that's eliminating numerous staffers?

The Fuqua student who spurned Dell decided it would be better to return to the midsize Chicago consulting firm where he worked before business school. "It's a great environment within which I can learn and grow," he says.

Among M.B.A. graduates offered Dell jobs this spring, "acceptances are down somewhat from last year," a spokesman reports. But the number and quality of those accepting "remain great," he adds.

Perhaps the most important question you should ask before betting on a downsized business is: How much job-security risk can you tolerate? The answer depends on your age, marital status, preferred standard of living and prior employment.

Niraj Singh's experience on the other side of the desk helped immunize him against the uncertainty of working for badly battered Lucent Technologies, a major telecommunications-equipment manufacturer that he joined as an account manager on April 2. He previously co-founded and helped run a start-up for nine months. The venture ran out of money late last year, forcing him to fire 50 colleagues. "I don't think anything could be more nerve-racking than that," the 35-year-old manager remembers.

Lucent, based in Murray Hill, New Jersey, has announced plans to eliminate 10,000 of its 123,000 jobs world-wide by July. Mr. Singh isn't worried. "If you're good and you get laid off," he says, "you will get hired again tomorrow."