THE PROBLEMS EXPERIENCED BY ORGANIZATIONS IN MANAGING THE SURVIVORS OF DOWNSIZING: A STUDY OF SELECTED PARASTATALS IN NAIROBI, KENYA

BY

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DECLARATION

This Research Project is my original work and has not been submitted for a degree in any other University

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This Research Project has been submitted for examination with my approval as University Supervisor

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ABSTRACT

Downsizing has been the most adopted practice of organizational restructuring within the last decade.

First witnessed in the private sector, this approach has spread to all levels of government and knows no sectorial or geographical boundaries (Burke and Cooper, 2000). No longer are organizations inclined to maintain the status quo for the sake of employee loyalty and thus lives and careers have been destroyed as a result of downsizing.

Here in Kenya pressure from Donors and other trade partners to liberalize the markets, and the inability of the Government to continue subsidizing its parastatals due to reduced donor finding are the main reasons of downsizing.

The purpose of this study was to gain qualitative insights on the problems the managers involved in downsizing organizations in Kenya experience in handling the survivors and what effects this have on the performance of organizational roles. Out of one hundred and sixty questionnaires which we sent out eighty-two were received back. The questionnaire was divided into three sections; section A captured Demographic data on the respondents while section B and C was on environmental analysis.

The findings suggested that most managers handled the problems of survivors with ease. However, some lessons were learned that would improve future management of downsizing. Involvement of staff in the planning and management of their work, communication and feedback between management and staff, cohesion between management and the staff, articulation of the vision and mission of the organization and

looking into new ways of doing things, are among the important things to consider when downsizing.

Finally, recommendations were made which would benefit future downsizing organizations.

CHAPTER ONE: INTRODUCTION

The first chapter of this project introduces the background of the study, the statement of the problem, the objectives of the study and the importance of carrying out the study.

The chapter provides an overview of the literature currently available about downsizing of institutions, the problems encountered by Managers in handling the Survivors of downsizing, and the effects thereof on productivity.

The chapter ends by looking at the contributions that the study will make in the field of research on downsizing institutions and the management of survivors.

1.1 BACKGROUND OF THE STUDY

The last century has seen an enormous change in the nature of society and workplace. The 1960s epitomized limitless possibilities of rapid growth & expansion (Burke and Cooper, 2000). This was followed by a period of industrial strife, conflict and retrenchment in the 1970s. Out of the turmoil of the 1970s came the enterprise "culture" of the 1980s. This was a decade of privatization, statutory constraints on industrial relations, mergers and acquisitions, strategic alliances, joint ventures, process re-engineering and the like transforming the workplaces into free market, hot-house cultures (Burke and Cooper, 2000)

By the end of the 1980s and into the early 1990s the sustained recession, together with privatizing mentality with regard to the public sector, laid the groundwork for potentially the most profound changes in the workplace since the industrial revolution. The early years of 1990s were dominated by the effects of recession and efforts to get out of it, organizations "downsized" "delayed" "flattened" or "right sized". The hard reality experienced by many was job loss and constant change (Lamertz and Baum, 1998). There were fewer people doing more work and feeling more insecure. The rapid expansions of IT also meant added burden of information overload and the accelerating pace of work, with people demanding more information, quicker and quicker (Burke and Cooper, 2000).

The mid-1980s through the 1990s also saw the massive expansion in numbers of women in the workplace with a noticeable pushing out of the glass ceiling further upwards. The changing role of man and woman at work and at home added another dimension to the enormity of change taking place in the offices, factory floors and techno-culture of industry.

Three types of organizational institutions have received increasing attention during the past few years: mergers and acquisitions, restructurings and downsizing, and privatization (Burke and Nelson, 1998). All these forces represent the effects of economic recession and attempts by organizations to survive and to increase productivity (Marks, 1990). These changes also have vast implications for both practice and intervention at both individual and organization levels (Cameron et al, 1991; Cascio, 1995; Martin and Freeman, 1998).

Of those changes, downsizing has been the most adopted practice. Increasingly, organizations are cutting back to save money and remain competitive (Dupuis, Boucher, and Lorraine, 1996). Downsizing has been defined as a purposeful reduction of an organization's workforce (Cameron, Freeman, and Mishra, 1991; Cascio, 1993). For several years now, there has been a strong tendency to adopt a downsizing strategy to deal with the economic pressures in the environment.

First witnessed in the private sector, this approach has now spread to all levels of government and knows no sectorial or geographical boundaries (Burke and Cooper, 2000). Thus, this no longer represents one of the many consequences of economic upheaval, but has instead taken on a life of its own

(Gosselin, 1994, 1994). Gosselin (1994) goes on to note that once seen as a short-term measure, downsizing has become the way to increase profitability.

For most organizations, labour costs account for a large part of expenditure and since these organizations generally enjoy a certain amount of latitude in terms of their payroll, they are tempted to cut salaries to achieve immediate economic benefits. On top of cutting down salaries, organizations have gone further to layoff workers.

While organizations "may" have well succeeded in handling the victims through financial support, unemployment compensation, health insurance, job search support and psychological support, they may have problems in dealing with survivors of this painful process (Soukup, Rothman, and Brisco, 1987). Dupuis, Boucher, and Lorraine (1996) observe that those people who have survived these cuts are finding it more difficult to cope, suffering from burn-out or insecurity at the prospect that they might be the next to go. They are victims of what is called the "survivor syndrome". Further to this, Jackson (1996) notes that it is almost impossible to convince people of their value to the organization when one is chopping away their job security. This, as Solomon (1992) observes, may affect the loyalty that the survivor has towards the organization, which is a major challenge to that organization. Solomon (1992) further notes that since commitment starts from mutual trust between employer and employee, one cannot expect this same loyalty when the organization seems to be shying away from its end of the bargain. In fact, to overcome their sense of disillusionment, employees would seem to have no other choice but to put their own interests ahead of the organizations.

Having to implement a downsizing strategy is by no means a painless process and if we want to examine both sides of the equation, we must acknowledge that managers share in the suffering (Dupus, Boucher, and Lorraine, 1996). Managers who find themselves in this crisis situation experience feelings of fear, isolation, and guilt. Jackson (1996) further observes that not always being able to understand the reasons for the decisions nor the attendant expectations, managers often must work in an environment of ambiguity and uncertainty as to the future of the organization. Most are aware of the social responsibility falling on their shoulders and are very sensitive to the potential for unfairness.

Because the Survivors are so visible, they have little or no room for error and must live with anger, even contempt, of many of their subordinates. Since most have not been involved in downsizing before, they have no model to go by. This inexperience can lead to severe tension. Above all, they are convinced that they must appear to be in control and as a result, hide their emotions and vulnerability (Jackson, 1996).
It is evident that managers are not immune to the survivor syndrome; indeed, they need to confront the possibility that they too can fall victim to it. Until they recognize this, they will be unable to understand or help their employees.

Prior to downsizing most employers acknowledge the existence of a psychological contract, which represent an exchange relationship between the company and its employees. In exchange for hard work and loyal service, the employer owes the employee fair treatment and a sense of security. However, social values supporting the psychological contract has been replaced in many organizations with a new set of "survival" values which often place economic considerations ahead of human needs and obligations (Buch and Aldridge, 1990). These changing values have legitimized downsizing as an ongoing corporate activity to be used in good and bad times.

Downsizing threatens both the continuity of the job and its features. Employees who survive one wave of downsizing exist in a fearful expectancy as the next wave is anticipated. The managers are also expected to manage longterm career paths, which have been dramatically altered by the downsized organization. The psychological responses to downsizing are feelings of betrayal and confusion, which the manager has to deal with (Buch and Aldridge, 1990). Since this downsizing process can and has actually led to a downward trend in performance among survivors (Zeigler 1995), managers have a responsibility of opening new communication channels that engendars a problem solving approach that in turn encourages divergent thinking and generation of creative solution (Buch and Aldridge, 1990). Above all synergy is recognized as an important aspect of group dynamics. However, this is not achieved without problems.

1.2 FACTORS THAT LEAD TO DOWNSIZING IN KENYA

1.2.1 Historical Background

The Kenya Government inherited the reigns of leadership from the former Colonial British Government in 1963. The population was small at only 9 million people and the major focus then was to get Kenyans trained to take over the jobs from the Colonial masters. Jobs were in plenty in the early years of independenc; commendable economic growth was achieved between 1964 to 1973; and Gross Domestic Product (GDP) grew at an average rate of 6.6 per cent per year.

However, this success was short lived as the country registered low growth in the 1980's accompanied by rising unemployment and poverty among Kenyans, mainly due to oil crisis of 1973. This was compounded later by the collapse of the East African Community in 1977.

Economic growth between 1971 and 1981 had reduced to 4.6. per cent per year. At the same time the growth for permanent jobs within the civil service was at the rate of 8.4 per cent per year compared to 2.8 per cent in the private sector (Sessional Paper No. 2, 1995; Sessional Paper No. 1, 1986). From a modest number of 183,000 employees in 1971 employment in the civil service had risen to 336,100 in 1981. Salaries as a share of Ministries' recurrent expenditure in 1978-80 was 47 per cent while in 1984-85 it was 60 per cent (Ndambuki; Kimemia, 1997). With salaries absorbing so much of expenditure, there was no adequate provision for complementary resources such as transport, typewriters, even paper and pencil, that are required to make the staff productive. The rate of growth of the employees was simply not sustainable. Something had to be done.

1.2.2 The Civil Service reform programme

The Civil Service reform program was launched in August 1993 with the main objective of improving efficiency and productivity of the civil service. The result of this has been job reduction (Ndamuki; Kimemia 1997).

The immediate objective of the civil service reform programme included the rationalization of organizational structures, reduction of numbers of Civil Servants, re-examination of Civil Service pay and benefits to include monetization of allowances, among other measures designed to enhance motivation, increased funding for operations and maintenance, introduction of proper work ethics, and control of staff establishment. This also involved shedding away the services that are not part of the core business of Government and, hence, downsizing.

The reform program had five components namely staffing, service re-organization, pay and benefits, personnel management and training, financial and performance management.

The downsizing of the public sector has suffered due to various problems some of which are the public backlash, budget constraints, labour laws, and legislative restrictions.

1.2.3 Parastatal reform Programme

The Government parastatals were also affected by the reforms. According to Aseto and Okelo (1997) the parastatals became a big financial burden to the state. By 1994, the Government subsidies amounted to 5.5 per cent of Gross Domestic Product (GDP) (Waweru, Gatheru & Shaw, 1998). The poor performance was attributed to lack of clear objectives and goals of the enterprises, concentration on political matters at the expense of proper management issues, conflict of instructions from the Government to the Chief executives of the parastatals, poor or lack of delegation, training and control of junior management, and overstaffing.

The parastatal reform programme included the removal of state subsidies and government guarantees on loans given by multilateral donors and financial institutions. It also included divestiture through sale of parastatals either wholly or partially by offering shares in the stock market.

Before sale of the parastatals, efforts to turn them round in order to make them profitable included the injection of more capital, harmonization of operations, subcontracting of non-core services and as a result, reduction in the number of staff. In others, rationalization of services was carried out through splitting the parastatals into smaller manageable entities. A good example is the Kenya Post and Telecommunications, which was split up into three entities namely: Telkom, Postal Corporation and Communications Commission of Kenya. Also, Kenya Power and Lighting Company was split up into two units namely Kenya Power & Lighting and Kenya Electric Generation Company.

The downsizing in the Civil Service and the Government parastatals was aimed at re-engineering the activities of the public sector to eliminate overlaps and duplication of activities and services, and to rid itself of non-core functions in order to ensure quality service delivery (Gitle, 2001).

1.2.4 Private Sector reforms

Pressure from Donors and other trade partners to liberalize the markets has mounted steadily over time. Government's protection of local industries has been reduced or removed entirely. Import tariffs in Kenya are progressively being re-aligned to be in tune with other East African Countries under the framework of the Permanent Tripartite Commission of East African Cooperation, and also the Preferential Trade Partnership (COMESA).

In order to meet the challenges of globalization, trade liberalization and competition, the private sector has also not been left behind in downsizing. Many companies have reduced their staff, closed some branches, sold off some of their subsidiaries and non-core assets in order to cut costs and improve profitability, while some, such as Lohnro East Africa, have closed down completely.

Examples of companies, which have downsized include Unga Ltd, East Africa Breweries, Coca Cola, Bamburi Cement Company and Reckit Coleman among many others.

1.3 DOWNSIZING AND STAFF PRODUCTIVITY

As revealed in the background, downsizing can and actually does affect the Company's overall productivity (Zeiger, 1995). Yet, it is this downsizing that is aimed at increasing profitability (Gosselin, 1994). Profitability by and large will depend on the performance of survivors. A perusal of downsizing literature reveals the effect of downsizing on victims. The victims have been shown to suffer from shock, grieve, disbelief, anger, feeling of betrayal, fear, shame, embarrassment, fantasy and despair.

However, the survivors also are affected by the dismissal/exit of their colleagues. They are supposed to continue running the post downsized organization as if nothing has happened, yet they suffer just like the victims. They suffer from fear, insecurity and uncertainty; frustration, resentment and anger, sadness, depression and guilt; injustice, betrayal and mistrust (Tylezak, 1991). These negative effects lead to what Noer (1993) calls Survivor Syndrome, which is manifested, in a variety of ways through a spectrum of attitudes, feelings and perceptions. Jackson (1996) further observes that if these problems are neglected or mishandled or, worse still if their very existence is denied, the consequences for the organization will be severe if not devastating.

In these trying circumstances, management's responsibilities increase considerably and interpersonal skills become precious. It is expected that managers have the necessary competencies to handle the problems experienced by Survivors. While this may be the case and indeed they may have the necessary competencies, in most cases they may not be in a position to manage the Survivors. They too experience problems just like survivors. It is these problems that hinder their effective management of work. This has led to them being described as insensitive, less courteous, tough. "know it all", given to following every move, cut people short and even look for conflict (Hermanson, Ivancevich and Hermanson, 1992). Reports exist which show that managers of downsized firms suffer from a host of problems like work overload, search for meaning, social and organizational isolation, and a decline in personal well being (Wright and Barling, 1997). Besides, Kets de Vries and Bolazs (1996) outline the following behaviour patterns among downsizers: Compulsive/ /ritualistic behaviour, hostility and aggression toward colleagues and subordinates, profound detachment, difficulty in experiencing effect, withdrawal and depression. Other problems, which are external but may affect the manager, may include employee resentment, union hostility, political interference and sometimes strikes, slowdowns, sabotages, poor quality and reduced productivity.

The studies, which have been conducted in the U.K., U.S.A., and Canada, show that in dealing with survivors, managers do experience problems. In most of Africa and in Kenya in particular, downsizing is a recent phenomenon particularly in the public sector. The effects are painfully being felt. To understand fully this phenomenon, there is need to know the problems that are associated with downsizing. While it is true that success of the downsizing process depends on how well it is carried out and while it is known that this depends on managers/executioners/downsizers of the process, a lot of focus has been directed towards the management of the victims. Mangers/ executioners/downsizers experience major problems in handling the problems of the surviving staff.

1.4. FACTORS THAT AFFECT DOWNSIZING

Several issues of survivorship problems cut across Cultures, Sectors and companies. A mixed set of behaviours and psychological states exhibited by employees who remain in the organization after a downsizing process has taken place are similar in many contexts. Six key human resource factors namely job satisfaction or dissatisfaction; staff motivation; perceived promotion opportunities after the change in the structure; staff commitment to the organization; morale and concern about job security determine the extent to which success or failure in managing downsizing is achieved by any organization. The key factor or variable that determines the success of survivorship is the job security.

There are, however, unique factors that are faced by developing countries in general and Kenya in particular during downsizing, which influence the direction, the pace, and level of success in managing survivorship problems.

The author has grouped them into five main factors viz: environmental and cultural differences, management styles, state of industrialization and size of economy, unemployment levels, social Welfare programmes, and demographic variables.

1.4.1 Environmental and Cultural factors

The organization environment and the external environment are crucial in determining the survivors' response towards downsizing. In Kenya, tribal inclinations and political patronage has brought about a benevolent and paternalistic culture where managers identify the employees from their community as their own children. It is therefore a hard decision for a manager to lay-off a member of staff from his own tribe or society, because it creates negative consequences from his 'people'. The problem is compounded by the fact that the unemployment in this country is very high at 47.8% (economic survey of Kenya 2000).

1.4.2 Management styles

Most of the organizations both in public and private sector in Kenya practice autocratic management styles. Most of the major decisions are made by some few people at the top and therefore consensus building is not regularly practiced. Vertical communication is not very efficient and a big vacuum exists most of the time on communication of management decisions to staff and also feedback from staff. Grapevine therefore finds very good ground to flourish.

1.4.3 State of Industrialization & size of economy

The level of industrialization in Kenya is low. The economy is small and depends heavily on export of primary products for its foreign trade. The globalization and liberalization of World trade has opened competition from developed countries thereby making most of the local firms to downsize or to close down. Prof. Julius Meme, Permanent Secretary for the Ministry of Health made the following remarks during a public lecture in Egerton University recently. "Globalization is denying African states the chance to implement their development agenda. It has undermined the continent's (Africa) efforts to curve out a cultural identity and a base for economic development" (Daily Nation 20th September 2001).

1.4.4 Unemployment/Employment levels

The level of unemployment in Kenya is very high, currently estimated at 47.8% (Economic survey, year 2000). Other developing countries have similar high levels of unemployment.

Illiteracy levels are very high in developing countries and therefore many of the workers are only capable of doing manual or simple clerical jobs. Creativity and innovations is low and therefore many people who operate business duplicate similar types of trade e.g. sale of second hand clothes and simple electronics, food outlets, taxi "matatu" transport etc. Poverty is widespread, over 50% of the population lives below the poverty line.

1.4.5 Social Welfare

Unlike in developed countries, social welfare programmes are few or non existent in most developing countries. Kenya is no exception. This means that when an employee loses his or her job there is no social welfare programme to cater for his immediate needs. The National Social Security Fund (NSSF) only gives pittance to retirees. The Retirement Benefits Authority (RBA) was created recently in the year 2000. It has a long way to go to create a good foundation in the pensions industry. Reorganization of NSSF to fulfil its mission fully would be a major challenge for the Authority.

1.4.6 Demographic Variables

The effects of age differences on the response of survivors to downsizing, although much less theoretically developed in the West, (Aneil Mishra and Gretchen M. Spreitzer, 1998), is important to establish for example, older workers may have concerns about age discrimination and reduced alternative employment and, thus, may be more likely to respond fearfully. In contrast, if the older workers have the safety net of a pending early retirement package, they may respond obligingly (Rusbult et al; 1988). The older employees may feel it is better to pack and enjoy a quiet retired life instead of the stress of increased workload while the younger employees may be adventuring into new challenges and more enriching jobs (Aneil and Gretcher 1998)

1.5. STATEMENT OF THE PROBLEM

Literature based on five studies done in the U.S.A. show that survivorship problems such as negative morale, negative employee commitment, rapid increase in concern about job security, etc. are very widespread in post downsizing period. The U.S. data consistently show significant problems in organizations in that regard (Craig Littler, 1997).

Taking into account the unique factors that affect the developing countries, and Kenya in particular as discussed in Section 1.4 above, the survivorship problems faced by Kenyan Organizations are likely to differ from those faced by their counterparts in developed countries. The research will focus on the parastatal sector in which the author has worked for the last twenty years.

To provide information useful for the exercise, the research will attempt to answer this question: What are the major problems that managers involved in downsizing organizations in Kenya experience in handling the survivors and what effect does this have on the performance of organizational roles.

1.6. OBJECTIVES OF THE STUDY:

(a) To find out the problems that managers of downsizing organizations in Kenya experience in dealing with survivors of downsizing.

(b) To determine the extent to which problems of survivors of downsizing affect the Managers organizational roles.

(c) To determine the extent to which, if any, such factors as age, educational qualifications, experience and marital status of the Manager handling downsizing, type and size of the organization, the number of times the organization has downsized, influence the success or failure when dealing with the survivors problems of downsizing

1.7. IMPORTANCE OF THE STUDY:

The study will be important to the following:

(a) Firms that have not yet downsized and those that are yet to downsize and also those which intend to carryout subsequent phases of the downsizing exercise.

(b) Managers of these firms so that they can be prepared to face the probable areas of conflict with a view to coming up with strategies of dealing with them.

(c) Academicians who wish to enrich their knowledge in the field of downsizing.

(d) Researchers who may wish to develop the issues further by conducting subsequent researches – This research forms the basis for doing so.

CHAPTER TWO-LITERATURE REVIEW:

This chapter looks into the concept of downsizing. It also gathers the literature available on the subject.
The author discusses the various reasons that make organizations to downsize; the survivors syndrome and finally the challenges that the management face in downsizing.

2.1 The concept of downsizing and profitability

For several years now, there has been a strong tendency to adopt downsizing strategy to deal with the economic pressures from the environment. First witnessed in the private sector, this approach has now spread to all levels of government and knows no sectorial or geographical bounds. For example, among the private firms to have adopted this strategy in Kenya include East African Breweries Ltd., Bata Shoe Company, Shell BP and Agip among others. The government parastatals that have undertaken the exercise include Kenya Power and Lighting Company, Kenya Airways, Kenya Tea Development Authority and Kenya Commercial Bank. In the civil service, various ministries have been reducing their staff since 1994 in an effort to reduce costs and increase efficiency.

Thus this phenomenon no longer represents one of the many consequences of economic upheaval but has instead taken a life of its own (Gosselin, 1994). Once seen as a short-term measure, downsizing has become the way to increase profitability. For most organizations, labour costs account for a large part of expenditure and since these organizations generally enjoy a certain amount of latitude in terms of their payroll, they are tempted to cut salaries first to achieve immediate economic benefits (Dupuis et al 1996).

Downsizing is not a new phenomenon; workforce reductions, closure of branch offices, regions e.t.c. has been going on since the great depression of the 1930's and is part of the normal economic business reorganization process. But something new is happening at the moment in terms of the magnitude, scale, the target involved and the causes and effects of the downsizing (i.e. change in business environment) as opposed to the traditional causes where it arose out of normal business cycles.

Downsizing for the sake of cost reduction alone has been castigated intellectually as short sighted and neglectful of what resources will be needed to increase the revenue stream of the future (Hamel and Prahalad, 1994). By some measures, downsizing has failed abjectly as a tool to achieve the main raison d'entre: reduced costs. According to a Wyatt company survey covering the period between 1985 and 1990, eighty nine per cent of organizations which engaged in downsizing reported expense reduction as their primary goal while only 42 per cent actually managed to reduce expenses (Wyatt Company 1993)

A true and fuller understanding of the forces shaping and thrusting downsizing forward today comes from an appreciation of increased global competition, and changing technologies, which in turn are profoundly impacting the nature of work, increasing availability of contingent work (Fierman, 1994) and shifting balance of power among organizational constituents away from rank and file employees and in the direction of shareholders and chief executives who serve as their proxy.

Because of its negative connotation of giving people the "axe" downsizing is not a term that many management consultants use. Many would rather use friendlier terms such as re-engineering, rightsizing, reinventing etc. On the other side of the spectrum, there are researchers who are concerned that downsizing has become too closely associated with the process of organizational decline and its naturally negative effects. Cameron (1994), for example, defines downsizing as a positive and purposive strategy: “a set of organizational activities undertaken on the part of management of an organization and designed to improve organizational efficiency, productivity and/or competitiveness”

Downsizing thus falls into the category of management tools for achieving desired change. Much like “rightsizing” and “reengineering", downsizing may and very likely will impact or impinge on systematic change efforts such as the introduction of “Total Quality Management” “reengineering” or “reinventing” initiatives.

Downsizing is defined in this study simply as a reduction in the size of the work force. This definition provides some analytical clarity because it does not imply a value, either positive or negative and encompasses a wide range of possible approaches. Thus, downsizing does not necessarily imply a reduction in the assets of the organization; for example, an organization may contract out a function that was previously done by permanent employees. The elimination of jobs of the employees constitutes downsizing. In general, researchers use the term to mean a deliberate organizational reduction of work force. This can be proactive (planned in advance and usually integrated with a larger set of objectives) or reactive, typified by cost-cutting as a last resort after prolonged period of inattention to looming problems of management (Kozlowski,Chao, Smith and Hedlund, 1993)

2.2 Reasons for downsizing

Downsizing as has already been mentioned above can be said to refer to the voluntary actions of an organization to reduce expenses (Bunce and Green 2000). It refers to an array of initiatives implemented by an organization in response to a decision to reduce headcount. It must also be acknowledged that downsizing is sometimes the price paid for mismanagement and strategic errors made by the top mangement (Kets de vries and Balazs, 1997).

The outcomes that organizations seek from restructuring may include increased productivity, improved quality, enhanced competitive advantage, and potential regeneration of success (Hoskisson and Hilt, 1994). In addition, organizations hope to achieve lower overheads, less bureaucracy, more effective decision-making, improved communication, and greater innovation (Burke and Green 2000) as a result of downsizing.

Although we might like to think that the reasons for downsizing are well thought out, many of the reasons are purely social ones. Mckinlay, Sanchez and Schick (1995) proposed that three social forces that precipitate downsizing efforts are constraining forces, cloning forces, and learning forces. Constraining forces place pressure on executives to do the "right thing" in terms of legitimate managerial actions. Cloning forces are the result of imitation or benchmarking. Learning forces that bring about downsizing efforts take people through educational institutions and professional associations. Cost accounting methods encourage downsizing as a legitimate business activity.

Organizations thus choose to downsize for a variety of reasons, including economic and social. The rationale for downsizing is an integral part of the issue of whether downsizing efforts are effective or whether they fail. Cascio (1993) points out that downsizing would continue, as overhead costs remain non-competitive with domestic and international rivals. Many companies say they turn to layoffs as a last resort. In a survey by Rights Associates, eighty per cent of respondents indicated that they would rather see all employees of their firm take a ten per cent wage cut than lay off ten per cent of the workers to cut expenses and stay in business (Burke and Green glass, 2000).

2.3 Positive effects of downsizing

Most organizations have in the 1980's and 1990s' gone through mergers, acquisitions, downsizing, restructuring, re-engineering, culture change and leadership successions. Many have several of these activities overlapping. These events have not only changed organizational systems but also have had a major effect on workers, mostly negative (Ferrie et al. 1998; Kivimaki, 1997).

The number of victims, survivors, destroyed careers and career paths, and cynicism have gone up, while trust in organizational leadership has gone down. Survivors are forced to work harder with lesser rewards, multiple downsizing often occur over a few years (Armstrong – Stassan, 1997) sometimes those who lose their jobs are better off because they can get on with new things instead of waiting with uncertainty about their future fate. Many times the surviving employees see no end to the changes and feel powerless to influence the changes, yet organizations must continue to change to remain competitive (Nolan and Croson, 1995). New technology and increased competition normally hasten the rate of change (Marks, 1994). Senior managers are excited about opportunities while middle managers are angry, depressed and tired. The negative psychological, behavioral and profitability consequences of these feelings weigh heavily upon them.

There is a healthy side to transition and change. Some organizations that are bloated need to right size by eliminating unnecessary work (and people) in response to the forces mentioned above. If organizations do not change they would stagnate and decline. Many organizations resort to restructuring, mergers and downsizing after careful business considerations. There are some opportunities following downsizing or change. It can re-energize tired workers and heighten their aspirations, shift the organizations focus to future possibilities, strengthen the pay-for-performance link, increase investment in training and development, encourage innovation, improve communication, and produce clearer mission (Marks, 1994; Cascio, 1993). Along the same line, Ket de vries and Balazs (1997) agree that organizational change if well implemented can solve some organizational problems and yield business benefits. They go on to say that among the expected benefits of downsizing are lower overheads, decreased bureaurancy, faster decision making, and in general, greater efficiency.

2.4 Negative effects of downsizing

The surviving workers experience difficulty in coping with bigger workloads because they take over the duties of their former colleagues who become victims of downsizing. The survivors are unprepared for the changes that result from downsizing and redundancy. Wholesale redundancy programs often result in removing pockets of specialized organizational knowledge as entire levels of management are lost and the organizations' reliance on temporary and contract staff increase (Burke and Coper, 2000).

Downsizing "medicine" is corrosive in small economies and result in loss of skills, loss of research and development capacity and erosion of independent economic base (Burke and Cooper, 2001). The evidence suggests that organizational downsizing may have both positive and negative impacts on the organization and on surviving employees (Moreet al 1993; Parker et al, 1997; Sutton and D'Auno 1989). The negative consequences of downsizing may last long after the anticipated gains from such reductions.

One negative response among surviving employees is increased absenteeism and sick offs with obvious costs to the organization and to the society. It also has the implication of impaired employee health (Adams 1987; Beale and Nether cott, 1988; Jones et al., 1998; Kikimaki, et al, 1997; Sorgent, 1989; Vantera, Kikimaki, and Pentti, 1997). Downsizing may exacerbate the "classic" equation for stressful working conditions (Cox 1993; Karasek and Theorell., 1990) – increased job demands, decreased job control and decreased social support – and it is entirely possible that such an effect may partly mediate its other effects on absence and health. The experience of stress can also increase alcohol consumption and smoking – as on emotion focused coping strategy

(Cox 1993) – and such health risky behavior, particularly in man, has been found to be associated with sickness and absence from work (Althchiler and Molta, 1994; Bush and Wooden, 1995; French et al., 1995; Gill, 1994; Jeffery et al, 1993; Jones, Casswell, and Zhang, 1995; Kirkcaldy et al., 1994; Leigh, 1995; Marmot et al., 1993; Wooden and Bush, 1995).

2.5 Downsizing Effects on Survivors

Studies focusing on survivors of downsizing report work-related symptoms including increase in work-related stress, dissatisfaction and intent to leave the organization and decreases in guilt, morale, and productivity (Brockner, 1998; Tombough and White, 1990). In two exhaustive surveys of the pertinent literature, Brockner (1988) and Brockner and Greenberg (1990), summarized the results of previous studies showing that survivor's attitudes and behaviors (the “survivor syndrome”) are consistently negative, while perceived justice was low. Brockner et al. (1994), reported that when perceived justice was low, organizational trust and support were highly related to perceived outcome negativity (layoff – related). Also Davy, Kinicki and Sheck (1991) found that fairness of the layoffs had a direct effect on job satisfaction.

In addition to this, Brockner et al. (1992, 1994, 1995), Hallier and Lyon (1996) in their examination of survivors attitudes in the aftermath of corporate layoffs consistently indicate that their job attitudes such as satisfaction, job involvement, organizational commitment and intention to remain with the organization become more negative. These negative reactions combined with the fact that survivors must do more with few resources make the aftermath of layoffs difficult to deal with. Noer (1993) offered a vivid description of the state of survivors: Individuals, who survive cutbacks, he notes must deal with their own feelings as they develop a new relationship with their organization in which they are more empowered and less dependent.

2.6 Survivors Syndrome in downsized organizations

The term survivor syndrome was coined by the Psychiatrist W. G. Niedereand in 1968 and refers to survivors of the holocaust of nuclear bombs dropped in Hiroshima and Nagasaki, Japan and of other fatal catastrophes throughout the world. The disorders observed in individuals who have survived such calamities are recognized as severe pathologies and are collectively referred to as post traumatic stress Disorder (PSD) under the category of mental illness (Bourque, 1995) Symptoms ranging from fear of persecution, inner tension, diminished self esteem, lack of initiative and general apathy right up to depression and a paradoxical sense of guilt at having survived (Peters, 1989) are directly observable in survivors. Similar symptoms were witnessed in the survivors of the bomb blast in the American embassy in Nairobi and Dar-er-Saalam in August 1998 (Dr. Njenga, Daily Nation 15th August 1998). While the concept of survivors syndrome in organizations seems to resemble the posttraumatic stress syndrome described above, the condition as well as the emotions involved are not as severe. Noer (1993) notes that as with all syndromes, this one is manifested in a variety of ways through a spectrum of attitudes, feelings and perceptions. If these problems are neglected or mishandled or worse still if their very existence is denied the consequences for the organization will be severe if not devastating.

In his book "Healing the Wounds", Noer (1993) discusses the main symptoms frequently observed in survivors. Fear, insecurity and uncertainty – easily identifiable and observed in all instances of downsizing. Insecurity especially as relates to their jobs is a major source of stress. Job insecurity is a form of stress which inconsistently accompanies workforce reductions (Greenhalgh and Rosenblatt, 1983). It's a feeling of being powerless to maintain desired continuity in a work situation (Greenhalgh and Rosenblatt, 1984). Downsizing threatens the continuity of both the job and its features, especially in the growing number of organizations undergoing multiple downsizing. Employees who survive one wave of downsizing still exist in a state of "fearful expectancy" as next wave is anticipated (Apple-baum, Simpson, and Shapiro, 1987). Even employees who are secure in their own positions experience loss as co-workers are dismissed and power and resources are re-allocated.

Some of the problems/perceptions/behaviors or feelings of survivors of retrenchment are:

- Frustration, resentment, and anger – survivors often do not have an opportunity to express these emotions, the repression of which leads to other problems.
- Sadness, depression, and guilt – often camouflaged because of the image survivors wish to project of themselves.
- Injustices, betrayal and mistrust – often translates into an insatiable thirst for information. Survivors also experience stress due to role ambiguity and overload resulting from the restructured "learner" organization. Survivors are also stressed by confusion stemming from concerns for their long term career paths, which may be dramatically altered by the restructured "flatter" organization (Gilmore and Hirschhorn, 1983)

Whether one sees the survivor syndrome in organization as the result of mismanaged rationalization morale problem owing to lack of courage on the part of employees, Harvey (1988) the outcome is the same.

2.7 Downsizing effects on downsizers/Managers.

Some reports exist which show that downsizing interviews have stressful effects on executives. Wright and Barling (1998) found that downsizers (executioners) suffered work overload, search for meaning, social and organizational isolation, and a decline in personal well being. The reactions of "executioners" responsible for the implementation of downsizing may become clinically extreme. Kets de Vries and Balazs (1996) described the following patterns: Compulsive / ritualistic behavior, hostility and aggressions towards colleagues, difficulty in experiencing effect, withdrawal and depression. These reactions might be dependent on subjective framework perception.

Folger and Skarlicki (1998) reported that downsizers' attitudes towards victims were often contingent on the perceived reasons for downsizing. When downsizing was perceived as caused by mismanagement as (opposed to external forces) managers reacted with a "tough" distancing attitude. Taken together, these studies point overwhelmingly to the detrimental effect of job insecurity on employees' well-being in both rank-and –file managerial echelons.

When one considers the consequences of mass layoffs, the reactions and feelings of managers are hardly the first things that come to mind. Infact, managers are usually perceived as hatchetmen. Nevertheless having to implement a downsizing strategy is by no means a painless process and if we want to examine both sides of the equation, we must acknowledge that managers share in the suffering. Managers who find themselves in this crisis situation also experience feelings of fear, isolation and guilt. Not always understanding the reasons for the decision nor the attendant expectations, managers often must work in an environment of ambiguity and uncertainty as to the future of the organization.

Most managers are aware of the social responsibility falling on their shoulders and are very sensitive to the potential for unfairness. Because they are so visible they have little or no room for error and must live with the anger (and even contempt) of many of their sub-ordinates. Since most of the managers have never been involved in downsizing before, they have no model to go by; this inexperience can lead to severe tension, above all, they are convinced that they must appear to be in control and as a result, hide their emotions and vulnerability. It is quite evident that managers are not immune to the survivor syndrome; indeed they need to confront the possibility that they too can fall victim to it.

Until they recognize this, they will be unable to understand or help their employees.

2.8 The challenges facing management

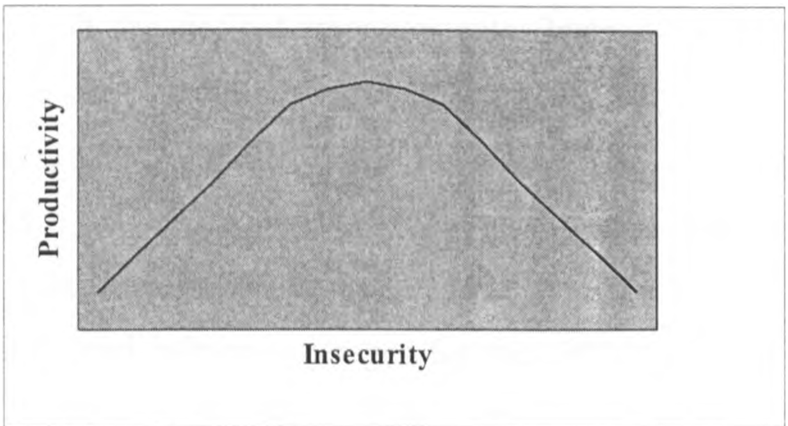
In these trying circumstances, management responsibilities increase considerably and interpersonal skills become precious tools. Most motivational theories, including Maslow's "need hierarchy", state that

human needs can be grouped by levels of importance. It is only after meeting the primary needs (biological and safety) that a person moves on to the next levels of affiliation needs, affection, prestige, respect and self fulfillment). That is, it is almost impossible to convince people of their value to the organization when the organization is chopping away at their job security.

Broachers, (1992) studies on American firms show surprisingly that a moderate, optimal level of insecurity is more productive and increases employee performance. The following figure illustrates this parabolic

curve.

Figure 2.1. PRODUCTIVITY & INSECURITY CURVE:



Source: Downsizing: its effects on survivors by Lynda Dupois, Sylvie Boucher and Lorraine Clavel.

For the manager in charge of downsizing his/her unit, one question that comes to mind is: are these two points of view reconcilable? The idea of loyalty towards the organization is also in transition (Salomon, 1992) which poses another major challenge. Since this commitment stems from mutual trust between employer and employees, how can one expect this same loyalty when the organization seems to be shying away from its side of the bargain? In fact, to overcome their sense of disillusionment, employees would seem to have no other choice but to put their own interest ahead of the organization's.

2.9 Do downsizing efforts work?

Evidence available indicates that most organizations do not accomplish the desired improvements. Instead, they produce negative or dismal results(Cameron and Freeman, 1994; Drucker, 1995; Hamel and Prahalad, 1994; Hermanson, Ivanceich and Hermanson, 1992). For example, two thirds of firms that downsized during the 1980's in the United States trailed behind industry averages for the 1990's. Despite lower unit labor costs, less than half the firms that downsized in the US in the 1990's improved their profits or productivity. Seventy four per cent of managers in downsized companies said that morale, trust and productivity dropped following downsizing and still in another survey half of 1468 firms reported that productivity suffered after downsizing (Henkoff, 1994).

A four-year study of downsizing that attempted to identify the best practices demonstrated a significant negative relationship between organizational effectiveness and downsizing accompanied through layoffs (Freeman and Cameron, 1993). Another study of 1,005 firms showed that less than half of these firms had reduced expenses, one third increased profits, and one fifth increased productivity. Two thirds of the firms reported that morale was seriously affected by downsizing. Bennette

(1991), Cascio (1998) provided recent evidence that underscores these findings in a study of 311 companies that downsized employees by more than three per cent in any year between 1980 and 1990. He concluded that the level of employee downsizing did not lead to improved company financial or stock performance.

Organization memory and valued skills and experience are often eroded following downsizing (Burke, 1997) in organizations that downsize as a response to decline, the most competent people are the first to leave. They do not want to be associated with a failing organization and seek opportunities elsewhere. This early departure of the most qualified employees may leave the organization suffering from the cesspool "syndrome" in which less qualified employees rise to the top (Bedeian and Armenalas, 1998).

Acquisitions, downsizing, restructuring, re-engineering, culture change and leadership succession have left workers saturated with change (Marks, 1994). Victims and survivors witness destroyed career paths. Psychological contracts between organizations and individuals are destroyed. Cynicism goes up and trust in organizational leadership goes down (O'Neil and Lenn, 1995). Survivors are forced to work harder with fewer rewards. Organizational downsizing is a strong stress-inducing factor that has a powerful effect on the attitude and work behavior of remaining employees (Greenberg, 1990). These stresses include uncertainty and ambiguity, feelings of loss of mastery and control over concept (Cameron, Whetten and Kim, 1987).

Studies that examine the aftermath of corporate layoffs consistently indicates that their job attitudes such as job satisfaction, job involvement, organizational commitment, and intention to remain with the organization become more negative(Brockner et al., 1992; 1994; 1995; Hailier and Lyon, 1996). Managers must help other survivors through a painful but irrevocable change in the psychological contract between employees and employer. This is because like Gottlieb and Conkling (1995) noted, unlike discarding machines, discarding people has an effect on those who remain.

CHAPTER THREE RESEARCH DESIGN

INTRODUCTION

This chapter looks at the population covered by this study, the sample size, method of data collection and analysis.

3.1 The population

The population for this study comprised of Managers of Parastatal organizations in Nairobi, which have recently undergone downsizing. The author works for one of the Parastatals and hence the choice of Parastatal organizations for this study. The rationale of selecting Nairobi is because being the capital and the seat of Government, majority of organizations have their headquarters located here.

3.2 The sample

The author had obtained the total list of 117 parastatals from the Inspectorate of State Corporations. Out of this, 96 were located in Nairobi. The Inspectorate of State Corporations did not have a register of the parastatals that had undergone downsizing. The author therefore contacted through telephone all the parastatals whose head offices were located in Nairobi to establish those that had downsized in the last ten years.

A total of 38 organizations which are listed in appendix 'D' were found to have undergone downsizing within the stated period.

Managers or heads of departments of Finance & Accounting, Production, Marketing, Human Resources, etc. from these organizations were therefore selected as the respondents of this study.

The choice of managers/heads of departments was based on the fact that they are the ones who were in the frontline in identifying those to go (victims) and those to remain (survivors). The researcher sent out 160 questionnaires to all the 38 parastatals and obtained 82 (51%) response. The rationale of selecting 38 organizations is based on the observation by Daniel and Terrel (1979) that a sample size of 30 or more is enough to make inferences about the entire population. The sample size of 38 organizations is therefore considered to be large enough to permit inferences to be made from the research findings.

3.3 Data collection

The main tool for collecting primary data was the questionnaire. The questionnaire was delivered by hand to the human Resources Managers of the target organizations with a covering letter requesting for their assistance to distribute them to the respondents. A copy of the letter is shown as appendix. Some of the Human Resources Managers were kind to issue internal circulars to their Managers to facilitate the exercise. Copies of these internal memorandums are attached in the appendix 'E'. Although the filled questionnaires were to be collected two weeks later, most of the respondents requested for more time. The exercise took six weeks during which time the researcher made several follow-up telephone calls and personal visits to the Human Resources Managers of the target organizations.

3.4. Data Analysis

Percentages and bar charts were used to analyse the responses from the questionnaire.

Also, Spearmans Correlation Coefficient was used to test the relationship, if any, between the data from groups of respondents and their gender, age, marital status, level of education, number of years worked with the organization, span of control, number of employees retrenched etc.

CHAPTER FOUR: FINDINGS AND DISCUSSION

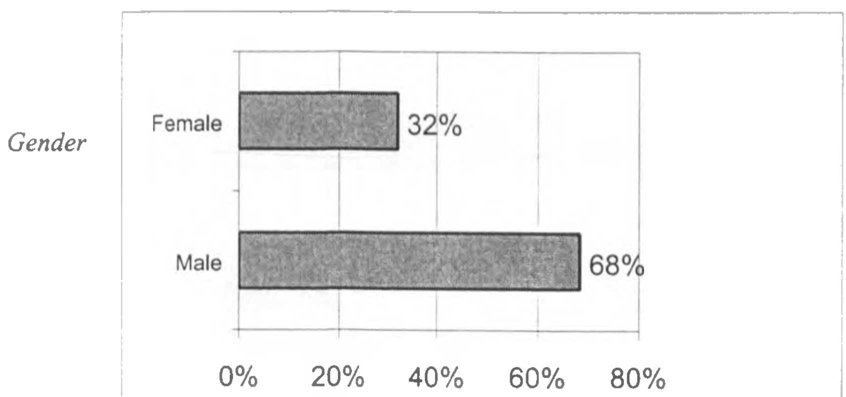
4.0 Introduction

This chapter presents the results of the research by analyzing the responses of sections A, B and C of the questionnaire. It provides an insight of the Managers' perceptions of the work environment of downsized organizations.

4.1 Demographic and Organizational Characteristics

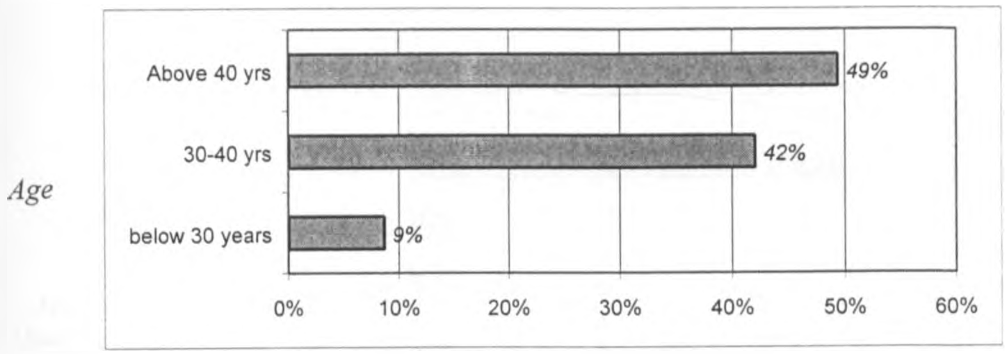
Out of the total 87 respondents 68% were males and 32% were females. This is presented in figure 4.1.

Figure 4.1: Distribution of Respondents by Gender



As shown in figure 4.2, 49% of the respondents were above 40 years old, 42% were aged between 30-40 years and only 9% of the respondents were aged below 30 years.

Figure 4.2: Distribution of Respondents by Age



79% of the respondents were married while only 21% were single. (see figure 4.3).

Figure 4.3: Distribution of Respondents by marital status

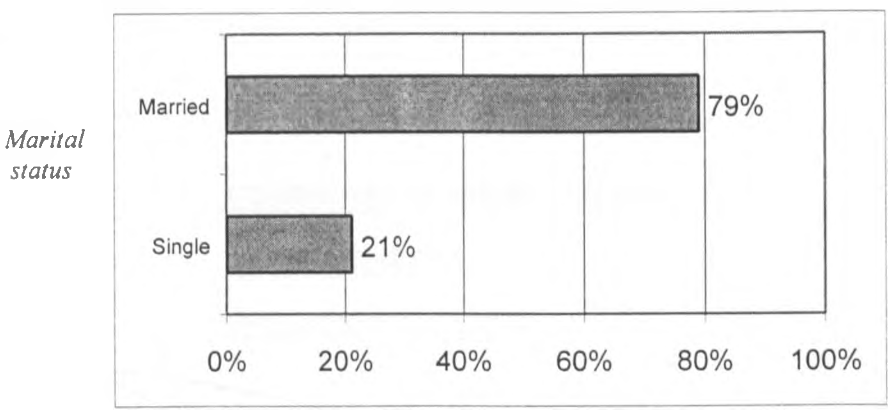
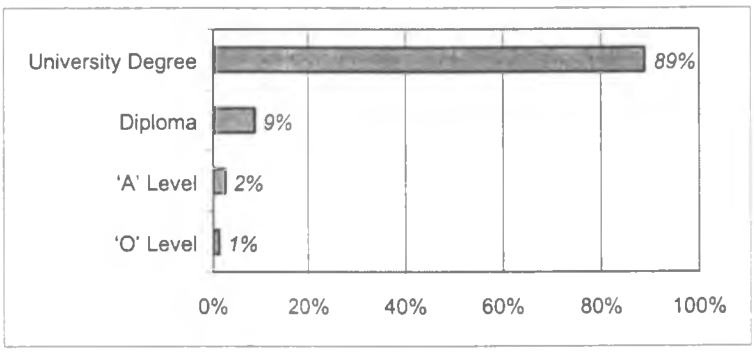


Figure 4.4. shows that 89% of the respondents had attained University education while the rest were of diploma level and below.

Figure 4.4: Distribution of Respondents by Educational Qualification

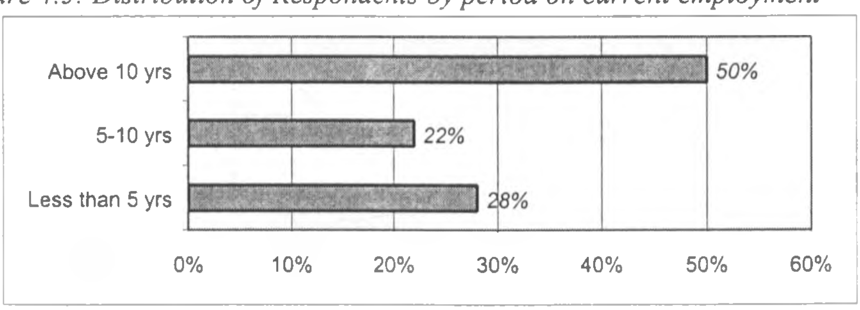
Academic Qualification



50% had worked with their current employer for more than 10 years while the rest had worked for a lesser period.

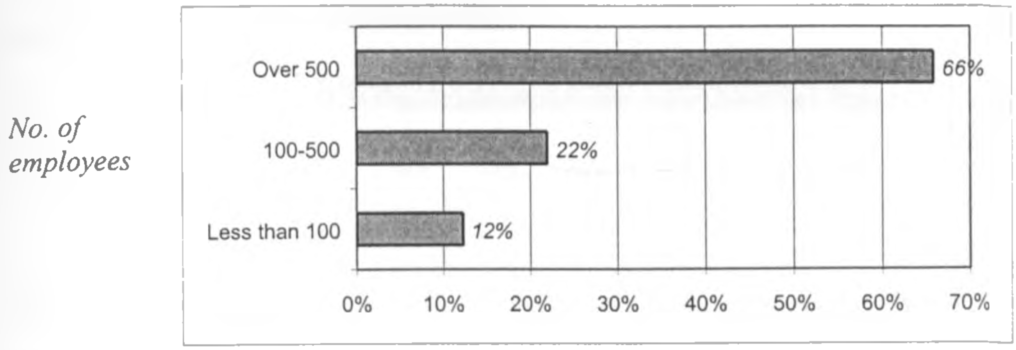
Figure 4.5: Distribution of Respondents by period on current employment

Years



As shown in figure 4.6, 66% of the respondents were from organizations with over 500 employees while 22% were from organizations with 100-500 employees. Only 12% were from organizations of less than 100 employees.

Figure 4.6: Distribution of Respondents by number of employees in organization



68% of the respondents were from organizations which had retrenched above 100 employees while 24% were from organizations which had retrenched less than 50 employees. (see figure 4.7)

Figure 4.7: Distribution of Respondents by number of employees retrenched

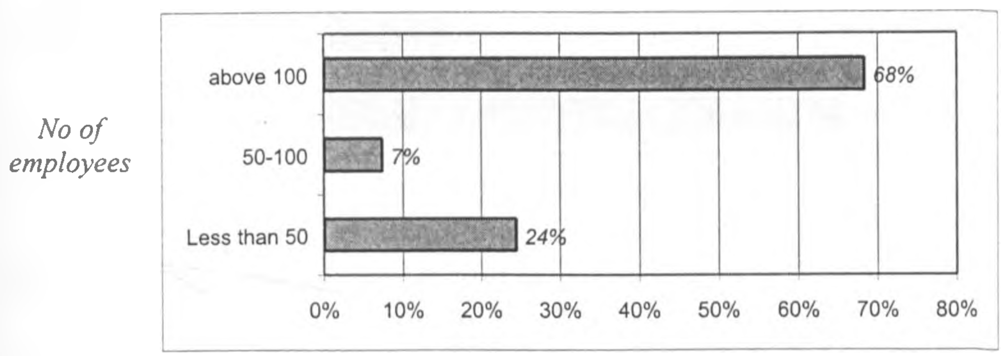
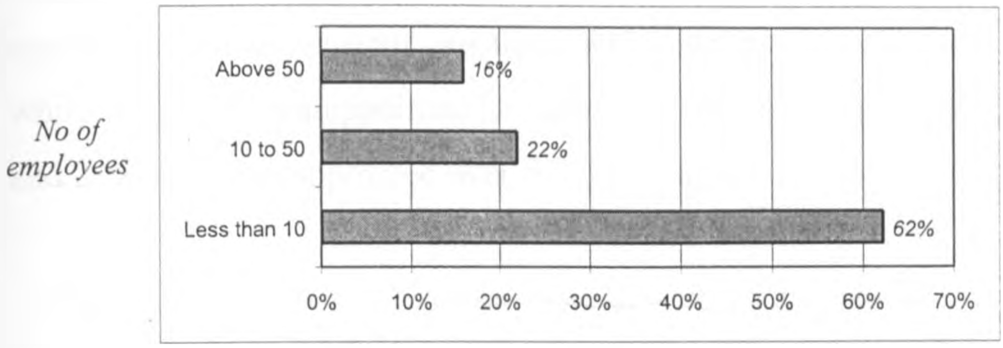


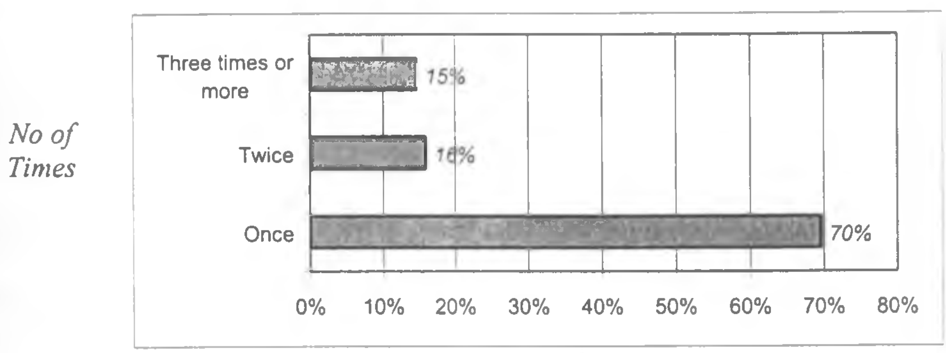
Figure 4.8. shows that 62% of the respondents had less than 10 retrenched staff who were directly under their supervision while only 16% of the respondents had more than 50 staff who were previously under their supervision.

Figure 4.8: Distribution of Respondents by span of control



As shown in figure 4.9, 70% of the respondents were from organizations which had retrenched only once, 15% each from organizations which had retrenched twice and three or more times respectively.

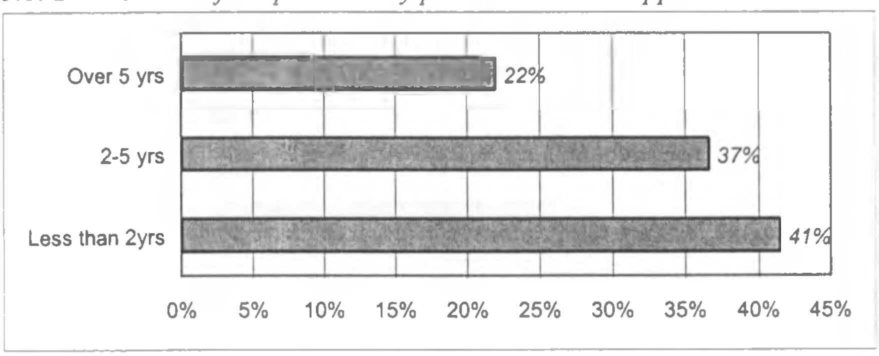
Figure 4.9: Distribution of Respondents by number of times of downsizing



More than one reason was given as the cause of retrenchment by most of the respondents. However, the two major reasons which were given as the cause of retrenchment by most respondents were:- to improve productivity, 41% and to lay off non-performing staff, 39%.

As shown in figure 5.0, 41% of the respondents had been appointed to their current positions less than two years ago while 37% had been appointed between two and five years ago, and 22% had been appointed over five years ago.

Figure 5.0: Distribution of Respondents by period in current appointment



These findings are discussed in Chapter Five.

4.2 Workplace Environment Analysis

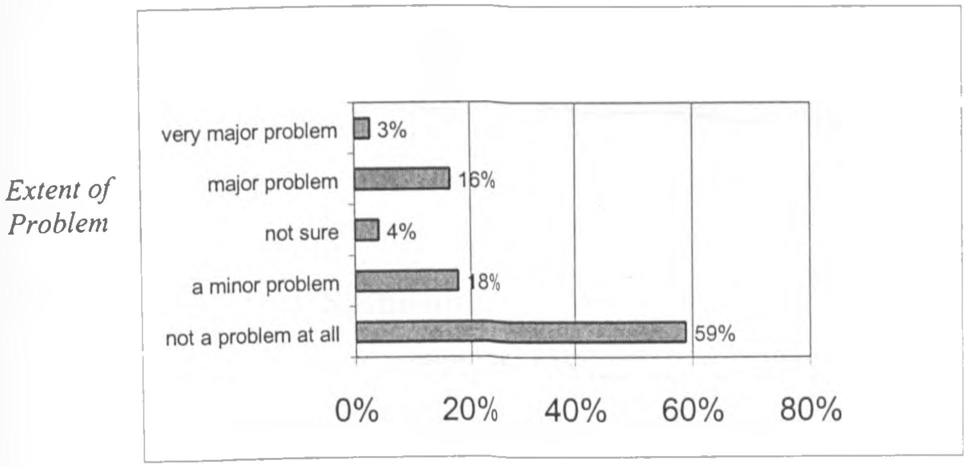
This Section attempts to establish the extent to which the Managers found difficulties in solving survivors' problems or needs in the work environment.

1. A feeling of guilt

Figure 5.1 shows that 43 (59%) of respondents said that feeling of guilt was not a problem at all to them as Managers in dealing with the problem of survivors of downsizing. 13 (18%) said it was a minor problem, 3

(4%) were not sure, 12 (16%) responded that it was a major problem and 2 (3%) felt it was a very major problem.

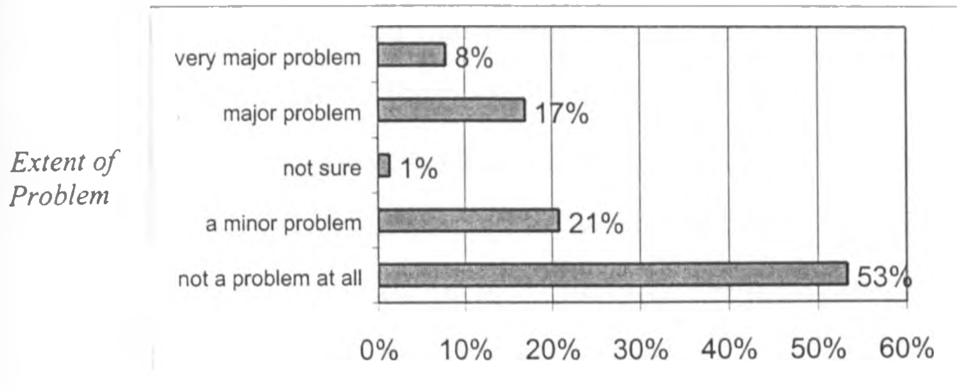
Figure 5.1: Distribution ofRespondents by feeling of Guilt



2. A feeling of Unfairness

As shown in figure 5.2, 41 (53%) of respondents said that feeling of unfairness was not a problem at all to them as Managers in dealing the problems of survivors of downsizing 16 (21%) said that it was a minor problem, one was not sure, 13 (17%) said it was a major problem and 6 (8%) a very major problem.

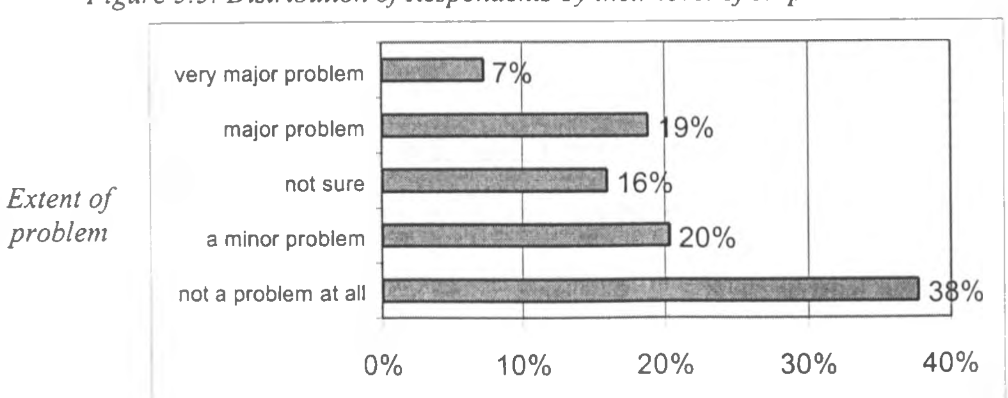
Figure 5.2: Distribution of Respondents by feeling of unfairness



3. Treated with Suspicion

Figure 5.3. shows that 26 (38%) of respondents said suspicion was not a problem at all to them as Managers in dealing with the problem of survivors of downsizing. 14 (20%) said it was a minor problem, 11 (16%) were not sure, 13(19%) felt it was a major problem, while 5 (7%) felt it to be a very major problem.

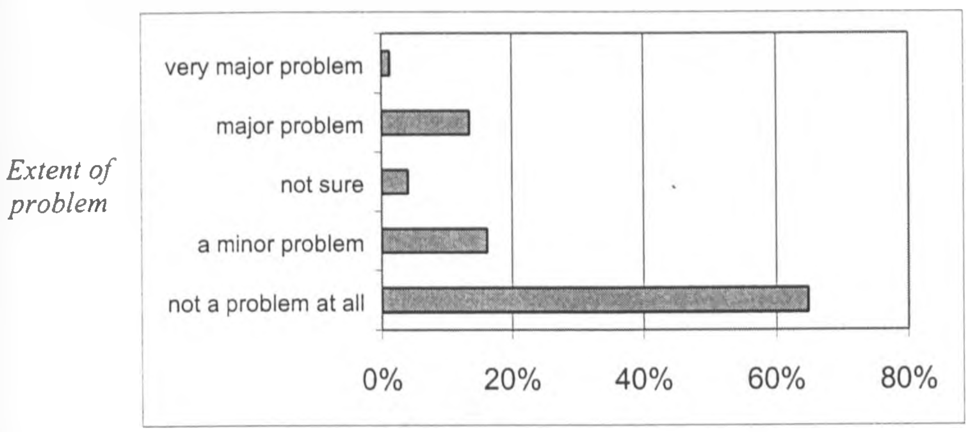
Figure 5.3: Distribution of Respondents by their level of suspicion



4. **A feeling of helplessness**

48 (65%) responded that feeling of helplessness was not a problem at all to them as Managers in dealing wish the problems of survivors of downsizing 12(16% said that it was a minor problem, 3 (4%) were not sure, 10 (14%) felt it was a major problem while only 1% thought it was a very major problem. (see figure 5.4)

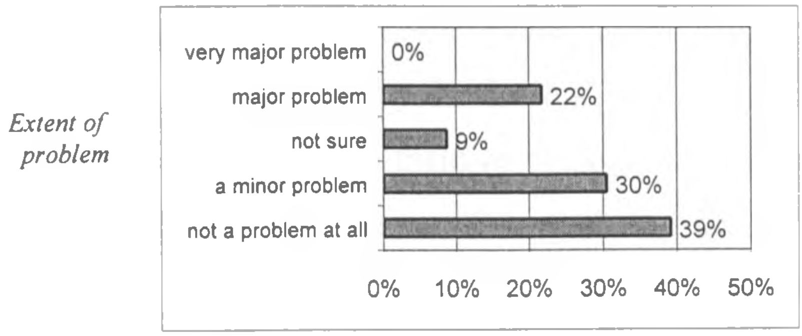
Figure 5.4: Distribution of Respondents by feeling of helplessness



5. **Role ambiguity**

Figure 5.5 shows that 27(39%) of the respondents said that role ambiguity was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 21 (30%) thought that it was a minor problem, 6 (9%) were not sure, 15 (22%) felt it to be a major problem while none said it was a very major problem.

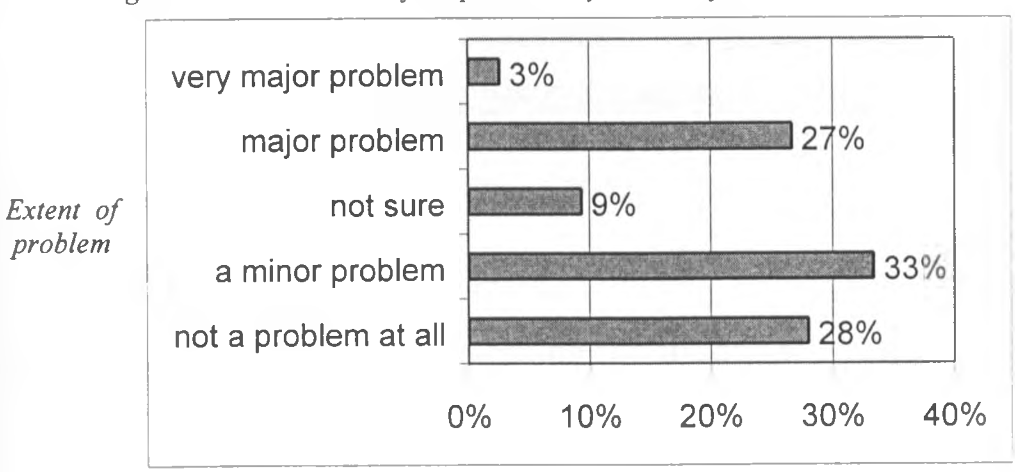
Figure 5.5: Distribution of Respondents by role ambiguity



6. Role conflict

Figure 5.6. shows that 21 (28%) of the respondents said role conflict was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 25 (33%) said it was a minor problem, 7 (9%) were not sure while 20 (27%) said it was a major problem. Only 2% of the respondents said it was a very major problem.

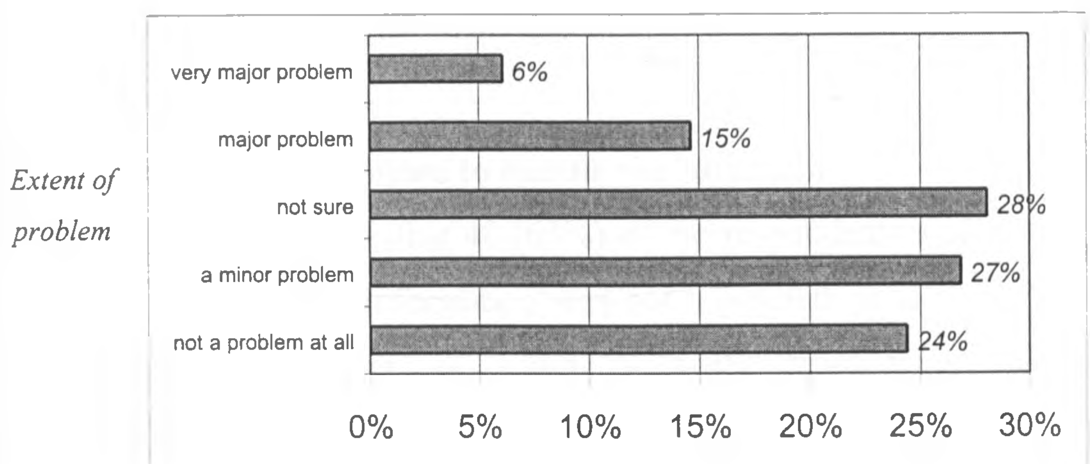
Figure 5.6: Distribution of Respondents by role conflict



7. **Responsibility in dealing survivors**

As shown in figure 5.7, 20 (24%) of the respondents said that too much responsibility in dealing with survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 22 (27%) felt it was a minor problem, 23 (28%) were not sure, 12 (15%) said it was a major problem and 5 (6%) said it was a very major problem.

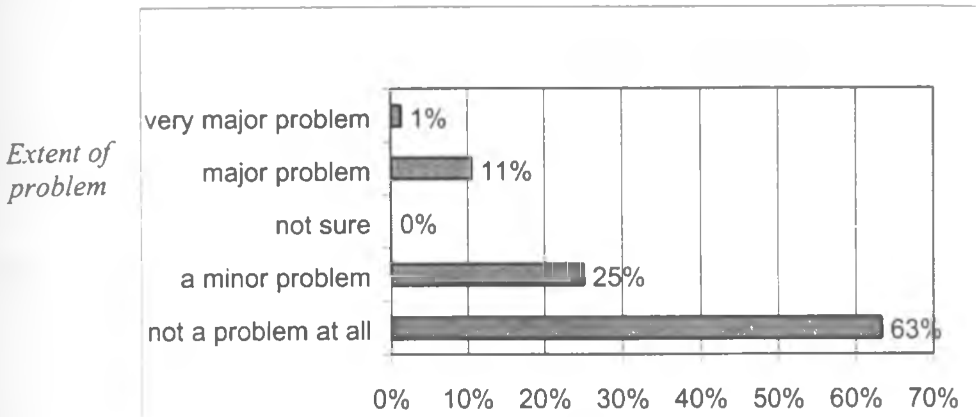
Figure 5.7: Distribution of Respondents by responsibility



8. **Knowledge required handling the situation**

Figure 5.8 shows that 41 (54%) of the respondents said that lack of adequate knowledge was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 25 (33%) found it to be a minor problem, 3 (4%) were not sure, 6 (8%) said it was a major problem and only 1% said it was a very major problem.

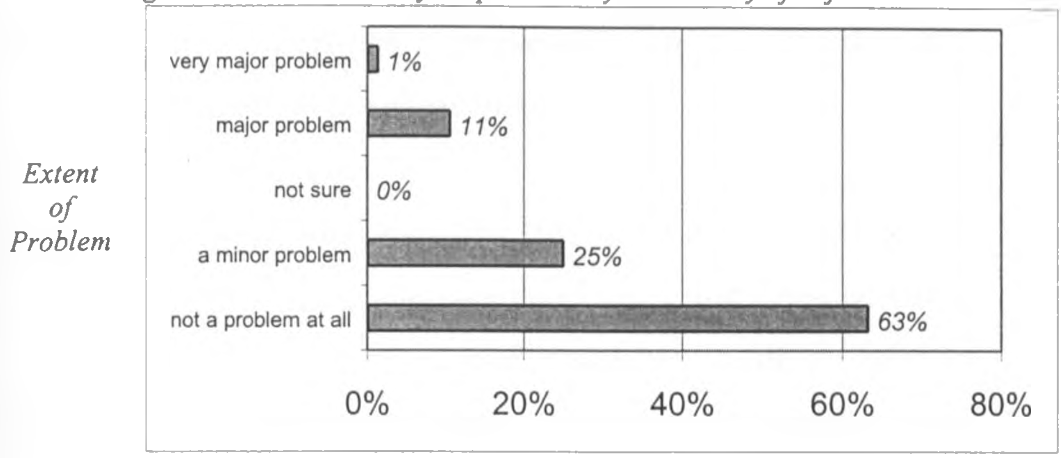
Figure 5.8: Distribution of Respondents by lack of knowledge



9. **Information required to handle the situation**

Figure 5.9. shows that 48 (63%) of the respondents said that insufficient information was not a problem at all to them as Managers in dealing with the problems of survivors of downsizing. 19 (25%) thought it to be a minor problem, 8 (11%) felt it was a major problem and only 1% said it was a very major problem.

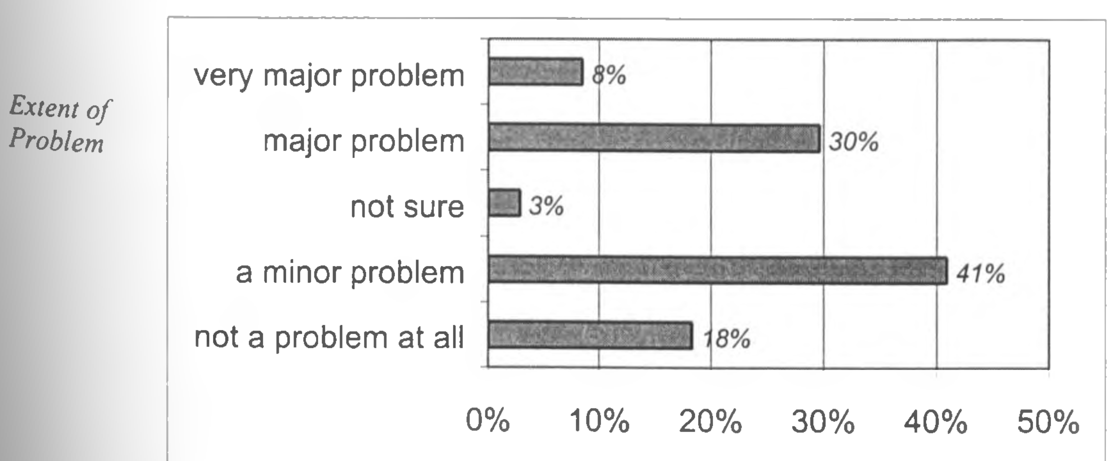
Figure 5.9: Distribution of Respondents by availability of information



10. Job Stress

13 (18%) of the respondents said that job stress was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 29 (41%) said it was a minor problem, 2% were not sure; 21 (30%) said it was a major problem and 6 (8%) said it was a very major problem. (see figure 6.0)

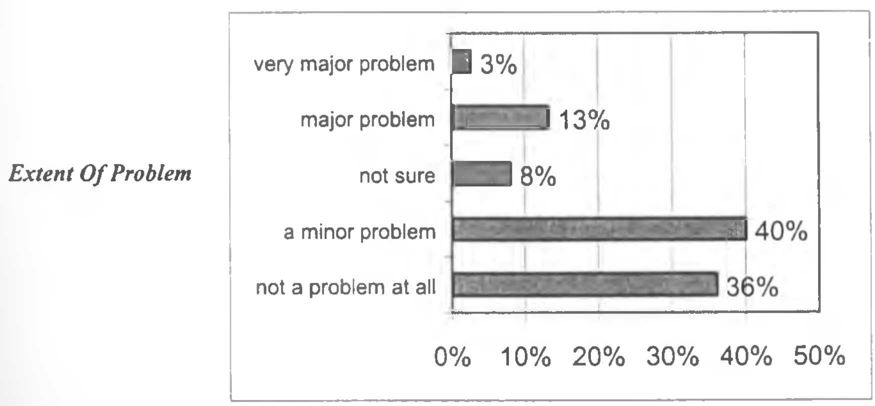
Figure 6.0: Distribution of Respondents by job stress



11. Conflict between personal values and the organizational role requirements

Figure 6.1 shows that 27 (36%) of the respondents said that conflict between personal values and organizational role requirements was not a problem at all to them in dealing with the problems of survivors of downsizing. 30 (40%) said it was a minor problem; 6% were not sure; 10 (13%) said it was a major problem and 2% felt it was a very major problem.

Figure 6.1: Distribution of Respondents by conflict of personal values & organizational roles

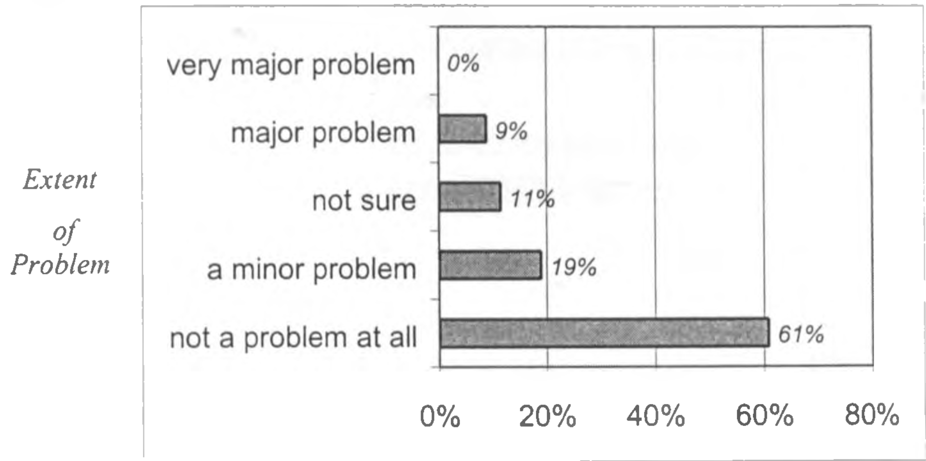


12. Self worth

48 (61%) of the respondents said that feeling of decline in self worth was not a problem at all to them in dealing with the problems of survivors of downsizing. 15 (19%)

felt it to be a minor problem; 9 (11%) were not sure; while 7 (%) said it was a major problem. (see figure 6.2)

Figure 6.2: Distribution of Respondents by decline in self worth

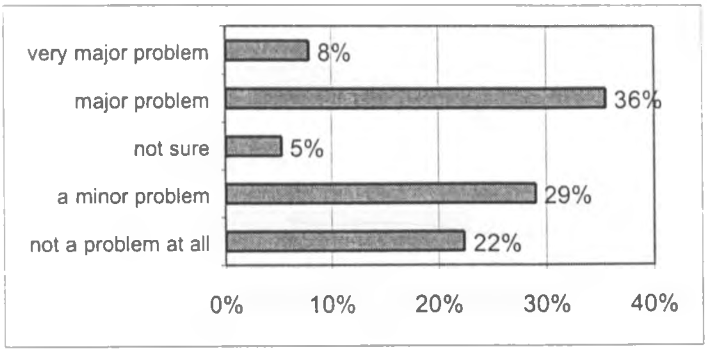


13. Dealing with promises given to survivors

As shown in figure 6.3, 17 (22%) of the respondents said that pressure in dealing with promises given to survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 22 (29%) found it to be a minor problem; 4% were not sure; 27(36%) said it was a major problem and 6% said it was a very major problem.

Figure 6.3: Distribution of Respondents by pressure of promises to survivors

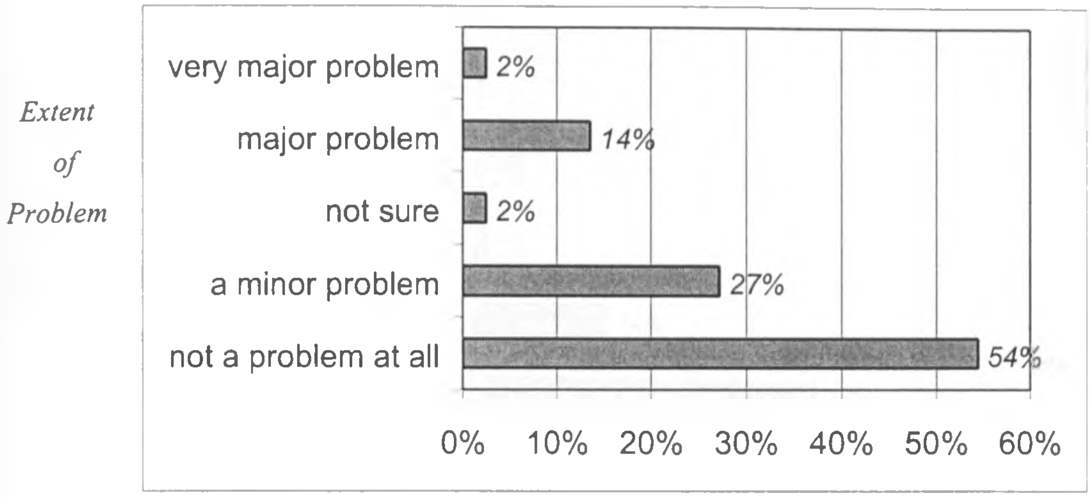
Extent of problem



14. Coping with responsibilities

44 (54%)of the respondents said that being unable to cope with responsibilities was not a problem at all to them in dealing with the problems of survivors of downsizing. 22 (27%) felt it to be a minor problem; 2% were not sure; 11 (14%) said it was a major problem, while 2% found it to be very major problem. (see figure 6.4)

Figure 6.4: Distribution of Respondents by inability to cope with responsibility

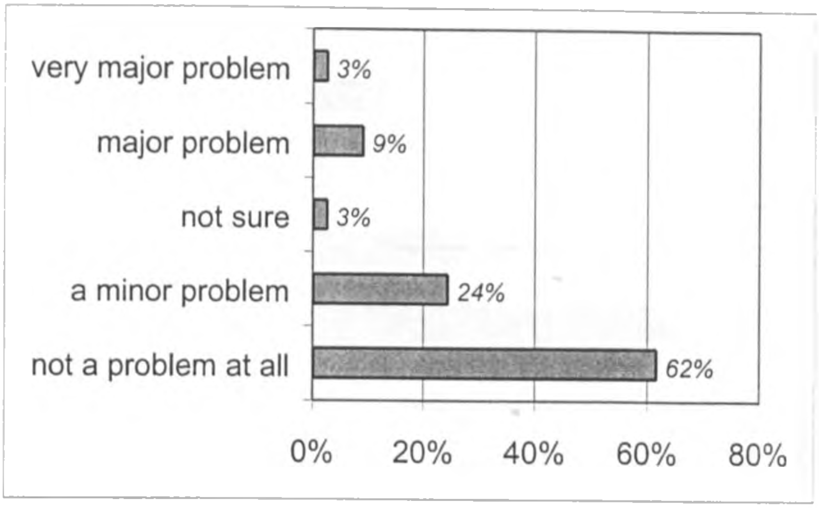


15. Support from Supervisors

As shown in figure 6.5, 48 (62%) of the respondents said that lack of support from Supervisors was not a problem at all to them as Managers in dealing with the problems of survivors of downsizing. 19 (24%) found it to be a minor problem; 2% were not sure; 7 (9%) said it was a major problem while only 2% said it was a very major problem.

Figure 6.5: Distribution of Respondents by lack of support from supervisors

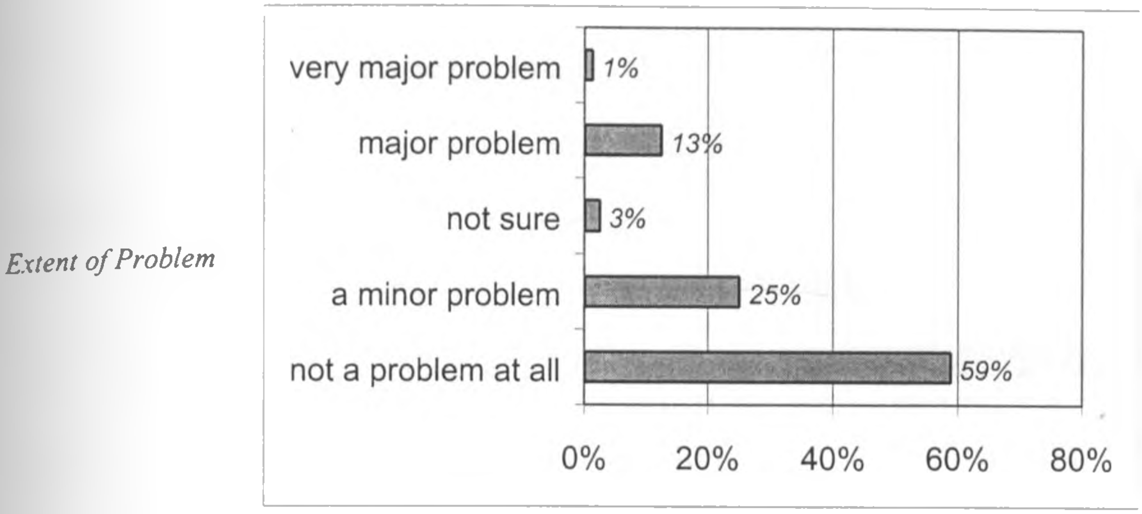
Extent of Problem



16. Feelings of let down

Figure 6.6. shows that 48 (62%) of the respondents said that a feeling of let down was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 19 (24%) said it was a minor problem; 3% were not sure; 7 (9%) said it was a major problem and only 1% said it was a very major problem.

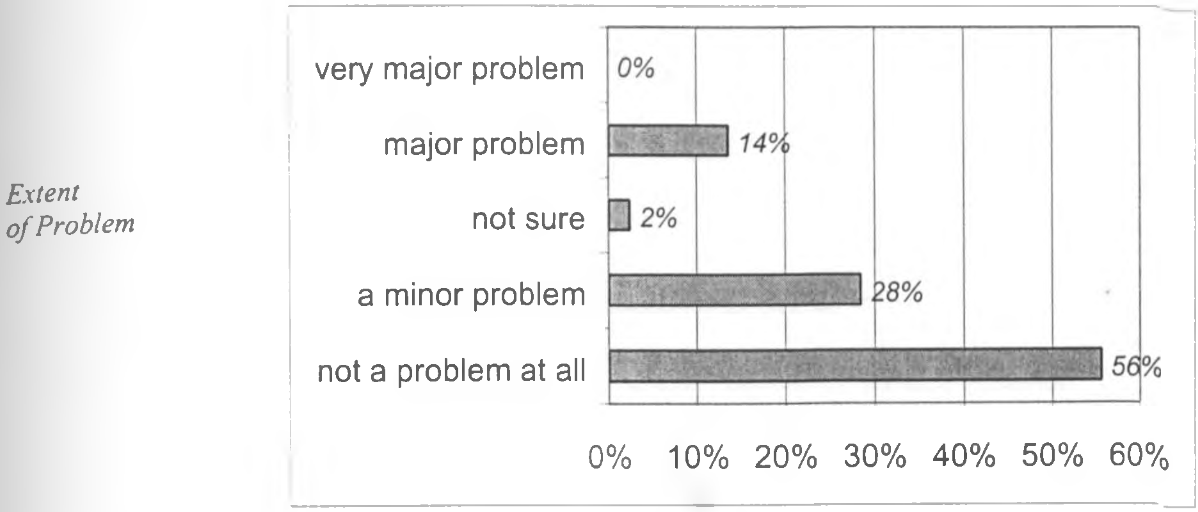
Figure 6.6: Distribution of Respondents by feeling of Let down



17. Detachment/none involvement

As shown in figure 6.7. 45 (56%) said that a feeling of detachment/none involvement was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 23 (28%) found it to be a minor problem; 2% were not sure; 11 (14%) said it was a major problem.

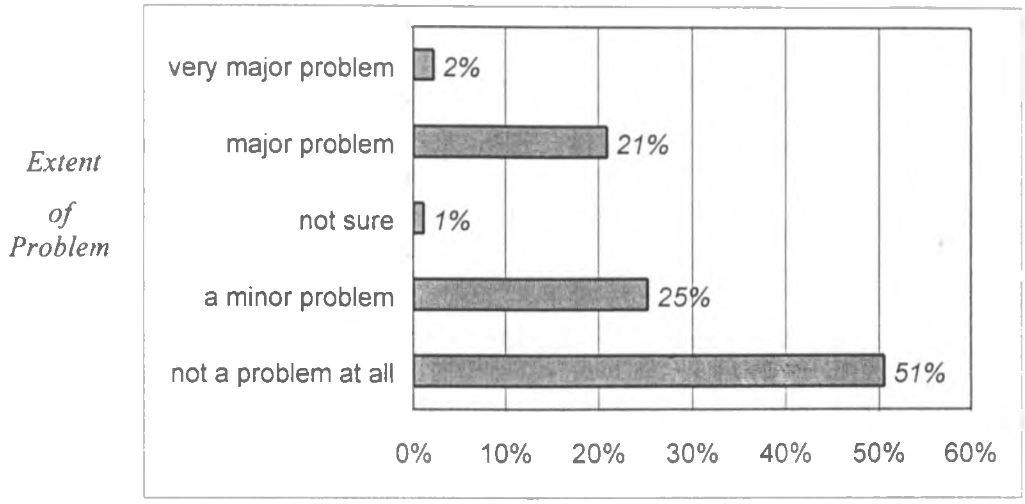
Figure 6.7: Distribution of Respondents by feeling of detachment/non



18. Establishing working relationships with Survivors

Figure 6.8 shows that 46 (57%) of the respondents said that difficulty in establishing working relationships with survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 23 (28%) indicated it to be a minor problem; 1% was not sure; 9 (11%) felt it was a major problem while only 2% said it was a very major problem.

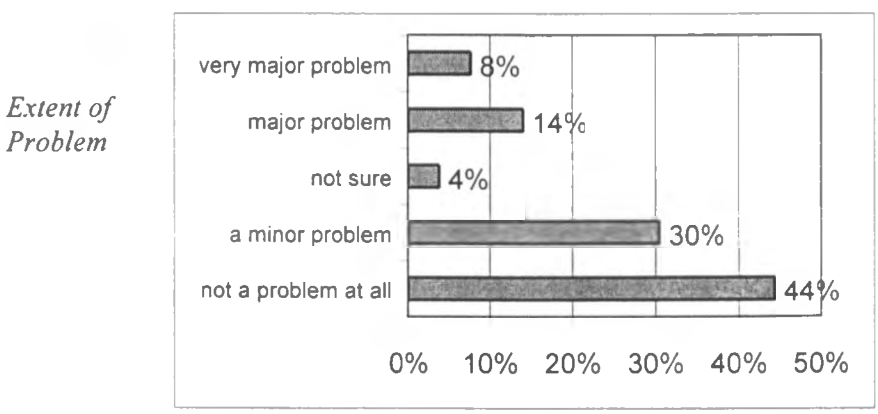
Figure 6.8: Distribution of Respondents by difficulty in establishing working relationships with survivors



19. Job insecurity

Figure 6.9 indicates that 35 (42%) said that job security was not a major problem at all to them as managers in dealing with the problems of survivors of downsizing. 24 (30%) found it to be a minor problem; 4% were not sure; 11 (14%) said it was a major problem and 6 (8%) felt it was a very major problem.

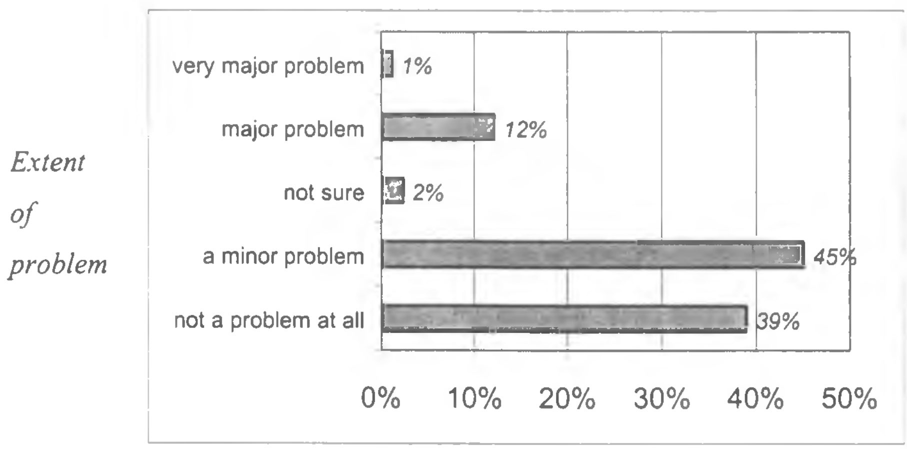
Figure 6.9: Distribution of Respondents by Job Insecurity



20. Following procedures, policies and regulations to the letter –

Figure 7.0 shows that 32 (39%) of the respondents said that following of procedure, policies and regulations to the letter was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 37 (45%) felt it was a minor problem; 2% were not sure; 10 (12%) found it to be a major problem while only 1% said it was a very major problem.

Figure 7.0: Distribution of Respondents by the following of procedures, policies and regulations to the letter

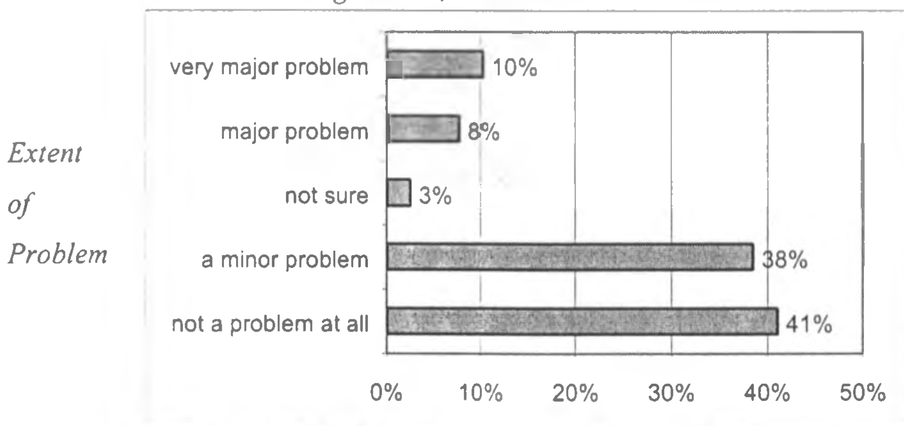


21. Feelings of fear of making errors or being blamed, attacked etc.

32 (41%) of the respondents said that having feelings of fear of making errors or being blamed, or attacked was not a problem at all to them as managers in dealing with

the problems of survivors of downsizing. 30 (38%) indicated that it was a minor problem; 3% were not sure; 6 (8%) found it to be a major problem and 8 (10%) said it was a very major problem. (see figure 7.1)

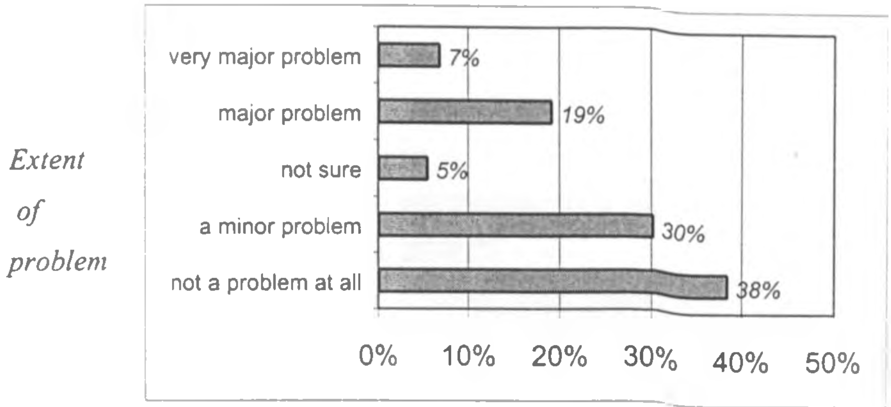
Figure 7.1: Distribution of Respondents by fear of making errors or being blamed, attacked etc



22. Work motivation

28 (38%) of the respondents said that reduced work motivation was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 22 (30%) said it was a minor problem; 5% were not sure; 14 (19%) felt it was a major problem while 7% said it was a very major problem. (see figure 7.2)

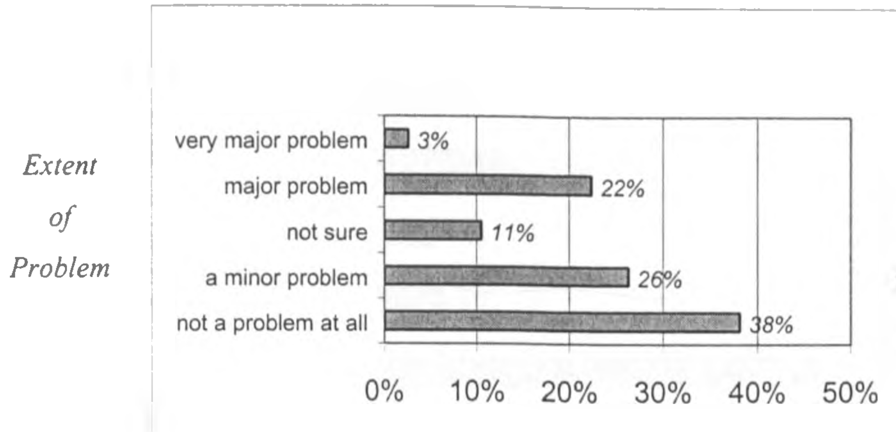
Figure 7.2: Distribution of Respondents by reduced work motivation



23. Failure to understand expectations of Survivors

As shown in figure 7.3, 29 (38%) of the respondents said that confusion resulting from failure to understand expectations of survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 20 (26%) said it was a minor problem; 8 (11%) were not sure; 17 (22%) felt it was a major problem and 3 said it was a very major problem.

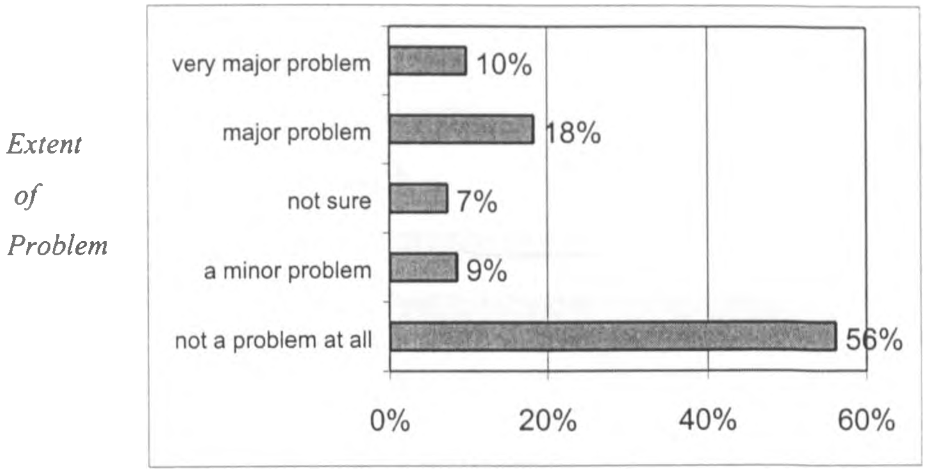
Figure 7.3: Distribution of Respondents by confusion resulting from failure to understand expectations of survivors



24. Future survival of the organization

46 (56%) of the respondents said that uncertainty of the future survival of the organization was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 7(9%) felt it was a minor problem; 6% were not sure; 15 (18%) found it to be a major problem and 8 (10%) said it was a very major problem. (see figure 7.4)

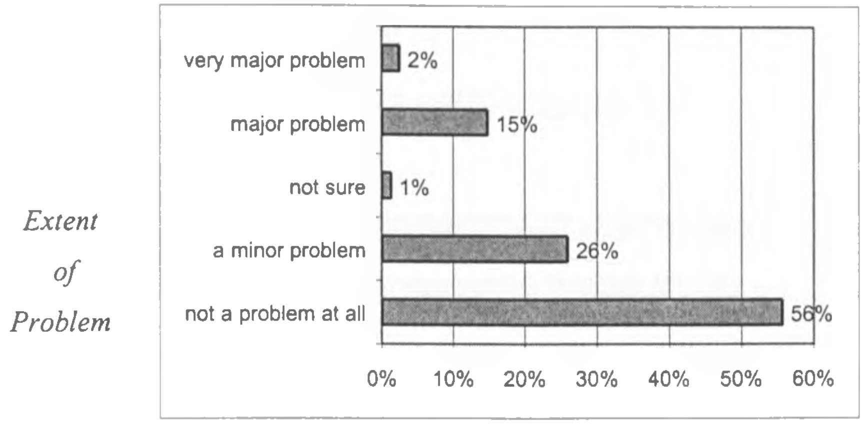
Figure 7.4: Distribution of Respondents by uncertainty of the future of the organization



25. Experience in dealing with Survivors

As shown in figure 7.5, 45 (54%) of the respondents said that tension arising from lack of experience in dealing with survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 21 (26%) felt it was a minor problem; 1% was not sure; 12 (17%) found it to be a major problem while only 2% said it was a very major problem.

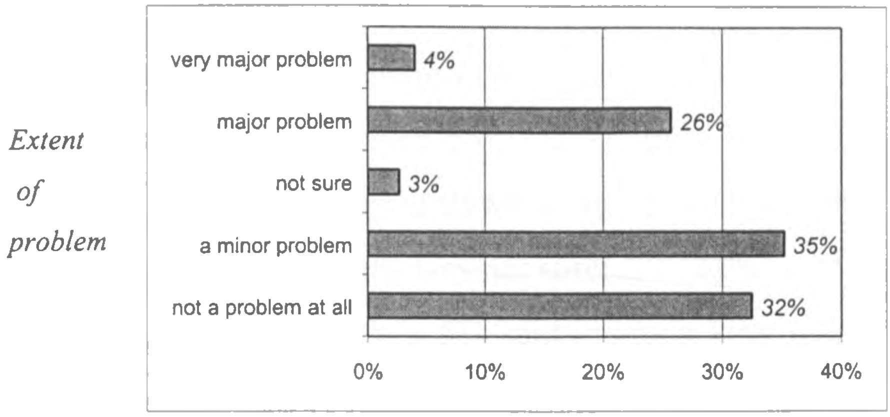
Figure 7.5: Distribution of Respondents by tension arising from lack of experience in dealing with survivors of retrenchment



26. Problems arising from giving false hopes to the survivors

Figure 7.6. shows that 24 (32%) of the respondents said that emotional problems arising from giving false hopes to the survivors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 26 (35%) felt it was a minor problem; 3% were not sure; 19 (26%) said it was a major problem while 4% said it was a very major problem.

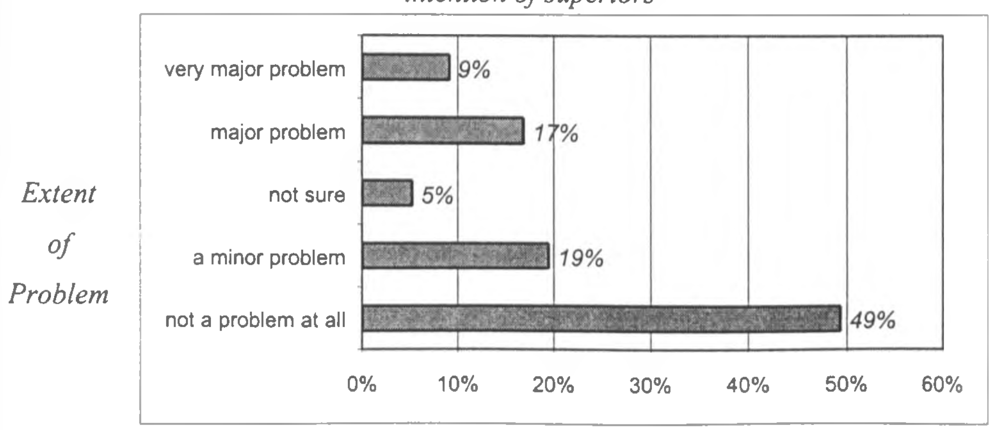
Figure 7.6: Distribution of Respondents by Emotional problems arising from giving false hopes to survivors of retrenchment.



27. Suspicion of the intention of superiors

38 (49%) of the respondents said that suspicion towards the intention of superiors was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 15 (19%) said it was a minor problem; 5% was not sure; 13 (17%) felt it was a major problem and 7 (9%) said it was a very major problem. (see figure 7.7.)

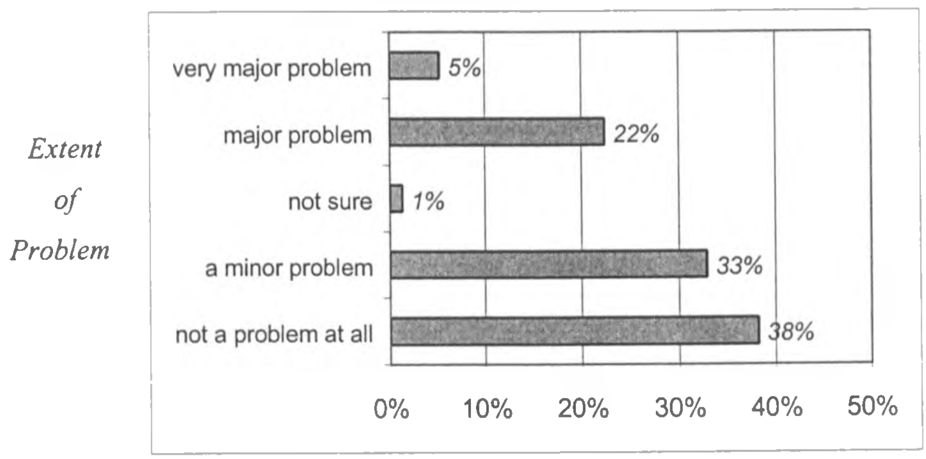
Figure 7.7: Distribution of Respondents by suspicion towards the intention of superiors



28. Burnout (fatigue, irritability, frequent headaches)

As shown in figure 7.8, 29 (38%) of the respondents said that burnout (fatigue, irritability, frequent headaches) was not a problem at all to them as managers in dealing with the problems of survivors of downsizing. 25 (33%) felt it was a minor problem; 1% was not sure; 17 (22%) said it was a major problem while 5% said it was a very major problem.

Figure 7.8: Distribution of Respondents by burnout (fatigue, irritability, frequent headaches)



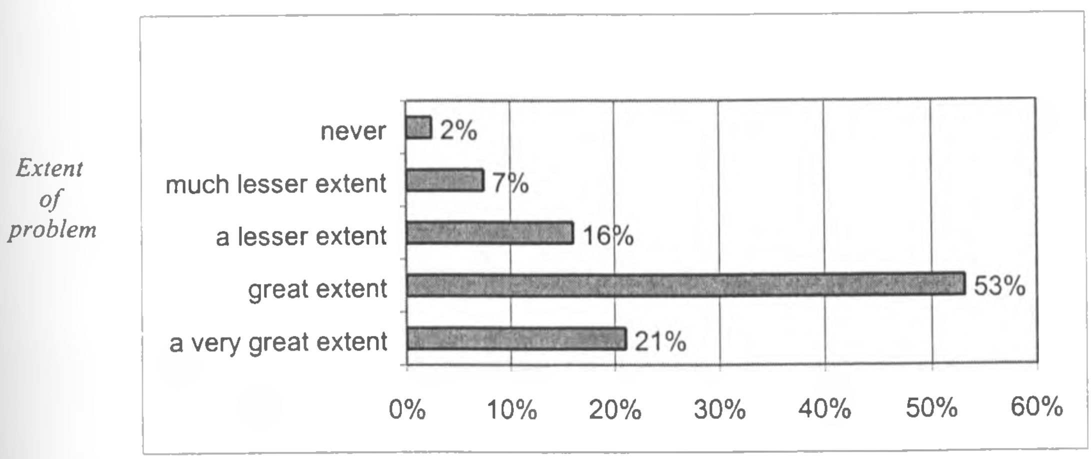
4.3 ORGANIZATIONAL ROLE ANALYSIS

This section attempts to assess the effects of downsizing on the organizational roles of the Managers handling the downsizing.

1. **Re-assigned more duties and responsibilities to survivors**

   17(21%) of the respondents said they had re-assigned more duties and responsibilities to survivors to a very great extent after downsizing, 43 (53%) said to a great extent; 13 (16%) said to a lesser extent, 6 (7%) said to a much lesser extent and only 2% said they never re-assigned duties. (see figure 7.9)

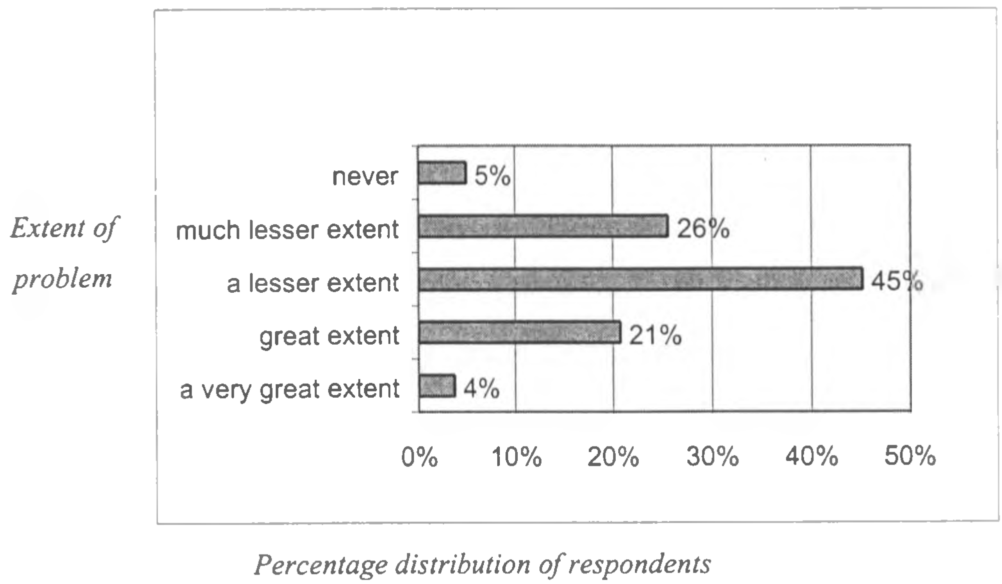
Figure 7.9: Distribution of Respondents by re-assignment of duties & responsibilities



2. **Coping with the volume of work**

As shown in figure 8.0. only 3 (4%) of the respondents said that survivors were unable to cope with the volume of work to a very great extent after downsizing; 17 (21%) said to a great extent; 37 (45%) said to a lesser extent; 21 (26%) said to a much lesser extent and 4% said the survivors were always able to cope with the volume of work.

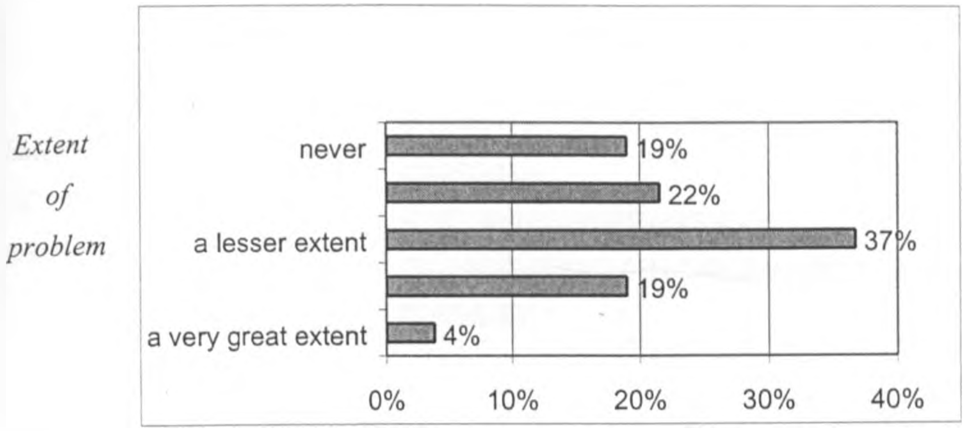
Figure 8.0: Distribution of Respondents by inability to cope with volume of work



3. **Staff complained that assignments exceeded their skills**

Only 3 (4%) of the respondents said that staff complained that assignments exceeded their skills to a very great extent after downsizing; 15 (19%) said to a great extent; 29 (37%) said to a lesser extent; 17 (21%) said to a much lesser extent and 15 (19%) said that staff never complained. (see figure 8.1)

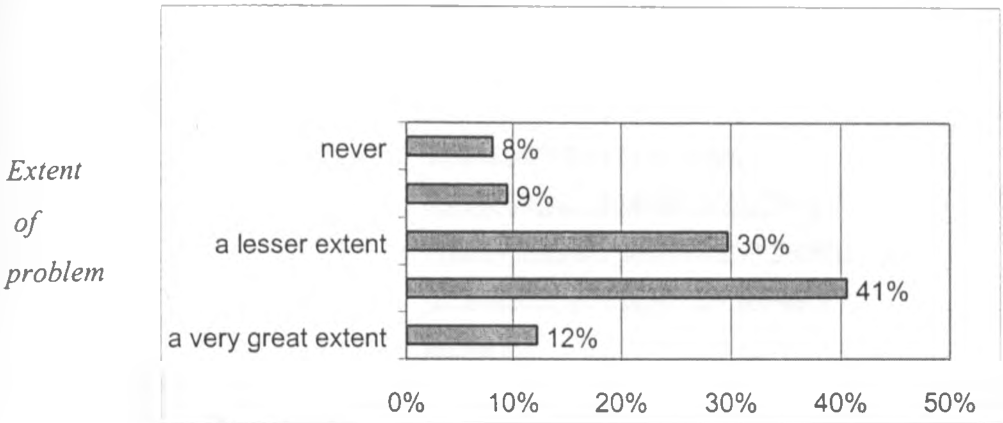
Figure 8.1: Distribution of Respondents by staff complaints that assignments exceeded their skills



4. Job re-assignment, enlargement, personnel development and training-

Figure 8.2 shows that 9 (12%) of the respondents said that job re-assignment, enlargement, personnel development and training was done to a very great extent after downsizing; 30 (41%) said it was done to a great extent; 22 (30%) said it was done to a lesser extent; 7 (9%) said it was done to a much lesser extent and 6 (8%) said it was never done.

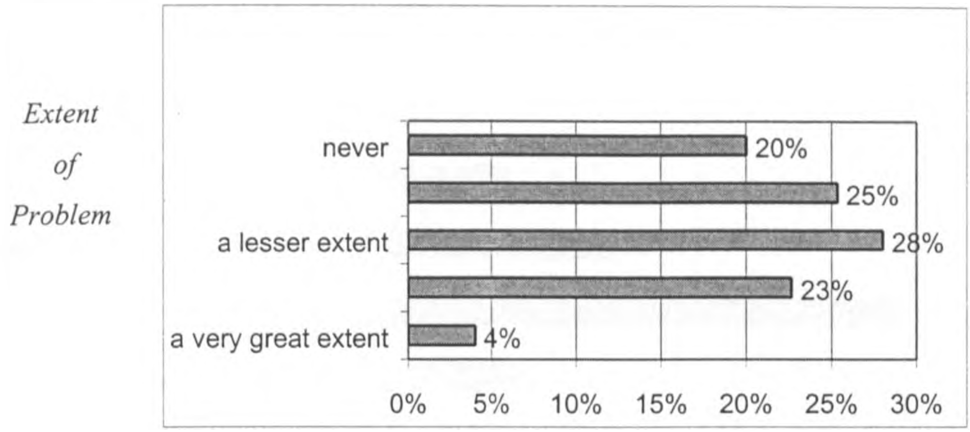
Figure 8.2: Distribution of Respondents by job re-assignment, enlargement, personnel development and training



5. Planning and setting work targets before downsizing

As shown in figure 8.3, 3(4%) of the respondents said that staff were involved in planning and setting work targets before downsizing to a very great extent; 17 (23%) said they were involved to a great extent; 21 (28%) said they were involved to a lesser extent; 19 (25%) said they were involved to a much lesser extent; and only 4% said staff were never involved at all.

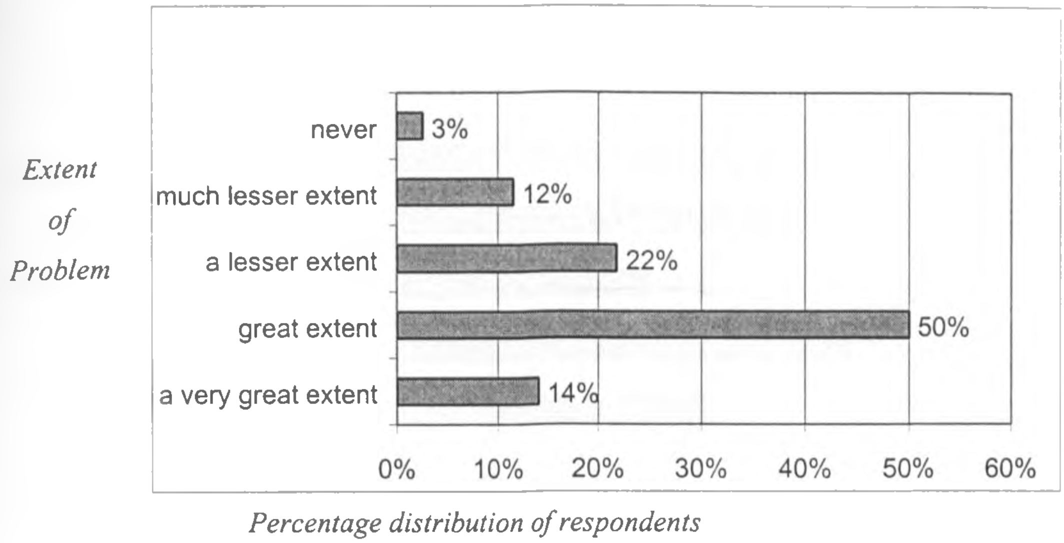
Figure 8.3: Distribution of Respondents by involvement of staff in planning and setting of work targets before retrenchment



6. Planning and setting work targets after downsizing

11 (14%) of the respondents said that staff were involved in planning and setting work targets after downsizing to a very great extent; 39 (50%) said they were involved to a great extent; 17 (22%) said they were involved to a lesser extent; 9 (12%) said they were involved to a much lesser extent and only 3% said never involved at all. (see figure 8.4)

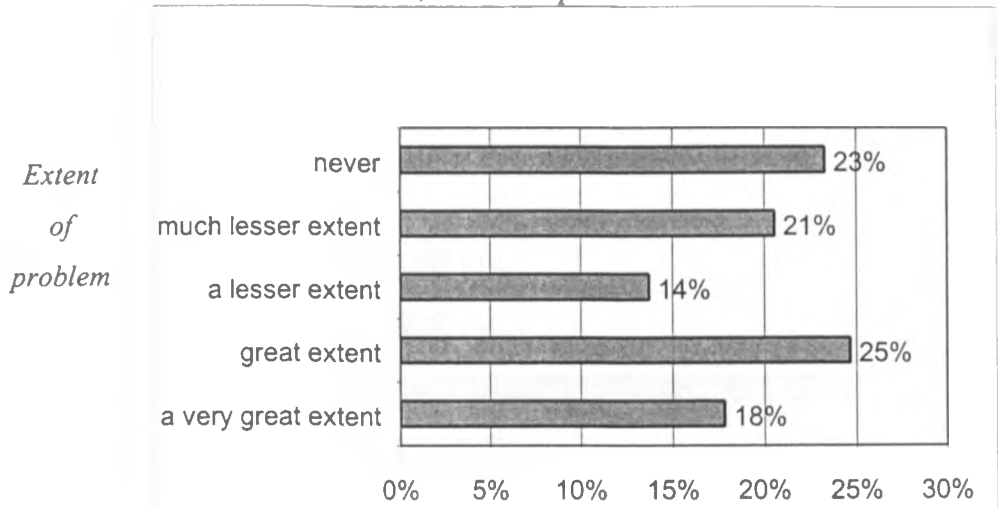
Figure 8.4: Distribution of Respondents by involvement of staff in planning and setting of work targets after retrenchment



7. Changes in the organizational Mission, Vision and Plans

Figure 8.5. shows that 13 (18%) of the respondents said that changes were made in organizational mission, vision and plans to a very great extent after downsizing; 18 (25%) said the changes were made to a great extent; 10 (14%) said the changes were made to a lesser extent; 15 (21%) said the changes were made to a much lesser extent and 17 (23%) said that no changes were ever made.

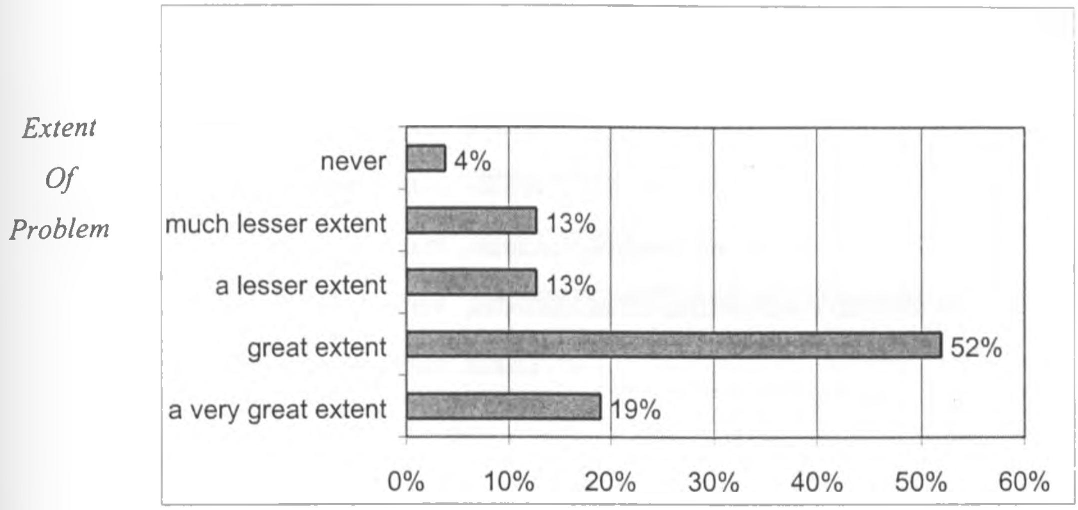
Figure 8.5: Distribution of Respondents by changes made in organizational mission, vision and plans



8. Changes in the way work is organized and performed

15 (19%) of the respondents said that after downsizing they had introduced changes in the way work is organized and performed to a very great extent; 41 (52%) they had introduced changes to a great extent; 10 (13%) said they had introduced changes to a lesser extent, a similar number said they had introduced changes to a much lesser extent and only 3 (4%) said they had never introduced changes. (see figure 8.6)

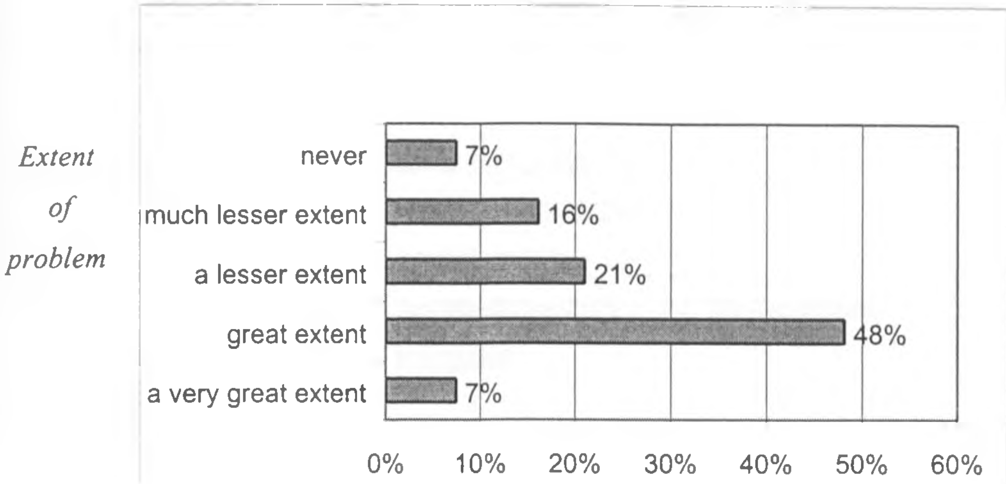
Figure 8.6: Distribution of Respondents by changes in the way work is organized and performed



10.Changes in levels of authority, responsibility and accountability –

As shown in figure 8.7, 6 (7%) of the respondents said that after downsizing, changes in levels of authority, responsibility and accountability were made to a very great extent; 39 (48%) said changes were made to a great extent;17 (21%) said changes were made to a lesser extent; 13 (16%) to a much lesser extent and 6 (7%) said that no changes were ever made.

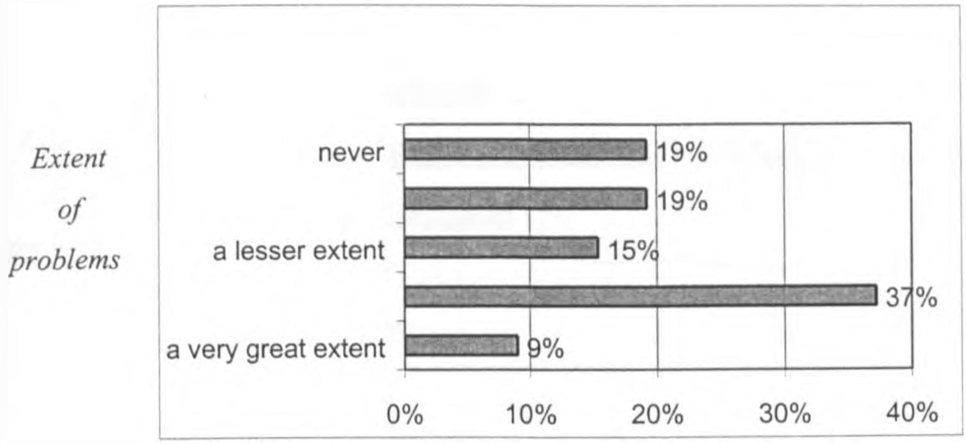
Figure 8.7: Distribution of Respondents by changes levels of authority, responsibility and accountability



11. Problems of processing annual leave applications

Figure 8.8. shows that 7(9%) of the respondents said that they experienced problems of processing annual leave application to a very great extent after downsizing; 29 (37%) said the problems were to a great extent; 12 (15%) said the problems were to a lesser extent; 15 (19%) said the problems were to a much lesser extent and a similar number said they never experienced any problems at all.

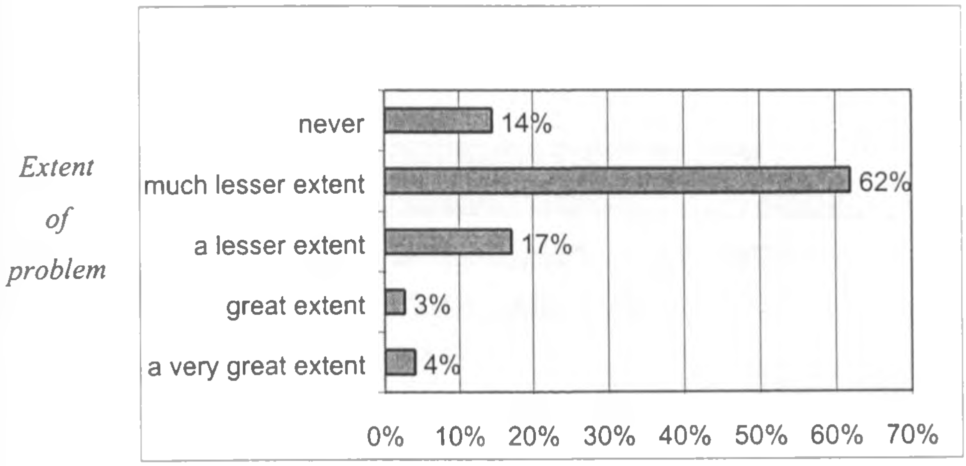
Figure 8.8: Distribution of Respondents by problems experienced in processing annual leave applications



12. Problems of absenteeism

3 (4%) of the respondents said they had experienced problems of absenteeism to a very great extent after downsizing; 2 (3%) said the problems were to a great extent; 13 (17%) said the problems were to a lesser extent; 47 (62%) said the problems were to a much lesser extent and 11 (14%) said they never experienced any problems at all. (see figure 8.9)

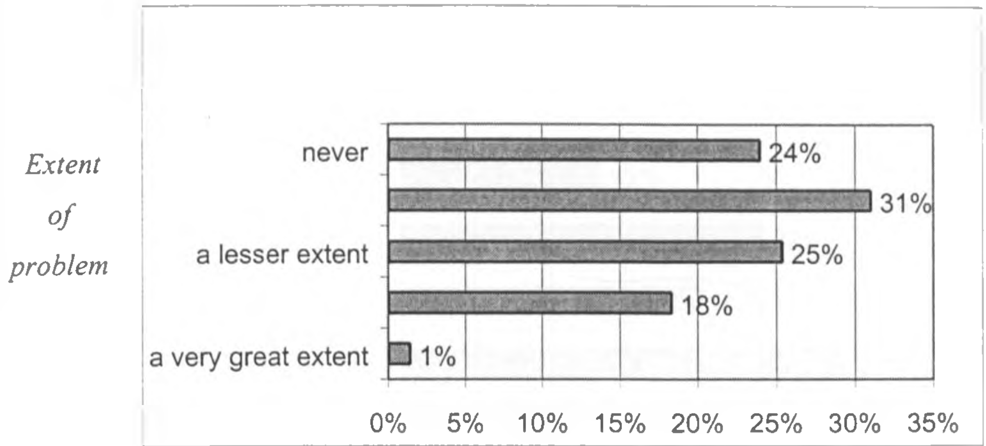
Figure 8.9: Distribution of Respondents by problems of absenteeism



13. Employees failed to take certain initiatives for fear of making mistakes –

As shown in figure 9.0, only 1(1%) of the respondents said that employees failed to take certain initiatives after downsizing for fear of making mistakes to a very great extent; 13 (18%) said it was to a great extent; 18 (25%) said it was to a lesser extent; 22 (31%) said it was to a much lesser extent and 17 (24%) said the employees had never failed to take initiatives.

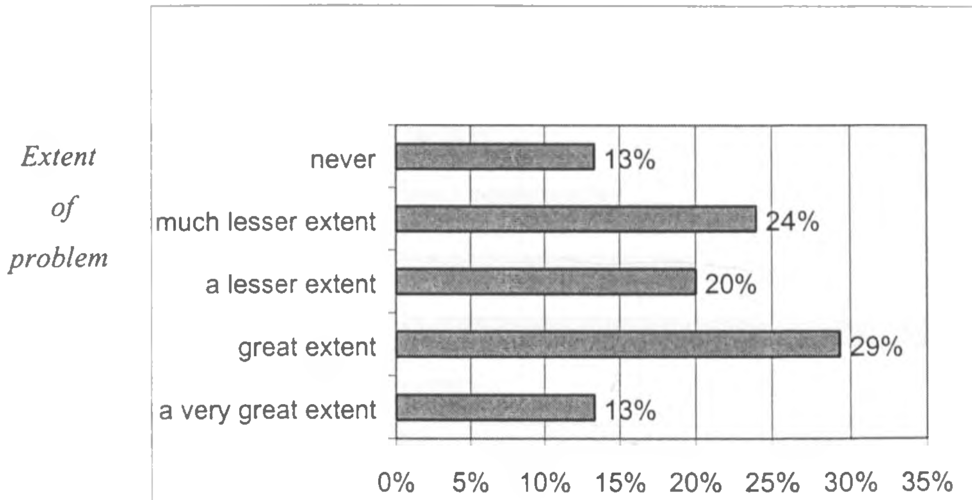
Figure 9.0: Distribution of Respondents by failure of employees to take initiatives for fear of making mistakes



14. Employees failed to speak for their rights for fear of losing their jobs

Figure 9.1 shows that 10 (13%) of the respondents said that after downsizing employees failed to speak for their rights to a very great extent; 22 (29%) said to a great extent; 15(20%) said to a lesser extent; 18 (24%) said to a much lesser extent and 10 (13%) said the employees never failed to speak for their rights.

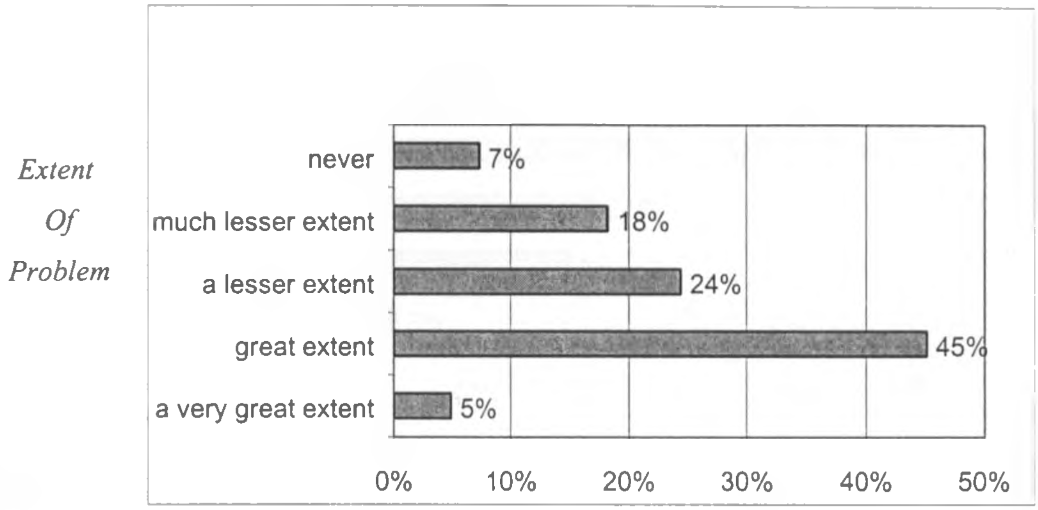
Figure 9.1: Distribution of Respondents by failure of employees to speak for their rights for fear of losing their jobs



15. Empowerment of employees to make decisions in order to increase efficiency and effectiveness

4(5%) of the respondents said that they had improved empowerment of employees to make decisions in order to increase efficiency and effectiveness to a very great extent after downsizing; 37 (45%) said the improvement was to a great extent; 20 (24%) said the improvement was to a lesser extent; 15 (18%) said it was to a much lesser extent and 6 (7%) said there was no improvement at all. (see figure 9.2)

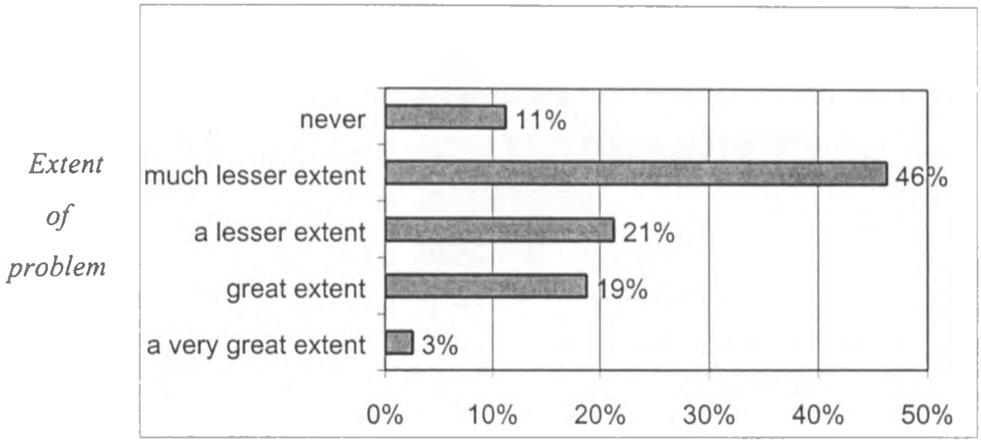
Figure 9.2: Distribution of Respondents by problems experienced in processing annual leave applications



16. Medical claims

Only 2 (3%) of the respondents said that there was an increase in medical claims to a very great extent after downsizing; 15 (19%) said the increase was to a great extent; 17 (21%) to a lesser extent; 37 (46%) said the increase was to a much lesser extent and 9 (11%) said there was no increase at all. (see figure 9.3)

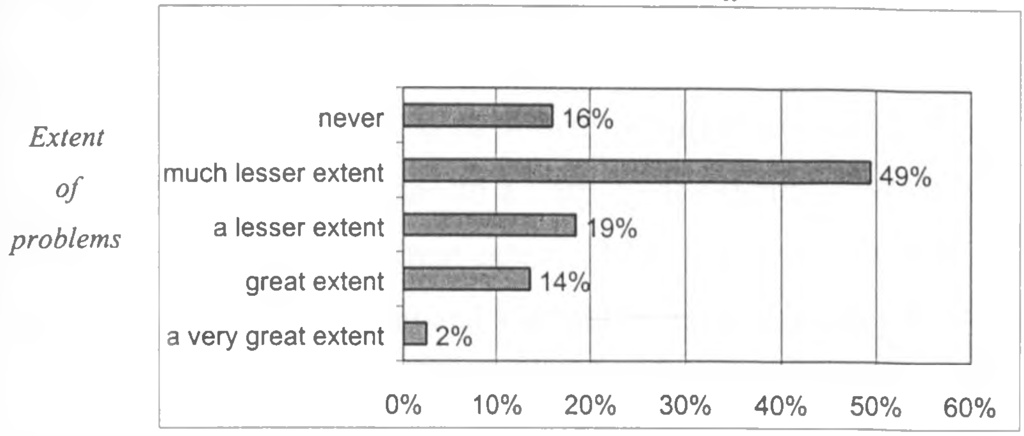
Figure 9.3: Distribution of Respondents by increase in medical claims



17. Staff turnover ratio

Figure 9.4. shows that only 2 (2%) of the respondents said that there was an increase in staff turnover ratio to a very great extent after downsizing; 11(14%) said the increase was to a great extent; 15 (19%) said the increase was to a lesser extent; 40 (49%) said the increase was to a much lesser extent and 13 (16%) said there was no increase at all.

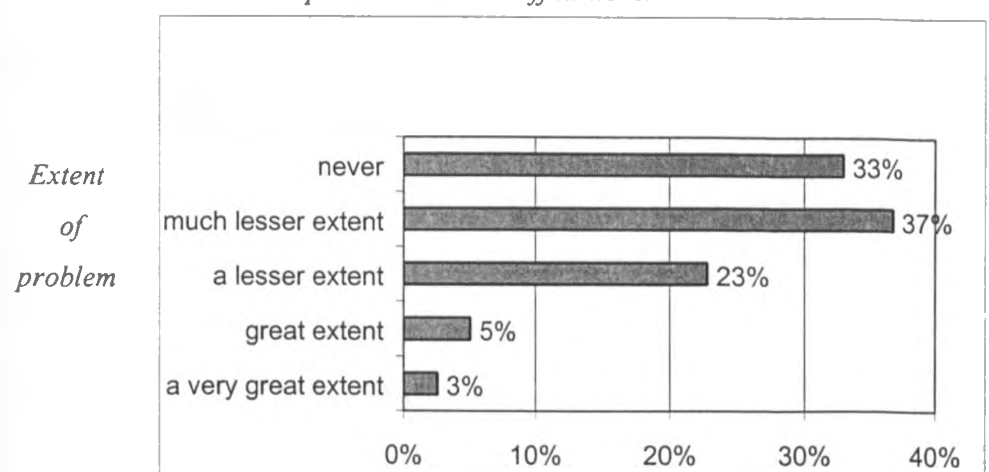
Figure 9.4: Distribution of Respondents by increase in staff turnover ratio



18. Recruited new staff to fill vacant positions due to staff turnover

Only 2 (2%) of the respondents said that after downsizing, they had recruited new staff to fill vacant positions due to staff turnover to a very great extent; 4 (5%) said the recruitment was to a great extent; 18 (23%) said they recruited to a lesser extent; 29 (37%) recruited to a much lesser extent and 26 (33%) said they had never recruited. (see figure 9.5)

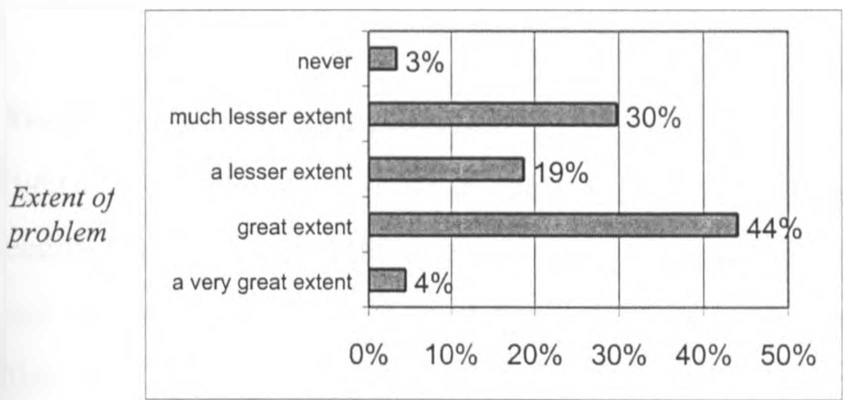
Figure 9.5: Distribution of Respondents by recruitment of new staff to fill vacant positions due to staff turnover



19. Future survival of the organization

Figure 9.6 shows that (5%) of the respondents said that after downsizing they had taken steps to instill confidence in staff in the future of the organization to a very great extent; 40(49%) they had taken steps to a great extent; 17 (21%) said they had taken steps to a lesser extent and a similar number said they had taken steps to a to a much lesser extent and 3 (4%) said they had never taken any steps at all.

Figure 9.6: Distribution of Respondents by confidence in the future of the organization instilled on staff

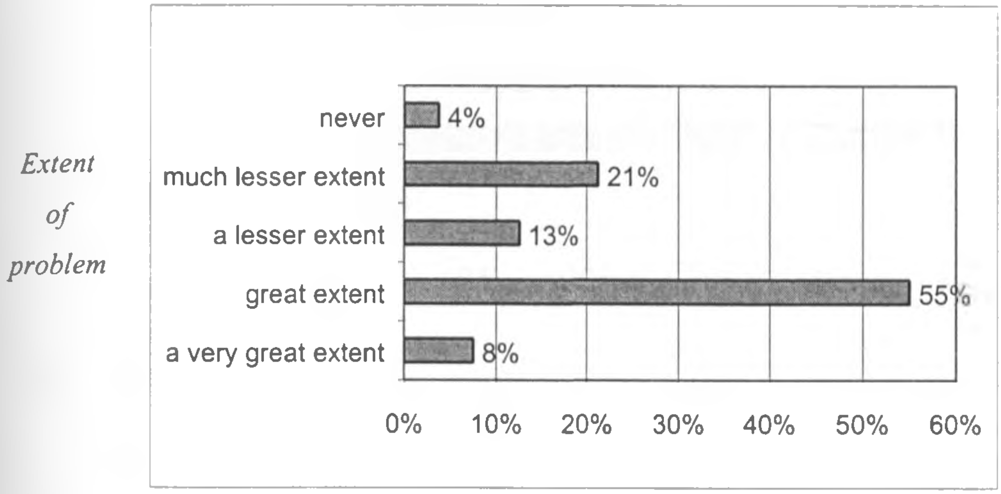


20. Communication between management and employees

6 (8%) of the respondents said there was a continuous two-way communication between management and employees to a very great extent during and after the downsizing; 44 (55%) said the communication was to a great extent; 10 (13%) said it was to a lesser extent; 17 (21%) said it was to a much lesser extent and 3

(4%) said there was no continuous two-way communication between management and staff. (see figure 9.7)

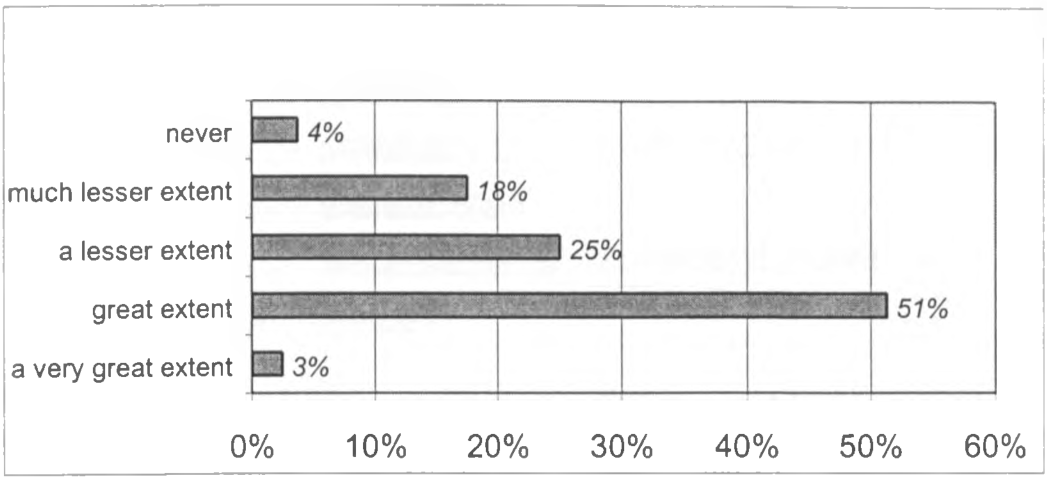
Figure 9.7: Distribution of Respondents by communication between management and employees



22. Feedback system to employees

Figure 9.8 shows that 2(3%) of the respondents said that the feedback system was effective to a very great extent; 41(55%) said the feedback was effective to a great extent during and after downsizing; 20(25%) said the feedback system was effective to a lesser extent; 14(18%)said the feedback system was effective to a much lesser extent and 3(4%) said the feedback system was not effective.

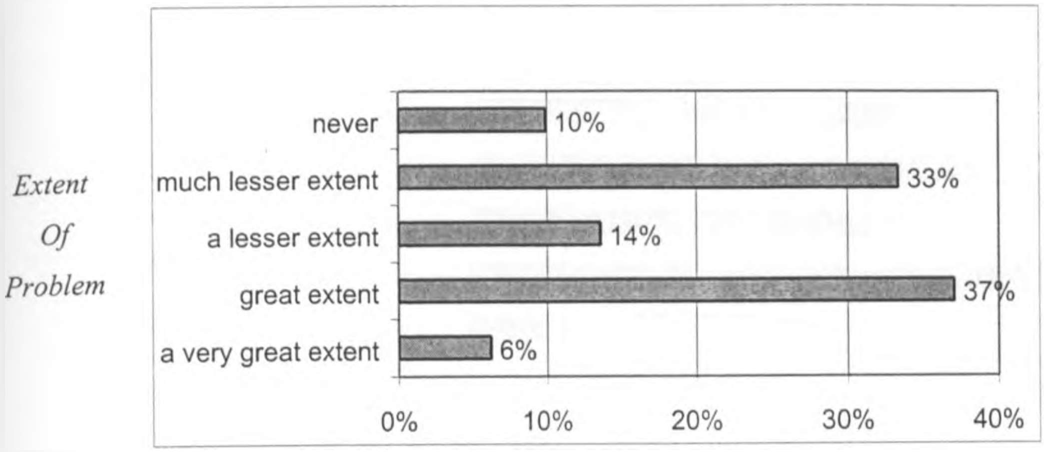
Figure 9.8: Distribution of Respondents by effectiveness of feedback system to employees



23. Staff Transfers

Figure 9.9 shows that 5 (6%) of the respondents said transfer of staff after downsizing was carried out to a very great extent; 30 (37%) said it was carried out to a great extent; 11 (14%) said it was done to a lesser extent; 27 (33%) said it was done to a much lesser extent and 8 (10%) said no transfers were ever carried out.

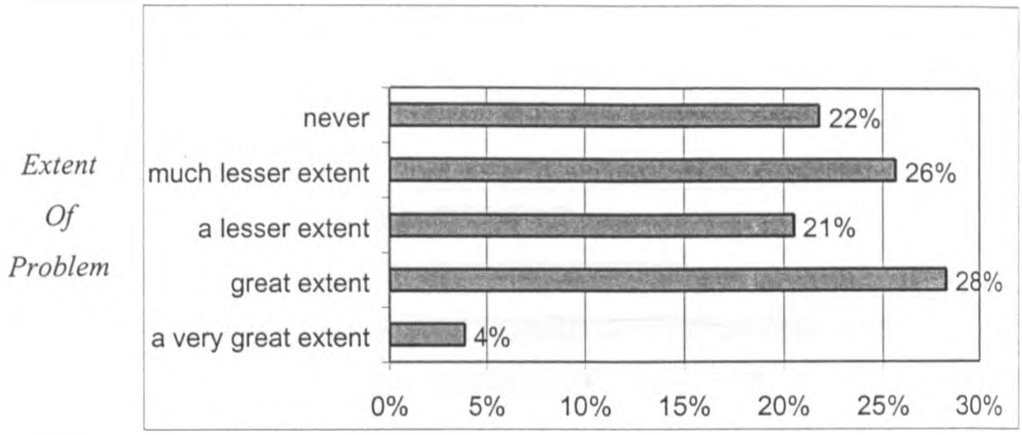
Figure 9.9: Distribution of Respondents by transfer of staff after retrenchment



24. Resistance or objections to transfers

(4%) of the respondents said that there was resistance or objections to transfers to a very great extent; 22 (28%) said the resistance to transfers was to a great extent; 16 (21%) said the resistance was to a lesser extent; 20 (26%) said the resistance was to a much lesser extent and 17 (22%) said there was no resistance at all. (see figure 10.0)

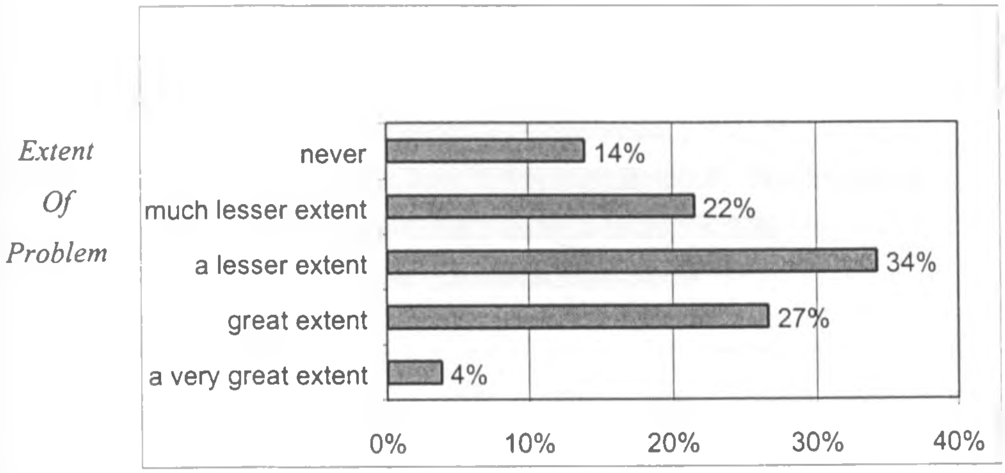
Figure 10.0: Distribution of Respondents by resistance or objections to transfers



25. Anxiety, frustration and guilt among survivors due to separation

(4%) of the respondents said separation of staff after downsizing created anxiety, frustration and guilt among survivors to a very great extent; 21(27%) said that the effects of separation were to a great extent 27 (34%) said the effects were to a lesser extent; 17 (22%) said the effects were to a much lesser extent and 11 (14%) said that the separation did not create any anxiety, frustration or guilt among survivors. (see figure 10.1)

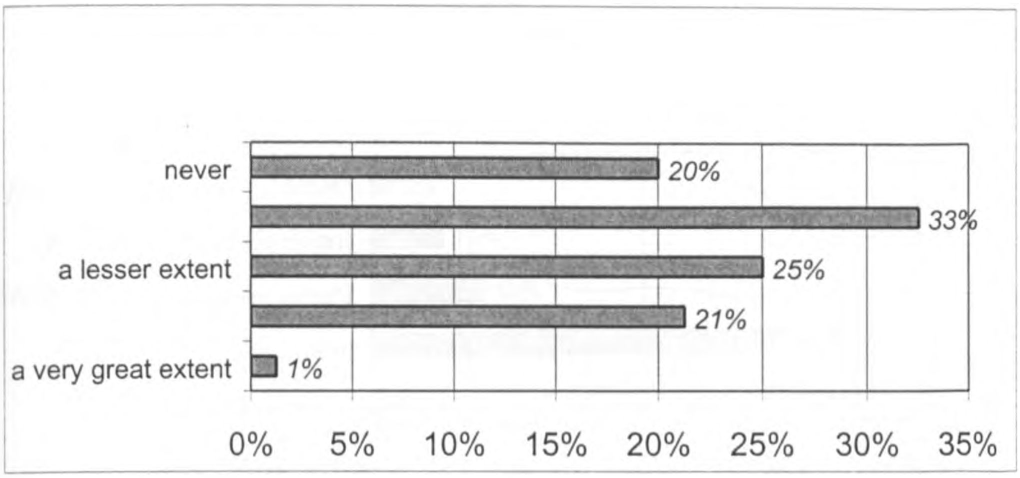
Figure 10.1: Distribution of Respondents by anxiety, frustration and guilt among survivors



26. Did mental adaptability to new responsibilities pose any difficulties to organizational roles?

Only 1% of the respondents said that mental adaptability to new responsibilities posed difficulties to organizational roles to a very great extent after downsizing; 17 (21%) said it posed difficulties to a great extent; 20 (25%) said it was at a lesser extent; 26 (33%) said it was at a much lesser extent and 16 (20%) said it never posed any difficulties. (see figure 10.2)

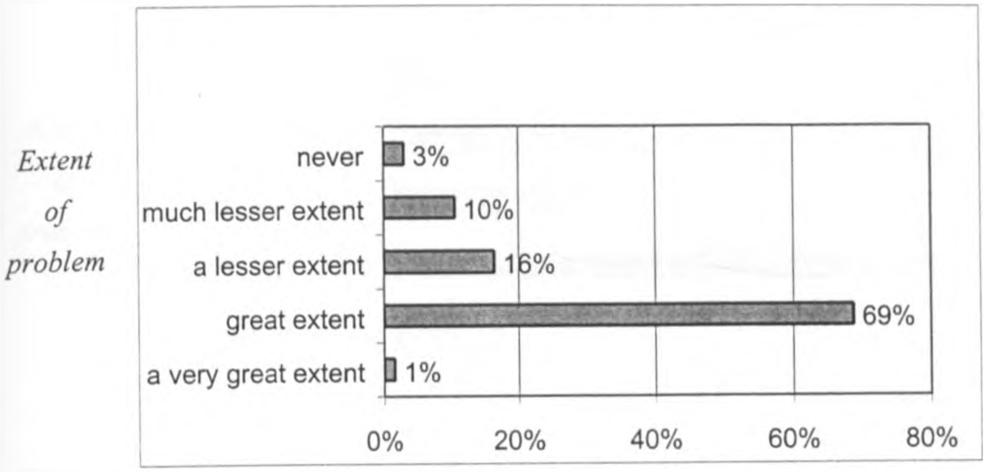
Figure 10.2: Distribution of Respondents by difficulties posed to organizational roles due to new responsibilities



27. Relationship between survivors and Managers

Figure 9.4 shows that only 1% of the respondents said that the relationship between survivors and managers improved to a very great extent after downsizing; 46 (69%) said it improved to a great extent; 11(16%) said it improved to a lesser extent; 7 (10%) said it improved to a much lesser extent and 2 (3%) said that relationship between managers and staff never improved.

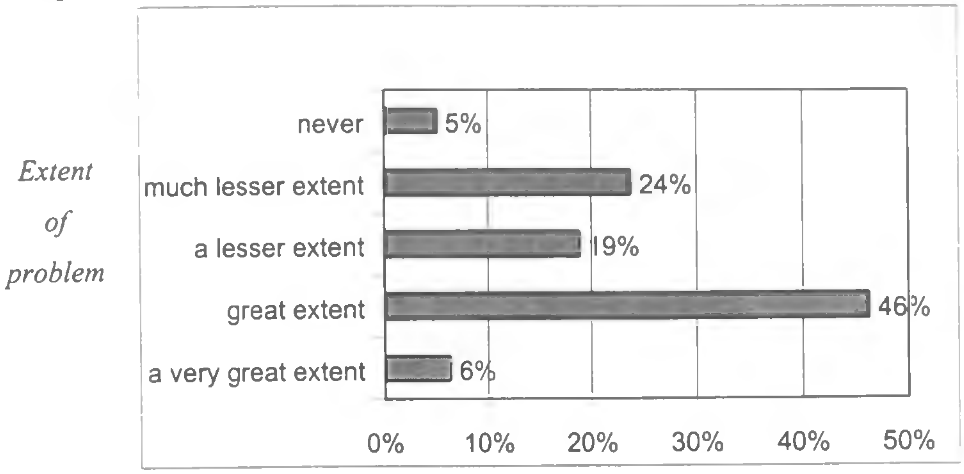
Figure 10.3: Distribution of Respondents by relationship between survivors and managers



28. **Increase in morale of employees**

(6%) of the respondents said there was an increase in morale of employees to a very great extent; 37 (46%) said the increase was to a great extent after downsizing; 15 (19%) said it was to a lesser extent; 19 (24%) said it was to a much lesser extent and 4 (5%) said there was no increase in morale of employees at all. (see figure 10.4)

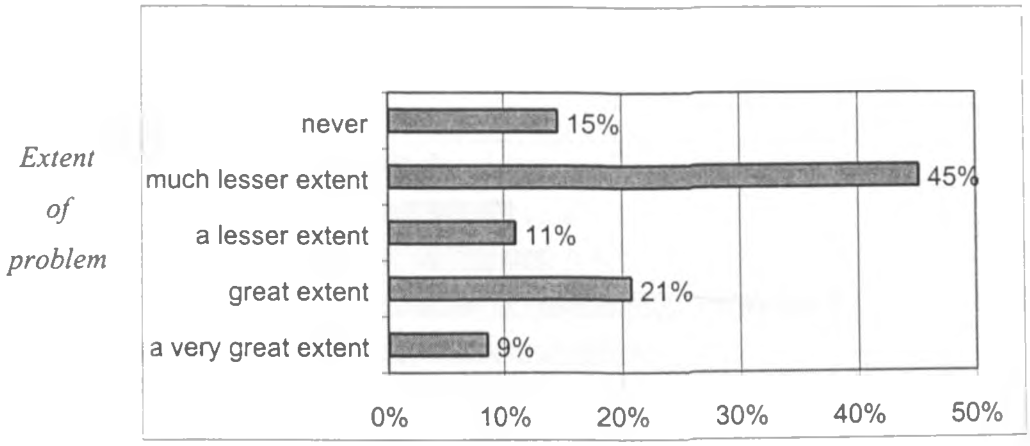
Figure 10.4: Distribution of Respondents by increase in morale of employees



29. Decrease in morale of employees

As shown in figure 10.5, 7 (9%)of the respondents said that there was decrease in morale of employees to a very great extent after downsizing; 17 (21%) said the decrease was to a great extent; 9 (11%) said the decrease was to a lesser extent; 37 (45%) said the decrease was to a much lesser extent and 12 (15%) said there was no decrease at all.

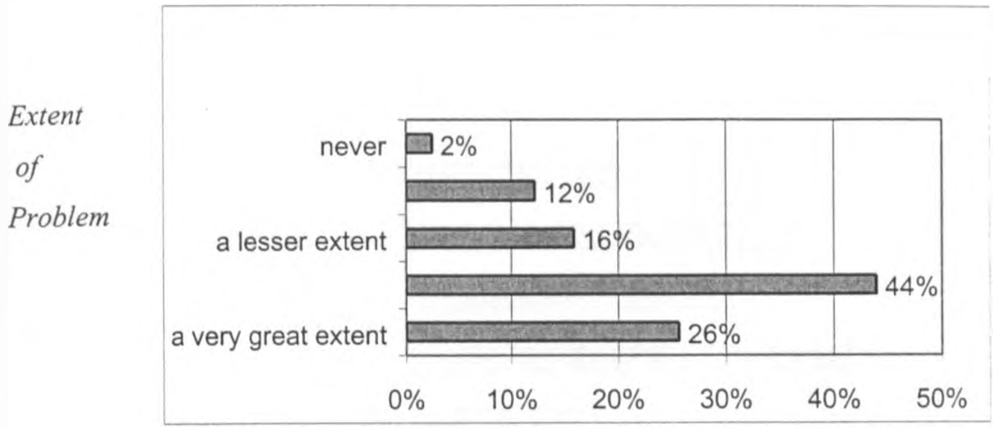
Figure 10.5: Distribution of Respondents by decrease in morale of employees



30. **Clarifying the vision of the organization**

Figure 10.6. shows that 21(26%) of the respondents said clarifying the vision of the organization after downsizing was a key factor to survivors morale and productivity to a very great extent; 36(44%) said clarifying the vision was a key factor to a great extent; 13(16%) said it was a key factor to a lesser extent; 10(12%) said it was a key factor to a much lesser extent; and only 2(2%) said it was not a key factor.

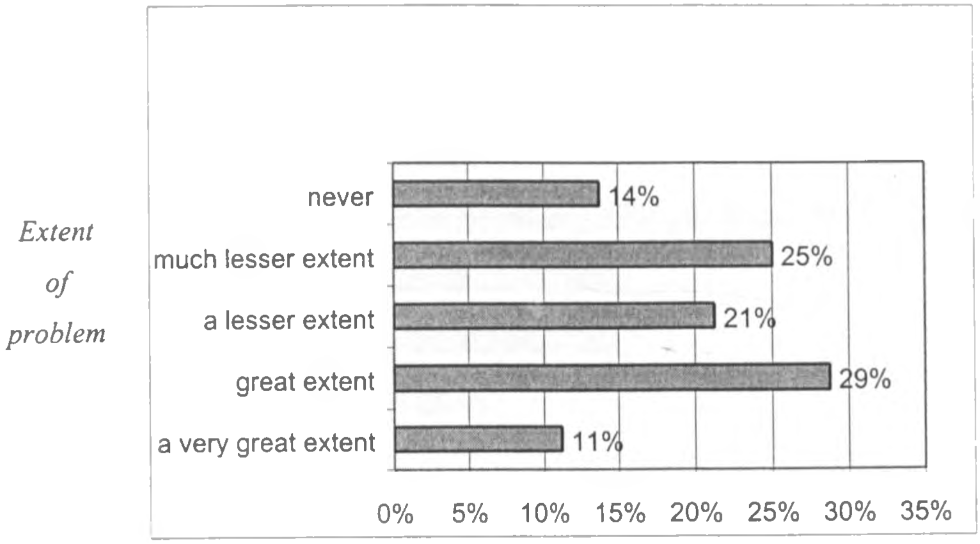
Figure 10.6: Distribution of Respondents by clarifying the vision of the organization as a factor of staff morale and productivity



31. **Complaints from staff that the organization had failed in its social responsibility by operating on a "profit ethic" and ignoring their needs or welfare**

9 (11%) of the respondents said that complaints from staff that the organization had failed in its social responsibility by operating on a "profit ethic" and ignoring their needs or welfare had increased to a very great extent after downsizing; 23(29%) said the complaints had increased to a great extent; 17 (21%) said the complaints had increased to a lesser extent; 20(25%) said the complaints had increased to a much lesser extent and 11(14%) said there were no complaints at all. (see figure 10.7)

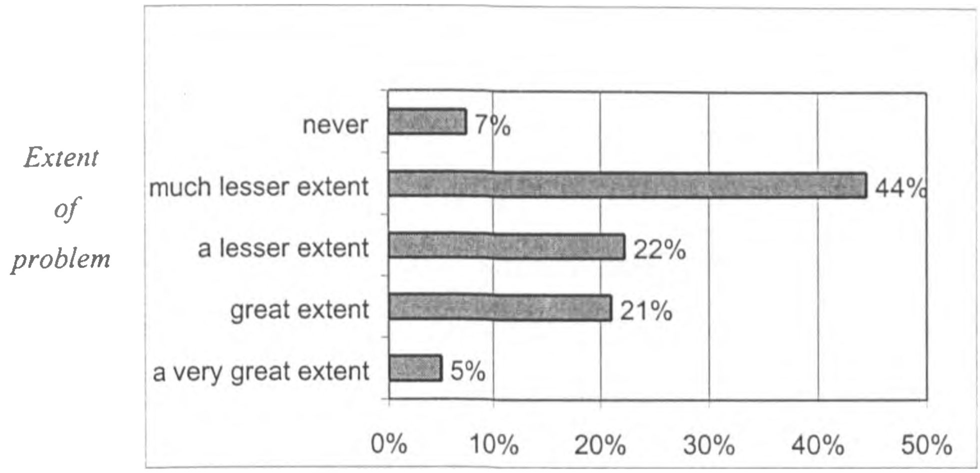
Figure 10.7: Distribution of Respondents by complaints from staff



32. Increase in the number and percentage of grievances

Figure 10.8 shows that (5%) of the respondents said that there was an increase in the number and percentage of grievances after downsizing to a very great extent; 17(21%) said the increase was to a great extent; 18(22%) said the increase was to a lesser extent; 36 (44%) said the increase was to a much lesser extent and 6(7%) said there was no increase at all.

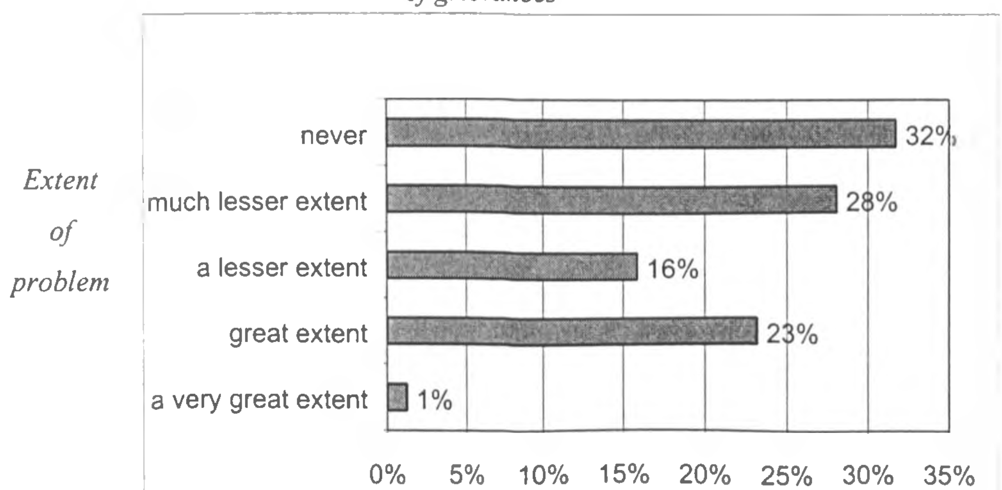
Figure 10.8: Distribution of Respondents by increase in number and percentage of grievances



33. Decrease in the number and percentage of grievances

Only 1% of the respondents said that there was a decrease in the number and percentage of grievances after downsizing to a very great extent; 19(23%) said the decrease was to a great extent; 13(16%) said the decrease was to a lesser extent; 23(28%) said the decrease was to a much lesser extent and 26(32%) said there was no decrease at all. (see figure 10.9)

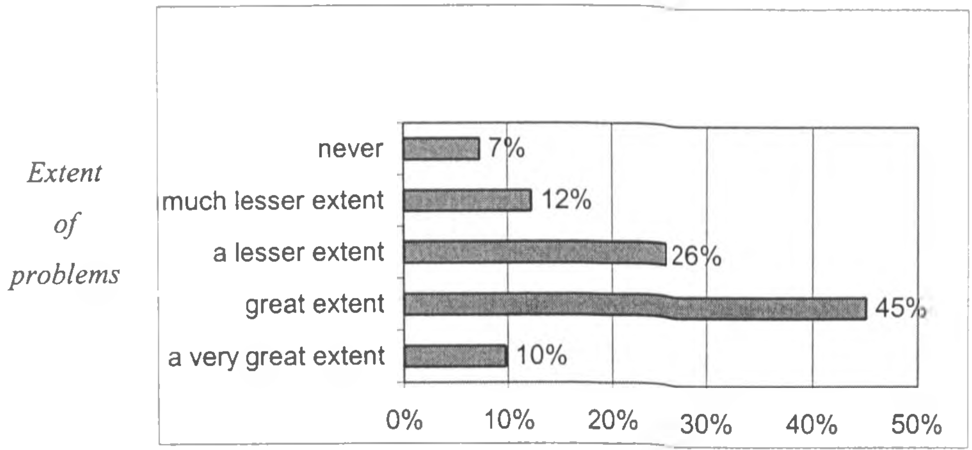
Figure 10.9: Distribution of Respondents by decrease in number and percentage of grievances



34. Streamlining and reduction of administrative control positions

8(10%) of the respondents said that they had streamlined and reduced administrative control positions to a very great extent after downsizing; 37 (45%) said they had streamlined to a great extent; 21(26%) said they had streamlined to a lesser extent; 10(12%) said they had streamlined to a much lesser extent and 6(7%) said they never streamlined the administrative control positions at all. (see figure 11.0)

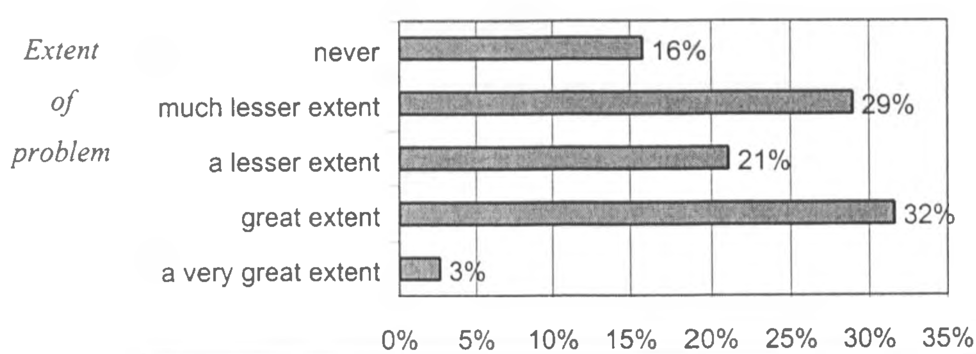
Figure 11.0: Distribution of Respondents by streamlining and reduction of administrative control positions



35. Increase in Customer complaints

As shown in figure 11.1, 2(3%) of the respondents said that customer complaints had increased to a very great extent after downsizing; 24(32%) said the complaints had increased to a great extent; 16(21%) said the complaints had increased to a lesser extent; 22(29%) said the complaints had increased to a much lesser extent; and 12(16%) said there was no increase at all in customer complaints.

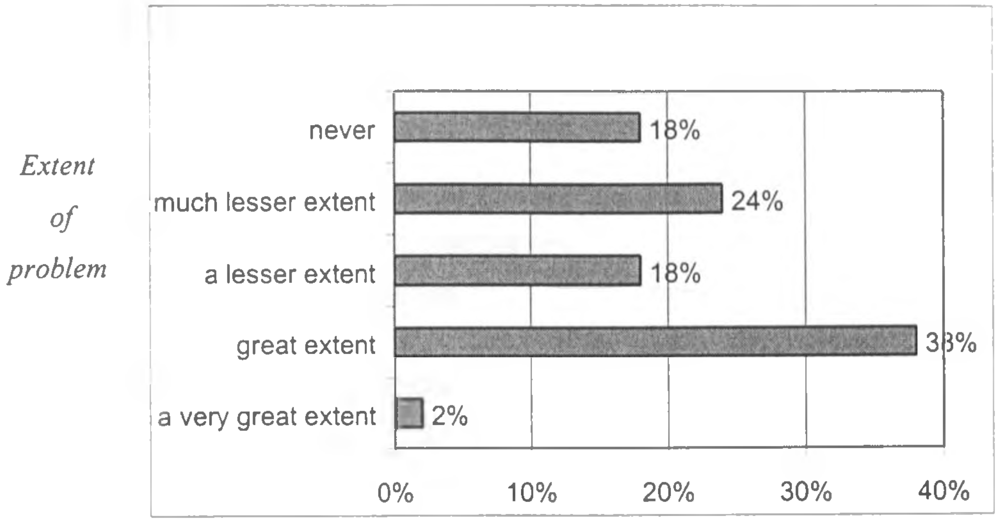
Figure 11.1: Distribution of Respondents by increase in customer complaints



36. Decrease in Customer complaints

Only 1% of the respondents said that customer complaints had decreased to a very great extent after downsizing; 19(38%) said the complaints had decreased to a great extent; 9(18%) said the complaints had decreased to a lesser extent and 12 (24%) said the complaints had decreased to a much lesser extent and 9 (18%) said the complaints had not decreased at all. (see figure 11.2)

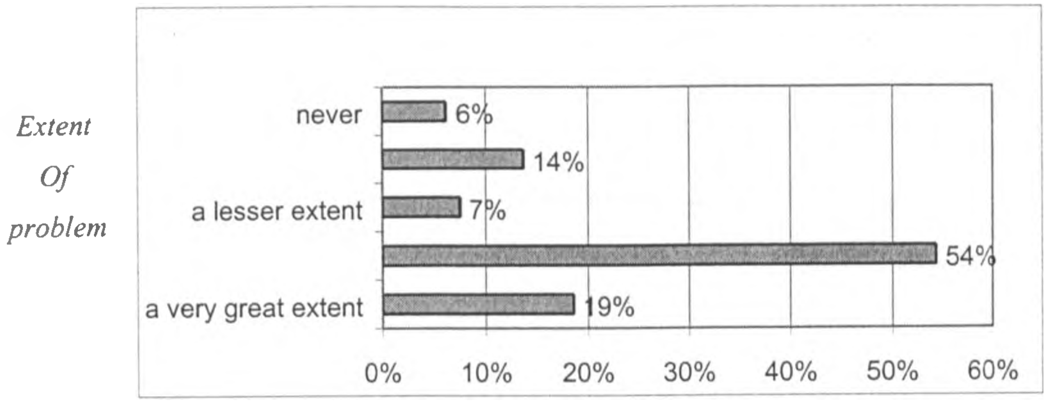
Figure 11.2: Distribution of Respondents by decrease in customer complaints



37. The organization had introduced new ways of doing things

Figure 11.3 shows that 15 (19%) of the respondents said the organization had introduced into new ways of doing things to a very great extent; 44 (54%) said it had introduced new ways to a great extent; 6(7%) said it had introduced new ways to a lesser extent; 11(14%) said it had introduced new ways to a much lesser extent and 5(6%) said it had not introduced new ways of doing things.

Figure 11.3: Distribution of Respondents by introduction of new ways of doing things



4.4. Relationship between Demographic factors and selected variables

The Spearmans Rank Correlation Coefficient was applied to test the relationship between demographic factors and the respondent's perception of various issues as problems to them in dealing with the problems of survivors or in performing of their organizational roles.

The following attitudes and/or perceptions were strongly related to demographic, organizational and/or environmental factors (more details are shown in appendix C).

Attitude/Perception	Demographic, Organizational or Environmental factors
(i) Feeling of unfairness $r = -0.208$, $P<0.05$	No. of times the organization had downsized
(ii) Feeling of helplessness $r = 0.249$, $P<0.05$	Gender of respondent

(iii)	Role ambiguity	No. of retrenched employees who were under supervision of the respondent
	r =0.213, P<0.05	
	r=-0.226, P<0.05	No. of times of downsizing
(iv)	Role conflict	Level of education of respondent
	r = 0.234, P<0.05	
(v)	Lack of adequate Knowledge	No. of retrenched employees who were under the Respondent's supervision
	r = 0.268, P<0.05	
(vi)	Insufficient information	No. of retrenched employees who were under the respondents' Supervision
	r=0.285, P<0.05	
(vii)	Job stress	Gender of respondent
	r= 0.3, P<0.01	
		Age of respondent
	r=0.259, P<0.05	
	r=0.204, P<0.05	Level of education of respondent

(viii)	Conflict between personal values & Organizational roles r=-0.218, P<0.05	No of times of downsizing
(ix)	Pressure in dealing with promises to survivors r = 0.237, P<0.05	No. of retrenched employees who were under the respondent s' supervision
(x)	Unable to cope with responsibilities r = -0.229,P<0.05	No. of employees retrenched
(xi)	Feeling of let down r=-203,P<0.05	No. of employees in the Organization
(xii)	Feeling of detachment r =0.228,P<0.05	Level of education of respondent
(xiii)	Difficulty in establishing working relationship with survivors r =-0.291,P<0.05	Marital status of respondent No. of retrenched employees who were under the supervision

	r =0.235,P<0.05	of the respondent
(xiv)	Job security r =0.209,P<0.05	Level of education of respondent
(xv)	Following of procedures, policies and regulations to the letter r=0.249,P<0.05	Level of education of respondent
(xvi)	Feeling of fear r=-0.226,P<0.05	Marital status of respondent
	r=0.29,P<0.05	Level of education of respondent
(xvii)	Reduced motivation r=0.258,P<0.05	Gender of respondent
(xviii)	Uncertainty of survival of the organization r=0.328,P<0.01	Gender of respondent
		No. of employees in the Organization

	r=-0.289,P<0.05	
	r=0.203.P<0.05	No. of retrenched staff who were under the respondents' supervision
(xix)	Tension arising from lack of experience r=0.281,P<0.05	No. of retrenched staff who were under the respondent's supervision
(xx)	Emotional problems arising from giving false promises to survivors r=0.291,P<0.05	No. of retrenched staff who were under the respondent's supervision
(xxi)	Re-assignment of duties and Responsibilities to survivors r=0.222,P<0.05	No. of employees in the organization

(xxii) Survivors were unable to cope with work volume $r=-0.284, P<0.05$	Gender of respondent
$r=-0.308, P<0.01$	No. of years of respondent in current position
$r=0.276, P<0.05$	No. of employees in the Organization
$r=0.238, P<0.05$	No. of employees retrenched
(xxiii) Complaints that assignments exceeded skills of survivors $r=0.326, P<0.01$	No. of employees in the organization
$r=0.272, P<0.05$	No. of employees retrenched
$r=0.337, P<0.05$	No. of times of downsizing
(xxiv) Job re-assignments, personnel dev. and training	Gender of respondent
$r=-0.215, P<0.05$	No. of years the respondent was in the

	$r=-0.229, P<0.05$	current position
	$r=0.271, P<0.05$	No. of times of downsizing
(xxv) Involved staff in planning and setting of work targets	$r=0.259, P<0.05$	Gender of respondent
	$r=0.243, P<0.05$	No. of years in the current position
	$R=-0.295, P<0.05$	No. of times of downsizing
(xxvi) Change in the organizational Mission, Vision and Plan	$r=0.278, P<0.05$	Gender of respondent
	$r=-0.202, P<0.05$	Marital status of respondent
	$r=0.219, P<0.05$	No. of employees in the organization
(xxvii) Changes in the Way work is		

	organized Performance of work $r=0.245, P<0.05$	Level of education
(xxviii)	Changes in the levels of authority, responsibility and accountability $r=-0.291, P<0.05$	No. of retrenched employees who were under the supervision of the of the respondent
(xxix)	Problems of processing annual leave $r=0.279, P<0.05$	No. of employees in the organization
(xxx)	Problems of absenteeism $r=0.206, P<0.05$	No. of years worked with Current employer
	$r=-0.208, P<0.05$	No. of retrenched employees under the supervision of respondent
(xxxi)	Employees failed to speak for their rights for fear of losing	Level of education of respondent

	their jobs	
	r=-0.272,P<0.05	
		No. of times of downsizing
	r=-0.343,P<0.01	
(xxxii)	Empowerment of employees	No. of years worked with current employer
	r=0.315,P<0.01	
		No. of employees
	R=0.216,P<0.05	retrenched
	R=-0.23,P<0.05	No. of employees retrenched who were under supervision of respondent
(xxxiii)	Increase in medical claims	Age of respondent
	r=-0.227,P<0.05	
		No. of years worked with
	r=0.227,P<0.05	current employer
	r=0.3.P<0.01	No. of times of downsizing
(xxxiii)	Recruitment to fill vacant positions	Gender of respondent
	r=0.257,P<0.05	

	$r=0.383, P<0.01$	Age of respondent
	$r=0.322, P<0.01$	No. of years in current position
(xxxv) Took steps to instil confidence in the staff in the future of the organization	$r=-0.257, P<0.05$	Age of respondent
	$R=-0.206, P<0.05$	Marital status of respondent
	$R=0.281, P<0.05$	No. of years with current employer
	$R=0.216, P<0.05$	No of times of downsizing
xxxvi) Two way communication between staff and management	$r=0.21, P<0.05$	Gender of respondent
	$r=-0.267, P<0.05$	Age of respondent
(xxxvii) Use of communication channels to keep		No. of years with current employer

employees updated r=0.277,P<0.05	
r=-0.246,P<0.05	No. of retrenched employees who were under the supervision of respondent
(xxxviii) Effectiveness of feedback system r=0.244,P<0.05	No. of years worked with the employer
r=-0.224,P<0.05	No of years in current Position
r=-0.204,P<0.05	No. of retrenched employees who were under the supervision of respondent
(xxxix) Resistance to transfer r=-0.25,P<0.05	No. of retrenched employees who were under the supervision of respondent
(xxxx) Difficulties in mental adaptability to new responsibilities	Gender of respondent

r=-0.287,P<0.05	
(xxxxi) Cohesion between management and survivors	
r=-0.205,P<0.05	Age of respondent
r=0.263,P<0.05	No. of years worked with current employer
r=-0.232,P<0.05	No. of years in current position
r=0.337,P<0.01	No. of times of downsizing
(xxxxii) Increase morale of staff after retrenchment	No. of years worked with current employer
r=0.352,P<0.01	
r=0.361,P<0.01	No. of times of downsizing
(xxxxiii) Decrease of morale of staff after retrenchment	No. of years worked with current employer
r=-0.224,P<0.05	
r=-0.439,P<0.01	No. of times of downsizing

(xxxxiv) Clarifying mission was a key factor for boosting morale of staff $r=-0.367, P<0.01$	Marital status of respondent
(xxxxv)Complaints from staff of failure in corporate responsibility	
$r=0.29, P<0.05$	Age of respondent
$r=-0.252, P<0.05$	Level of education of respondent
$r=0.22, P<0.05$	No. of years in current position
$r=-0.456, P<0.01$	No. of times of downsizing
(xxxxvi)Increase in number and percentage of grievances $r=0.227, P<0.05$	Gender of respondent

(xxxxvii) Decrease in number and percentage of grievances	
r=0.257,P<0.05	Level of education of respondent
r=0.203,P<0.05	No. of years worked with current employer
r=-0.336,P<0.01	No. of retrenched employees who were under the supervision of respondent
r=0.212,P<0.05	No. of times of downsizing
(xxxxviii) Reduction and streamlining of administrative control	No. of years worked with current employer
r=0.212,P<0.05	
(xxxxviv) Increase of customer complaints	Gender of respondent
r=-0.248,P<0.05	
r=-0.213,P<0.05	No. of years in current position
r=0.242,P<0.05	No. of employees in the organization

$r=0.342, P<0.01$	No. of employees retrenched
(xxxxvv) Decrease of customer complaints	
$r=0.319, P<0.01$	Marital status of respondent
$r=0.48, P<0.01$	No. of years worked with Current employer
$r=-0.463, P<0.01$	No. of retrenched employees who were under the supervision of respondent
$r=0.573, P<0.01$	No. of times of downsizing

The findings and interpretation of the above results are discussed in Chapter Five.

CHAPTER FIVE: SUMMARY, CONCLUSION & RECOMMENDATIONS

5.1. OVERVIEW

This study was pursued because, taking into account the unique factors that affect the developing countries, and Kenya in particular such as environmental and cultural factors, management styles, state of development of the economy, unemployment levels, social welfare and demographic variables, the survivorship problems faced by Kenyan Organizations are likely to differ from those faced by their counterparts in developed countries.

A large number of Government Parastatals have in the last ten years undertaken downsizing programs to turn them round to efficiency and profitability. Many others are still in the process of downsizing. It is therefore crucial that these organizations should manage the exercise with insight, and avoid pitfalls that may lead to a "vicious cycle of downsizing".

Past literature shows that in the chaos of downsizing, security is lost, communication is lacking, and employees are no longer at peak performance. Management needs to look at how the work environment influences the services provided by staff and make adjustments where needed.

This research study has provided insight on:

(a) The problems that managers of downsizing organizations in Kenya experience in dealing with survivors of downsizing.
(b) The magnitude to which problems of survivors of downsizing affect the way managers perform their organizational roles, after the downsizing process.

The researcher posits that survivors of retrenchment in Kenya are faced with problems such as negative morale, negative employee commitment, rapid increase in concern about job security etc.

The managers while dealing with the survivors problems experience feelings of fear, isolation, anger and many other problems, which negatively affects their organizational roles and the success of the organization in general.

Several researchers have stated that managers who are faced with the painful process of implementing a downsizing strategy, often experience feeling of fear, isolation, anger, even contempt and guilt. The Managers often work in an environment of ambiguity and uncertainty as to the future of the organization. This experience can lead to severe tension. They therefore need to confront the possibility that they too can fall victim of the "survivor syndrome". Until they recognize this, they will be unable to understand or help their employees.

5.2. SUMMARY OF RESEARCH FINDINGS

The following is a summary of the responses obtained from the questionnaire:

1. Most managers did not have any difficulties while dealing with the problems of survivors. This is evidenced by the following responses where over 50% of respondents did not have a problem at all: Feelings of guilt (59%); Tension (56%); Uncertainty (56%); Relating with survivors (57%); Detachment to work (56%); Lack of support from superiors (62%); Inability to cope with responsibilities (54%); Feeling of let down (58%); Lack of adequate knowledge (63%); Unfairness to survivors (53%) and helplessness (65%).
2. Areas where a good number of managers cited they experienced difficulties in the management of survivors problems were: Job stress (35%); Expectations/demands of

survivors (30%); Pressure in dealing with promises given to survivors (38%); Reduced work motivation (26%); Confusion resulting from failure to understand expectations of survivors (25%); Emotional problems arising from giving false hopes to survivors (30%); Suspicion towards the intentions of superiors (26%); Burnout/fatigue (27%).

3. Many managers indicated the following changes in their organizational roles: Re-assigning of more responsibilities to survivors (74%); Re-assignment of duties (53%); More involvement of staff in work planning and setting of targets (64%); Introduction of changes in work organization and performance (71%); Introduction of changes in levels of authority, responsibility and accountability (55%); Empowerment of employees to make decisions (50%); Improvement of employees confidence in future of the organization (54%); Setting up a two way communication system between managers and staff (63%); Setting up an effective feedback system (54%); Improvement of relationship between managers and survivors (70%); Increasing morale of survivors (51%); Clarifying the vision of the organization (70%); Reducing and streamlining of administrative control positions (55%); Looking into new ways of doing things (73%).

4. Managers responded in the negative on the following issues: Involved staff in setting work targets before retrenchment (73%); made changes in their organization Mission/Vision (53%); experienced any problems of absenteeism (93%); Found employees failure to take initiative (80%); experienced an increase in staff turnover ratio (84%); made any new recruitments (92%); Experienced a decrease in employee morale (71%).

5. The results of the Spearmans rank order correlation showed a weak relationship between the work environment factors and organizational roles, and the demographic factors such as age, gender, education, qualifications etc. The Spearmans rank order correlation ranged between –0.5 to 0.5. The researcher is of the view that the demographic factors did not influence the success or failure of the managers when dealing with the survivors' problems.

5.3. CONCLUSIONS

1. Most managers involved in the downsizing said they did not experience any major problems in solving the problems of survivors.

   However, they cited some areas which needed more attention to make the process easier to handle. These areas are: Role conflict, job stress, inability to fill promises given to survivors, motivation of staff, difficulties in understanding the wishes of survivors, emotional level of survivors, suspicion toward superiors and burnout.

2. Concerning their organizational roles most managers cited the need for more attention in the following areas: Re-assignment of duties and responsibilities, job enlargement, more involvement of staff in planning and setting of their work targets, organization of work, levels of authority, empowerment of staff, raising the confidence of workers concerning their survival and that of the organization, communication and feedback, cohesion between management and the staff, staff morale, articulation of the vision and mission of the organization, reduction and

streamlining of administrative control positions and finally, looking into new ways of doing things.

3. Demographic factors such as age, educational qualifications, experience, marital status, size of the organization, number of times the organization had downsized, etc did not influence the success or failure of Managers when dealing with the survivors problems of downsizing.

5.4. RECOMMENDATIONS

Based on the conclusions made above, the researcher would like to make the following recommendations:

1. Planning and management of downsizing process:-

Management should involve the staff in planning and management of downsizing process.

Success or failure of a downsized organization depends on the workforce remaining after the downsizing. A well-planned and managed downsizing process, which the survivors perceive as having been fairly and humanly administered, promotes trust and faith in management and in the future of the organization among employees and empowers them to provide improved service.

2. **Communication & Feedback –**

Communication and feedback between staff and management is very crucial during the process of downsizing. Management must develop and nurture improved communication with the staff, and also provide continuous feedback to staff regarding future downsizing efforts that will ultimately impact their well-being.

3. **Job Security –**

Perceived job insecurity is normally associated with reduced trust in employers and reluctant compliance with employers demands. However, in times of high unemployment, workers accept worse terms and conditions of employment. Management should not take advantage of such a situation because it would result into mistrust between them and the workers.

4. **Organizational memory –**

Organizational memory is defined as the information stored by individuals and embedded in an organization's culture, structure and ecology (Walsh and Ungson, 1991) –
The employees lost during downsizing go away with unique knowledge gained during their working period. This knowledge must be recreated in the downsized firm and "handing over" should be carefully done to avoid loss of memory.

5.5. LIMITATIONS OF THE STUDY

1. A number of organizations (mostly banks) were unable to participate in filing of the questionnaire citing policy limitations and pressure of work. Some of them had undertaken downsizing more than once. It is a pity they didn't participate because they would have made this study richer and more encompassing.
2. The meaning of downsizing was not clearly understood by some organizations. Some organizations, which had downsizing through early retirement, abolition of office or non-renewal of employment contracts did not respond to the questionnaire because of this reason.

3. Due to time and financial limitations, this research was confined to organizations, which are located in Nairobi.

5.6. SUGGESTIONS FOR FURTHER RESEARCH

The following recommendations for further study are based on the results of this study:

1. Additional research should be done on the problems encountered in downsizing in the Private Sector and also the Civil Service.
2. Further research should be conducted on the problems experienced by survivors of downsizing as perceived by the workers themselves.
3. Further research should be conducted in other geographical areas outside Nairobi.

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APPENDIXES

APPENDIX 'A'

The Questionnaire

THE QUESTIONNAIRE

MANAGERS EXPERIENCE IN HANDLING THE PROBLEMS OF SURVIVORS OF DOWNSIZING

Your organization has undergone downsizing process and being one of the key managers you were most likely involved in the management of the downsizing process in one way or another. Please answer all questions to enable me to analyze the experience you underwent in handling the survivors problems during the downsizing process. Your answers will be treated with utmost confidentiality and will not be used in any other way except for my Masters of Business Administration degree research.

SECTION A

1. Please indicate your gender (tick in the appropriate bracket)

   Male [ ]

   Female [ ]

2. Please tick against one of the following spaces to show your age bracket:

   [ ] below 30 years [ ] 30 – 40 years [ ] above 40 years

3. Please tick one to indicate your marital status [ ]single [ ] married

4. Please tick against one of the spaces provided to indicate the highest academic qualifications achieved.

   O' level [ ]

   A level [ ]

   Diploma [ ]

   University degree [ ]

   Other professional qualifications [ ]please specify on the space provided

   ....

   ......

5. Please show how long you have been working with your current employer by ticking one of the spaces provided.

   [ ] less than 5 years [ ] 5-10 years [ ] Above 10 years

6. What position do you hold in your organization?.............................

7 Please tick against one of the spaces provided to show when you were appointed to the current position.

   [ ] less than 2 years ago [ ] 2-5 years ago [ ] over 5 years ago

8. Please tick against one of the spaces provided below to show the number of employees in your organization.

   [ ] less than 100 [ ] 100-500 [ ] Over 500

9. Please tick against one of the spaces provided below to show the number of employees retrenched during the process of downsizing.

[ ] less than 50   [ ] 50-100   [ ] above 100

10. How many of those retrenched employees were directly under your supervision?

[ ] less than 10   [ ] 10-50   [ ] above 50

11. How many times has your organization downsized?

[ ] once   [ ] twice   [ ] Three times or more

12. What were the reasons given to staff for the downsizing each time? (Tick the statements that apply)

i. To improve profitability [ ]

ii. To close non performing branches [ ]

iii. To lay off non performing staff [ ]

iv. To save the organization from close down [ ]

v. Other reasons [ ] please specify below:

....

...

....

...

....

....

SECTION B

Please indicate the extent to which each of the following statements is a problem to you as a Manager in dealing with the survivors problems, by ticking in one of the spaces provided in each of the following scales:

		Not a problem at all	A minor problem	Not Sure	Major Problem	Very Major Problem
		[1]	[2]	[3]	[4]	[5]
1	A feeling of guilt	[ ]	[ ]	[ ]	[ ]	[ ]
2	A feeling of unfairness	[ ]	[ ]	[ ]	[ ]	[ ]
3	Being treated with Suspicion by survivors	[ ]	[ ]	[ ]	[ ]	[ ]
4	A feeling of helplessness	[ ]	[ ]	[ ]	[ ]	[ ]
5	Role ambiguity (i.e. being Unclear about the expectations survivors have for your role)	[ ]	[ ]	[ ]	[ ]	[ ]
6	Role conflict (i.e. conflicting expectations /demands from survivors)	[ ]	[ ]	[ ]	[ ]	[ ]
7	Too much responsibility in Dealing with survivors	[ ]	[ ]	[ ]	[ ]	[ ]
8	Lack of adequate knowledge to handle the situation	[ ]	[ ]	[ ]	[ ]	[ ]
9	Lack of enough information required to handle the situation	[ ]	[ ]	[ ]	[ ]	[ ]

10	Job stress	[ ]	[ ]	[ ]	[ ]	[ ]
11	Experiencing conflict between personal values and the organizational role requirements	[ ]	[ ]	[ ]	[ ]	[ ]
12	A feeling of decline in self worth	[ ]	[ ]	[ ]	[ ]	[ ]
13	Pressures in dealing with promises given to survivors	[ ]	[ ]	[ ]	[ ]	[ ]
14	Feeling unable to cope with responsibilities	[ ]	[ ]	[ ]	[ ]	[ ]
15	Lack of support from superiors	[ ]	[ ]	[ ]	[ ]	[ ]
16	Having feelings of let down.	[ ]	[ ]	[ ]	[ ]	[ ]
17	A feeling of detachment/non involvement.	[ ]	[ ]	[ ]	[ ]	[ ]
18	Difficulty in establishing working relationships with survivors	[ ]	[ ]	[ ]	[ ]	[ ]
19	Job insecurity	[ ]	[ ]	[ ]	[ ]	[ ]
20	Following procedures, policies and regulations to the letter.	[ ]	[ ]	[ ]	[ ]	[ ]
21	Having feelings of fear (e.g. of making errors, or being blamed, attacked etc.)	[ ]	[ ]	[ ]	[ ]	[ ]
22	Reduced work motivation.	[ ]	[ ]	[ ]	[ ]	[ ]
23	Confusion resulting from failure to understand expectations of survivors.	[ ]	[ ]	[ ]	[ ]	[ ]
24	Uncertainty of the future					

	Survival of the organization	[ ]	[ ]	[ ]	[ ]	[ ]
25	Tension arising from lack of experience in dealing with survivors of retrenchments.	[ ]	[ ]	[ ]	[ ]	[ ]
26	Emotional problems arising from giving false hopes to the survivors of retrenchment.	[ ]	[ ]	[ ]	[ ]	[ ]
27	Suspicion towards the intention of superiors.	[ ]	[ ]	[ ]	[ ]	[ ]
28	Burnout (fatigue, irritability frequent headaches)	[ ]	[ ]	[ ]	[ ]	[ ]

SECTION C

By ticking against one of the spaces provided in each of the scales, please indicate the extent to which each of the following affects your organizational roles while dealing with the problems of survivors of downsizing.

	(1) To a very great extent	(2) To a great extent	(3) To a lesser extent	(4) To a much lesser extent	(5) Never
1. As a result of retrenchment please confirm the extent to which you have re-assigned more duties and responsibilities to the surviving members of staff .	[ ]	[ ]	[ ]	[ ]	[ ]
2. To what extent have the surviving staff been unable to cope with the volume of work?	[ ]	[ ]	[ ]	[ ]	[ ]

3. To what extent have members of staff complained that assignments exceeded their skills?	[ ]	[ ]	[ ]	[ ]	[ ]
4. To what extent have you had to do job re-assignment, job enlargement, personnel development and training after retrenchment ?	[ ]	[ ]	[ ]	[ ]	[ ]
5. To what extent did you involve staff in planning and setting work targets before retrenchment?	[ ]	[ ]	[ ]	[ ]	[ ]
6. To what extent do you involve staff in planning and setting their work targets now?	[ ]	[ ]	[ ]	[ ]	[ ]
7. To what extent did you make changes in the organizational Mission, Vision and Plans?	[ ]	[ ]	[ ]	[ ]	[ ]
8. To what extent have you introduced changes in the way work is organized and performed?	[ ]	[ ]	[ ]	[ ]	[ ]

9. If your answer to question 8 is in the affirmative please list in order of priority the changes that you have introduced.

(i) ....
(ii) ....
(iii) ....
(iv) ....
(v) ....

10. To what extent have you made any changes in the levels of authority, responsibility and accountability?	[ ]	[ ]	[ ]	[ ]	[ ]
11. To what extent have you experienced any problems of processing annual leave applications?	[ ]	[ ]	[ ]	[ ]	[ ]
12. To what extent have you experienced problems of absenteeism?	[ ]	[ ]	[ ]	[ ]	[ ]
13. To what extent have you had a situation where employees failed to take certain initiatives for fear of making mistakes?	[ ]	[ ]	[ ]	[ ]	[ ]
14. To what extent have you had a situation where employees failed to speak for their rights for fear of losing their jobs?	[ ]	[ ]	[ ]	[ ]	[ ]
15 To what extent has your organization improved the empowerment of employees to make decisions in order to					

	increase efficiency and effectiveness?	[ ]	[ ]	[ ]	[ ]	[ ]
16	If your organization has a medical scheme, please indicate the the extent to which there has been increase in medical claims since the retrenchment.	[ ]	[ ]	[ ]	[ ]	[ ]
17	To what extent has there been increase in staff turnover ratio since the last retrenchment?	[ ]	[ ]	[ ]	[ ]	[ ]
18	To what extent have you conducted any recruitment to fill the vacant positions arising from the situation in 17 above	[ ]	[ ]	[ ]	[ ]	[ ]
19	To what extent have you taken steps to instill confidence in staff in the future of the organization?	[ ]	[ ]	[ ]	[ ]	[ ]
20	To what extent has there been a continuous two way communication between the employees and the management in the post-downsized environment to make sure that the workforce understands and supports the management's strategic direction?	[ ]	[ ]	[ ]	[ ]	[ ]

21 Please indicate with a tick

which of the following communication channels you have established to keep employees updated.

(i) Notice boards [ ]
(ii) Newsletters [ ]
(iii) Internal memos [ ]
(iv) E-mail [ ]
(v) Internet [ ]

22 To what extent is your Feedback system to Employees effective	[ ]	[ ]	[ ]	[ ]	[ ]
23 To what extent were more employees transferred after retrenchment than was the normal practice?	[ ]	[ ]	[ ]	[ ]	[ ]
24 If question 23 is in the Affirmative, to what extent was there resistance or objections by the transferees for being separated from their informal groups?	[ ]	[ ]	[ ]	[ ]	[ ]
25 In your view, to what extent did the separation create a high level of anxiety, frustration and guilt among the surviving staff?	[ ]	[ ]	[ ]	[ ]	[ ]
26 To what extent did the mental adaptability of employees to their new responsibilities pose any difficulties to your organizational roles?	[ ]	[ ]	[ ]	[ ]	[ ]

27 To what extent is the relationship between surviving employees and managers cohesive?	[ ]	[ ]	[ ]	[ ]	[ ]
28 To what extent has the morale of the employees increased after retrenchment?	[ ]	[ ]	[ ]	[ ]	[ ]
29 To what extent has the morale of the employees decreased after retrenchment?	[ ]	[ ]	[ ]	[ ]	[ ]
30 To what extent do you think that clarifying the vision of your organization to surviving employees has been a key factor to advancing employee morale and productivity in a post downsizing environment ?	[ ]	[ ]	[ ]	[ ]	[ ]
31 To what extent have there been complaints from staff that the organization has failed in its social responsibility by operating on a "profit ethic" and ignoring their needs or welfare?	[ ]	[ ]	[ ]	[ ]	[ ]
32 To what extent have the number and percentage of grievances increased after retrenchment ?	[ ]	[ ]	[ ]	[ ]	[ ]
33 To what extent have number of grievances					

decreased after the last retrenchment?	[ ]	[ ]	[ ]	[ ]	[ ]
34 To what extent has your organization streamlined and reduced administrative control positions?	[ ]	[ ]	[ ]	[ ]	[ ]
35 If you have a system of registering customer complaints, please confirm to what extent the complaints have increased since last retrenchment.	[ ]	[ ]	[ ]	[ ]	[ ]
36 If you have a system of registering customer complaints, please confirm the extent to which customer complaints have decreased since last retrenchment.	[ ]	[ ]	[ ]	[ ]	[ ]
37 To what extent has downsizing caused the organization to look into new ways of doing business?	[ ]	[ ]	[ ]	[ ]	[ ]

38 If your answer to question 37 is in the affirmative which new ways of doing business has the organization introduced?

(i) ....
(ii) ....
(iii) ....

Please use the space provided below for any other comments or suggestions that are relevant to this subject which you may wish to include. You may use additional writing materials if necessary.

....

....

....

THANK YOU FOR YOUR COOPERATION.

APPENDIX 'B'

Summary data on questionnaire responses

SECTION A

Q1 Gender

Male	*Female*	
56	26	**82**
68%	32%	

Q2 Age

below 30 years	*30-40 yrs*	*Above 40 yrs*	
7	34	40	**81**
9%	42%	49%	

Q3 Marital Status

Single	*Married*	
17	64	**81**
21%	79%	

Q4 Highest academic qualifications

'O' Level	*'A' Level*	*Diploma*	*University Degree*	
1	2	7	72	**81**
1%	2%	9%	89%	

Q5 period worked with current employer

Less than 5 yrs	*5-10 yrs*	*Above 10 yrs*	
23	18	41	**82**
28%	22%	50%	

Q7 when appointed to current position

Less than 2yrs	*2-5 yrs*	*Over 5 yrs*	
34	30	18	**82**
41%	37%	22%	

Q8 number of employees in organization

Less than 100	*100-500*	*Over 500*	
10	18	54	**82**
12%	22%	66%	

Q9 number of employees retrenched

Less than 50	*50-100*	*above 100*	
20	6	56	**82**
24%	7%	68%	

Q10 retrenched employees directly under your supervision

	Less than 10	*10 to 50*	*Above 50*	
	51	18	13	**82**
	62%	22%	16%	

Q11 Times organization has downsized

	Once	*Twice*	*Three times or more*	
	57	13	12	**82**
	70%	16%	15%	

SECTION B

	1	2	3	4	5	
	not a problem at all	*a minor problem*	*not sure*	*major problem*	*very major problem*	Total
1 Feeling of guilt						
	43	13	3	12	2	**73**
	59%	18%	4%	16%	3%	
2 A feeling of unfairness						
	41	16	1	13	6	**77**
	53%	21%	1%	17%	8%	
3 Treated with suspicion by survivors						
	26	14	11	13	5	**69**
	38%	20%	16%	19%	7%	
4 A feeling of helplessness						
	48	12	3	10	1	**74**
	65%	16%	4%	14%	1%	
5 Role ambiguity						
	27	21	6	15	0	**69**
	39%	30%	9%	22%	0%	
6 Role conflict						
	21	25	7	20	2	**75**
	28%	33%	9%	27%	3%	
7 Too much responsibility in dealing with survivors						
	20	22	23	12	5	**82**
	24%	27%	28%	15%	6%	
8 Lack of enough information required to handle the situation						
	48	19	0	8	1	**76**
	63%	25%	0%	11%	1%	

9 Lack of enough information to handle the situation	41	25	3	6	1	76
	54%	33%	4%	8%	1%	
10 Job stress	13	29	2	21	6	71
	18%	41%	3%	30%	8%	
11 Experiencing conflict between personal values and the organizational role requirements	27	30	6	10	2	75
	36%	40%	8%	13%	3%	
12 A feeling of decline in self worth	48	15	9	7	0	79
	61%	19%	11%	9%	0%	
13 Pressures in dealing with promises given to survivors	17	22	4	27	6	76
	22%	29%	5%	36%	8%	
14 Feeling unable to cope with responsibility	44	22	2	11	2	81
	54%	27%	2%	14%	2%	
15 Lack of support from Supervisors	48	19	2	7	2	78
	62%	24%	3%	9%	3%	
16 Having feelings of let down	47	20	2	10	1	80
	59%	25%	3%	13%	1%	
17 Feeling of detachment/none involvement	45	23	2	11	0	81
	56%	28%	2%	14%	0%	
18 Difficulty in establishing working relationship with survivors	46	23	1	19	2	91
	51%	25%	1%	21%	2%	
19 Job Insecurity	35	24	3	11	6	79
	44%	30%	4%	14%	8%	
20 Following procedures, policies and regulations to the letter	32	37	2	10	1	82
	39%	45%	2%	12%	1%	

21 Having feelings of fear of making errors or being blamed, attacked etc.

32	30	2	6	8	**78**
41%	38%	3%	8%	10%	

22 Reduced work motivation

28	22	4	14	5	**73**
38%	30%	5%	19%	7%	

23 Confusion resulting from failure to understand expectations of survivors

29	20	8	17	2	**76**
38%	26%	11%	22%	3%	

24 Uncertainity of the future survival of the organization

46	7	6	15	8	**82**
56%	9%	7%	18%	10%	

25 Tension arising from lack of experience it dealing with survivors of retrenchments

45	21	1	12	2	**81**
56%	26%	1%	15%	2%	

26 Emotional problems arising from giving false hopes of the survivors of retrenchment

24	26	2	19	3	**74**
32%	35%	3%	26%	4%	

27 Suspicion towards the intention of superiors

38	15	4	13	7	**77**
49%	19%	5%	17%	9%	

28 Burnout (fatigue, irritability, frequent headaches)

29	25	1	17	4	**76**
38%	33%	1%	22%	5%	

SECTION C

1	2	3	4	5
a very great extent	*great extent*	*a lesser extent*	*much lesser extent*	*never*

1 Re-assigned more duties and responsibilities to survivors

					Total
17	43	13	6	2	**81**
21%	53%	16%	7%	2%	

2 Survivors unable to cope with the volume of work

3	17	37	21	4	**82**
4%	21%	45%	26%	5%	

3 Members of staff complained that assignments exceeded their skills

3	15	29	17	15	**79**

	4%	19%	37%	22%	19%	
4 Job re-assignment, enlargement, personnel development and training						
	9	30	22	7	6	74
	12%	41%	30%	9%	8%	
5 Involved staff in planning and setting work targets before retrenchment						
	3	17	21	19	15	75
	4%	23%	28%	25%	20%	
6 Involved staff in planning and setting work targets before retrenchment						
	11	39	17	9	2	78
	14%	50%	22%	12%	3%	
7 Made changes in the organizational Mission, Vision and Plans						
	13	18	10	15	17	73
	18%	25%	14%	21%	23%	
8 Introduced changes in the way work is organized and performed						
	15	41	10	10	3	79
	19%	52%	13%	13%	4%	
10 Changes in levels of authority, responsibility and accountability –						
	6	39	17	13	6	81
	7%	48%	21%	16%	7%	
11 Experienced problems of processing annual application leave						
	7	29	12	15	15	78
	9%	37%	15%	19%	19%	
12 Experienced problems of absenteeism						
	3	2	13	47	11	76
	4%	3%	17%	62%	14%	
13 Employees failed to take certain initiatives for fear of making mistakes						
	1	13	18	22	17	71
	1%	18%	25%	31%	24%	
14 Employees failed to speak for their rights for fear of losing their jobs						
	10	22	15	18	10	75
	13%	29%	20%	24%	13%	
15 Improved empowerment of employees to make decisions in order to increase efficiency and effectiveness						
	4	37	20	15	6	82
	5%	45%	24%	18%	7%	
16 Increase in medical claims						

	2	15	17	37	9	80
	3%	19%	21%	46%	11%	
17 Increase in staff turnover ratio						
	2	11	15	40	13	81
	2%	14%	19%	49%	16%	
18 Recruited new staff to fill vacant positions due to staff turnover						
	2	4	18	29	26	79
	3%	5%	23%	37%	33%	
19 Took steps to instill confidence in staff in the future of the organization						
	4	40	17	17	3	81
	5%	49%	21%	21%	4%	
20 Continous two way communication between management and employees						
	6	44	10	17	3	80
	8%	55%	13%	21%	4%	
22 Effectiveness of feedback sysstem to employees						
	2	41	20	14	3	80
	3%	51%	25%	18%	4%	
23 Transfer of staff after retrenchment						
	5	30	11	27	8	81
	6%	37%	14%	33%	10%	
24 Resistance or objections to transfers						
	3	22	16	20	17	78
	4%	28%	21%	26%	22%	
25 Did separation create anxiety, frustration and guilt among survivors						
	3	21	27	17	11	79
	4%	27%	34%	22%	14%	
26 Did mental adaptability to new responsibilities pose any difficulties to organizational roles?						
	1	17	20	26	16	80
	1%	21%	25%	33%	20%	
27 Cohesiveness of relationship between survivors and Managers						
	1	46	11	7	2	67
	1%	69%	16%	10%	3%	
28 Increase in morale of employees						
	5	37	15	19	4	80
	6%	46%	19%	24%	5%	
29 Decrease in morale of employees						

	7	17	9	37	12	82
	9%	21%	11%	45%	15%	
30 Clarifying the vision of the organization was a key factor to survivors morale and productivity						
	21	36	13	10	2	82
	26%	44%	16%	12%	2%	
31 Complaints from staff that the organization has failed in its social responsibility by operating on a "profit ethic" and ignoring their needs or welfare						
	9	23	17	20	11	80
	11%	29%	21%	25%	14%	
32 Increase in the number and percentage of grievances						
	4	17	18	36	6	81
	5%	21%	22%	44%	7%	
33 Decrease in the number and percentage of grievances						
	1	19	13	23	26	82
	1%	23%	16%	28%	32%	
34 Streamlining and reduction of administrative control positions						
	8	37	21	10	6	82
	10%	45%	26%	12%	7%	
35 Customer complaints have increased						
	2	24	16	22	12	76
	3%	32%	21%	29%	16%	
36 Customer complaints have decreased						
	1	19	9	12	9	50
	2%	38%	18%	24%	18%	
37 The organization has looked into new ways of doing things						
	15	44	6	11	5	81
	19%	54%	7%	14%	6%	

APPENDIX 'C'

Summary data of Spearman's Rank Correlation Order Coefficients between Sections A & B and A & C

Relationship between demographic factors and environmental factors (Section A vs. Section B)

Spearman Rank Correlation Coefficients

		Gender	Age	Marital status	Level of education	No. of working yrs with current employer	No of years in the current position	No. of employees in the org.	No. of employees retrenched	No. of retrenched employees who were under your supervision	No. of times your org. downsized
A feeling of guilt	Correlation Coefficient	0.098	0.005	-0.153	-0.025	-0.071	0.027	-0.031	-0.038	0.112	-0.158
	Sig. (2-tailed)	0.385	0.964	0.185	0.825	0.533	0.81	0.787	0.739	0.337	0.166
A feeling of unfairness	Correlation Coefficient	0.183	-0.055	-0.117	-0.005	-0.039	-0.042	-0.039	-0.031	0.13	-0.208*
	Sig. (2-tailed)	0.102	0.626	0.311	0.964	0.733	0.709	0.733	0.791	0.27	0.067
Being treated with suspicion by survivors	Correlation Coefficient	0.125	0.04	-0.3	0.036	-0.107	-0.045	0.065	0.081	0.198	-0.15
	Sig. (2-tailed)	0.265	0.722	0.008	0.748	0.347	0.69	0.568	0.48	0.088	0.19
A feeling of helplessness	Correlation Coefficient	0.249*	-0.013	-0.17	-0.023	-0.019	0.149	-0.018	0.019	0.158	-0.184
	Sig. (2-tailed)	0.025	0.906	0.139	0.842	0.865	0.187	0.876	0.872	0.179	0.107
Role ambiguity	Correlation Coefficient	0.14	0.037	-0.156	0.066	-0.153	0.056	-0.036	0.072	0.213*	-0.226*
	Sig. (2-tailed)	0.215	0.743	0.178	0.562	0.178	0.625	0.754	0.535	0.07	0.048

Role conflict	Correlation Coefficient	0.097	-0.112	-0.092	0.234*
	Sig. (2-tailed)	0.384	0.318	0.425	0.034
Too much responsibility in dealing with survivors	Correlation Coefficient	-0.019	0.047	-0.012	0.116
	Sig. (2-tailed)	0.866	0.673	0.916	0.3
Lack of adequate knowledge to handle the situation	Correlation Coefficient	0.192	0.047	-0.094	0.061
	Sig. (2-tailed)	0.086	0.678	0.416	0.587
Lack of enough information required to handle the situation	Correlation Coefficient	0.132	-0.175	-0.132	0.073
	Sig. (2-tailed)	0.247	0.122	0.257	0.524
Job stress	Correlation Coefficient	0.3**	-0.259*	-0.196	0.204*
	Sig. (2-tailed)	0.007	0.02	0.09	0.069
Experiencing conflict between personal values and the organizational role requirement	Correlation Coefficient	0.134	-0.055	-0.183	0.058
	Sig. (2-tailed)	0.236	0.629	0.114	0.609
A feeling of decline in self worth	Correlation Coefficient	0.175	0.047	-0.137	0.014
	Sig. (2-tailed)	0.116	0.672	0.232	0.903

0.07	-0.074	-0.082	0.078	0.177	0.079
0.536	0.514	0.466	0.492	0.128	0.487
-0.047	-0.082	-0.199	-0.034	0.103	-0.084
0.675	0.469	0.075	0.766	0.378	0.46
0.005	0.028	-0.181	-0.023	0.268*	-0.096
0.962	0.805	0.108	0.845	0.021	0.405
0.014	-0.116	0.032	0.068	0.285*	0.122
0.9	0.312	0.782	0.559	0.015	0.294
-0.099	0.043	0.02	0.057	0.152	-0.123
0.381	0.709	0.861	0.624	0.198	0.287
-0.051	0.034	-0.028	0.019	0.156	-0.218*
0.654	0.769	0.806	0.869	0.188	0.057
-0.08	-0.051	-0.103	-0.008	0.163	-0.152
0.478	0.648	0.363	0.945	0.163	0.18

Pressures in dealing with promises given to survivors	Correlation Coefficient	0.05	-0.082	-0.088	0.186
	Sig. (2-tailed)	0.657	0.465	0.449	0.097
Feeling unable to cope with responsibilities	Correlation Coefficient	0.118	-0.082	-0.15	0.197
	Sig. (2-tailed)	0.293	0.468	0.193	0.078
Lack of support from superiors	Correlation Coefficient	-0.028	-0.086	-0.065	0.127
	Sig. (2-tailed)	0.802	0.443	0.571	0.257
Having feeling of let down	Correlation Coefficient	0.142	0.072	-0.131	0.034
	Sig. (2-tailed)	0.202	0.517	0.252	0.761
A feeling of detachment/non involvement	Correlation Coefficient	0.136	-0.169	-0.131	0.228*
	Sig. (2-tailed)	0.227	0.132	0.258	0.041
Difficulty in establishing working relationship with survivors	Correlation Coefficient	0.168	-0.199	-0.291*	0.074
	Sig. (2-tailed)	0.133	0.075	0.01	0.514
Job security	Correlation Coefficient	0.164	-0.065	-0.062	0.209*
	Sig. (2-tailed)	0.144	0.562	0.591	0.062
Following procedures, policies and regulations to the letter	Correlation Coefficient	0.073	0.035	-0.091	0.249*

-0.034	0.041	-0.064	-0.003	0.237*	-0.05
0.764	0.721	0.571	0.979	0.042	0.663
0.02	0.075	-0.154	-0.229*	0.115	-0.155
0.859	0.509	0.173	0.044	0.329	0.174
0.072	-0.181	-0.089	-0.027	-0.001	0.132
0.524	0.106	0.431	0.815	0.992	0.248
-0.044	0.1	-0.203*	-0.156	0.038	-0.065
0.696	0.374	0.069	0.17	0.744	0.568
-0.054	0.016	-0.08	-0.01	-0.048	0.132
0.636	0.887	0.48	0.932	0.684	0.249
-0.139	-0.088	-0.114	-0.022	0.235*	-0.035
0.218	0.44	0.314	0.851	0.044	0.759
0.039	0.017	-0.159	0.066	0.245	0.061
0.728	0.883	0.158	0.564	0.035	0.596
-0.165	0.128	-0.053	-0.009	0.072	-0.047

	Sig. (2-tailed)	0.517	0.755	0.432	0.025
Having feelings of fear	Correlation Coefficient	0.115	-0.3	-0.226*	0.29*
	Sig. (2-tailed)	0.302	0.006	0.047	0.008
Reduced work motivation	Correlation Coefficient	0.258*	-0.124	-0.113	0.097
	Sig. (2-tailed)	0.02	0.269	0.33	0.389
Confusion resulting from failure to understand expectations of survivors	Correlation Coefficient	0.158	-0.109	-0.172	0.107
	Sig. (2-tailed)	0.155	0.327	0.132	0.34
Uncertainty of the future survival of organization	Correlation Coefficient	0.328**	-0.07	-0.159	0.134
	Sig. (2-tailed)	0.003	0.529	0.164	0.228
Tension arising from lack of experience in dealing with survivors of retrenchment	Correlation Coefficient	0.158	-0.079	-0.152	0.067
	Sig. (2-tailed)	0.157	0.481	0.183	0.55
Emotional problems arising from giving false hopes to the survivors of retrenchment	Correlation Coefficient	-0.001	-0.025	-0.104	0.147
	Sig. (2-tailed)	0.991	0.823	0.367	0.189
Suspicion towards the intention of superiors	Correlation Coefficient	0.104	-0.027	0.038	0.002

0.145	0.258	0.64	0.935	0.54	0.683
-0.084	-0.152	-0.006	0.088	0.111	0.154
0.455	0.175	0.956	0.442	0.345	0.176
-0.132	0.08	0.003	0.027	0.158	-0.077
0.242	0.48	0.982	0.811	0.178	0.504
-0.159	-0.031	-0.098	-0.055	0.191	-0.146
0.156	0.785	0.384	0.631	0.1	0.199
-0.03	0.077	-0.289*	-0.037	0.203*	0.095
0.79	0.493	0.009	0.749	0.081	0.406
-0.043	0.021	-0.031	-0.013	0.281*	-0.121
0.706	0.852	0.782	0.911	0.015	0.287
-0.06	-0.073	-0.194	-0.085	0.291*	0.046
0.597	0.515	0.083	0.456	0.011	0.684
0.062	-0.075	-0.069	-0.054	0.078	0.105

	Sig. (2-tailed)	0.354	0.812	0.744	0.985
Burnout (fatigue, irritability frequent headaches)	Correlation Coefficient	0.124	-0.027	-0.07	0.118
	Sig. (2-tailed)	0.269	0.813	0.544	0.293

* Correlation is significant at the .05 level (2-tailed).

**Correlation is significant at the .01 level (2-tailed).

0.585	0.503	0.542	0.637	0.507	0.358
-0.107	0.024	-0.13	-0.084	0.028	-0.145
0.346	0.83	0.252	0.464	0.809	0.202

Relationship between Demographic factors and Organizational roles (Section A vs. Section C)

Spearman's Rank Correlation Coefficient

		Gender	Age	Marital status	Level of education	No. of working years with current employer	No. of years in the current position	No. of employees in the org.	No. of employees retrenched	No. of retrenched employees who were under your supervision	No. of times your org. downsized
As a result of retrenchment-the extent to which you have re-assigned duties and responsibilities to survivors	Correlation Coefficient	-0.029	0.088	-0.126	-0.185	-0.073	0.006	0.222*	0.034	-0.035	-0.175
	Sig. (2-tailed)	0.793	0.434	0.271	0.097	0.517	0.959	0.046	0.765	0.769	0.124
To what extent are the survivors unable to cope with the work volume	Correlation Coefficient	-0.284*	0.02	0.106	-0.129	0.117	-0.308**	0.276*	0.238*	0.069	0.196
	Sig. (2-tailed)	0.01	0.856	0.355	0.249	0.296	0.005	0.013	0.035	0.558	0.083
To what extent have members of staff complained that assignment exceeded their skills	Correlation Coefficient	-0.161	-0.034	0.173	-0.116	0.19	-0.103	0.326**	0.272*	0.031	0.337**

	Sig. (2-tailed)	0.151	0.762	0.134	0.301
To what extent have you had to do job re-assignment, personal dev. and training after retrenchment	Correlation Coefficient	-0.215*	-0.032	0.039	0.045
	Sig. (2-tailed)	0.054	0.774	0.735	0.69
To what extent did you involve staff in planning and setting work targets before retrenchment	Correlation Coefficient	0.259*	0.133	-0.067	-0.118
	Sig. (2-tailed)	0.02	0.24	0.563	0.297
To what extent did you make changes in the organization Mission, Vision and plan	Correlation Coefficient	0.278*	-0.167	-0.202*	0.092
	Sig. (2-tailed)	0.012	0.136	0.078	0.416
To what extent have you introduced changes in the way work is organized and performed	Correlation Coefficient	0.014	-0.047	0.02	0.245*
	Sig. (2-tailed)	0.9	0.678	0.865	0.027

0.092	0.364	0.003	0.015	0.794	0.002
0.089	-0.229*	0.105	0.051	-0.041	0.271*
0.434	0.041	0.355	0.658	0.728	0.016
0.003	0.243*	-0.13	-0.088	0.146	-0.295*
0.982	0.031	0.253	0.446	0.215	0.009
0.069	-0.113	0.219*	0.136	-0.171	0.004
0.542	0.317	0.051	0.232	0.142	0.975
0.087	0.044	-0.049	-0.14	-0.157	-0.045
0.443	0.701	0.668	0.219	0.178	0.694

To what extent you made any changes in the levels of authority, responsibility and accountability	Correlation Coefficient	-0.096	-0.033	-0.088	0.077
	Sig. (2-tailed)	0.393	0.771	0.446	0.492
To what extent have you experienced any problems of processing annual leave applications	Correlation Coefficient	-0.17	-0.056	0.098	-0.016
	Sig. (2-tailed)	0.135	0.621	0.403	0.886
To what extent have you experienced problems of absenteeism	Correlation Coefficient	-0.061	-0.036	0.085	-0.015
	Sig. (2-tailed)	0.591	0.754	0.467	0.897
To what extent have you had a situation where employees failed to take certain initiatives for fear of making mistakes	Correlation Coefficient	-0.183	-0.055	-0.071	-0.11
	Sig. (2-tailed)	0.107	0.633	0.542	0.333
To what extent have you had a situation where employees failed to speak	Correlation Coefficient	-0.001	0.133	0.009	-0.272*

0.229	-0.11	0.014	-0.034	-0.291*	0.13
0.041	0.333	0.9	0.763	0.011	0.255
0.093	-0.127	0.279*	0.128	-0.12	0.113
0.42	0.266	0.013	0.268	0.309	0.328
0.206*	-0.111	0.077	-0.032	-0.208*	0.106
0.068	0.332	0.501	0.78	0.073	0.356
0.12	-0.141	0.11	-0.026	-0.08	0.076
0.294	0.219	0.34	0.824	0.497	0.513
-0.127	0.181	-0.001	-0.155	0.027	-0.343**

for their rights for fear of loosing their jobs						
	Sig. (2-tailed)	0.995	0.244	0.94	0.015	0.269
To what extent has your organization improved the empowerment of employees to make decisions in order to increase efficiency and effectiveness	Correlation Coefficient	0.052	-0.102	0.11	0.057	0.315**
	Sig. (2-tailed)	0.643	0.363	0.339	0.614	0.004
If your organization has a medical scheme, please indicate the extent to which there has been increase in medical claims since the retrenchment	Correlation Coefficient	-0.101	-0.227*	0.18	0.149	0.277*
	Sig. (2-tailed)	0.4	0.055	0.141	0.213	0.02

0.113	0.992	0.179	0.82	0.002
0.013	0.17	0.216*	-0.23*	0.197
0.906	0.131	0.056	0.047	0.082
-0.081	0.034	-0.015	-0.165	0.3**
0.503	0.779	0.901	0.181	0.012

To what extent has there been increase in staff turnover ratio since the last retrenchment	Correlation Coefficient	-0.003	-0.161	0.007	0.119
	Sig. (2-tailed)	0.981	0.157	0.955	0.297
To what extent have you conducted any recruitment to fill the vacant position arising from the situation in 17above	Correlation Coefficient	-0.257*	0.383**	0.198	-0.083
	Sig. (2-tailed)	0.02	0	0.082	0.458
To what extent have you taken steps to instill confidence in the staff in the future of the organization	Correlation Coefficient	0.147	-0.257*	-0.206*	0.052
	Sig. (2-tailed)	0.187	0.02	0.07	0.645
To what extent has there been a continuous two way communication between the employees and the management in the post-downsized environment	Correlation Coefficient	0.21*	-0.267*	-0.113	-0.074
	Sig. (2-tailed)	0.06	0.016	0.327	0.514
Communication channels used to keep the	Correlation Coefficient	0.069	-0.089	0.024	0.065

0.159	-0.059	0.147	0.116	-0.15	0.057
0.164	0.61	0.2	0.316	0.204	0.626
0.322**	-0.166	-0.05	0.006	-0.067	-0.133
0.003	0.139	0.655	0.959	0.569	0.241
0.281*	-0.186	0.064	0.166	-0.059	0.216*
0.011	0.096	0.573	0.144	0.617	0.056
0.106	-0.111	-0.041	0.018	-0.112	0.163
0.351	0.329	0.72	0.878	0.342	0.153
0.277*	-0.114	-0.161	-0.108	-0.246*	0.145

employees updated											
	Sig. (2-tailed)	0.544	0.431	0.839	0.567	0.014	0.318	0.156	0.351	0.036	0.209
To what extent is your feedback system to employees effective	Correlation Coefficient	0.029	-0.151	0.023	0.139	0.244*	-0.224*	0.016	0.111	-0.204*	0.192
	Sig. (2-tailed)	0.801	0.179	0.84	0.217	0.029	0.046	0.887	0.335	0.08	0.092
To what extent were more employees transferred after retrenchment than was the normal practice	Correlation Coefficient	-0.098	0.053	0.104	-0.174	0.135	-0.099	0.013	-0.093	-0.173	0.019
	Sig. (2-tailed)	0.38	0.634	0.367	0.119	0.23	0.379	0.909	0.417	0.138	0.871
If Q23 is in the affirmative, to what extent was there resistance or objection by the employee for being separated from their formal groups	Correlation Coefficient	-0.076	0.025	0.091	-0.047	0.088	-0.107	-0.082	-0.069	-0.25*	0.001
	Sig. (2-tailed)	0.514	0.828	0.443	0.683	0.45	0.356	0.481	0.554	0.035	0.991
In your view, to what extent did the separation create a high level of anxiety, frustration and guilt among the surviving staff	Correlation Coefficient	-0.169	0.142	0.133	-0.227	-0.028	0.033	0.048	-0.114	-0.02	-0.136
	Sig. (2-tailed)	0.129	0.205	0.246	0.041	0.807	0.768	0.672	0.316	0.863	0.232

To what extent did the mental adaptability of employees to their new responsibilities pose any difficulties to your organization roles	Correlation Coefficient	-0.287*	0.118	0.118	-0.115
	Sig. (2-tailed)	0.009	0.29	0.305	0.305
To what extent is the relationship between surviving employees and managers cohesive	Correlation Coefficient	-0.005	-0.205*	-0.167	0.064
	Sig. (2-tailed)	0.963	0.064	0.145	0.567
To what extent has the morale of the employees increased after retrenchment	Correlation Coefficient	0.048	-0.108	-0.102	0.13
	Sig. (2-tailed)	0.67	0.332	0.375	0.243
To what extent has the morale of the employees decreased after retrenchment	Correlation Coefficient	-0.149	0.184	0.043	-0.143
	Sig. (2-tailed)	0.19	0.105	0.713	0.21
To what extent do you think that clarifying the vision of your organization surviving employees to have been a	Correlation Coefficient	0.172	0.061	-0.367**	0.01

0.191	-0.154	0.153	-0.067	-0.166	0.034
0.088	0.169	0.172	0.557	0.154	0.764
0.263*	-0.232*	0.071	0.102	-0.057	0.337**
0.018	0.037	0.531	0.371	0.627	0.002
0.352**	-0.166	-0.088	0.008	-0.041	0.361**
0.001	0.139	0.433	0.943	0.728	0.001
-0.224*	0.138	0.002	-0.136	0.111	-0.439**
0.048	0.229	0.987	0.239	0.351	0
-0.001	0.116	-0.171	-0.139	0.17	-0.19

key factor to advancing employee morale after downsizing					
	Sig. (2-tailed)	0.128	0.594	0.001	0.927
To what extent have there been complaints from *staff that the organization* has failed in its social responsibility by operating on a "profit ethic" and ignoring their need or welfare	Correlation Coefficient	-0.187	0.29*	0.03	-0.252*
	Sig. (2-tailed)	0.095	0.009	0.794	0.023
To what extent have the number and percentage of grievances increased after retrenchment	Correlation Coefficient	-0.227*	0.168	0.066	-0.163
	Sig. (2-tailed)	0.04	0.132	0.568	0.142
To what extent have the number and percentage of grievances decreased after the last retrenchment	Correlation Coefficient	-0.08	-0.045	0.048	0.257*
	Sig. (2-tailed)	0.475	0.687	0.678	0.021
To what extent has your organization streamlined	Correlation Coefficient	-0.08	0.143	0.105	-0.115

0.994	0.307	0.131	0.228	0.147	0.098
-0.091	0.22*	-0.055	-0.107	0.168	-0.456**
0.421	0.05	0.629	0.352	0.153	0
-0.036	-0.082	0.107	-0.049	0.089	-0.185
0.747	0.468	0.343	0.665	0.449	0.103
0.203*	-0.13	0.142	0.095	-0.336**	0.212*
0.071	0.25	0.208	0.407	0.003	0.063
0.212*	0.076	0.177	0.165	-0.004	-0.017

and reduced administrative control					
	Sig. (2-tailed)	0.478	0.203	0.365	0.306
If you have a system of registering customer complaints, please confirm to what extent the complaints have increased since last retrenchment	Correlation Coefficient	-0.248*	-0.067	0.142	0.164
	Sig. (2-tailed)	0.04	0.586	0.259	0.178
If you have a system of registering customer complaints, please confirm to what extent the complaints have decreased since last retrenchment	Correlation Coefficient	-0.11	0.095	0.319**	0.003
	Sig. (2-tailed)	0.537	0.595	0.071	0.987
To what extent has downsizing caused the organization to look into new ways of doing business	Correlation Coefficient	-0.02	0.04	0.094	-0.322
	Sig. (2-tailed)	0.864	0.724	0.421	0.004

* Correlation is significant at the .05 level (2-tailed).

** Correlation is significant at the .01 level (2-tailed).

0.059	0.501	0.116	0.149	0.974	0.883
0.182	-0.213*	0.242*	0.342**	-0.108	0.189
0.138	0.081	0.047	0.005	0.4	0.126
0.48**	-0.401**	-0.107	-0.121	-0.463**	0.573**
0.004	0.019	0.554	0.495	0.009	0
0.067	0.188	0.113	-0.036	-0.106	-0.177
0.56	0.096	0.325	0.758	0.377	0.125

APPENDIX 'D'

List of Parastatal Organizations located in Nairobi, which have downsized in the last ten (10) years.

1. Kenya Commercial Bank Ltd.
2. Savings & Loans (K) Ltd.
3. Central Bank of Kenya
4. Kenya Airways Limited
5. Kenya Airfreight Handling Co. Ltd.
6. Kenya Revenue Authority
7. Kenya Airports Authority
8. Kenya Institute of Administration
9. NGOs Co-ordination Bureau
10. Kenya Wildlife Service
11. Industrial Development Bank
12. Industrial & Commercial Development Corporation
13. Kenya Wine Agencies Limited
14. Kenya National Trading Corporation Limited
15. Export Promotion Council
16. Catering Levy Trustees
17. Kenya Broadcasting Corporation
18. National Water Conservation and Pipeline Corporation
19. Kenya Sugar Authority
20. Agricultural Finance Corporation
21. Kenya Tea Development Authority
22. National Cereals & Produce Board
23. National Irrigation Board
24. Cotton Board of Kenya
25. Nyayo Tea Zones Development Corporation
26. Agricultural Development Corporation
27. National Hospital Insurance Fund
28. Kenya Medical Training Institute
29. Kenya Railways Corporation
30. Telcom (K) Limited
31. Communication Commission of Kenya
32. Consolidated Bank of Kenya
33. National Bank of Kenya Limited
34. Kenya Re-Insurance Corporation
35. National Housing Corporation
36. Kengen
37. National Oil Corporation
38. Kenya Power & Lighting Co. Ltd.

APPENDIX 'E'

Research Authorization letter from the Ministry of Education, Science and Technology

MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY

Telegrams: "EDUCATION", Nairobi
Telephone: Nairobi 334411
When replying please quote
Ref. No. MOEST 13/001/32C 61/2
and date

JOGOO HOUSE "B"
HARAMBEE AVENUE
P.O. Box 30040
NAIRORI

12th April 20 02

John Karimi
P.O. BOX 2727 -00200

NAIROBI

Dear Sir

RE: RESEARCH AUTHORISATION

Please refer to your application for authority to conduct research on 'the problems experienced by organizations in managing the survivors of Downsizing, I am pleased to inform you that you have been authorised to conduct research in Nairobi for a period ending 30th July, 2002.

You are advised to report to the Provincial Commissioner and the Provincial Director of Education Nairobi before embarking on the project.

You are further advised to avail two copies of your research findings to this Office upon completion of your research project.

Yours faithfully

A. C. KAARIA
FOR: PERMANENT SECRETARY/EDUCATION

CC
The Provincial Commissioner
Nairobi

The Provincial Director of Education
Nairobi

APPENDIX 'F'

A covering letter for questionnaire.

John W. Karimi,
C/o Kenya Revenue Authority,
P.O. Box 48240,
NAIROBI.

July 26, 2002

The Human Resources Manager,
Catering Levy Trustees,
P.O. Box 46987,
NAIROBI.

Dear Sir,

REF: MBA PROGRAMME – RESEARCH ON DOWNSIZING OF ORGANIZATIONS

I am carrying out a study on experiences gained and problems encountered by organizations during downsizing process, for my MBA degree thesis.

I have been given clearance by the Ministry of Education, Science and Technology to carry out the study and have chosen Catering Levy Trustees as one of the institutions for this study.

This is therefore to request your busy office and through your office, other Senior officers in your organization who were involved in the staff reduction exercise to spare some few minutes to fill in the attached questionnaire.

Yours faithfully,

JOHN W. KARIMI

APPENDIX 'G'

Internal Forwarding Memorandum by Human Resources Managers to respondents

Kenya Revenue Authority

From: Chief Human Resources & Admin. Manager

To:

Date: 25th June 2002

RE: MBA PROGRAMME - RESEARCH ON DOWNSIZING OF ORGANIZATIONS

Mr. John Karimi, our Deputy Chief Human Resources & Administration Manager (Admin.) is carrying out a study on the above topic as partial requirement for the award of an MBA degree by the University of Nairobi.

He has been given clearance by the Ministry of Education, Science and Technology to carry out the study and has chosen the Authority as one of the institutions for this study.

This is, therefore, to request you to accord him all the necessary assistance in this matter.

MICHAEL A. ONYURA
CHIEF HUMAN RESOURCES & ADMIN. MANAGER

c.c. Mr. John W. Karimi

NATIONAL HOSPITAL INSURANCE FUND

Internal Memo

FROM: **CHIEF MANAGER ADMIN. & PERS.**

TO: **ALL MANAGERS**
ALL ASS. MANAGERS

DATE: **21ST MAY 2002**

RE: SURVEY ON DOWNSIZING OF ORGANIZATIONS

Mr.John W. Karimi, who is the Deputy Chief Human Resources & Administration Manager with Kenya Revenue Authority is carrying out a study on the above topic as partial requirement for the award of an MBA degree by the University of Nairobi.

He has been given clearance by the Ministry of Education Science and Technology to carry out the study and has chosen the Fund as one of the Institutions for this study.

This is therefore to introduce Mr. Karimi to you and to request you to accord him all the necessary assistance in this matter.

E.J. MURUKA

cc. John W. Karimi

NATIONAL CEREALS AND PRODUCE BOARD

Telex: 24109 MARKETE KE
Fax: 542024
Telegrams: MARKETER
Telephone: 536028
Email: cereals@africaonline.co.ke

P.O. Box 30586
NAIROBI
KENYA

OUR REF: **ST/G/38**

YOUR REF:

4th July, 2002

TO: Mr. John Ndonga

FM: HUMAN RESOURCE MANAGER

RE: QUESTIONNAIRE ON DOWNSIZING OF ORGANIZATIONS

Mr. John W. Karimi is an MBA student at the University of Nairobi. He is carrying out a study on experiences and problems encountered by organizations during downsizing process for his MBA thesis.

His request to carry out this study in the Board has been accepted and you are requested to kindly spare some time to fill in the attached questionnaire to enable him complete this study.

E.K. Bichii
For: HUMAN RESOURCE MANAGER

NG/amn

APPENDIX 'H'

Regrets from some Organizations which did not participate in filling of the questionnaire

Kenya Reinsurance Corporation Ltd.

Kenya Re

Reinsurance Plaza
P.O Box 30271
Telephone:240188
Telegrams KENYARE
Telex 22046
Telefax (254 2) 339161
Email:kenyare@kenyare co ke
Website:http://www.kenyare co ke
Nairobi, Kenya

15th July 2002

John W. Karimi,
C/o Kenya Revenue Authority,
P.O. Box 48240,
NAIROBI.

Dear Sir,

RE: QUESTIONNAIRE ON DOWNSIZING OF ORGANIZATION

Kindly refer to your letter dated 4th July 2002 in respect of the above referenced.

Following the recent restructuring of the organisation, the Line Mangers are operating within very strict schedules and are unlikely, at this point in time, to respond effectively to your questionnaire.

We do record with appreciation the interest shown in our Organisation. Returned herewith for your custody are the questionnaire forms.

Yours faithfully,

E.N. KIMANZI (MRS)
MANAGER (HUMAN RESOURCES, ADMIN & SUPPLIES)

Encls.

Industrial & Commercial Development Corporation

FUNGUA UCHUMI

ICDC

Head Office
Uchumi House
Aga Khan Walk
P.O. Box 45519
Nairobi, Kenya
Telephone: 229213
Fax:254-2-333880
E-mail:icdc@icdc.co.ke

Ref. No. HR/01/gen

June 17th, 2002

Mr. John W. Karim
C/o Kenya Revenue Authority
P. O. Box 48240
NAIROBI.

Dear Sir,

RE : QUESTIONNAIRE ON DOWNSIZING OF ORGANIZATIONS

We acknowledge receipt of your letter and questionnaires relating to the above issue.

We however regret to inform you that we are not in a position to fill the questionnaires as requested.

Yours Faithfully,

F. NENE
FOR : EXECUTIVE DIRECTOR

FN/zo