

Date: [Insert Date]

To: [Employee Name]

Employee ID: [Insert ID]

Subject: Notification of Salary Adjustment

Dear [Employee Name],

As part of our ongoing efforts to ensure the long-term stability and viability of [Company Name], we have conducted a comprehensive review of our operational costs. Due to [Insert Reason: e.g., current economic challenges / a significant downturn in industry revenue / a company-wide restructuring], we have found it necessary to implement a cost reduction strategy across the organization.

Regrettably, this strategy includes a mandatory reduction in employee compensation. We are writing to formally notify you that your base salary/hourly rate will be adjusted as follows:

- **Current Salary/Rate:** [Amount]
- **New Salary/Rate:** [Amount]
- **Effective Date:** [Insert Date]

Please note that your core job responsibilities, reporting structure, and benefits eligibility (unless otherwise stated in a separate document) remain unchanged at this time. This decision was not made lightly, and it was chosen as an alternative to potential workforce reductions.

We understand that this is difficult news. We sincerely value your contributions to the team and appreciate your continued dedication during this challenging period. We remain hopeful that these measures will help the company return to a position of growth in the future.

If you have any questions regarding this adjustment, please contact the Human Resources department at [Insert Phone/Email].

Please sign and return a copy of this letter to acknowledge receipt of this notification.

Sincerely,

[Your Name]

[Your Title]

[Company Name]

Acknowledgment of Receipt:

Employee Signature: _____ Date: _____