THE IMPACT OF DOWNSIZING ON SURVIVING EMPLOYEES’ ORGANIZATIONAL COMMITMENT IN A RETAIL ORGANIZATION

BY

CELESTE CLOETE

MINI –THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MAGISTER COMMERCII, IN THE DEPARTMENT OF INDUSTRIAL PSYCHOLOGY, FACULTY OF ECONOMIC AND MANAGEMENT SCIENCE, UNIVERSITY OF THE WESTERN CAPE

SUPERVISOR: RUKHSANA JANO

NOVEMBER 2012
DECLARATION

I hereby declare that “The impact of downsizing on surviving employees’ organizational commitment in a retail organization” is my own work, that it has not been submitted for any degree or examination at any other institution of higher learning, and that all references have, to the best of my knowledge, been correctly reported. It is being submitted for the degree of Magister Commercii at the University of the Western Cape.

Full Name: Celeste Cloete

Date: 15 November 2012

Signed: ……………………. 
I would like to express my sincere gratitude and appreciation to the following people who played an instrumental role in enabling me to complete this dissertation:

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ABSTRACT

Organizations are operating within a difficult economic environment and in the face of fierce world competition (George & Jones, 1992 cited in Ndlovu & Brijball Parumasur, 2005). To remain competitive globally and for economic reasons, Theron and Dodd (2011) postulate that organizations sporadically have to retrench workers. In order to reduce expenses as well as costs and losses to the organization, they have to restructure and reduce their headcount and the typical form of engaging in the restructuring is by means of downsizing.

Makawatsakul and Kleiner (2003) posit that employee morale and loyalty tend to be the first unintended casualties of a downsizing strategy. The repercussions of downsizing is that it jeopardizes employees’ commitment and morale to a large extent (Muthuvuloo 8Rose, 2005) and survivors thus experience lower job and organizational satisfaction (Baruch & Hind, 2000) as this creates insecurity, anxiety and uncertainty. Survivors are also often forced to make a sideway or downward move in their job, may experience a drop in pay and status, become stressed by the amount of work left by departing colleagues that they would now need to undertake and worry about the security of their new position in the organization (Chipunza & Berry 2010).
In light of the above, the aim of the study was to investigate the organizational commitment of those employees who survived and remained with the retail organization following a downsizing process. For the purpose of this study a quantitative, non probability convenience sampling design was utilized. The sample (N=150) comprised of both males and females from different ethnic groups. A self developed biographical questionnaire and the Organizational Commitment Questionnaire (OCQ) were used to gather data. Statistical analyses involved both descriptive and inferential statistics (the Pearson Product-Moment Correlation Coefficient, Multiple Regression Analysis and Analysis of Variance).

The results of the study indicate that employees display below average levels of commitment to the organization. More specifically, a direct, positive relationship was found between normative and affective commitment. Furthermore, a statistically significant relationship was found between affective and continuance commitment. Statistically significant relationships were found between the biographical characteristics namely, tenure, gender and age, and organizational commitment. Limitations of the current study are put forth and recommendations are made with respect to future research and for the organization.
KEY WORDS

Organizational Commitment

Affective Commitment

Normative Commitment

Continuance Commitment

Organizational Commitment Questionnaire (OCQ)

Age

Gender

Tenure

Survivors

Survivor Syndrome
# TABLE OF CONTENTS

## Chapter 1

### Introduction

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Background</td>
<td>1</td>
</tr>
<tr>
<td>1.2</td>
<td>Rationale for the Study</td>
<td>5</td>
</tr>
<tr>
<td>1.3</td>
<td>Aims and Objectives of the Study</td>
<td>8</td>
</tr>
<tr>
<td>1.4</td>
<td>Hypotheses</td>
<td>9</td>
</tr>
<tr>
<td>1.5</td>
<td>Definition of Important Constructs</td>
<td>10</td>
</tr>
<tr>
<td>1.5.1</td>
<td>Downsizing</td>
<td>10</td>
</tr>
<tr>
<td>1.5.2</td>
<td>Affective Commitment</td>
<td>11</td>
</tr>
<tr>
<td>1.5.3</td>
<td>Normative Commitment</td>
<td>11</td>
</tr>
<tr>
<td>1.5.4</td>
<td>Continuance Commitment</td>
<td>11</td>
</tr>
<tr>
<td>1.5.5</td>
<td>Survivors</td>
<td>11</td>
</tr>
<tr>
<td>1.5.6</td>
<td>Survivor Syndrome</td>
<td>12</td>
</tr>
<tr>
<td>1.6</td>
<td>Significance of the Study</td>
<td>12</td>
</tr>
<tr>
<td>1.7</td>
<td>Summary of the Chapter</td>
<td>13</td>
</tr>
<tr>
<td>1.8</td>
<td>Overview of the Chapter</td>
<td>14</td>
</tr>
</tbody>
</table>
## Chapter 2

### Literature Review

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Introduction</td>
<td>15</td>
</tr>
<tr>
<td>2.2</td>
<td>Downsizing</td>
<td>16</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Defining Downsizing</td>
<td>16</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Model for Downsizing</td>
<td>18</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Reasons for Downsizing</td>
<td>20</td>
</tr>
<tr>
<td>2.2.4</td>
<td>Survivors Attitude towards Organizational Downsizing</td>
<td>22</td>
</tr>
<tr>
<td>2.2.5</td>
<td>Coping Strategies for Survivors of Downsizing</td>
<td>31</td>
</tr>
<tr>
<td>2.2.6</td>
<td>Consequences of Downsizing</td>
<td>33</td>
</tr>
<tr>
<td>2.2.7</td>
<td>Downsizing Strategies</td>
<td>40</td>
</tr>
<tr>
<td>2.2.8</td>
<td>Downsizing Process</td>
<td>42</td>
</tr>
<tr>
<td>2.3</td>
<td>Organizational Commitment</td>
<td>44</td>
</tr>
<tr>
<td>2.3.1</td>
<td>Defining Organizational Commitment</td>
<td>44</td>
</tr>
<tr>
<td>2.3.2</td>
<td>The Three Model Approach to Organizational Commitment</td>
<td>47</td>
</tr>
<tr>
<td>2.3.2.1</td>
<td>Affective Commitment</td>
<td>47</td>
</tr>
<tr>
<td>2.3.2.2</td>
<td>Continuance Commitment</td>
<td>50</td>
</tr>
<tr>
<td>2.3.2.3</td>
<td>Normative Commitment</td>
<td>52</td>
</tr>
<tr>
<td>2.4</td>
<td>Antecedents of Organizational Commitment</td>
<td>55</td>
</tr>
<tr>
<td>2.4.1</td>
<td>Role and work related determinants</td>
<td>55</td>
</tr>
<tr>
<td>2.4.2</td>
<td>Personal factors</td>
<td>57</td>
</tr>
</tbody>
</table>
Chapter 3
Research Methodology

3.1 Introduction 68
3.2 Research Design 68
3.2.1 Population 70
3.2.2 Sample 71
3.3 Procedure for Data Collection 72
3.4 Data Collection Methods 73
3.4.1 The Biographical Questionnaire 74
3.4.2 The Organizational Commitment Questionnaire (OCQ) 74
3.4.2.1 Nature and Composition of the Questionnaire 74
3.4.2.2 Psychometric Properties 75
3.4.2.2.1 Reliability 76
3.4.2.2.2 Validity 77
3.4.2.3 Rationale for inclusion of the OCQ 79
3.5 Statistical Techniques

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.5.1</td>
<td>Descriptive Statistics</td>
<td>79</td>
</tr>
<tr>
<td>3.5.2</td>
<td>Inferential Statistics</td>
<td>80</td>
</tr>
<tr>
<td>3.5.2.1</td>
<td>T–Tests</td>
<td>80</td>
</tr>
<tr>
<td>3.5.2.2</td>
<td>Analysis of Variance (ANOVA)</td>
<td>81</td>
</tr>
<tr>
<td>3.5.2.3</td>
<td>The Pearson Product Moment Correlation Coefficient</td>
<td>81</td>
</tr>
<tr>
<td>3.6</td>
<td>Conclusion</td>
<td>82</td>
</tr>
</tbody>
</table>

**Chapter 4**

**Results**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Introduction</td>
<td>83</td>
</tr>
<tr>
<td>4.2</td>
<td>Descriptive Statistics</td>
<td>83</td>
</tr>
<tr>
<td>4.2.1</td>
<td>Results of the Biographical Questionnaire</td>
<td>85</td>
</tr>
<tr>
<td>4.3</td>
<td>Inferential Statistics</td>
<td>93</td>
</tr>
<tr>
<td>4.4</td>
<td>Reliability Analysis</td>
<td>99</td>
</tr>
<tr>
<td>4.5</td>
<td>Conclusion</td>
<td>100</td>
</tr>
</tbody>
</table>

**Chapter 5**

**Discussion, Recommendations & Conclusions**

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>Introduction</td>
<td>101</td>
</tr>
<tr>
<td>5.2</td>
<td>Sample</td>
<td>101</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
<td>Page</td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>5.3</td>
<td>Descriptive Statistics for the Dimensions of Organizational Commitment</td>
<td>102</td>
</tr>
<tr>
<td>5.3.1</td>
<td>Affective Commitment</td>
<td>102</td>
</tr>
<tr>
<td>5.3.2</td>
<td>Normative Commitment</td>
<td>103</td>
</tr>
<tr>
<td>5.3.3</td>
<td>Continuance Commitment</td>
<td>103</td>
</tr>
<tr>
<td>5.4</td>
<td>Inferential Statistics</td>
<td>103</td>
</tr>
<tr>
<td>5.4.1</td>
<td>Organizational Commitment</td>
<td>103</td>
</tr>
<tr>
<td>5.4.2</td>
<td>Tenure</td>
<td>108</td>
</tr>
<tr>
<td>5.4.3</td>
<td>Gender</td>
<td>112</td>
</tr>
<tr>
<td>5.4.4</td>
<td>Age</td>
<td>116</td>
</tr>
<tr>
<td>5.5</td>
<td>Limitations of the Study</td>
<td>119</td>
</tr>
<tr>
<td>5.6</td>
<td>Recommendations for Future Research</td>
<td>120</td>
</tr>
<tr>
<td>5.7</td>
<td>Recommendations for the Organization</td>
<td>122</td>
</tr>
<tr>
<td>5.8</td>
<td>Conclusion</td>
<td>124</td>
</tr>
<tr>
<td></td>
<td>Reference List</td>
<td>126</td>
</tr>
<tr>
<td></td>
<td>Appendices:</td>
<td>152</td>
</tr>
<tr>
<td></td>
<td>Annexure A: Letter to participants</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td>Annexure B: Biographical Questionnaire</td>
<td>156</td>
</tr>
<tr>
<td></td>
<td>Annexure C: Organizational Commitment Questionnaire</td>
<td>161</td>
</tr>
</tbody>
</table>
# LIST OF TABLES

<table>
<thead>
<tr>
<th>TABLE NO</th>
<th>PAGE NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1: Reasons and objective of downsizing</td>
<td>22</td>
</tr>
<tr>
<td>Table 2.2: The direct and indirect costs of the downsizing Process</td>
<td>39</td>
</tr>
<tr>
<td>Table 4.1: Descriptive Statistics for the dimensions of organizational commitment</td>
<td>84</td>
</tr>
<tr>
<td>Table 4.2: Intercorrelation matrix</td>
<td>93</td>
</tr>
<tr>
<td>Table 4.3: ANOVA: Organizational commitment by tenure</td>
<td>94</td>
</tr>
<tr>
<td>Table 4.4: Scheffe’s Post hoc comparison of the tenure of respondents</td>
<td>95</td>
</tr>
<tr>
<td>Table 4.5: T-test: Organizational Commitment by Gender</td>
<td>96</td>
</tr>
<tr>
<td>Table 4.6: ANOVA: Organizational Commitment by Age</td>
<td>97</td>
</tr>
</tbody>
</table>
Table 4.7: Scheffe’s Post hoc comparison of the age of respondents in relation to organizational commitment

Table 4.8: Cronbach’s Coefficient Alpha for the Organizational Commitment Questionnaire
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>FIGURE NO</th>
<th>PAGE NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 2.1: The downsizing process / research model</td>
<td>19</td>
</tr>
<tr>
<td>Figure 2.2: A three model component of organizational Commitment</td>
<td>54</td>
</tr>
<tr>
<td>Figure 4.1: Age distribution of respondents</td>
<td>86</td>
</tr>
<tr>
<td>Figure 4.2: Gender of respondents</td>
<td>87</td>
</tr>
<tr>
<td>Figure 4.3: Race of respondents</td>
<td>88</td>
</tr>
<tr>
<td>Figure 4.4: Educational Level</td>
<td>89</td>
</tr>
<tr>
<td>Figure 4.5: Marital Status</td>
<td>90</td>
</tr>
<tr>
<td>Figure 4.6: Current position in organization</td>
<td>91</td>
</tr>
<tr>
<td>Figure 4.7: Tenure</td>
<td>92</td>
</tr>
</tbody>
</table>
CHAPTER 1

INTRODUCTION

1.1. BACKGROUND

The amount of organizational changes involving downsizing, closing and mergers has been on the rise in recent years (Burke & Cooper, 2000 cited in Hellgren, Naswall and Sverke, 2005). A prominent rationale behind organizational change is to resort to some kind of organizational restructuring (Vermeulen & Wiesner 2000). Downsizing has been referred to by a number of different terms – resizing, layoffs, retrenchment, restructuring and even rightsizing. These terms all share a universal purpose, namely, workforce reduction, where the basic premise is to increase efficiency and productivity. In most cases, all of the aforementioned terms are often used interchangeably in most situations (Sadri, 1996). Kalimo, Taris and Schaufell (2003 cited in Hellgren et al., 2005) state that organizational downsizing through permanent layoffs and offers of early retirement, have become one of the most frequently used strategies for improving effectiveness and competitive ability.

Numerous literature by various authors have provided insight into the negative side of downsizing (Makawtsakul and Kleiner, 2004; Yu and Park, 2006) According to Yu and Park (2006), downsizing disrupts the existing
social networks in the organization as the organization loses the knowledge of laid off employees and unconstructively affects the whole network of knowledge within the organization.

According to Baruch and Hind (2000 cited in Travaglione & Cross, 2006), survivors display a host of problems such as demotivation, cynicism, insecurity, demoralization and a significant decline in organizational commitment. Furthermore, the negative effects associated with the downsizing process is the decrease in productivity, increasing absenteeism and the affected survivors attitudes whereby their morale, job satisfaction and organizational commitment are decreased job stress is increased (Arnold & Feldman, 1982; Greenhalgh, 1982 & Kozlowski, et al, 1993 all cited & Erickson and Roloff, 2008). During the downsizing process, employees may have the view that the organization hold them in low regard and ignore their interests. As a result, they may no longer consider that their employers will treat them equitably (Erickson & Roloff, 2007).

Organizational commitment plays a critical role in an employee’s belief in the change process (Yousef, 2000). According to Elizur and Koslowsky (2001), organizational commitment refers to the relative strength of an individual’s identification with and attachment, both emotionally and functionally, to one’s place of work. Suliman and Iles (2000 cited in Travagoline & Cross, 2006) contend that organizational commitment is the driving force behind an organization’s performance. Furthermore, Price (1997) and Steers and Porter
(1991) purport that a strong belief in the organization’s goals and values, a willingness to exert considerable effort on behalf of the organization and a strong desire to remain in the organization are the factors that characterize organizational commitment. A review of literature by Meyer and Allen (1991) and Meyer and Allen (1997) identifies three types of organizational commitment namely affective, normative and continuance commitment. Each of these components of commitment are prone to the effects of change (Bennet & Durkin, 2000 cited in Travagoline & Cross, 2006). Maintaining commitment after a downsizing process is thus critical (Travagoline & Cross, 2006). Spreitzer and Mishra (2002) postulate that any risk to an employee’s job security will considerably impact their level of organizational commitment. An employee’s level of organizational commitment may decline as they hold the view that the organization is not devoted to them and their well being. Armstrong-Stassen (2004) reports on a strong association between downsizing and a decrease in organizational commitment. The author further postulates that employees with a high level of commitment to the organization are prone to having a more negative reaction to downsizing.

The most prevailing negative side to downsizing is that it hurts the survivors in the organization through what is called “survivor syndrome”. Several studies have reached the conclusion that the proposed benefits of organizational downsizing are seldom achieved and that the negative side effects have
severe consequences for the organization`s vitality and competitive ability (Makawatsakul & Kleiner, 2004).

Appelbaum, Lavinge-Schmidt, Peytechev and Shapiro (1999) maintain that a major factor attributed to organizations not achieving their corporate objectives after downsizing is that they do not adequately and effectively address the “people factor” throughout the process. According to Appelbaum, Delage, Labib and Gault (1997), there are three categories of people in the downsizing process: (i) those who will not lose their jobs, (ii) those who may lose their jobs and (iii) those who will lose their jobs. The first two categories are referred to as “survivors”. It is imperative to be aware that survivors of downsizing often experience the effects of major change as deeply as those made redundant (Doherty, Bank & Vinnicombe, 1996).

Survivor syndrome is the term generally used to refer to the moral problems amongst those remaining in the company after downsizing (Makawatsakul & Kleiner, 2004). Appelbaum et al. (1997) add that the survivor syndrome refers to the mixed bag of behaviours and emotions often exhibited by remaining employees following an organizational downsizing. Smeltzer and Zener (1994) delineate that survivors may have a lower level of commitment as they distance themselves from the organization.
Similarly Baruch and Hind (2000) are of the view that the negative effects of downsizing are experienced as severely by the employees who remain in the organization. Various authors (Cascio, 1993; Thornhill, Saunders & Stead, 1997; Appelbaum et al., 1997) highlighted various negative emotions and feelings that survivor’s experience. Amongst others, these include shock, disbelief, betrayal, animosity, decreased morale and motivation, guilt, fear, insecurity, anger, frustration, sadness and distrust. Tomasko (1990 cited in Ndlovu & Brijball Parumasur, 2005) further adds that other effects include psychological trauma, higher human costs, decrease in levels of performance, lower morale and reduced employee commitment.

1.2. RATIONALE FOR THE STUDY

According to Budros (1997), downsizing has become a common phenomenon within the larger global economy. Organizations employ the downsizing strategy to an attempt to survive and compete in the global economy (Bhattachryya & Chatterjee, 2005). Those who undertake this process, or any other organizational change, do so with the understanding that it would have a more positive effect, such as lower overhead cost, decreased bureaucracy, faster decision making processes, smoother communication, better productivity and increased earnings (Kets de Vries & Balazs, 1997 cited in Hellgren et al., 2005).
Clarke and Koonce (1997) contend that survivors of downsizing are likely to be more productive, given that they hold onto their jobs. Contrary to this view however, survivors are actually fearful of their jobs, have an emergent mistrust of the company, and have little comprehension of what management is doing or what their role will be in the future (Clarke & Koonce, 1997). Those who survive the downsizing process frequently display emotions and responses that encompass shock, disbelief, betrayal, animosity towards management and concern about colleagues which thereafter lead to a decrease in motivation, lower morale, guilt and fear about job security (Doherty et al., 1996). Research shows that employees who remain within an organization after significant downsizing or delaying often experience the adverse effects of change as intensely as those who have left (Baruch & Hind, 2000).

According to Appelbaum et al. (1997), the individuals who have the harshest cases of survivor syndrome are those who built their lives around their employer. Smeltzer and Zener (1994) add that survivors may have a lower level of commitment as they distance themselves from the organization. Should employee commitment decline as a result of the downsizing, the organization will experience a decline in productivity and profitability. Decreased levels of motivation and satisfaction amongst employees can
result in a decreased willingness to exert more effort on behalf of the organization (Thornhill et al., 1997).

The result of the downsizing process is ultimately reliant on the reactions of the survivors of the process as their attitudes, behaviours and health are critical to the organization’s effectiveness and their predetermined goals (Hellgren et al., 2005). Being conscious of the levels of commitment in an organization will place leaders in a better position to proactively address the adverse effects such as employee turnover, detachment, absenteeism and other negative implications associated with low organizational commitment (Yousef, 2000).

According to Westermann–Winter (2007), the effect downsizing has on the level of organizational commitment and job performance will differ amongst survivors in terms of how close the employees are to the downsizing process, their perceptions of fairness within the process and their position in the organization’s hierarchy. Organizations are often successful at preparing for the departure of the employees who will be leaving the organization but they lack in preparing themselves for dealing with the low morale and productivity experienced by survivors. Appelbaum et al. (1997) are of the opinion that these are renowned reasons for the poor performance of companies that downsize. It is vital for an organization to consider the costs associated with
the demoralization of survivors and this is usually apparent in the withdrawal behaviour of the employees towards both the employer and the workplace (Appelbaum et al., 1999). Larkey and Morril (1995) postulate that committed employees are viewed as more consistent, productive and more likely to achieve organizational goals. Appelbaum et al. (1997) note that organization’s have underrated the negative effect of downsizing and do not take heed of the challenges involved with motivating survivors who have witnessed others losing their jobs.

1.3. AIMS AND OBJECTIVES OF THE STUDY

Based on the above the overall aim of the study is to investigate what impact the downsizing process had on the organizational commitment of those employees who survived and remained with the retail organization following the downsizing process. More specifically, the objective of the research is to determine whether there is a difference in the organizational commitment of those employees who remained in the organization.

Further objectives which will be explored are:

- Whether there will be a significant relationship between the dimensions of organization commitment (namely, continuance, affective and normative) of surviving employees after a downsizing process.
• Whether there will be significant difference relationship between tenure and the organizational commitment of surviving employees after a downsizing.

• Whether there will be significant differences between gender and the organizational commitment of surviving employees after a downsizing process.

• Whether there will be significant differences between age and the organizational commitment of surviving employees after a downsizing process.

1.4. HYPOTHESES

The hypotheses that will be investigated in this study are:

**Hypothesis 1**

There will be a significant relationship between the dimensions of organizational commitment of surviving employees after a downsizing process.

**Hypothesis 2**

There will be a significant relationship between tenure and organizational commitment of surviving employees after a downsizing process.
Hypothesis 3

There will be significant differences in gender and organizational commitment of surviving employees after a downsizing process.

Hypothesis 4

There will be significant differences in age and the organizational commitment of surviving employees after a downsizing process.

1.5. DEFINITION OF IMPORTANT CONSTRUCTS

A brief description of the key constructs in the study are discussed below:

1.5.1. Downsizing

Downsizing is defined by Appelbaum, Patton and Shapiro (2003) as a set of activities undertaken by management of the organization and is designed to improve organizational efficiency, productivity and / or competitiveness. It represents a strategy implemented by managers that affects the size of the firm’s workforce and the work processes. The terms organizational change, organizational restructuring, re-engineering, and retrenchment are often used interchangeably in literature. For the purpose of the study, the term downsizing will be referred to which denotes work force reduction.
1.5.2. Affective Commitment

Affective commitment is defined as an employee’s emotional attachment, identification and involvement in the organization and its goals (Lee & Corbett, 2006).

1.5.3. Normative Commitment

Meyer and Allen (1997) refer to normative commitment as an employee’s obligation to remain in the organization.

1.5.4. Continuance Commitment

Continuance commitment refers to an employee’s commitment to the organization based on the costs associated with leaving the organization. These could include close working relationships, career investment and years of service with the organization which make it too costly for the employee to leave the organization (Heery & Noon 2001).

1.5.5. Survivors

Morrow (1983 cited in Thornhill et al., 1997) state that survivors are the staff who remains in the organization after organizational downsizing and restructuring have occurred.
1.5.6. Survivor Syndrome

Survivor Syndrome refers to a set of attitudes, perceptions and behaviors of employees who remain in the organization following involuntary employee reductions. The term is also referred to as survivor sickness (Robbins, 1999).

1.6. SIGNIFICANCE OF THE STUDY

Downsizing has become a familiar phenomenon in the world of work. In order to reduce expenses, and costs and losses to the organization, companies have to restructure and reduce their headcount and the typical forms of engaging in the restructuring are by means of downsizing. Organizations have also become more aware of the cost cutting mechanism in order to remain competitive and this need results in layoffs, downsizing and restructuring (Cascio, 1993). Limited studies however, focus on the impact of downsizing from the perspective of those employees who remain in the organization. This view is supported by Appelbaum et al. (1997) who postulate that organizational downsizing has become more common in recent times, yet many surveys have confirmed that the survivors are often ignored before, after and during the process.
The organization where the research will be undertaken went through a downsizing process where the workforce was significantly reduced. With the workforce reduction some employees were involuntarily retrenched. There is thus a need to understand how those who remained in the organization were affected by the process, but more specifically, to address their commitment to the organization. With this is in mind, any findings from the study could be of value in highlighting the negative effect the process could have on employees who survived. At an individual level, the results of the study could be utilized to devise coping mechanisms to assist the surviving employees. From an organizational perspective, the results of the study could be utilized by organizations that are either in the process of or planning to engage in downsizing to take cognizance of the surviving employees. Furthermore, the findings of the study could be utilized by other companies to better manage its downsizing processes and get insight into the viewpoint and feelings of survivors after having experienced such an emotional process.

1.7. SUMMARY OF THE CHAPTER

Chapter 1 provides an introduction to the research highlighting the variables that will form the basis of the study. An overview is also given for the rationale of undertaking the study and highlights the key objectives to be obtained from the study. The research hypotheses are delineated and important constructs are defined.
1.8. OVERVIEW OF THE CHAPTERS

Subsequent to the introductory chapter providing a brief insight into the study, Chapter 2 follows with an overview of the literature review discussing the variables being investigated. Downsizing and organizational commitment are comprehensively defined and a theoretical context to the impact it has on those who remain in the organization (that is, the survivors) is provided. This chapter will also address the reality of downsizing within South Africa.

Chapter 3 outlines the research methodology to be undertaken in the study. Specific reference is made to the data collection methods, the research design and the statistical techniques utilized to test the hypotheses.

Chapter 4 provides an overview of the statistical results of the study. The data is presented in the form of pictographic charts and summaries of key points of note are given.

Chapter 5 provides a discussion of the results of the current study and makes comparison to the findings in relation to existing literature. This chapter concludes with recommendations for future research and for the organization.

The following chapter will provide an overview of the constructs being investigated.
CHAPTER 2

LITERATURE REVIEW

2.1. INTRODUCTION

The emergence of globalization is resulting in organizations consistently needing to adapt its operations in order to remain effective and efficient (Chew & Horwitz, 2002). Thus organizations are changing the manner in which they do business with the view to remain competitive and avoid becoming obsolete (Taylor, 2008). The spectrum of business demands organizations having to deal with a range from, but are not limited to, cost management, economic recession, increased oil prices, political instability (Yu & Park, 2006). Thus in order to survive they continuously strive toward innovative methods of operating (Bloise, Cook & Hunsaker, 2003). Yu & Parke (2006) add that developing a learning organization, the ability to adapt to economic and environmental demands is a key requisite for effective productivity.

As part of the coping mechanism to the business challenges, downsizing is becoming a prominent activity (Chipunza, 2009). Iverson and Zatzick (2011) contend that the current global economic crisis has resulted in many organizations undertaking the downsizing strategy in an effort to speedily cut
cost and increase productivity. The organizational, individual and societal implication of downsizing has led to the construct receiving considerable attention in research (Trevor & Nyberg, 2008).

The mammoth effect on those remaining in the employment of the organization after the downsizing process is a topic investigated by many researchers (Iverson & Zatzick, 2011; Taylor, 2008). In addition, the variable organizational commitment has also become an important research construct as organizations always strive to gain an understanding of how to increase the commitment levels of their employees (Kwon & Banks, 2004). According to Mowday, Porter and Steers (1982), the effective management of organizational commitment can lead to beneficial outcomes for the organization. While firms undergo downsizing strategies to reduce redundancy and remain competitive, they are yet to unravel the effects associated with those who remain in the organization (Cascio, 2002).

2.2. DOWNSIZING

2.2.1. DEFINING DOWNSIZING

Many researchers have endeavoured to characterize the term downsizing but no clear theoretical definition has been conceptualized (Kurebwa, 2011).
According to Cameron (1994 cited in Thornhill et al., 2007), the term is often used interchangeably with a range of other synonymous terms such as “de-recruiting”, “de-massing”, “re-engineering”, “re-sizing”, “restructuring”, “reorganization” and “rightsizing”.

Several authors (Cascio 1993; Kumar & Pranjal, 2009; Kozlowski 1993 cited in Kurebwa, 2011) all share a universal viewpoint that downsizing is a deliberate decision taken by the organization to reduce the workforce. The process is undertaken with the end goal of improving performance in the organization. Noer (2001) defines downsizing as a predetermined choice by the organization to decrease the workforce which in turn, should increase organizational performance. Similarly, Robbins (1999) state downsizing is a process whereby the organization reduces its workforce and makes assets redundant with the aim of achieving cost alleviation and improve efficiency.

Saw and Barrett-Power (1997 cited in Appelbaum et al., 1999) posit the key characteristics of downsizing as:

- Intentional - it involves but is not restricted to personnel reduction,
- Is ascribed to enhance efficiency of the organization and
- Has an influence on work processes knowingly or unknowingly.
Mentzer (1996 cited in Bhattacharyya & Chatterjee, 2005) surmise that numerous researchers have provided diverse definitions of the term downsizing. The researchers however, share a common notion that it essentially involves a reduction of headcount in an organization’s workforce.

2.2.2. MODEL FOR DOWNSIZING

Jiang and Klein (2000) provide a downsizing process research model. The framework illustrates that the decision to downsize starts at an organizational level with the organization’s environment being the focal point. Aspects such as strategic leadership, a suitable human resource management framework and cultural values all contribute to a more proactive approach decision taken to downsize. In the absence of the above, decisions prone to be reactive in nature triggers the downsizing process. Target and strategy selection determine the first impact at the individual level, namely, the terminated personnel, the survivors, and the programs designed to assist both groups. This forms the organizational downsizing policies. The framework further indicates that the relationship between downsizing strategies and effectiveness at the organizational level is mediated by complex psychological processes at individual levels of conceptualization. From a purely instrumental perspective, the ways in which an organization supports downsized personnel and the effects of job loss on displaced employees are
meaningful information to downsizing survivors. Career management strategy is a reaction that can be either detrimental or beneficial. Survivor reactions influence group and organizational effectiveness. Collective responses affect the firm’s adaptation to (perceived) environmental contingencies. The effects of downsizing unfold over time. Figure 2.1 below depicts the downsizing process / research model.

**Figure 2.1: The downsizing process / research model**

Source: Jiang & Klein, (2000, pp. 34-45)
According to Cascio (2002), downsizing may have a range of target levels. It could be implemented *geographically* (for example, in countries or regions), across *organizational functions* (for example, aimed at the production or marketing department), at *specific job positions* (for example, retrenching employees with certain competencies and skills) or *reduction targets* could be applied (for example, implementing a 10% reduction throughout the organization at all administrative and managerial levels).

### 2.2.3. REASONS FOR DOWNSIZING

A number of reasons are cited in literature to underline why organizations undertake a downsizing process (Drake, Beam & Morin, 1994; Hitt, Keats, Harback & Nixon, 1994; Littler, Bramble & McDonald, 1994; Mathews, 1995; Thomas, 1996 all cited in Vermeulen 2002). The rationale to proceed with the downsizing process is typically attributed to a combination of factors (Arnolds, 2005).

The reasons for downsizing vary from aspects such as acquisitions and mergers (resulting in the quantity of staff being higher after the organizations join), technological innovations (the consequential impact being less labour intensive productions), international competition (leading to product and employee redundancy), slow economic growth and rapidly changing markets.
(Appelbaum et al., 1999). Bhattacharyya and Chatterjee (2005) support this view and contend that the rationale for downsizing can be considered from an economic, institutional, strategic, ideological and a rational perspective. Furthermore, Greengard (1993 cited in Vermeulen, 2002) purport the underlying principle and causes of downsizing could, amid others, relate to the need to manage overhead costs, recessionary economic conditions, increase global competition and the roll out of new technologies. Various researchers (Appelbaum et al., 1997; Budros, 2002 cited in Chipunza & Berry 2010) also posit that the decision to downsize can be triggered by economic decline, mergers and market regulations.

According to Cascio (2002), organizations world wide undertake downsizing in anticipation that the process will yield economic benefits. Yucel (2012) state the decrease in the demand and supply has led to organizations cutting down their productions thus resulting in fewer numbers of workers required. Regardless of the reasons, downsizing has intense consequences for all those in the organization (Luthans & Sommer, 1999 cited in Hopkin & Weathington, 2006).

The divergent reasons for and objectives of downsizing are summarized in Table 2.1 on the following page.
Table 2.1: The reasons and objectives of downsizing

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Objectives</th>
</tr>
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<tbody>
<tr>
<td>Economic slowdown / recession</td>
<td>Reduced labour costs</td>
</tr>
<tr>
<td>Labour and cost increases</td>
<td>Improved profitability</td>
</tr>
<tr>
<td>Loss of market share</td>
<td>Increased productivity</td>
</tr>
<tr>
<td>Low productivity</td>
<td>Improved customer service</td>
</tr>
<tr>
<td>Reduced profit margin</td>
<td>Improved decision making</td>
</tr>
<tr>
<td>New business strategies</td>
<td>Reduced bureaucracy</td>
</tr>
<tr>
<td>Technological changes</td>
<td>Improved internal communication</td>
</tr>
<tr>
<td>Deregulation</td>
<td>Enhanced labour flexibility</td>
</tr>
<tr>
<td>Changes in government policy</td>
<td>Maximized stock value</td>
</tr>
</tbody>
</table>


2.2.4. SURVIVORS’ ATTITUDE TOWARD ORGANIZATIONAL DOWNSIZING

Downsizing has generally shown to cause a plethora of organizational problems (Chipunza & Berry, 2010). Researchers on the downsizing phenomenon have reached consensus on the host of reactions amongst survivors in the organization – this has become known as “survivor sickness”
(Noer, 1993 cited in Chipunza & Berry, 2010) or survivor syndrome (Cascio 1993). Baruch and Hind (2000) also make reference to employees who remain in the organization after downsizing as the survivors and the negative effects they experience are commonly referred to as “survivor syndrome”. West (2000) defines survivors as anyone in an organization that is involved in a layoff but does not lose their job because of the layoff.

Survivor syndrome is the key factor that contributes to a number of organizations falling short of achieving their corporate objectives after downsizing (Appelbaum et al., 1999 cited in Chipunza & Berry, 2010). Noer (2001) and Cascio (1997) posit that the concept “survivor syndrome” refers to the manner in which some of the employees that remain in the organization after the downsizing process, respond when many of their friends and colleagues are forced to end their employment relationship with the organization.

Many researchers provide evidence which support the view that survivors of downsizing are also severely affected by the process (Bennett & Durkin, 1995; Cohen, 1993). Furthermore, researchers have studied the effects associated with survivors in organizations and found that survivors react to layoffs in a number of different ways (Baruch & Hind, 2000; Cohen-Charash & Spector, 2001; Spreitzer & Mishra, 2002). The after effects of downsizing
were researched by Bennett & Durkin (1995) and it was concluded that victims have extremely bad feelings about downsizing since being laid off.

Kozlowsky, Chao, Smith and Hedlund (1993) cited in Isaksson & Johannson, 2000) purport that the effectiveness of downsizing strategies ultimately depends on the reactions of the “survivors” of the process. The implications of survivors’ reactions to layoffs are viewed as a potentially important topic for practitioners and theory of organizational behaviour (West, 2000). The way survivors feel about downsizing and the organization that implemented it determines their attitude toward the organization and their behaviour following the action. This also plays a major role in determining whether the organization will achieve its pre-determined objective of the process thereby recognizing that addressing “people” related issues is important (Kumar & Pranjal, 2009).

Past literature by Kozlowsky, Chao, Smith and Hedlund cited in Grunberg, Anderson-Connolly & Greenberg (2000) have found the impact of downsizing on survivors to be more negative than positive. Similarly, Chipunza & Berry (2010) also purport that the literature on downsizing consistently points to the potentially negative impact of downsizing on the survivors’ attitudes. Brockner (1992) and Astracham (1995 cited in Baruch & Hind, 2000) posit it was becoming increasingly well documented that employees who remain within an
organization after significant downsizing often experience the adverse effects of the change as profoundly as those who had left. West (2000) adds survivors also experience symptoms which such as guilt, anxiety, fear, anger, and in more severe cases, depression or other emotional and physical ailments. Employees who experience a downsizing event may react with decreased job satisfaction, reduced organizational commitment, less job involvement, more resistance to change, and reduced work effort (Hellgren et al., 2005). Displaying any of these negative reactions would lead to the organization failing to attain the desired improvements in the organization (Brockner et al., 1993 cited in Hopkins & Weathingtons, 2006). According to Chipunza (2009) the need to manage survivors before, during and after downsizing therefore becomes imperative in enabling them to remain focused on the new organizational objectives.

According to Mishra and Spreitzer’s (1998) theoretical model of survivors’ response to downsizing, it is purported that survivors responses are classified as either constructive or destructive. Constructive responses range from obliging (calm, relief, committed, loyal, following order, routine behaviour) to hopeful responses (hope, excitement, optimism, problem solving, and taking initiative). Destructive responses on the other hand, range from fearful (worry, fear, anxiety, helplessness, withdrawing, procrastinating) to cynical (anger, disgust, moral outrage, cynicism, retaliating) responses.
Brockner (1992) provided a conceptual framework to give support for understanding the factors influencing the psychological effects of downsizing and how such effects result in changes in outcomes such as survivors' attitudes and behaviours. The model illustrates that psychological states such as perceptions of insecurity, feelings of being over rewarded, overloaded, anger, guilt, stress, fear, loss of confidence, reduced risk-taking, intention to leave and sometimes relief amongst survivors are created as a result of downsizing. The resulting effect is that these psychological states consequently have the potential to influence the work performance, job satisfaction, involvement, engagement, motivation levels and commitment to the organization which survivors display. The subsequent psychological state of downsizing, whether positive or negative, would depend on, amongst others, a number of factors such as the relationship of the survivor to the dismissed employees, survivors' perception of the criteria used for making the decision on layoffs, perceptions of work load, compensation provided to the laid-off, the degree of support survivors receive, external conditions such as alternative job opportunities for the victims, the communication process during downsizing, organizational policies as well as demographic variables.

Arnold, Feldman and Greenhalgh (1982 cited in Latif & Gulzar, 2011), contend that downsizing has led to survivors having a more pessimistic attitude, thus declining their levels of organizational commitment and
increasing job turnover. Similarly, research by Kozlowski et al. (1993) found downsizing leads to low morale and poor job satisfaction in employees leading to short job tenure by survivors. Somers (1995) however, state employees with high level of loyalty and commitment are less prone to exiting the organization. A survey found that 74 percent of senior managers in downsized companies report that morale, trust and productivity suffered after downsizing (Henkoff, 1990 cited in West, 2000). Spreitzer and Mishra (2002) purport that the organizational commitment levels of an employee is significantly altered after they experience a threat to their job security. Survivors may think the organization is not committed to their well-being and therefore their level of commitment to the organization may decrease.

According to Baruch and Hind (2000), research depict that survivors exhibit a plethora of problems, such as demotivation, cynicism, insecurity, demoralization and a significant decline in organizational commitment. Allen, Freeman, Russell, Reizenstein and Rentz (2001) concur with findings on the negative impact of organizational downsizing as they also maintain that survivor‘ job attitudes such as job satisfaction, organizational commitment, job involvement, and intentions to turnover become less favourable after a downsizing process.
In a study on survivors’ reaction to layoffs, Brockner, Grover, Reed, DeWitt and O’Malley (1987 cited in Ugboro, 2006) reported survivors reactions took the form of reduced work performance and organizational commitment. Another study by Brockner, Grover, Reed and DeWitt (1992) found that survivors who perceived downsizing as a threat but who had high economic need to work, responded by increasing their work efforts. There are thus diverse reactions as some survivors view the process being harmful to their job security and trust and others view it as an opportunity to take on greater responsibility by taking over the tasks and responsibilities of those no longer in the employment of the organization.

Chipunza (2009) also claim the way survivors feel about downsizing strategies and the organization that implements this process, determines their attitudes and their behaviour toward the organization following the process. In particular, the possibility that survivors would behave in ways that are conducive to the new goals of the organization and engage in individual productive behaviours (for example, job involvement) that promote the effective functioning of the organization is to some extent dependent on the perceptions, emotions and feelings that survivors develop from how the downsizing process was conducted. In most cases survivors are often unaware and do not have the knowledge on issues relating to the organization restructuring. Failure to adequately inform survivors of issues
such as their place in the new organization, expected performance standards, additional work demands and the existence or lack of growth opportunities, can reduce commitment and damage the relationship between management and staff (Brockner, 1992 cited in Burke & Nelson, 1997).

Allen et al. (2001) delineate that communicating via a two way process and in an effective manner, and inclusive decision making process and control over processes all contribute toward higher levels of commitment in organizations. According to Gandolfi (2008 cited in Van Dyk, Van Rensburg & Tjallinks, 2009), survivors play a significant role in the organization as they either facilitate or hinder the downsizing process. Cognizance should thus be given to these individuals if the organization attempts to attain its predetermined goals of the downsizing process.

Armstrong-Stassen (2004) further reported survivors with high perceived supervisor support reported greater commitment to the company, high job performance, and were less likely to be thinking of leaving the organization than survivors with low perceived supervisor support. Meyer and Allen (1997) recorded that dysfunctional consequences of downsizing can be attributed to the failure to maintain a high level of survivor commitment to the organization. Chipunza and Berry (2010) state the way survivors perceive the reasons, process and outcomes of downsizing might determine their commitment
levels. The performance of top management during the downsizing process plays a significant role in organizational commitment. A lack of trust in the ability of top management during the downsizing process due to incompetence or dishonesty, would almost certainly lead to employees retreating from the organization or react in ways that are not conducive to the organization (Allen et al., 2001).

The implications for organizations with employees suffering from survivor sickness are considerable. Those who fail to address survivor sickness risk higher levels of turnover and reduced commitment, which in turn, negatively affects productivity and performance, thus inhibiting organizational success (Allan, 2005; Doherty & Horsted, 1995). According to Knudsen, Johnson, Martin & Roman (2003) studies suggest evidence of a relationship between downsizing, survival and organizational commitment but they do not explain the mechanisms that link downsizing survival and commitment to an organization.

Since negative employee reactions can lead to disappointing downsizing results, the success of any downsizing programme is contingent on management's awareness of employees' concerns and their potential reactions. In attempting to anticipate employee responses to downsizing, it is useful for management to be aware of both the objective conditions of the
downsizing environment as well as employees’ subjective perceptions of the downsizing events (Burke & Nelson, 1997).

2.2.5. COPING STRATEGIES FOR SURVIVORS OF DOWNSIZING

Given the significant rise in employee downsizing, survivor coping remains an area in research which has received limited focus and exploration (Datta, Guthrie, Basuil & Pandey, 2010). According to Armstrong-Stassen (1994 cited in Mayton, 2011) examining how survivors cope is vital in order to identify strategies that will aid with eliminating the potential negative effects of the process. This will in turn facilitate with devising strategies that support the performance of both the individuals and the organization. Clay-Warner, Hegtvedt and Roman (2005 cited in Chipunza, 2009) delineate the stressors which results from downsizing require a process of coping and adaptation. These coping strategies may range from easing the emotional consequences of the situation or complete withdrawal from the situation (Saunders & Thornhill, 2003 cited in Chipunza, 2009).

The manner in which survivors cope with organizational downsizing has an influence on how adversely they are affected by the downsizing (Armstrong-Stassen, 1994; Begley, 1998; Havlovic, Bouthillette, & van der Wal, 1998;
Terry, Callan, & Sartori, 1996; Terry & Callan, 1997 all cited in Armstrong-Stassen, 2003). Cartwright and Cooper (1996 cited in Armstrong-Stassen, 2002) note that most individuals do not handle organizational changes such as downsizing well and they suffer from the long-term adverse consequences of the process. Thus, it is vital to identify effective strategies for coping with organizational downsizing. If employees receive counselling before, during and after the retrenchment process it is vital that the counselling be handled correctly, positively and constructively (Retrenchment, n.d.).

Latack (1986 cited in Armstrong-Stassen, 2006) notes three dimensions of coping strategies. Firstly, there is escape-oriented coping, which refer to actions and cognitive reappraisals that are avoidant in nature. The second dimension, control-oriented coping, alludes to actions and cognitive reappraisals that are pro-active. Thirdly, there is the symptom management coping mechanism consisting of strategies that merely manage the symptoms of job stress.

According to Armstrong-Stassen (2005), supervisor support was found to be an important variable in setting the context for determining how survivors deal with negative consequences of downsizing. Mayton (2011) however, mentions the perceptions survivors have of a workforce reduction was a more critical factor in determining the choice of coping strategy than the perception
of available resources, such as supervisor support. Services such as counselling, support, help and retraining should be provided in a timely, honest and unbiased manner to those who remain in the organization (Van Dyk et al., 2009).

Datta et al. (2010) identified a number of factors that could limit the negative consequences of downsizing on reduced employee commitment and job involvement. These include open, accurate, and helpful communication, supervisor and work group support, positive reactions from co-survivors, perceptions of fairness and justice, management trustworthiness, sense of control over circumstances and self-efficacy, involvement and empowerment, allowed input, expression of views, and appeals to decisions. Mayton (2011) postulate creating a supportive environment and effective individual and group coping strategies before, during, and after downsizing, will enhance the opportunity for the organization to recuperate from the process.

2.2.6. CONSEQUENCES OF DOWNSIZING

Employee morale and loyalty are inclined to be the first unintended casualties of a downsizing strategy (Makawtsakul & Kleiner, 2003). The employees affected by a downsizing process are often concerned about losing their jobs. This leads to them feeling unsatisfied and in turn impacting on the level of
loyalty they have toward the organization (Klehe, Zikic, Van Vianen & De Pater, 2011). Tsai, Yen, Huang and Huang (2007) concur with this notion as the authors maintain many organizations fail to achieve the desired goals of the downsizing process. As opposed to cost saving, increased profits, increased productivity the resulting consequence is low morale, decreased commitment levels and a lack of loyalty.

The employees who remain in the organization after the process more often than not have low morale as well as lower job and organizational satisfaction. Low morale has a tendency to encroach on other areas and activities in the workplace (Baruch & Hind, 2000). According to Allen et al. (2001), it is well noted in research that employees report lower levels of morale following a restructuring process. Cameron and Huber (1997 cited in Isaksson & Johannson, 2000) assert that approximately 74% of the senior managers in downsized companies reported that the process had a detrimental affect on morale, trust and productivity. As the negative effects of downsizing (such as increased workload, increased job insecurity) become apparent, the employee’s level of trust and morale toward the organization declines (Mishra & Spreitzer, 1998 cited in Hopkins & Weathington 2006).

Orphee (1997) revealed that studies directly targeted at investigating the attitudes and morale of employees in a downsized company report those who
remain in the organization are generally more vigilant, more self regarded and have shoddier levels of morale. Employee’s perceptions of the outcomes of the process influence their levels of trust in the organization. Should the perception exist that the process is unfair the more prone the employee is to having a negative level of trust towards the organization. As the resulting consequences of the downsizing process are revealed to employees reduced amount of trust and morale are displayed toward their employer (Mishra & Spreitzer, 1998 cited in Hopkins & Weathington, 2006).

Motivation is by and large also affected during the downsizing process and productivity tends to suffer. With an obvious sense of loss and a decrease in loyalty, a reduction in the level of enthusiasm and innovation is evident in the manner in which employees conduct their activities. These effects eventually contribute to a decline in performance (Makawtsakul & Kleiner, 2003). Appelbaum et al. (1997) indicate that one of the most traceable reasons why companies that downsize perform so poorly is because they fail to acknowledge the low morale and lower productivity experienced by those who remain in the organization.

Organizational downsizing impacts the facets of employees' lives in many different ways. It could range from stressful working conditions, increased workload, and role-ambiguities, to the loss of valued colleagues and career-
opportunities (Probst, 2003 cited in Klehe et al., 2011). Millward and Brewerton (2002 cited in Tsai et al., 2007) mention that the impact of the downsizing process on the employees and their families range from psychological, economical and physical harm. Furthermore, studies by Burke and Greenglass (1999); Strechmiller and Yarandi (1993); Westman, Etzion and Danon (2001) all cited in Quinlan (2007) have found downsizing and job insecurity may lead to more work or family conflict and burnout.

Cameron and Huber (1997 cited in Isaksson & Johannson, 2000) further add those who remain in the organization are more likely to experience negative outcomes such as role ambiguity, role overload and a decline in loyalty. Within the workplace, downsizing has a great impact on the daily operation of those who remain in the organization as there is a greater workload, increased pressure and destruction of the original relationship network. These negative impacts all affect job satisfaction, commitment toward the organization and performance of the remaining employees (Mckinley, Sanchez, & Schick, 1995 cited in Tsai et al., 2007). Exploration into the extent of downsizing has shown that the greater the scale of the downsizing, the greater the negative impact on employee attitudes (Armstrong-Stassen, 2002; Reavley & Ghanam 2005 cited in Williams, Khan, Ashill & Naumann, 2011). Makawtsakul and Kleiner (2004) postulate that survivors find themselves in a position where they have to cope with new tasks and the possibility of role
overload. Allen et al. (2001) concur with this notion as they posit that factors in the work environment which may be affected or altered by lay-offs include role clarity, role overload, satisfaction with top management, and satisfaction with job security.

Cascio (1997) purport that downsizing seldom leads to improved performance in terms of a company’s financial results. According to Cameron and Huber (1997 cited in Isaksson & Johannson, 2000), the relationship between downsizing and organizational effectiveness tend to be more negative and a key contributor towards this is the manner in which the strategies had been implemented. Employees have lower levels of commitment towards the organization, their stress levels intensify and they experience more job insecurity. These outcomes advocate that the reduction in a workforce typically result in employees having more negative attitudes towards their jobs and to their organization (Bowman & Singh, 1993 cited in Orpen, 1997).

Conversely, several studies have reported that when employees receive satisfactory financial compensation, are treated as equal counterparts and can engage openly with their managers the ensuing outcomes for the organization could comprise of reduced stress levels, improved commitment and productivity (Brockner, Grover, Reed, DeWitt, & O’Malley, 1987; Parker, Chmiel, & Wall, 1997 cited in Isaksson & Johannson, 2000).
Bhattacharyya and Chatterjee (2005) however caution that cost reduction may occur but other unexpected expense arising from the negative consequences of downsizing, may surface. Cascio and Wynn (2004) provides a summary of the direct and indirect cost associated with the downsizing process. These costs are indicated in Table 2.2 on the following page.
Table 2.2: The direct and indirect costs of the downsizing process.

<table>
<thead>
<tr>
<th>Direct costs of downsizing</th>
<th>Indirect costs of downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Severance pay, in lieu of notice</td>
<td>• Recruiting and employment costs of new hires</td>
</tr>
<tr>
<td>• Accrued vacation and sick pay</td>
<td>• Low morale, risk-averse survivors</td>
</tr>
<tr>
<td>• Supplemental unemployment benefits</td>
<td>• Decreased productivity among survivors</td>
</tr>
<tr>
<td>• Outplacement</td>
<td>• Increase in unemployment tax rate</td>
</tr>
<tr>
<td>• Pension and benefits payouts</td>
<td>• Lack of staff when economy rebounds</td>
</tr>
<tr>
<td>• Administrative processing costs</td>
<td>• Start-up costs (recruiting, training, staffing)</td>
</tr>
<tr>
<td>• Costs of rehiring former employees</td>
<td>• Voluntary terminations of those who remain</td>
</tr>
<tr>
<td></td>
<td>• Opportunity costs of lost sales</td>
</tr>
<tr>
<td></td>
<td>• Potential lawsuits from aggrieved employees</td>
</tr>
<tr>
<td></td>
<td>• Potential strikes by unions in some countries</td>
</tr>
<tr>
<td></td>
<td>• Loss of institutional memory and trust in management</td>
</tr>
<tr>
<td></td>
<td>• Brand equity costs—damage to the company’s brand as an employer of choice</td>
</tr>
</tbody>
</table>
2.2.7. DOWNSIZING STRATEGIES

Downsizing strategies refer to the methods utilized to achieve a workforce reduction. Upon identification of the downsizing strategy, the process must be executed and managed. The downsizing approach employed may have an impact on the atmosphere within an organization (Jiang & Klein, 2000). Strategies that are poorly executed may lead to a decrease in productivity, quality and employee well-being (Cameron, Freeman & Mishra, 1991).

Cameron (1994 cited in Kurebwa, 2011) highlights three approaches to downsizing strategies. Firstly, there is the employee reduction strategy aimed at reducing headcount, typically through redundancy. Kinnie, Hutchinson and Purcell (2000) contend that workforce reduction is targeted at having less headcount and this is achieved through layoffs, firings, early retirement, buyouts or attrition. Secondly, is work redesign strategies which encompass redesigning roles, hours and organizational structures. Lastly, is the systematic change strategy which entails viewing downsizing as a continuous process with the aspiration to constantly improve the organization rather than as a program or target set for a specific time period.

According to Osthus and Mastekaasa (2010), downsizing may either be on a narrow or broad scope. A narrow approach to downsizing focuses exclusively
on cutting personnel, for example, across the-board lay-offs which include very little other changes. A broadly scoped downsizing approach is where there is significant organizational redesign in conjunction with additional goals such as staff reduction and structural and system changes. Furthermore, reductions in size can be accomplished through a variety of tactics designed to eliminate individuals (for example, on the basis of performance), departments, jobs, equipment, and hierarchical levels (Kammeyer-Mueller et al., 2001).

Iverson and Zatzick (2007) postulate that downsizing strategies typically fall into two categories namely, alternatives and layoffs. With the alternative strategy approach, employees leave the organization on their own accord or they relocate to another department. This approach can be embarked upon to reduce the size of the workforce or alter the composition of the workplace. Being viewed as the more favorable approach by organizations, this strategy is simple to execute, is cost effective and seldom has an influence on the employee’s view of job security (Greenhalgh, Lawrence & Sutton 1988 cited in Iverson & Zatzick, 2007). The second category, layoffs, also has two primary facets which include voluntary and compulsory layoffs. Voluntary layoffs (including early retirement) are aimed at offering financial compensation (in the form of retrenchment packages) and other incentives to entice
employees to opt for volunteer for redundancy, whereas, with compulsory layoffs, employees are targeted by management for mandatory redundancy (Iverson & Pullman, 2000).

2.2.8. DOWNSIZING PROCESS

Appelbaum et al. (1999) contend that planning is an important element of the downsizing process. Prior to downsizing taking place, firms should develop a long term strategic plan which encompasses how departments and processes can be redesigned. Cameron et al. (1991); Cascio, (1993) all cited in Bhattacharyya and Chatterjee (2005) contend that there are some common strategies employed by organizations that have downsized effectively. These include:

- Implementing the process as a direct instruction from top management but considering recommendations made by lower level employees on job and task analysis of how the work is currently done,
- Employing both short and long term approaches to downsizing,
- Cognizance should be given to the needs of both survivors and victims,
- Utilizing internal resources to identify areas of inefficiency and thereafter targeting these areas for downsizing and
- Viewing downsizing as a “means to an end.”
Within South Africa, the retrenchment process is regulated by the Labour Relations Act. More specifically, Section 189 of the Labour Relations Act provides guiding principle to achieve fair labour practices as outlined below (Survive retrenchments, 2009).

In an article titled “Retrenchment counseling” (n.d.) it is highlighted that the retrenchment process involves four basic steps, namely:

- **Consultation**: Consultation involved liaising with the employees who could potentially be affected by the process. Aspect such as avoiding retrenchments, minimizing the number of affected individuals, the selection criteria and severance packages should be discussed.

- **Disclosure of information in writing**: Employers should notify affected employees in writing about the pending retrenchments and commencement of the consultation process. Information that should be divulged should include the reasons for retrenchment, alternatives to retrenchments and why they were rejected, number of employees most likely to be affected, proposed method of selection criteria, time frame of retrenchments and possible severance packages.

- **Opportunity for feedback**: Employees should be given the opportunity to respond to the information they received.
- **Criteria for selection:** In the absence of no specific selection criteria agreed upon, the LIFO (last in first out) principle is applied as this method often works best. Upon finalization of the consultation process and the identification of those who will be retrenched, the relevant monetary settlement needs to be made and the retrenched employees need to be provided with statutory notices of termination of services (Retrenchment counselling, n.d.).

2.3. **ORGANIZATIONAL COMMITMENT**

2.3.1. **DEFINING ORGANIZATIONAL COMMITMENT**

Bhatti and Nawab (2011) contend substantial focus is given to the construct organizational commitment. The concept has been widely scrutinized and has grown in the field of organizational and behaviour psychology and a paper have referenced almost 1000 studies on the topic (Cooper-Hakim & Viswesvaran, 2005).

Various authors (Liou 1995; Malan 2002; Ramay 2012) have provided definitions for organizational commitment, all of which are synonymous to one another. Mowdey et al. (1982) define organizational commitment as the extent to which an individual identifies and engages within the organization.
Kreitner and Kinicki (2001) purport that organizational commitment reflects the extent to which people identify with an organization and are committed toward achieving its goals. This is based on the premise that an employee forms a bond with the organization. Miller and Lee (2001) concur with this view as the authors purport that the organizational commitment of an employee characterizes their acceptance of the goals of the organization and willingness to exert effort in an attempt for the goals to be achieved.

Furham and Cooper (1996) assert that organizational commitment has been defined and measured in diverse ways but a central theme throughout the defining of the construct is the notion that a bond or connection exists between the individual and the organization.

Morrow (1993 cited in Morrow, 2011) surmise organizational commitment is a construct of particular importance to researchers as its desirable consequences attribute to higher levels of organizational commitment such as increased effort, higher job satisfaction, decreased absenteeism and more retention. Suliman and Iles (2002 cited in Cross & Travaglione, 2004) claim organizational commitment is the driving force behind an organizations performance.
According to Brown (1996), there are two approaches to organizational commitment namely, attitudinal and behavioural. Oliver (1990) asserts that the attitudinal and behavioural approaches to commitment are amongst the most widely used and each type of commitment reflects a distinct approach to the phenomenon. The perspective of the *attitudinal* approach is that an amalgamation of work experiences, perceptions of the organization and personal characteristics leads to positive feelings about an organization, which in turn, exhibits commitment (Brown, 1996). Muthuveloo and Rose (2005) similarly report that the attachment the employee has towards the organization leads to work related conduct. Mowday et al. (1982 cited in Oliver, 1990) add that the attitudinal commitment, as an attitude, reflects the nature and quality of the bond between an employee and an organization.

The premise to the *behavioural* approach is that the behaviours displayed by the employee develop into commitment levels and this consequently makes it costly to leave the organization or separate from a particular activity (Brown, 1996). This approach is predominantly apprehensive toward the view that individuals develop commitment toward their own actions, as opposed to that of the organization (Becker, 1964 cited in Oliver, 1990). Muthuveloo and Rose (2005) highlight that workers who willingly choose to behave in a certain manner and who find it challenging to alter their decision become aligned to
their elected conduct and produce positions consistent with their choice (Muthuveloo & Rose, 2005).

2.3.2. THE THREE MODEL APPROACH TO ORGANIZATIONAL COMMITMENT

Meyer and Allen (1991) make a distinction between three forms of organizational commitment namely, affective, continuance and normative commitment. Meyer and Allen (1991 cited in Powell & Meyer, 2004) advocate the three components of commitment would develop in different ways and have different implications for job behaviour. Affective, continuance and normative commitment are also known as attitudinal commitment (Brown, 1996).

2.3.2.1. Affective commitment

Mowday et al. (1982 cited in Randall & Cote, 1991) define affective commitment as the relative association of an individual’s recognition with or involvement in a particular organization. Employees who portray affective commitment stay with a particular organization because they associate with its values, objectives and feel a sense of loyalty (Heery & Noon, 2001). This type of commitment surge in employees if employees feel their expectations
are met and their needs are satisfied within the organization (that is, the employee wants to stay in the organization) (Meyer & Allen, 1984 cited in Bagraim, 2003). Farzad, Nahavandi and Caruana (2008) concur with this and adds that employees with strong affective commitment prolong their employment with the organization as their own goals and values are aligned with that of the organization.

Similarly, O’Driscoll and Randall (1999) affirm that affective commitment is embodied in the notion that an individual identifies with and is involved with a particular organization. Employees who exhibit affective commitment to the organization remain with the organization. Romzek (1990) supports this viewpoint and asserts that affective commitment results in the continuation of employment relationship because employees yearn to do so and this lead to operating in the best interest of the organization and they are as a result less likely to leave.

Allen and Meyer (1990) maintain that there are four antecedents of affective commitment namely, personal characteristics, job characteristics, structural characteristics and the nature of one’s work experience. Affective commitment is the most renowned form of research with regards to the commitment of employees in an organization (Heery and Noon 2001).
This form of commitment emerges on the basis of an exchange principle implying that the commitment of employees develops in response to the rewards received or punishments evaded (Cohen, 2007). Allen and Meyer (1990 cited in O'Driscoll & Randall, 1999) contend that affectively committed employees are likely to display other positive work-related attitudes toward the organization. The employees will exert greater effort on behalf of the organization as their aspiration will be to remain being in the employment of a particular organization (Malhotra & Mukherjee, 2004). Herold, Fedor, Caldwell & Liu (2008) goes further to state that employees who display affective commitment are likely to enhance the operational aspects of the organization and this could lead to improvements such as greater satisfaction and involvement as well as increases in job performance.

Research on affective commitment reveal that the levels of affective commitment portrayed by survivors were related to their perceptions of how they were treated by the organization after the change process (Meyer & Allen, 1997). Hendrix, Robbins, Miller and Summers (1998 cited in Chipunda, 2009) support this viewpoint as the authors assert that negative experiences after organizational downsizing can impact the perceptions survivors have about how they have been treated by the organization. This consequently influences how they demonstrate their affective commitment to the organization.
Studies by Armstrong-Stassen, Cameron and Horsburg (2001 cited in Morrow, 2011) assessed how the affective commitment of nurses, who were transferred to different units within a hospital system that was downsized from four hospitals, was altered. The results revealed that all nurses displayed diminished level of affective commitment and nurses who were ultimately transferred reported significantly lower levels of affective commitment after two years compared to nurses who remained in the original unit. According to Luchak and Gellatly (2007) and Meyer and Allen (1997) both cited in Morrow (2011), when employees exhibit low levels of affective commitment they are more prone to absenteeism and displaying counterproductive behaviours such as theft, sabotage and aggression.

### 2.3.2.2. Continuance commitment

According to Brown (1996), continuance commitment is defined as commitment to the organization as a result of investments made in the organization which, in turn, make it costly for individuals to leave. The premise of continuance commitment is that employees remain with a particular organization for reasons which relate to the cost associated with leaving being greater than the benefits of pursuing a new opportunity or due to inadequate alternative employment opportunities (Heery & Noon, 2001). Meyer and Allen (1991) maintain investments and alternatives are the two
dimensions which contribute toward continuance commitment. Communication skills, gender, tenure and self investment (specifically in terms of time and effort) are the antecedents of continuance commitment (Meyer & Allen, 1997).

Continuance commitment develops when employees realize they have accrued investments that would be lost if they left the organization (the employee needs to stay in the organization) (Bagraim, 2003). Greenberg and Baron (2003) maintain that individuals are conscious and anxious about factors such as retirement funds, disrupting social networks and knowledge gained, which might all be lost should they decide to leave the organization and change jobs. According to Cohen (2007), this form of commitment develops as a result of augmented cost associated with departing from the organization.

According to Kupers (2007), continuance commit can be associated with a form of cost-based commitment related with the perceived price involved in leaving the organization. For example, when a substantial amount of investment in terms of time and energy spent on perfecting a specific job skill within an organization is done by an employee, the employee may find it challenging to move to another organization after they have survived
downsizing. The assertion for this is that the employee has the view that the time and energy invested will pay off if they remain in the same organization.

Furthermore, Yousef (2000) contend employees with strong continuance commitment have no choice but to remain with the organization due to a lack of alternatives or due to the impending high sacrifice related to departing. An individual's level of continuance commitment can fluctuate depending on the experiences and involvement in the downsizing process (Hopkins & Weathington, 2006; Kupers, 2007).

2.3.2.3. Normative commitment

Another dimension of organizational commitment is normative commitment. This signifies the sense of responsibility an employee develops in helping to sustain the organization and its activities (Allen & Meyer, 1990 cited in Chipunza & Berry, 2010). According Muthuveloo and Rose (2005), the sentiment to remain in the organization is based on the notion that the employee has internalized the values and goals of the organization. Randall and Cote (1991) refer to normative commitment as a moral obligation which the employee develops after the organization has invested in them. This feeling develops when the employee gets a sense that the organization has spent excessive time or money on their development. Furthermore, Meyer and Allen (1997) define and measure normative commitment in terms of
values as they propose that similarity between individuals' values and that of the organization contributes to organizational commitment. An employee with a high level of normative commitment believes that commitment to the organization is an appropriate if not a moral obligation (Wiener & Vardi, 1980; Wiener, 1982 cited in Bargaim, 2003).

Figure 2.2 on the following page depicts a summary of the hypothesized links between the three components of commitment and variables considered to be their antecedents, correlates, and consequences.
In conclusion, the above three components of commitment all share a central theme that commitment is a psychological state that illustrates the relationship the employees has with the organization and has inference on the choice made of whether to be part of the organization or not. However, the nature of the psychological state for each component of commitment is
very diverse. In terms of affective commitment, employees with a strong disposition toward affective commitment remain because they want to, those displaying high levels of continuance commitment remain because they need to, and those with a strong normative commitment remain because they feel they ought to do so (Meyer, Allen, & Smith, 1993 cited in Chen & Francesco, 2003).

2.4. ANTECEDENTS OF ORGANIZATIONAL COMMITMENT

According to Mowday et al. (1982), a number of factors affect organizational commitment and these can be categorized into three main areas namely, personal, role related and work experience factors.

2.4.1 Role and work related determinants

According to Ugboro and Obeng (2001), factors such as compensation schemes, perceived organizational support, career prospects, job security, values and goals and employment opportunities are antecedents prone to have an influence on organizational commitment. Furthermore, Mowday et al. (1982) add work experience determinants such as co-workers, incentives, personal importance to the organization and fulfillment of expectations are also factors that influence the level of employees’ commitment.
Muthuveloo and Rose (2005) contend the antecedents for affective commitment include perceived *job characteristics* (task autonomy, task significance, task identity, skill variety and supervisory feedback), *organizational dependability* (the extent to which employees feel the organization can be relied upon to look at their interests), and *perceived participatory management* (the extent to which employees feel they can influence decisions on the work environment and other issues of concern to them).

The degree to which employees feel they can rely on the organization to look after their interests has an impact on their level of organizational commitment. The variable organizational dependability and commitment have not received extensive investigations in research but it has been depicted that the variables are positively correlated (Mowday et al., 1982). Hrebiniax and Alutto (1972 cited in Maxwell & Steele, 2003) posit a higher experience of dependability by the employee will lead to higher levels of commitment. Allen et al. (2001) maintain a reduction in the workforce can elicit reduced levels of organizational commitment in employees as they may feel that the organization is not able to look after their interests. Siu (2002) deduce that under stressful conditions job dissatisfaction increases when commitment levels were found to be low. Several studies have depicted that a negative relationship exists between role conflict and
organizational commitment (Meyer & Allen, 1997; Mowday et al., 1982). Brewer (1996) states employees are more expected to be committed to the organization if they have good relationships with and can trust the ability of their co-workers.

2.4.2. Personal factors

According to Mowday et al. (1982) studies have explored the effects of personal factors, such as age, gender, tenure and educational level on organizational commitment which will discussed below. For the purpose of this study only gender, age and tenure will be investigated.

2.4.2.1 Age

Parasumman and Nachman (1995 cited in Rowden, 2000) contend age is a critical factor that determines organizational commitment. Muthuveloo and Rose (2005) make relevant associations between age and commitment as they purport that age can function as a predictor of continuance commitment. According to the researchers, it is considered to be positively linked with affective commitment and it could also negatively impact on a number of available alternative job opportunities.
Studies by Cramer (1993), Lok and Crawford (1999), Loscocco (1990), Luthans (1992), Meyer and Allen (1997), Mowday et al., (1982) all cited in Sekaran (2000) found the relationship between organizational commitment and age is to be significant. Mathieu and Zajac (1990) also report that age is positively related to organizational commitment. One possible reason for this relationship is because employment opportunities for older employees are limited (Mowday et al., 1982). As employees grow older they realize that leaving may cost them more than staying (Parasuraman & Nachman, 1995).

Kalderberg, Becker and Zvonkovic (1995) maintain that younger employees display lower levels of commitment than older employees. This relates directly to the notion that as employees age, their opportunities for promotion and alternative employment declines, thus making their current job more attractive. A survey conducted by Gurses and Demiray (2009) involving 136 employees of a television production centre found the older an individual is the less likely he or she is likely to move to a new job; thus their commitment to the organization is stronger. Hellman (1997) state that older employees are less willing to sacrifice the benefits and distinctive credits associated with seniority in the organization. Older employees demonstrate greater levels of organization commitment as their number of years of service to the organization is viewed as an investment and job mobility becomes more challenging (Camilleri, 2002). Mathieu and Zajac (1990) further state as age
increases, alternative employment options are supposed to decrease and the current jobs are seen more attractive.

Mishra and Spreitzer (1998 cited in Isaksson & Johannson, 2000) suggest concerns about reduced job alternatives result in the expectation that older employees respond more fearfully to downsizing in comparison to their younger colleagues. On the other hand, older workers are often more attached to the company as they typically have had long years of service and their loyalty is strong. The downsizing literature reveals several other factors may affect adjustment especially of older employees in particular.

2.4.1.2. Tenure

Tenure contributes towards increasing the employee’s level of commitment to the organization (Malan, 2002). Oshagbemi (2003) define tenure as the amount of years or employment history an employee has with the organization. Hackett, Bycio and Hausdorf (1994) report on inconsistent research findings with respect to the relationship between tenure and organizational commitment.

Farkes and Tettick (1989 cited in Lowe & Barnes, 2002) are of the opinion that employees have different reasons for remaining in the employment of the
organization for a number of years. A significant finding however is that they are committed to something that the organization represents. According to Xu & Bassham (2010), employees with greater experience hold more attractive positions in organizations.

Gerhart (1990) reports a positive relationship between organizational commitment and tenure. Meyer and Allen (1997) concur with this finding as they posit that tenure and organizational commitment are positively related. Muthuveloo and Rose (2005) hold the view that organizational tenure is positively associated with affective commitment. This implies that employees with low affective commitment will choose to leave an organization while employees with a high affective commitment will stay for longer periods as they believe in the organization and its mission.

Colbert and Kwon (2000) also found a significant relationship between organizational commitment and tenure. The researchers concur with findings that employees who had longer tenure with the organization had a higher degree of organizational commitment than their counterparts. An employee develops an emotional attachment to a particular organization as their length of service increase and this makes it more challenging for these employees to change jobs (Meyer & Allen, 1997). According to Sekaran (1992), tenure is
associated with status and prestige and that this encourages greater commitment and loyalty to the employer.

Research by Kinnear and Sutherland (2002) does however, not support the view that a relationship exists between organizational commitment and tenure. A study by Liou and Nyhan (1994) also report a negative relationship between organizational commitment and tenure. According to Moses (2002), the nature and tenure of the relationship between the organization and employees have changed given that long service and job safety are no more guaranteed or implied.

2.4.1.3. Gender

Gurses and Demiray (2009) found a significant relationship between gender and organizational commitment. This could be due to females being more hesitant to consider new job opportunities because of factors like children and marriage. Furthermore, various researchers (Cramer, 1993; Harrison & Hubbard, 1998; Mathieu & Zajac, 1990; Mowday et al., 1982) have found women are prone to be more committed to the organization than men.

Laher (2001) however, failed to find any significant difference in gender and organizational commitment. Similarly Billingsley and Cross (1992), Caruana

Given the above, inconsistent views exist regarding the relationship between organizational commitment and gender.

2.4.1.4. Level of Education

Meyer and Allen (1997) state that educational level is inconsistently related to an employee's level of commitment.

Lowe and Barnes (2002) report a positive relationship between organizational commitment and level of education. Chusmir (1982 cited in Voster, 1992) supports the findings that a positive relationship exists between commitment and educational qualifications and adds that the level of education may be a predictor of commitment, particularly for working women. Cohen (2007) postulates that highly educated employees will be more likely to leave the organization if their personal and professional expectations are not met.

McClurg (1999) state highly educated employees have lower levels of organizational commitment. Research findings by Voster (1992) and Mowdey
et al. (1982) are in agreement with this finding. Conversely, Camilleri (2002) has the view that the lower the level of education the higher the level of organizational commitment.

2.5. IMPACT OF ORGANIZATIONAL COMMITMENT AFTER DOWNSIZING

The commitment levels of employees enhance the performance of employees in the organization. Thus, in order for organizations to pro-actively manage the commitment levels of employees, they need to understand what the antecedents of commitment are and the construct must be given the required focus (Maxwell & Steele, 2003).

A process involving the reduction of employees leads to the affected individuals enduring feelings of indecisiveness and becoming perturbed at the idea of having to acquaint themselves with new tasks and deserting working practices and social networks. The decline in commitment consequently leads to a host of other problems in the organization; inclusive in this is the likelihood of the organization not meeting their long term goals (Arnolds & Boshoff, 2004). Following a downsizing or restructuring process, negative experiences are part of the frame of reference which make up the employee’s
perceptions of how they are treated by the organization (Hopkins & Weathington, 2006).

Literature on downsizing indicates it has a direct and indirect affect on commitment through job characteristics and organizational environment attributes. The perceptions employees have of the organization and the conditions which the employees endure after the process has an indirect impact on their commitment (Knudsen et al., 2003). According to Mathieu and Zajac (1990 cited in Armstrong-Stassen, 2004), employees with high levels of organizational commitment may experience the negative consequences of downsizing more severe than those with lower levels.

Bedeian and Armenakis (1998 cited in Bhattacharyya & Chatterjee, 2005) suggest a more cautious approach in evaluating the effects of downsizing. They propose when organizations reduce the workforce as a defensive reaction rather than undertaking a voluntary strategy to bolster performance, they are likely to face a situation where the employees with the most skill leave the organization out of their own accord, thus leaving behind those lacking the ability and efficiency to aid the organization in attaining its objectives. This ultimately contributes towards hastening the organization’s decline.
From an organizational perspective, studies suggest committed workers have a more positive impact than those who are less committed (Metcalfe & Dick, 2001). Muthuvuloo and Rose (2005) concur with this view as they report on preceding research which elicits that less committed employees are prone to stay away from work more frequently than committed employees. Furthermore, committed employees are improbable to leave the organization voluntarily. As a result of job restructuring that occurs because of downsizing, there may be greater role conflict, role ambiguity and role overload which prevails in the organization. These factors could all lead to a decrease in organizational commitment (Tombaugh & White 1990 cited in Warner, Hegtvedt & Roman, 2005).

According to Bennett and Durkin (2000), managing the commitment levels of employees are significant in contributing to the success of a change strategy. Hendrix and his research associates (1998 cited in Hopkins & Weathington, 2006) maintain when employees perceive the process to be fair it aids with improving the faith they have in the organization and therefore, enhance their organizational commitment. The level of commitment which the employee has to the organization is a reliable predictor of other certain behaviours (for example, turnover) (Spreitzer & Mishra, 2002). In addition, Meyer and Allen (1997) contend that the commitment levels of employees are directly linked with financial outcomes, such as job performance, absenteeism and
employee turnover and thus it is vital for the organization. Furthermore, organizational commitment is vital for employees as it serves as a buffer against the negative aspects of job stress (Begley & Czajka, 1993 cited in Knudsen et al., 2003). It thus has important implications for both employers and employees.

The various types of commitment have divergent effects on behaviours and attitudes (Illes et al. 1990 cited in Travagoline & Cross, 2006) thus maintaining sustainable commitment levels after downsizing is crucial (Cross & Travagoline, 2004). Armstrong-Stassen (2004) reported a strong association between downsizing and a decrease in organizational commitment. Studies by Grunberg et al. (2000) investigated the divergent manners in which survivors experience layoffs and concluded that the effects on the levels of organizational commitment and job performance will vary in terms of three aspects firstly, how close the employee is to the layoffs, secondly, their perceptions of fairness of the layoffs and thirdly, their position in the organizational hierarchy. It is noted in Warner, Hegtvedt and Roman (2005) that although survivors retain their jobs and income, their sense of security about jobs and pay decreases. This in turn may lead to lower productivity, resistance to change and decreased levels of organizational commitment (Greenhalgh & Rosenblatt 1984; Buch & Aldridge, 1991 all cited in Warner, Hegtvedt & Roman, 2005).
2.6. SUMMARY OF THE CHAPTER

The chapter provided a theoretical overview in respect of the research variables being investigated. Specifically definitions for the constructs downsizing, survivor syndrome and organizational commitment were highlighted. An overview of the reasons for downsizing and the strategies was also provided. Furthermore, the coping mechanisms are also explained. The components of organizational commitment, namely, affective commitment, continuance commitment and normative commitment were also explored. The chapter concludes with an overview of the impact that downsizing has on the organizational commitment of survivors who remain with the organization.

The following chapter will discuss the research methodology undertaken.
CHAPTER 3

RESEARCH METHODOLOGY

3.1. INTRODUCTION

The previous chapter provided an in depth literature overview of the variables of the study.

This chapter gives insight into the research methodology utilized to investigate the hypotheses formulated for the current study. Furthermore, the sampling methods, data collection procedure, the measuring instrument (including their psychometric properties) and the statistical techniques employed are outlined.

3.2. RESEARCH DESIGN

According to Terre Blanche and Durrheim (2002, p. 29), research designs are plans that guide “the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure”. Babbie and Mouton (2001) assert that the
research design is a structured plan indicating how the individual intends to undertake the research in order to solve the research problem.

According to Sekaran (2003), there are two types of sampling designs namely, *probability* and *non-probability* sampling. Coldwell and Herbst (2004) point out that probability sampling is based on the premise that every element within the population has an equal chance of being selected as the sample subject. This form of sampling is inclined to be more representative of the population. Non probability sampling occurs in situations where the sampling techniques or elements do not have a known or pre-determined chance of being selected as subjects.

According to Sekaran (2003), convenience sampling involves collecting information from members of the population who are the easiest to access and are conveniently available to assist with providing the desired and relevant information. Roberts (2005) concur and purport that utilizing a convenience sample means that a sample of participants are readily available. This method of sampling is utilized because the sample is easy to obtain and not representative of the population. According to Sekaran (2001), the advantage of using a non-probability and convenience sampling procedure is that it is quick, convenient and incurs fewer costs. Conversely, the disadvantages are that it is considered the least reliable of all sampling
designs in terms of generalisability. The finding of the study will thus be low in generalisability to the whole population.

The method employed to gather the data from the sample was by means of questionnaires. Hence a *quantitative* study, in the form of questionnaires was undertaken. A quantitative study involves looking into a social or human problem, based on testing a theory, comprising of variables measured with numbers and analyzed with statistical procedures. It is vital to consider the subjects, instruments, procedure for collecting data when employing a quantitative approach (De Vos, Strydom, Fouche & Delport, 2002).

According to Sekaran (2001) utilizing questionnaires as a method of data gathering yields the advantage of the questionnaire being distributed to a large number of individuals, aspects of confidentiality and anonymity are assured and the method is cost effective. On the contrary, poor response levels, social desirability, faking and validity of the response are the disadvantages associated with the method.

### 3.2.1. Population

Sekaran (2000) asserts that a population comprises of things or events of interest which the researcher wants to investigate. McNabb (2002) state a
population comprises of a set of elements which are capable of being measured. This could be aspects such as employees, consumers, merchandise, businesses or prices.

Babbie and Mouton (2001) delineate that the purpose of conducting research is to acquire information from the population. Inferences are drawn from the population of the study. It is highly unlikely that all members of the population would be included in the research study. However, Bless and Higson-Smith (1995) contend that it is important for the study to comprise of a sufficient size of the population in order to provide answers to the research question.

For the current study, the population comprised of 150 employees in a retail sector of a large retail organization.

3.2.2. Sample

According to Cooper and Schindler (2003), the rationale behind sampling is to select some elements from the population on which certain conclusions can be drawn about the total population. A sample, representative of the population should be selected in order for the results to be generalized. Serakwane (2005) and Roberts (2005) contend that sampling refers to
embarking on a process utilizing a small number of items or parts from a larger population to draw inferences about the total population in order to draw conclusions about the population.

There are various types of non-probability samples such as purposive sampling, quota sampling, convenience sampling and snowball sampling (Babbie & Mouton, 2001). For the purpose of this study, a non probability sampling method in the form of convenience sampling will be utilized.

Employees employed at various job levels and at different stores in a particular sector of the organization were encouraged to participate in the study. The job levels included senior management, supervisory and non managerial employees. The sample further comprised of males and females in various age groups. Furthermore, the employees included various designated race groups namely, African, White, Colored and Asian. The employees all had various years of service with the organization.

3.3. PROCEDURE FOR DATA COLLECTION

Before proceeding with the study, the researcher obtained permission from the General Manager: Operations. Once permission was granted the data
gathering process started. Questionnaires were personally distributed individually to respondents in their respective stores. This was arranged with the respective store managers before hand. Participants were asked to complete the questionnaires in the store. Participants were assured that their participation was voluntary. In addition to the questionnaires, a covering letter was attached explaining the purpose for the study and instructions for completing the questionnaire. Furthermore, ethical aspects such as confidentiality and anonymity were also addressed. Respondents were informed that no identifying details were required hence individuals could not be identified. Participants were also informed that the results of the research would be used for research purposes only. Upon completion the respondents were asked to place their questionnaires in a sealed box.

3.4. DATA COLLECTION METHODS

Questionnaires were considered as the most appropriate method for gathering the data for the current study.

Two questionnaires were used, namely:

- A self developed biographical Questionnaire and
- The Organizational Commitment Questionnaire.
Further insight into the use of the questionnaires are provided.

3.4.1. The Biographical Questionnaire

A self developed biographical questionnaire was administered. The questionnaire included questions such as age, gender, race, educational level, marital status, position within the organization and tenure to gather biographical information relating to respondents partaking in the study.

3.4.2. The Organizational Commitment Questionnaire (OCQ)

The Organizational Commitment Questionnaire (OCQ) was used to elicit respondents organizational commitment after experiencing a downsizing process.

3.4.2.1. Nature and Composition of the Questionnaire

The questionnaire developed by Mowday et al. (1982) was in response to the need for an instrument with acceptable psychometric properties that could clearly measure organizational commitment. The understanding they had of the definition of organizational commitment formed the basis of the
questionnaire. Ko, Price and Mueller (1997) maintain that the psychometric properties of the OCQ is well documented and there is no pressing need to replace the questionnaire with another one.

The questionnaire comprises of fifteen statements, each attempting to gather information on the employee’s feelings towards the policies, goals and values of the organization, the willingness of the employees to exert extra effort on behalf of the organization and whether employees are proud to be associated with the organization (Mowday et al., 1982).

Respondents were required to indicate their agreement or disagreement with each of the fifteen statements given in the questionnaire. A 7 point Likert scale is used to measure the responses whereby 1 = strongly disagree, 2 = moderately disagree, 3 = slightly disagree, 4 = neither agree nor disagree, 5 = slightly agree, 6 = moderately agree, 7 = strongly agree.

3.4.2.2. Psychometric Properties

According to Sekaran (2003), the finding of any research are only as good as the measuring tools employed to gather data on the concepts being measured. Thus, it is imperative that an instrument which is reliable and valid be used to measure the constructs.
3.4.2.2.1. Reliability

Foxcroft and Roodt (2001) maintain that reliability refers to the consistency by which an instrument measures whatever it is intended to measure. Similarly, it is stated by Sekaran (2001) that the reliability of an instrument indicates the consistency with which it measures the concept it is suppose to measure. According to Terre Blanche and Durrheim (2002), test retest, split halves, equivalent forms, inter-rater and item analysis are all various types of reliability.

The psychometric properties of the OCQ were evaluated in a study comprising of 2563 employees across nine different organizations. The study yielded satisfactory test retest reliabilities and internal consistency reliabilities were found. Furthermore, cross validated evidence of acceptable levels of predictive, convergent and discriminant validity for the instrument also surfaced (Mowday et al., 1982).

Three different ways, namely, coefficient alpha, item analysis and factor analysis were used to determine internal consistencies of the OCQ. The alpha coefficient for the instrument, which ranged from 0.82 to 0.93, was found to be consistently high across samples used, with a median correlation
of 0.90. With reference to item analysis, each item had a positive correlation with the total score of the OCQ with the average ranging from 0.36 to 0.72 and a median correlation of 0.64. Factor analysis resulted in a single –factor solution and generated further evidence to support that the items measured a common underlying construct (Mowday et al., 1982).

3.4.2.2.2. Validity

Validity refers to what the test measures and how well it does so (Foxcroft & Roodt, 2001). Similarly, Kumar (2005) note that validity may be described as evidence which support the notion that the instrument, process or technique utilized to measure a concept or theme actually measures what it is suppose to measure and not something else. According to Sekaran (2001), there are various types of validity namely criterion related, predictive and construct validity.

Evidence of convergent, discriminant and predictive validity were reported with reference to the OCQ. To provide support for convergent validity of the OCQ, the scores of the OCQ were linked with the scores of the Organizational Attachment Questionnaire. In this regard, convergent validities across six diverse samples ranged from 0.63 to 0.70 with a median of 0.70.
This provided support for convergent validity of the OCQ (Mowday et al., 1982).

Furthermore, evidence was provided for the discriminant validity of the OCQ. The OCQ was compared with three other measures namely, job satisfaction, job involvement and career satisfaction. The relationship between organizational commitment and job involvement ranged from $r = 0.30$ to $r = 0.56$ across four samples. Correlations between organizational commitment and career satisfaction ranged from 0.39 to 0.40 across two samples. Correlations between organizational commitment and scales of the Job Description Index ranged from 0.10 to 0.68 across four studies (Mowday et al., 1982).

In addition to the above score, four more studies provided support to show a modest relationship with correlations ranging from 0.35 to 0.45 existed between the OCQ and workers motivation to exercise high energy levels on behalf of the organization (Mowday et al., 1982). Convergent validity was demonstrated by showing that the instrument was positively correlated with work – orientated life interest and supervisor ratings of subordinate’s commitment amongst retail employees showing a correlation of $r = 0.60$ (Mowday et al., 1982).
3.4.2.3. Rationale for inclusion of the OCQ

The rationale for utilizing the OCQ in the study is that there is sufficient evidence to support that the instrument is a valid and reliable measurement of organizational commitment.

3.5. STATISTICAL TECHNIQUES

According to De Vos (1998), statistical techniques aid the researcher to make certain statistical conclusions by drawing on sample data in making educated guesses and examining hypotheses about the traits for a particular population.

3.5.1. DESCRIPTIVE STATISTICS

The purpose of employing descriptive statistics is to condense data to a logical and interpretable structure in order to study, test and provide conclusions on the relations of the research problems (De Vos, 1998). Sekaran (2001) mention descriptive statistics involve transforming raw data into a form that would provide information to describe a set of factors in a given situation.
In the current study quantitative study, the descriptive statistics appropriate in this research include percentages and measurement on the distribution of scores, means and standard deviations.

3.5.2. INFERENTIAL STATISTICS

According to Sekaran (2003) inferential statistics is employed in research to make certain inferences about the population of interest by establishing relationships between variables and being able to draw logical inferences from it.

3.5.2.1. T-tests

Sekaran (2001) state that a t-test makes it possible for the researcher to confirm whether significant means differences exists between two groups of people with regards to a specific variable of interest.

For this study the technique of T-Test was utilized to ascertain whether there indeed is a difference between gender and organizational commitment.
3.5.2.2. Analysis of Variance (ANOVA)

According to Cooper and Schindler (2003), the Analysis of Variance, commonly known as ANOVA, is a statistical method used for the testing the null hypothesis. More specifically Sekaran (2003) state that it is used to determine whether there are significant mean differences between multiple groups.

This statistical method will be used to establish if significant differences existed in organizational commitment amongst employees based on their tenure with the organization.

3.5.2.3. The Pearson Product Moment Correlation Coefficient

The Pearson Product Moment Correlation Coefficient denotes the strength and the direction of the relationship between two variables (De Vos, 1998). The existence of a positive correlation amongst two variables alludes to a direct positive relationship, whilst a negative correlation denotes an opposite negative relationship (Leary, 2004).
3.6.2.3. CONCLUSION

This chapter fundamentally provided a detailed overview of the research methodology that was embarked upon when conducting the research. A clear outline has been given of the participants in the study, the measuring instruments and the statistical techniques employed.

The following chapter will focus on the results obtained in the empirical analysis of this study.
CHAPTER 4

PRESENTATION OF RESULTS

4.1. INTRODUCTION

The current chapter outlines the most salient results obtained in the study and commences with an overview of the most significant descriptive statistics with respect to the independent and dependent variables. The most pertinent sample characteristics are depicted in graphical format, followed by measures of central tendency and variability. Thereafter, the inferential statistical results are presented, followed by a brief interpretation of these.

4.2. DESCRIPTIVE STATISTICS

The descriptive statistics calculated for the measuring instruments are provided in the sections that follow.
Table 4.1: Descriptive Statistics for the dimensions of organizational commitment

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>S.D</th>
<th>Variance</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational commitment</td>
<td>52.69</td>
<td>54</td>
<td>49</td>
<td>5.361</td>
<td>175.669</td>
<td>-.058</td>
<td>1.912</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>19.65</td>
<td>21.00</td>
<td>20</td>
<td>6.322</td>
<td>30.046</td>
<td>-.359</td>
<td>.489</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>22.32</td>
<td>24.00</td>
<td>24</td>
<td>5.490</td>
<td>37.160</td>
<td>-.044</td>
<td>-.087</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>20.76</td>
<td>23.00</td>
<td>23</td>
<td>5.017</td>
<td>29.315</td>
<td>-0.17</td>
<td>2.001</td>
</tr>
</tbody>
</table>

With respect to organizational commitment and its dimensions, the mean value for organizational commitment was 52.69 (s.d = 5.361), for affective commitment (mean = 19.65, s.d = 6.322), for normative commitment (mean = 20.76, s.d = 5.017) and for continuance commitment (mean = 22.32, s.d = 5.490).
Given that a mean score of approximately 60 would constitute an average level of organizational commitment, it may be concluded that the sample in question demonstrates below average levels of organizational commitment as assessed by the OCQ. The obtained standard deviation of 5.361 is also not particularly high, which would suggest that most responses are distributed relatively close to the mean with regards to this construct.

The data for these variables indicates a left skewed distribution with most being concentrated on the right of the mean and with extreme values to the left. The data also reveals a platykurtic distribution, which suggests a flatter than normal distribution with a wider peak. The probability for extreme values is less than for a normal distribution, and the values are wider spread around the mean.

4.2.1. RESULTS OF THE BIOGRAPHICAL QUESTIONNAIRE

The descriptive statistics calculated for the biographical questionnaire is presented in graphical format, followed by a description of the most significant sample characteristics in the form of frequencies and percentages.
In terms of the age distribution, the results depicted in Figure 4.1 indicate that 29% of the respondents (n=43) were in the age group 40-49 years, with 25% (n=38) being between 30-39 years of age. A further 19% of the respondents (n=29) were in the age group 21-29, with 16% being over 50 years' old (n=24). The smallest proportion of the respondents, that is, 11% (n=16) were younger than 20 years old.
Figure 4.2 reveals that females comprised 64% of the sample (n=96), with male respondents constituting 36% (n=54).
Respondents classified as Coloured comprised 61% of the sample (n=92), with 20% (n=30) being White respondents, 12% (n=18), being African and the remaining respondents comprising 7% being classified in the Other category (n=10).
Figure 4.4 illustrates that the majority of the respondents, that is, 57% had completed secondary school (n=85). While 15% had completed a Diploma, (n=23), 11% (n=16) had completed a degree. Of the respondents 10% (n=15) had completed a Certificate, while 7% (n=11) had completed a postgraduate degree.
With respect to marital status, 38% of the respondents (n=57) were married, 27% (n=41) were single and 13% were divorced (n=19). In addition, 9% of the sample was separated (n=13), a further 9% (n=14) were co-habiting and 4% were widowed (n=6).
Figure 4.6 shows that 51% of the sample (n=77) occupied non managerial roles, with 33% (n=49) being in supervisory positions and 16% (n=24) occupying Senior Management roles in the organization.
Those with 11-15 years’ service constituted 38% of the sample (n=57), while a further 32% of the respondents (n=48) had been in the organization for 6-10 years. Moreover, 17% of the sample had been in the organization for 15 years and longer (n=26), and 13% had less than 5 years’ service in the organization (n=19).
4.3. INFERENTIAL STATISTICS

In the sections that follow, the results of the inferential statistics employed to test the hypotheses in the study are presented. For the purposes of testing the stated research hypotheses, t-tests and Analysis of Variance (ANOVA) were computed. With the aid of these statistical techniques, conclusions are drawn with regards to the population from which the sample was taken and decisions are made with respect to the research hypotheses.

Table 4.2: Intercorrelation matrix

<table>
<thead>
<tr>
<th></th>
<th>Affective commitment</th>
<th>Normative commitment</th>
<th>Continuance commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normative commitment</td>
<td>.781**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>.692**</td>
<td>.716*</td>
<td>1</td>
</tr>
</tbody>
</table>

** p< 0.01
The results of the intercorrelation between the dimensions of organizational commitment are reflected in Table 4.2. The strongest relationship emerged between normative and affective commitment ($r = .781$, $p < 0.01$). Similarly, there was a direct, positive relationship between normative and affective commitment ($r = .716$, $p < 0.01$). There was also a statistically significant relationship between affective and continuance commitment ($r = .692$, $p < 0.01$).

Table 4.3: ANOVA: Organizational Commitment by Tenure

<table>
<thead>
<tr>
<th></th>
<th>Sum of squares</th>
<th>Df</th>
<th>Mean square</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>1324.934</td>
<td>3</td>
<td>220.822</td>
<td>0.574</td>
<td>0.000**</td>
</tr>
<tr>
<td>Within groups</td>
<td>34231.354</td>
<td>147</td>
<td>384.622</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>35556.288</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** $p < 0.01$
Table 4.3 depicts the ANOVA with respect to organizational commitment based on the tenure of the respondents. The results indicate that there are statistically significant differences ($F = 0.574; p < 0.01$) in organizational commitment based on tenure.

Table 4.4 Scheffe’s Post hoc comparison of the tenure of respondents

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Mean</th>
<th>Std error</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 5 years</td>
<td>53.34</td>
<td>11.29</td>
<td>0.000**</td>
</tr>
<tr>
<td>6-10 years</td>
<td>45.36</td>
<td>16.32</td>
<td></td>
</tr>
<tr>
<td>11-15 years</td>
<td>57.28</td>
<td>10.65</td>
<td></td>
</tr>
<tr>
<td>15 years+</td>
<td>62.26</td>
<td>16.73</td>
<td></td>
</tr>
</tbody>
</table>

** $p < 0.01$

The results indicate that those with 6-10 years’ service in the organization experience the lowest levels of organizational commitment relative to the other categories ($\text{Mean} = 45.36, \ p < 0.01$).
Table 4.5: T-test: Organizational Commitment by Gender

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>t</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Commitment</td>
<td>49.29</td>
<td>57.52</td>
<td>-1.442</td>
<td>0.000**</td>
</tr>
</tbody>
</table>

** p < 0.01

Table 4.5 depicts the t-test with respect to organizational commitment based on the gender of respondents. The results indicate that there are statistically significant differences (t = -1.442, p < 0.01) in organizational commitment based on gender. The results furthermore indicate that females experience significantly higher levels of organizational commitment (Mean = 57.52). Male respondents are statistically significantly less committed to the organization than are their female counterparts (Mean = 49.29, p < 0.01).
Table 4.6: ANOVA: Organizational Commitment by Age

<table>
<thead>
<tr>
<th></th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>1645.898</td>
<td>4</td>
<td>411.474</td>
<td>0.456</td>
<td>0.001**</td>
</tr>
<tr>
<td>Within groups</td>
<td>41931.645</td>
<td>146</td>
<td>471.142</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>43577.543</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** p < 0.01

Table 4.6 depicts the ANOVA with respect to organizational commitment based on the ages of respondents. The results indicate that there are statistically significant differences (F= 0.456; p < 0.01) in the organizational commitment of respondents based on their ages. Scheffe’s post hoc multiple comparison method was used to determine whether there were any statistically significant differences in organizational commitment based on age.
Table 4.7: Scheffe’s Post hoc comparison of the age of respondents in relation to organizational commitment

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Mean</th>
<th>Std error</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 20 years</td>
<td>53.72</td>
<td>11.46</td>
<td>0.000**</td>
</tr>
<tr>
<td>21-29</td>
<td>52.18</td>
<td>13.25</td>
<td></td>
</tr>
<tr>
<td>30-39</td>
<td>43.34</td>
<td>16.46</td>
<td></td>
</tr>
<tr>
<td>40-49</td>
<td>51.28</td>
<td>12.96</td>
<td></td>
</tr>
<tr>
<td>50+</td>
<td>56.68</td>
<td>8.87</td>
<td></td>
</tr>
</tbody>
</table>

** p < 0.01

The results indicate that respondents in the age group 30-39 differ significantly from the other groups, with respondents in the this age category experiencing the lowest levels of organizational commitment relative to the other age categories (Mean = 43.34, p <0.01).
4.4. RELIABILITY ANALYSIS

Cronbach’s Alpha is viewed as an index of reliability associated with the variation accounted for by the true score of the original construct (Cronbach, 2004). Alpha coefficients range in value from 0 to 1 and may be used to explain the reliability of factors extracted from dichotomous and or multi-point formatted questionnaires or scales. However, there is no lower limit to the coefficient, the closer Cronbach’s coefficient alpha is to 1, the greater the internal consistency of the items of the scale (Cronbach, 2004).

Table 4.8: Cronbach’s Coefficient Alpha for the Organizational Commitment Questionnaire

<table>
<thead>
<tr>
<th>Reliability Statistics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Commitment</strong></td>
<td></td>
</tr>
<tr>
<td>No. of cases</td>
<td>150</td>
</tr>
<tr>
<td>Alpha</td>
<td>0.895</td>
</tr>
<tr>
<td>No. of items</td>
<td>24</td>
</tr>
</tbody>
</table>
According to research, such a score can be regarded as excellent in terms of the reliability of the instrument. Nunnaly (1978) has indicated 0.7 to be an acceptable reliability coefficient but lower thresholds are sometimes used in the literature. Hence, with the current study as indicated in Table 4.7, the Organizational Commitment Questionnaire had a co-efficient that exceeded 0.7, indicating a sufficient degree of reliability.

**4.5. CONCLUSION**

This chapter presented the descriptive and inferential statistics which emerged from the data analysis. The various hypotheses which were developed were tested and the most salient sample characteristics were presented. In the following chapter, the data is compared to previous research findings, conclusions are drawn and recommendations are made to improve organizational commitment within the environment in which the research was undertaken.
CHAPTER 5
DISCUSSION, RECOMMENDATIONS AND CONCLUSION

5.1. INTRODUCTION

This chapter outlines and discusses in detail the results presented in Chapter 4. More specifically, the chapter outlines the descriptive statistics applicable to the construct under investigation in the study (namely, organizational commitment). Each hypothesis involves discussions relating to the findings of the current study and where appropriate existing literature will be integrated into the discussion. As there is a paucity of research in the retail environment, reference will be made to other environments. The chapter concludes with an overview of limitations of the current study, recommendations for future research and the organization.

5.2. SAMPLE

The sample consisted of 150 employees in a large retail organization. The majority of the respondents in the sample were in the age category of 40 – 49 years (n = 43, constituting 29%). Females constituted sixty four percent of the sample (n = 96) and males comprised of thirty six percent (n = 56) while the majority of the respondents were Coloured (n = 92 or 61%). Most of the
respondents (n = 57, or 38%) have been in the service of the organization between 11 – 15 years while employees with less than 5 years service constituted the smallest portion of the sample (n = 19, or 15%). The majority of the respondents (n = 77 or 57%) were non managerial employees.

5.3. DESCRIPTIVE STATISTICS FOR THE DIMENSIONS OF ORGANIZATIONAL COMMITMENT

The results in Table 4.1 reflect that the mean and standard deviation for the total organizational commitment of the sample are 52, 69 and 5,361 respectively. In terms of the organizational commitment of participants, the result indicate a below average level of organizational commitment. This is indicative of a mean score of approximately sixty (60) which can be regarded as an average level of organizational commitment.

5.3.1. Affective commitment

In terms of affective commitment, the results of the study reflects a mean score of 19,65 with a standard deviation of 6,322. Hence it is evident that the employees experience below average levels of affective commitment.
5.3.2. Normative commitment

In terms of normative commitment, the results of the study indicate a mean score of 20.76 with a standard deviation of 5.017. Thus it can be concluded that the employees experience below average levels of normative commitment.

5.3.3. Continuance commitment

With reference to continuance commitment, results of the current study yielded a mean score of 22.32 with a standard deviation of 5.490. Therefore it can be concluded that employees experience below average levels of continuance commitment.

5.4. INFERENTIAL STATISTICS

5.4.1. Organizational commitment

Hypothesis 1: There will be a significant relationship between the dimensions of organizational commitment after a downsizing process.

The results of the current study indicate that the strongest relationship emerged between normative and affective commitment (r = .781, p < 0.01). Similarly, there was a direct, positive relationship between normative and
affective commitment \((r = .716, p < 0.01)\). There was also a statistically significant relationship between affective and continuance commitment \((r = .692, p < 0.01)\). Hence, the null hypothesis is rejected.

Research conducted by Arnolds (2005) illustrate that employees in a tertiary-education institution, undergoing organizational change, display low levels of organizational commitment. Theo and Dodd (2011) posit that during periods of organizational change, like downsizing or acquisitions, the commitment of the employee decreases. Research by Brockner, Grovender and Blonder (1988 cited in Lee & Corbett, 2006) confirms that surviving employees have less affective commitment to the organization during periods of severe downsizing. A study by Furtmueller, van Dick and Wilderom (2011) comprising of professionals in 30 finance firms in Austria revealed a low degree of commitment by respondents.

Findings of a cross sectional study conducted by Guntur, Haerani and Hasan (2012) comprising of 140 nurses at Makassar private hospitals yielded results which indicate high levels of affective commitment and sufficient levels of continuance and normative commitment. More specifically, in terms of affective commitment, the findings of the study indicate that nurses gave a high appreciation to the feeling of emotion associated with their present hospital and have a high sense of belonging. This implies that they are proud
to be nurses at these hospitals. With regards to continuance commitment, the results convey that nurses find it very challenging to quit from their present hospital before they get a new job and they lack the courage to leave the hospital. In terms of normative commitment the results indicate that nurses feel devoted enough to remain in their current hospital and therefore they will not leave the hospital even if there is a new job available.

According to Armstrong-Stassen (2002) changes, like downsizing or acquisitions have a negative affect on affective organizational commitment of individuals. Findings by Armstrong-Stassen, Cameron and Horsburgh (2001) in their research on nurses, revealed that all nurses experience a decrease in their affective organizational commitment after a downsizing process. Furthermore, the results of a study by Lee and Corbett (2006) examining the mechanisms through which downsizing affects employees’ commitment, findings revealed that the more severe the extent of downsizing, the lower the employees commitment to the organization. Probst (2003) posit that based on research one can conclude that employees organizational commitment is significantly and consistently negatively affected by organizational restructuring.
Research on survivor lay offs by Brockner Grover, Reed, DeWitt and O'Malley (1987 cited in Morrow 2011) assert that the treatment received by those affected by job loss has a great impact on the commitment of the remaining employees. In a study conducted by Chughtai and Zafar (2006) on faculty members of a certain university it was revealed that highly committed employees are not likely to remain with the organization but that does not mean that they are poor performers.

Iverson and Buttigieg (1998) found in their study that negative responses to organizational change relates to continuance commitment. Results of a study by Cetin (2006) on academics revealed strong relationships in their normative commitment and the author maintains that the experience of academics contributes to the degree of their commitment. Yousef (2000) conducted research on 474 employees in 30 organizations in the United Arab Emirates and reported that the negative and direct effect of continuance commitment on employee perceptions towards organizational transformation is indicative of an employee’s receptiveness with regards to the change in view of limited job opportunities outside the organization.

Research by Theo and Dodd (2011) in their study revealed that where a more positive impact of organizational process was reported specifically there was an increase in general and normative commitment. Yucel (2012) assert that
committed employees are willing to go beyond the minimum requirements of their duties and are more prone to remain with the organization than uncommitted employees. Lumley, Coetzee, Tladinyane and Ferreira (2011) validate this view and assert that committed workers would be more willing to go the extra mile for their organization and participate in activities such as being more creative or innovative and this would assist in the organization’s competitiveness in the market place.

In a study conducted by Chipunza (2009) survivors perceived the downsizing process as being satisfactory and this in turn, had an impact on their commitment to the organization. Findings of a study by Manetje and Martins (2009) comprising of 371 participants revealed that employees were generally more committed to their organization. The respondents seemed to be more committed to the organization in terms of continuance (3.65) and normative (4.84) dimensions than the affective dimension (2.89).

Results of a study conducted by Park and Rainey (2007) amongst employee’s in federal agencies indicated that all the sub dimensions of commitment are distinct but also correlated with each other. Furthermore, affective and normative commitment were found to be more significant than continuance commitment. Demir (2012) conducted a study, comprising of 339
formal sports managers in 81 provinces of Turkey to determine the organizational commitment of sports managers. The study yielded results indicating mean values for 20.57 for affective commitment, 15.68 for normative commitment and 19.69 for continuance commitment. Furthermore, the study indicated that participants were mainly committed to the organization at an affective (emotional) level.

5.4.2. Tenure

Hypothesis 2: There will be a significant relationship between tenure and organizational commitment of surviving employees after a downsizing process.

The results of the current study of tenure and organizational commitment (F = 0.574, P<0.01) indicate that there are statistically significant differences in organizational commitment based on tenure. Hence the null hypothesis is rejected.

Furthermore, based on Scheffe`s post hoc comparison the results indicated that respondents with 6-10 years service in the organization experience the lowest levels of organizational commitment relative to other categories (Mean = 45.36, p < 0.01).
Research conducted by De los Santos and Not-Land (2006 cited in Salami, 2008) purport that a significant relationship exists between tenure and organizational commitment. Similarly, research findings by Kushman (1992) and Meyer and Allen (1997) support the view that there is a strong correlation between organizational commitment and tenure. This is predominantly due to the association that develops between the employee and the organization over time. Research findings by Loscocco (1990); Luthans (1992); Luthans, Baack and Taylor (1987) and Mowday et al., (1982) all cited in Olanrewaju and Kansola (2011) provided support for the view that tenure has a positive influence on organizational commitment. The authors posit that this positive association may stem from limited employment opportunities and the increased personal benefits which the organization offers to the employee.

Meyer and Allen (1997 cited in Chughtai & Zafar, 2006) suggest that one would note when there is a positive association between tenure and organizational commitment as uncommitted employees leave the organization and only those with a high commitment would remain.

A study conducted by Salami (2008) on 320 industrial workers similarly recognized that tenure was a significant predictor of organizational commitment. According to the researcher, this may be attributed to the fact that the longer an individual remains with the organization, the more time they have to assess their relationship with the particular organization. A study
involving a sample of 203 Japanese industrial employees revealed that normative and continuance commitment seemed to predict organizational tenure (Tao, Takagi, Ishidia & Masuda, 1998). A survey conducted on chiropractic faculty employees revealed that long-term tenure was associated with affective commitment and these findings may be attributed to the fact that employees who remained with the organization for longer periods of time do so because they have better positions due to promotions and accompanying rewards (Henkin & Marchiori, 2004). Sekaran (1992) delineate that tenure is linked with variables such as status and prestige and that this stimulates increased commitment and loyalty to the organization.

Meyer, Herscovitch and Topolnytsky (2002) found a positive relationship between organizational commitment and tenure and maintain in their findings that the longer an individual works in an organization and the older they become, their feelings of responsibility for outcomes relevant to them also increases. Ramay (2012) maintains that employees who have longer years of service with the organization would exhibit higher levels of commitment. Iqbal (2010) conducted a study in the Pakastani knitwear industry and revealed results which indicated that length of service is significantly strongly associated with organizational commitment.
According to Mathieu and Zajac (1990), organizational commitment and tenure are positively related because individuals with meaningful or important jobs tend to have high organizational commitment and these positions are generally associated to tenure. Newstrom (2007) validates these findings and posits that employees who are organizationally committed workers generally have good attendance records, display a willingness to comply with the rules to company policies and are less likely to leave the organization. Sekaran (2000) further maintain that tenure has some element of status and prestige and that is causes a greater commitment and loyalty to the organization.

On the other hand, research findings by Luthans, McCaul and Dodd (1985 cited in Vorster, 1992) provided support for the view that there was no relationship between tenure and organizational commitment. Furthermore, a study conducted on 361 motor manufacturing employees found no significant difference in tenure in the perceptions of survivors after a major transformation (Ndlovu & Brijball Parusamur, 2005). A study by Kinnear and Sutherland (2000) also did not find a significant relationship between organizational commitment and tenure. This is further validate by Cramer (1993 cited in Olanrewaju & Kansola, 2011) who asserts that the length of time an employee remains with an organization is not associated with greater commitment. Brown and Sargeant (2007) similarly maintain that individuals
who remain in the employment of the organization for short periods of time do not show a significant relationship with organizational commitment.

5.4.3. Gender

**Hypothesis 3:** There will be significant differences in gender and organizational commitment of surviving employees after a downsizing process.

The results of the current study for gender and organizational commitment (t = -1.442, p < 0.01) indicate that there are statistically significant differences in organizational commitment based on gender. Hence, the null hypothesis is rejected.

The results of the current study further indicate that females experience significantly higher levels of organizational commitment as their male counterparts (Mean = 57.52). Male respondents are statistically significantly less committed to the organization (Mean = 49.29, p<0.01).

Nazari and Emami (2012) assert that gender is one of the most renowned demographic variables in commitment studies. However, there are mixed views on organizational commitment with respect to gender as some
researchers (Singh et al., 2004; Savery & Syme, 1996 both cited in Nazari & Emami, 2012) assert that men are more committed to the organization than women while others (Singh et al., 2004; Henkin & Marchiori, 2004; Dixon et al., 2005) all cited in Nazari & Emami (2012) have found women to be more committed.

The result of the above study is consistent with findings by McClurg (1999) which revealed that females tend to be more committed to the organization than their male counterparts. Olanrewaju and Kansola (2011) in their study involving Nigerian civil servants which investigated the factors that may be responsible for organizational commitment, validated the findings that female employees display significantly higher levels of organizational commitment than male employees.

According to research conducted by Reyes (2001), a statistically significant relationship was found between organizational commitment and gender which may imply that females are happier in their jobs than males. Gurses and Demiray (2009) conducted a study consisting of a sample of 134 employees at a television production centre also found a significant relationship between gender and organizational commitment. The findings of the study were ascribed to females being more reluctant to venture into new job opportunities due to their family obligations like children and marriage. Harrison and
Hubbard (1998) cited in Olanrewaju and Kansola (2011) posited that the women exhibited greater commitment because they encountered fewer opportunities for employment.

Research conducted by Karrasch (2003) involving 1270 male and 142 female United State army captains revealed that affective and continuance commitment did not differ significantly based on age. However, it was noted that men were significantly higher in their continuance commitment than women.

On the contrary, research conducted by Cetin (2006) however; found no difference in organizational commitment levels based on gender. In support of this finding, a study comprising of a sample of 124 academics at a university in South Africa fell short of finding any significant differences between gender and organizational commitment (Laher, 2001). Likewise, authors (Billingsley & Cross, 1992; Ngo & Tsang, 1998; Wahn, 1998) cited in Olanrewaju and Kansola (2011) failed to provide findings in support of a relationship between gender and organizational commitment. A study by Ramay (2012) comprising of employees in a banking sector in Pakistan, validated the findings that there are no significant differences in organizational commitment with respect to gender.
Research conducted by Camilleri (2005) comprising of 3400 officers occupied in administrative roles in government ministries revealed that there is a significant difference in organizational commitment based on gender. The findings of the study point out that men displayed slightly higher levels of affective and normative commitment. Stewart, Bing & Gruys (2007) also noted in their research men had lower levels of continuance commitment in comparison to their female counterparts.

According to Stewart et al. (2007), the view held by the authors is that higher level of commitment is displayed in the workplace by men than women. Blau and Boa (1989 cited in Voster, 1992) is in agreement with this and state that higher levels of organizational commitment are demonstrated by men than women.

A survey conducted by Salami (2008) consisting of 320 employees, randomly selected from service and manufacturing environments in both the private and public sector of Nigeria, found no association between organizational commitment and gender. Similarly, Wei, Zhejiang and Xin (2007) conducted a study encompassing 123 individuals from a Chinese based company and the results attained revealed that gender is not significantly correlated to organizational commitment.
According to Mathieu and Zajac (1990) and Grusky (1966) both cited in Maxwell and Steele (2003), there is a weak association between gender and organizational commitment.

5.4.3 Age

Hypothesis 4: There will be differences in age and organizational commitment of surviving employees after a downsizing process.

The results of the current study with respect to age and organizational commitment (F = 0.456, p < 0.01) indicate that there are statistically significant differences in the organizational commitment of respondents based on their ages. Hence, the null hypothesis is rejected.

Furthermore, based on Scheffe`s post hoc multiple comparison method the results indicate that the respondents in the age group 30 – 39 differ significantly from other groups. The respondents in this age category experience the lowest level organizational of commitment relative to the other age categories (Mean = 43.33, p < 0.01).

There are varied views on the relationship between age and organizational commitment as some researchers (Camilleri, 2005; Kacmar et al., 1999) note
that the relationship is weak while others (Billingsley & Cross, 1992) maintain that no significant relationship exists.

Various researchers (Lok & Crawford 1999; Luthans 1992; Meyer & Allen, 1997; Sekaran, 2000) state that organizational commitment noticeably increases with age. This implies that older employees are generally more committed to the organization than younger employees. Ramay (2012) is in support of this viewpoint and maintains that employees alternative job opportunities become limited for employees as they age, thus they become more committed to the organization they are working for. Research findings by Salami (2008) also found age to be a significant predictor of organizational commitment. The author posits that older employees are in a position of having more time to assess their relationship with the organization. Similar research findings by various authors (Steers, 1977; Mathieu & Zajac, 1990; Angle & Perry, 1981 cited in Chughtai & Zafar, 2006) has verified research findings that age is positively related to organizational commitment.

Harrison and Hubbard (1998) maintain that older employees are in all probability more committed to their organizations because they have made greater investments with their organization and have a greater history with the organization than younger employees would have made. Similarly, Hellman (1997) postulates that the reason for commitment levels of older employees being higher could be due to younger employees generally having lower
psychological investments in an organization and are prone to be more mobile. Furthermore, as individuals become older their employment opportunities become limited and this leads to their current jobs becoming more attractive (Mathieu & Zajac, 1990).

According to Camp (1993), research conducted amongst correctional service personnel revealed that age plays a significant role in organizational commitment. It was found that organizational commitment is higher among older employees and lower among younger employees. Parasumman and Nachman (1995 cited in Rowden 2000) note that commitment levels among individuals increase when they realize that it may be more costly for them to leave the organization than to stay with the organization.

In contrast however, some authors found no significant relationship between organizational commitment and age. Cetin (2006), in their study found no significant difference in affective, continuance and normative commitment to the organization based on age. In a study conducted by Colbert and Kwon (2000) consisting of a sample of 497 college and university internal auditors, no significant correlation was found between organizational commitment and age. Researchers Lok and Crawford (1999) and Luthans (1992) all reported that younger employees have a preference for progression and flexibility because their commitment driver is to themselves, and therefore they are
more motivated and committed to an organization that fast-track their career growth and enables their financial benefits to increase quickly.

5.5. LIMITATIONS OF THE STUDY

The current study contributed to the existing plethora of research relating to organizational commitment. The study however, is not without limitations.

The current research focused on one department within a large retail organization, more specifically the operations department. Thus the results of the research findings cannot be generalized to other departments or other retail outlets.

Further limitations were presented by the sampling method employed in the study. For the purpose of this study, a non-probability sampling method in the form of convenience sampling was used. This means that the findings from the study of the sample cannot be confidently generalized. Utilizing this method, although acceptable, presents certain limitations. These may include certain groups being under or over represented. For example, employees in the age category 40 – 49 years old represented 29% of the sample. This may have resulted in participants of that age group potentially influencing the
findings of the study. Furthermore, females comprised 64% of the sample which means that males were underrepresented in the current study.

Questionnaires were utilized to gather data from respondents. Babbie & Mouton (2008) state that utilizing questionnaires as a medium of data gathering introduces elements of bias and social desirability by participants.

The above implies that the findings from the study cannot confidently be generalized.

The current research focused on measuring organizational commitment of surviving employees at a single point in time. According to Rylander (2003 cited in Arnolds, 2005) the measurement of organizational commitment at a single point in time during employment is a limitation in most organizational commitment research.

5.6. RECOMMENDATIONS FOR FUTURE RESEARCH

The literature review conducted revealed a lack of research into the organizational commitment of surviving employees in a retail industry. Satisfactory research is available on organizational commitment of employees however, it lacks the focus on surviving employees. Future research should
attempt to include the views of those employees who had left the organization as this would increase the amount of literature available.

The literature review and several researchers have highlighted other variables (such as trust, morale, communication, etcetera) as impacting or being influenced by a downsizing process. The current study only focused on one variable. Future studies could include these variables.

Research conducted in the future could integrate a qualitative approach as part of a quantitative focus. Feedback from qualitative interviews could add value as it allows for better understanding and views of participants.

Although the number of participants in the current study is adequate for statistical purposes, it still represents a relatively low response rate. Utilizing a larger sample could have increased the strength of the results.

A comparative study could be conducted on larger samples, allowing for comparison of various factors such as different areas or regions, geographic spread, race, occupation, age and marital status. This would facilitate to make more conclusive statements and cross cultural comparisons.
The study was conducted at a specific point in time (that is, after the downsizing process) and given the complexity of the construct organizational commitment, a longitudinal study could be undertaken. A longitudinal study allows for observation of a specific construct over a period of time and allows participation and observation by the researcher (Babbie & Mouton, 2008).

As opposed to utilizing convenience sampling, future studies could employ the Stratified random sampling. Foxcroft and Roodt (2001) maintain that this technique facilitates with ensuring external validity and decreases sampling inaccuracies of future research.

5.7. RECOMMENDATIONS FOR THE ORGANIZATION

Bagaim (2003) states that the results of a studies involving organizational commitment should indicate that employee commitment is a complex construct. In order to manage the employees commitment to the organization effectively, managers and or organizations should be conscious of the different dimensions of the construct.

Communication plays a critical role during any downsizing process. Bellou (2007 cited in Theo & Dodd, 2011) maintain that effective communication by the organization allows for the organization to get the buy in from individuals
and allows them to have that comforting thought that the organization is supportive. Findings of a study by Maertz, Wiley, LeRouge and Campion (2010) revealed that the detrimental effects of a downsizing process can be minimized when top management spends time to properly communicate the reasons behind downsizing. Effective communication should take place before, during and after the process.

Gibbons (2006) states that managing survivors is challenging for an organization. Managers have the task of keeping them focused on productivity while still showing sensitivity and acknowledgement of their emotions. Senior management should take cognizance of the emotions of the surviving employees but still provide them with guidance and direction in terms of focusing on the operational aspects of the business.

During periods of downsizing, organizations have the challenge of motivating the remaining employees and attaining their commitment and loyalty. It thus becomes vital that managers pay closer attention to the management of the employment relationships with the employee (Guest & Conway, 2004 cited in Theo & Dodd, 2011).

Training can facilitate with attaining the desired results and enhance the organization. According to Steyn and Visagie (2011), training can minimizes
the fear, anxiety and uncertainty of individuals. Training prior to a change process would facilitate with communicating aspects such as the desired outcomes and impact of the change process.

5.8. CONCLUSION

The aim of the research was primarily to determine whether there is a difference in the organizational commitment of employees who survived and remained with the organization following a downsizing process. A literature review was conducted to form the theoretical premise for the study.

With reference to the stated objective of the research, the following conclusions emerged from the current study:

- Employees experienced below average levels of affective, normative and continuance organizational commitment.

- There are significant differences in the organizational commitment of employees based on their gender. Female counterparts experienced significantly higher levels of commitment than males.

- There are significant differences in the organizational commitment of employees based on their age.
There are significant differences in the organizational commitment of employees based on their tenure.

The pre-determined outcomes of a downsizing process should commonly lead to improved processes and results for the organization, either in terms of cost cutting, reduced workforce, increased productivity and gaining a competitive edge in the market place. However, these results may not be attained if those remaining in the organization are not committed to the organization (Rehman & Naeem 2012).

Meyer and Allen (1997 cited in Rehman & Naeem (2012) maintain that a committed employee yields maximum performance and maintains a sound psychological and physical health which is beneficial to the organization. Thus, following a downsizing process organizations have the challenge of motivating and rebuilding the trust of their survivors.

Management need to direct their focus on the adverse effect that the downsizing process has on survivors (Taylor, 2008). By focusing on the special needs of survivors, providing the required emotional support and ensuring transparent communication that could ease their task of managing those who have remained in the organization (Ndlovu & Brijball Parumasur, 2005).


APPENDIX A

Letter to participants

UNIVERSITY of the WESTERN CAPE
Dear Participant

RE: Research study

I am an Industrial Psychology student at the University of the Western Cape and I am working towards completing my Masters Degree. One of the requirements for the completion of the degree is to conduct a research study.

The aim of my research is on “The impact of downsizing on surviving employees’ organizational commitment”. I would appreciate it if you would please assist by participating in this study. The results of the questionnaires will be used solely for research purposes and will not impact on your current job any way or form. All information obtained will be treated with the strictest of confidence. You will not be required to write any personal information on the questionnaires therefore you will remain anonymous.

Two questionnaires need to ne completed, namely,

- The Biographical questionnaire – this information is required for statistical purposes only, and

- The Organizational Commitment Questionnaire – instructions for completing the questionnaire are provided
You will find that the questionnaires are user friendly and easy to comprehend. It should take 15 – 20 minutes to complete.

Please be honest as there is no right or wrong answer.

I appreciate your feedback and thank you for taking the time to share your opinions with me.

Yours Sincerely

Celeste Cloete
APPENDIX B

Biographical Questionnaire
BIOGRAPHICAL QUESTIONNAIRE

Please complete all of the questions below by answering them directly on the questionnaire. Please mark with an “X” the box applicable to you. Please note that you are not required to complete your name on the questionnaire and your responses will be treated with the strictest confidentiality.

Note: the numbers have no value – they are for categorization purposes only

1. Age

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<tbody>
<tr>
<td>1</td>
<td>20 years and younger</td>
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<td>2</td>
<td>21 – 29 years</td>
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<td>3</td>
<td>30 – 39 years</td>
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<td>4</td>
<td>40 – 49 years</td>
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<tr>
<td>5</td>
<td>50+ years</td>
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2. Gender

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<th></th>
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<tbody>
<tr>
<td>1</td>
<td>Male</td>
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<tr>
<td>2</td>
<td>Female</td>
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3. Race

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<td>1</td>
<td>African</td>
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<tr>
<td>2</td>
<td>White</td>
</tr>
<tr>
<td>3</td>
<td>Coloured</td>
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<tr>
<td>3</td>
<td>Other</td>
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4. Educational level

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<tr>
<td>1</td>
<td>Secondary school</td>
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<tr>
<td>2</td>
<td>Diploma</td>
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<tr>
<td>3</td>
<td>Certificate</td>
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<td>4</td>
<td>Degree</td>
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<tr>
<td>5</td>
<td>Postgraduate degree</td>
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5. **Marital Status**

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<tbody>
<tr>
<td>1</td>
<td>Single</td>
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<tr>
<td>2</td>
<td>Married</td>
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<tr>
<td>3</td>
<td>Separated</td>
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<tr>
<td>4</td>
<td>Divorced</td>
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<tr>
<td>5</td>
<td>Widowed</td>
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<tr>
<td>6</td>
<td>Co habiting</td>
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</table>

6. **Current position in organization**

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<table>
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<tr>
<td>1</td>
<td>Senior Management</td>
</tr>
<tr>
<td>2</td>
<td>Supervisory</td>
</tr>
<tr>
<td>3</td>
<td>Non managerial</td>
</tr>
</tbody>
</table>
7. **Years of service with the current organization**

<table>
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<tr>
<th></th>
<th>Less than 5 years</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
<td>6 – 10 years</td>
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<tr>
<td>3</td>
<td>11 – 15 years</td>
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<td>4</td>
<td>16 + years</td>
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</table>
APPENDIX C

Organizational Commitment Questionnaire
Listed below are a series of statements that represent possible feelings that you may have about the company. Please indicate the degree to which you agree or disagree with each of the following statements by **circling** the number which is most applicable to you.

Please answer all the questions. Your responses will be treated confidentially.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Strongly Disagree</th>
<th>Moderately Disagree</th>
<th>Slightly Disagree</th>
<th>Neither Disagree</th>
<th>Slightly Agree</th>
<th>Moderately Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>I am willing to put in a great deal of effort beyond that normally expected in order to help this organization to be successful.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>B</td>
<td>I talk up this organization to my friends as a great organization to work for.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>C</td>
<td>I feel very little loyalty to this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>D</td>
<td>I would accept almost any type of job assignment in order to keep working for this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>E</td>
<td>I find that my values and the organization's values are very similar.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>F</td>
<td>I am proud to tell others that I am part of this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
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<tr>
<td>G</td>
<td>I could just as well be working for a different organization as long as the type of work was similar.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5 6</td>
<td>7</td>
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<tr>
<td>H</td>
<td>This organization really inspires the best in me in the way of job performance.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>I</td>
<td>It would take very little change in my present circumstances to cause me to leave this organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>J</td>
<td>I am extremely glad that I chose this organization to work for over others I was considering at the time I joined.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>K</td>
<td>There’s not too much to be gained by sticking with this organization indefinitely.</td>
<td>1</td>
<td>2</td>
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<td>6</td>
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<tr>
<td>L</td>
<td>Often, I find it difficult to agree with this organization’s policies on the important matters relating to its employees.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
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<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Moderately Disagree</td>
<td>Slightly Disagree</td>
<td>Neither Disagree or Agree</td>
<td>Slightly Agree</td>
<td>Moderately Agree</td>
<td>Strongly Agree</td>
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<tr>
<td>M</td>
<td>I really care about the fate of this organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>N</td>
<td>For me this is the best of all possible organizations for which to work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>O</td>
<td>Deciding to work for this organization was a definite mistake on my part.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
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End of Questionnaire

Thank you for your participation