

**TO STUDY THE IMPACT OF DOWNSIZING ON SURVIVOR'S
PRODUCTIVITY AT MANAGERIAL LEVEL WITH REFERENCE TO
MULTINATIONAL ENGINEERING COMPANIES IN PUNE CITY**

A Thesis

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IN MANAGEMENT

Under the Board of Management Studies



Submitted By

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UNDER THE GUIDANCE OF
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Annexure III
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Undertaking

I, *Sneha Joshi*, is the Ph. D Scholar of the Tilak Maharashtra Vidyapeeth in *Management* subject. Thesis entitled '*To study the impact of downsizing on survivor's productivity at managerial level in multinational engineering companies in Pune city*' under the supervision of *Dr. Sanjeevani Gogawale* solemnly affirm that the thesis submitted by me is my own work. I have not copied it from any source. I have gone through extensive review of literature of the related published / unpublished research works and the use of such references made has been acknowledged in my thesis. The title and the content of research is original. I understand that, in case of any complaint especially plagiarism, regarding my Ph.D. research from any party, I have to go through the enquiry procedure as decided by the Vidyapeeth at any point of time. I understand that, if my Ph.D. thesis (or part of it) is found duplicate at any point of time, my research degree will be withdrawn and in such circumstances, I will be solely responsible and liable for any consequences arises thereby. I will not hold the TMV, Pune responsible and liable in any case.

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Annexure IV

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It is certified that work entitled '*To study the impact of downsizing on survivor's productivity at managerial level in multinational engineering companies in Pune city*', is an original research work done by *Ms Sneha Joshi* under my supervision for the degree of Doctor of Philosophy in *management*, to be awarded by Tilak Maharashtra Vidyapeeth, Pune.

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TABLE OF CONTENTS

	Title Page	i
	Declaration	ii
	Certificate from Guide	iii
	Acknowledgements	iv
	Table of Contents	v
	List of Tables	vi
	List of Figures	vii
	Abstract	viii
Chapter 1	Introduction	1-26
1.1	Introduction	2
1.2	Definition	5
1.3	Industry 4.0 and Downsizing	6
1.4	Downsizing in Manufacturing and Automotive Industry	7
1.5	Reasons for adopting the strategy to downsize	9
1.6	Impact of Downsizing on Survivors	11
1.7	Need and significance of the study	15
1.8	The downside of Downsizing	17
1.9	The impact of culture on Downsizing	18
1.10	Objectives of the study	22
1.11	Hypotheses of the study	24
1.12	Scope of the study	25
1.13	Conclusion	26
Chapter 2	Review of Literature	27-56
2.1	Introduction	28
2.2	Reference from articles published in journals	28

2.3	Review of Articles from Newspapers / Internet	51
2.4	Review of literature from books	53
2.5	Research Gap	55
2.6	Conclusion	56
Chapter 3	Research Methodology	57-72
3.1	Introduction to Research Methodology	58
3.2	Research Problem Statement	59
3.3	Research Objectives	60
3.4	Research Hypothesis	61
3.5	Research Design	62
3.6	Pilot Study & Result	65
3.7	Reliability Test	66
3.8	Respondents Profile	66
3.9	Questionnaire Construction	67
3.10	Scaling Techniques	68
3.11	Selected Variables in the study	69
3.12	Type of Industries	70
3.13	Participated Companies	70
3.14	Limitation	71
3.15	Ethical Consideration	72
3.16	Conclusion	72
Chapter 4	Analysis and Interpretation of Data	73-196
4.1	Introduction	74
4.2	Data Analysis	75
4.3	Analysis on Impact of Downsizing on various attributes	87
4.4	Analysis of Age & Gender on various attributes	157
4.5	Testing of Hypothesis	185
4.6	Conclusion	196
Chapter 5	Findings / Suggestions / Conclusion	197-226
5.1.1	Findings from Demographic analysis (Part I)	198
5.1.2	Findings from various attributes (Part II)	201
5.1.3	Findings from Hypothesis testing	218
5.2	Recommendations	220

5.3	Future Research Scope	224
5.4	Conclusion	226
	Bibliography / References	227-234
	Annexures - Questionnaire	

List of Figures

Sr. No	Table Number	Name of the Table	Page Number
1	Figure No 4.2.1	Gender of respondents	75
2	Figure No 4.2.2	Age of Respondents	76
3	Figure No 4.2.3	Qualification of Respondents	77
4	Figure No 4.2.4	Profile of the respondents	78
5	Figure No 4.2.5	Income of respondents	79
6	Figure No 4.2.6	Experience of Respondents	80
7	Figure No 4.2.7	Type of Company	81
8	Figure No 4.2.8	Number of Employees in Company	82
9	Figure No 4.2.9	Turnover of the company	83
10	Figure No 4.2.10	Number of Downsizing experiences	84
11	Figure No 4.2.11	Downsized Employees	85
12	Figure No 4.2.12	Reasons for Downsizing	86
13	Figure No 4.2.13	Sharing of Good and Bad news	87
14	Figure No 4.2.14	Information about the process of downsizing	88
15	Figure No 4.2.15	Clarity on the recruitment and selection process	89
16	Figure No 4.2.16	Management's decision for employee transfers	90
17	Figure No 4.2.17	Employees in confidence before implementing downsizing	91
18	Figure No 4.2.18	Survivor's willingness to put in extra effort	93
19	Figure No 4.2.19	Survivors commitment towards the organization	94
20	Figure No 4.2.20	Affinity towards the organization	95
21	Figure No 4.2.21	Survivors positive attitude towards the company	96
22	Figure No 4.2.22	Adoption of new skill set	97
23	Figure No 4.2.23	Efforts taken for self-learning	98
24	Figure No 4.2.24	New skill sets for career advancement	100
25	Figure No 4.2.25	Career advancement training opportunities	101

26	Figure No 4.2.26	Better Promotion Chances	102
27	Figure No 4.2.27	Achievement of Personal Goals	103
28	Figure No 4.2.28	Expectations clarified from Survivors	105
29	Figure No 4.2.29	Communication Gap	106
30	Figure No 4.2.30	Honest, open and straight forward communication	107
31	Figure No 4.2.31	Multiple and open channels for communication	108
32	Figure No 4.2.32	Skeptical about future	110
33	Figure No 4.2.33	Increase in work load	111
34	Figure No 4.2.34	Adverse emotions affect the deliverables	112
35	Figure No 4.2.35	Survivors feel stagnated	113
36	Figure No 4.2.36	Increased Health issues due to stress	114
37	Figure No 4.2.37	Decrease in rejection percentage	116
38	Figure No 4.2.38	Decrease in Cost of Production	117
39	Figure No 4.2.39	Optimization of time	118
40	Figure No 4.2.40	Decrease in Factory accidents	119
41	Figure No 4.2.41	Not able to achieve target work	121
42	Figure No 4.2.42	Errors have increased	122
43	Figure No 4.2.43	Gap in expected and actual result	123
44	Figure No 4.2.44	Extra work apart from my regular work	124
45	Figure No 4.2.45	Able to complete task within time	126
46	Figure No 4.2.46	Time gap required to complete the task	127
47	Figure No 4.2.47	Increase in overtime	128
48	Figure No 4.2.48	Completing task in available resources	130
49	Figure No 4.2.49	Extra resources required	131
50	Figure no 4.3.1	Impact of downsizing on Recruitment	133

51	Figure no 4.3.2	Impact of downsizing on Training	135
52	Figure no 4.3.3	Impact of downsizing on Compensation	137
53	Figure no 4.3.4	Impact of downsizing on Performance Appraisal	139
54	Figure no 4.3.5	Impact of Downsizing on personal attributes	141
55	Figure no 4.3.6	Survivors views on downsizing	143
56	Figure no 4.3.7	Effect on individual employee performance	145
57	Figure no 4.3.8	Improvement in cost of production	148
58	Figure no 4.3.9	Increase in market share	149
59	Figure no 4.3.10	Increase in sale	150
60	Figure no 4.3.11	Increase in overall business	151
61	Figure no 4.3.12	Increase in profit	152
62	Figure no 4.3.13	Productivity enhancement due to automation	153
63	Figure no 4.3.14	Association for next 5 years	154
64	Figure no 4.3.15	Level of Job Security	155
65	Figure no 4.3.16	Satisfactory implementation of the process	156
66	Figure no 4.4.1	Association between Age and Anger	158
67	Figure no 4.4.2	Association between Age and Depression	160
68	Figure no 4.4.3	Association between Age and Increased Fear	162
69	Figure no 4.4.4	Association between Age and Feeling Unfairness	164
70	Figure no 4.4.5	Association between Age and Reduced Motivation	166
71	Figure no 4.4.6	Association between Age and Increased Stress and Fatigue	168
72	Figure no 4.4.7	Association between Age and Low Morale	170
73	Figure no 4.4.8	Association of Gender and Increased Anger	172
74	Figure no 4.4.9	Association of Gender and Depression	174
75	Figure no 4.4.10	Association of Gender and Increased Fear	176
76	Figure no 4.4.11	Association of Gender and Feeling Unfairness	178
77	Figure no 4.4.12	Association of Gender and Reduced Motivation	180
78	Figure no 4.4.13	Association of Gender and Increased Stress and Fatigue	182
79	Figure no 4.4.14	Association of Gender and Low Morale	184

List of Tables

Sr. No	Table Number	Name of the Table	Page Number
1	Table No 4.2.1	Gender of the Respondents	75
2	Table No 4.2.2	Age of Respondents	76
3	Table No 4.2.3	Qualification of Respondents	77
4	Table No 4.2.4	Profile of the respondents	78
5	Table No 4.2.5	Income of respondents	79
6	Table No 4.2.6	Experience of Respondents	80
7	Table No 4.2.7	Type of Company	81
	Table No 4.2.8	Number of Employees in Company	82
8	Table No 4.2.9	Turnover of the company	83
9	Table No 4.2.10	Number of Downsizing experiences	84
10	Table No 4.2.11	Downsized Employees	85
11	Table No 4.2.12	Reasons for Downsizing	86
12	Table No 4.2.13	Sharing of Good and Bad news	87
13	Table No 4.2.14	Information about the process of downsizing	88
14	Table No 4.2.15	Clarity on the recruitment and selection process	89
15	Table No 4.2.16	Management's decision for employee transfers	90
16	Table No 4.2.17	Employees in confidence before implementing downsizing	91
17	Table No 4.2.18	Mean of Trust Related Factors	92
18	Table No 4.2.19	Survivor's willingness to put in extra effort	93
19	Table No 4.2.20	Survivors commitment towards the organization	94
20	Table No 4.2.21	Affinity towards the organization	95
21	Table No 4.2.22	Survivors positive attitude towards the company	96
22	Table No 4.2.23	Adoption of new skill set	97
23	Table No 4.2.24	Efforts taken for self-learning	98
24	Table No 4.2.25	Mean For Factor 2-Commiment	99
25	Table No 4.2.26	New skill sets for career advancement	100
26	Table No 4.2.27	Career advancement training opportunities	101
27	Table No 4.2.28	Better Promotion Chances	102
28	Table No 4.2.29	Achievement of Personal Goals	103

29	Table No 4.2.30	Mean for Factor 3- Career Advancement	104
30	Table No 4.2.31	Expectations clarified from Survivors	105
31	Table No 4.2.32	Communication Gap	106
32	Table No 4.2.33	Honest, open and straight forward communication	107
33	Table No 4.2.34	Multiple and open channels for communication	108
34	Table No 4.2.35	Mean for Factor -4 Communication	109
35	Table No 4.2.36	Skeptical about future	110
36	Table No 4.2.37	Increase in work load	111
37	Table No 4.2.38	Adverse emotions affect the deliverables	112
38	Table No 4.2.39	Survivors feel stagnated	113
39	Table No 4.2.40	Increased Health issues due to stress	114
40	Table No 4.2.41	Mean for Factor-5 Morale	115
41	Table No 4.2.42	Decrease in rejection percentage	116
42	Table No 4.2.43	Decrease in Cost of Production	117
43	Table No 4.2.44	Optimization of time	118
44	Table No 4.2.45	Decrease in Factory accidents	119
45	Table No 4.2.46	Mean for Factor 6- (Efficiency and effectiveness)	120
46	Table No 4.2.47	Not able to achieve target work	121
47	Table No 4.2.48	Errors have increased	122
48	Table No 4.2.49	Gap in expected and actual result	123
49	Table No 4.2.50	Extra work apart from my regular work	124
50	Table No 4.2.51	Mean for Work Related Productivity	125
51	Table No 4.2.52	Able to complete task within time	126
52	Table No 4.2.53	Time gap required to complete the task	127
53	Table No 4.2.54	Increase in overtime	128
54	Table No 4.2.55	Mean for Time Related Productivity	129
55	Table No 4.2.56	Completing task in available resources	130
56	Table No 4.2.57	Extra resources required	131
57	Table No 4.2.58	Mean for Use of Resources Related Productivity	132
58	Table no 4.3.1	Impact of downsizing on Recruitment	133
59	Table no 4.3.2	Impact of downsizing on Training	135
60	Table no 4.3.3	Impact of downsizing on Compensation	137
61	Table no 4.3.4	Impact of downsizing on Performance Appraisal	139
62	Table no 4.3.5	Impact of Downsizing on personal attributes	141
63	Table no 4.3.6	Survivors views on downsizing	143

64	Table no 4.3.7	Effect on individual employee performance	145
65	Table no 4.3.8	Improvement in cost of production	148
66	Table no 4.3.9	Increase in market share	149
67	Table no 4.3.10	Increase in sale	150
68	Table no 4.3.11	Increase in overall business	151
69	Table no 4.3.12	Increase in profit	152
70	Table no 4.3.13	Productivity enhancement due to automation	153
71	Table no 4.3.14	Association for next 5 years	154
72	Table no 4.3.15	Level of Job Security	155
73	Table no 4.3.16	Satisfactory implementation of the process	156
74	Table no 4.4.1	Association between Age and Anger	157
75	Table no 4.4.2	Association between Age and Depression	159
76	Table no 4.4.3	Association between Age and Increased Fear	161
77	Table no 4.4.4	Association between Age and Feeling Unfairness	163
78	Table no 4.4.5	Association between Age and Reduced Motivation	165
79	Table no 4.4.6	Association between Age and Increased Stress and Fatigue	167
80	Table no 4.4.7	Association between Age and Low Morale	169
81	Table no 4.4.8	Association of Gender and Increased Anger	171
82	Table no 4.4.9	Association of Gender and Depression	173
83	Table no 4.4.10	Association of Gender and Increased Fear	175
84	Table no 4.4.11	Association of Gender and Feeling Unfairness	177
85	Table no 4.4.12	Association of Gender and Reduced Motivation	179
86	Table no 4.4.13	Association of Gender and Increased Stress and Fatigue	181
87	Table no 4.4.14	Association of Gender and Low Morale	183
88	Table No 4.5.1	Sub Hypothesis 1	185
89	Table No 4.5.2	Sub Hypothesis 2	188
90	Table No 4.5.3	Sub Hypothesis 3	190
91	Table No 4.5.4	Sub Hypothesis 4	192
92	Table No 4.5.5	Sub Hypothesis 5	194

Abstract

Change is a way of life and the ability to manage change is a key factor in organisational survival and effectiveness. In today's business environment, where most organizations are forced to restructure due to unstable political situations, globalization and economic downturns, downsizing has proven to be a relevant strategy to organizations. Most employers seem to know the importance of the remaining employees (survivors) yet they still find difficulties in keeping them secure and productive.

The objectives of this study were to identify the impact of downsizing on survivors' productivity and to study the role of HR in facilitating the change process. The research aims to evaluate the 'survivor syndrome' and assesses the impact of downsizing on communication, trust, survivor commitment and loyalty, morale and career advancement opportunities.

The study was conducted using a convenience non random sampling of 396 employees / survivors from automobile, auto component and various industrial engineering multinational manufacturing companies in Pune and around the City. Data was collected using a self-developed questionnaire and analysed using descriptive and inferential statistics. The study generates a framework / model of critical change implementation factors and proper facilitation of HR. The data was subjected to a number of statistical analysis including chi square test and Pearson's correlation.

Results indicated that survivors were less committed to the organization and had a negative attitude towards downsizing process. Since there was an increase in workload for the surviving employees it negatively affected their health. Downsizing does change the working conditions for the surviving employees in which they no longer feel happy to work for the organisation, decreasing their loyalty towards the organisation.

Organizations need to develop and communicate compelling employee propositions that highlight the availability of counselling / consultation, training and career development opportunities, as well as providing them with personal mentors. Employees should be able to participate in the downsizing process, as this will make them feel more valued in the organisation.

Chapter 1

Introduction

- 1.1 Introduction
- 1.2 Definition
- 1.3 Industry 4.0 and Downsizing
- 1.4 Downsizing in Manufacturing and Automotive Industry
- 1.5 Reasons for adopting the strategy to downsize
- 1.6 Impact of Downsizing on Survivors
- 1.7 Need and significance of the study
- 1.8 The downside of Downsizing
- 1.9 The impact of culture on Downsizing
- 1.10 Objectives of the study
- 1.11 Hypotheses of the study
- 1.12 Scope of the study
- 1.13 Conclusion

1.1 Introduction

Not long back in Indian history, the manufacturing companies did face a challenge when the Liberalization Policy was implemented in 1991. The foreign companies not only got in the Foreign Direct Investments (FDIs), but also got along the technology, process improvements and global practices. The Indian consumer now had information and choice, thereby increasing the competition in the market. Latest technology coupled with new techniques became the norm and companies had to adapt themselves by moving from being labour intensive to capital intensive.

Productivity became the keyword, and companies had to rationalize their surplus manpower to increase their productivity. The downsizing phenomenon is not focused particular to any sector, but ranges across wide spectrum of industries from manufacturing to information technology. Advent of Industrial revolution and Liberalization policy gave manufacturing and engineering companies a ray of hope for growth but at the same time pushed these companies to brink of financial strain, where in they had to weigh their resource planning towards profitability.

Every organization undergoes a continuous and a fast-tracking change. This change could be because of technology, economy, political environment, the leading government and so on. The corporate dimensions and their strategic decisions are usually dependent on the workforce of in-house and external interest. Downsizing is typically done in cases where the company is making considerable changes to either augment company's worth or to get rid of its excess overheads. The governing body and management are at times inhibited to take harsh decisions and find themselves in such a position where they are forced to lessen the number of personnel that they have recruited. Downsizing is one such tag among the many which is used to define this sudden reduction in work force. As the production cycles are changing along with a rapid change in technology, the companies need to acclimatize their workforce related strategies on a continuous basis. Downsizing is a management initiative which is used to advance the efficiency, productivity, and output of the company by sinking its workforce.

Downsizing can also be called as layoff, redundancy or may be reduction in workforce. The reason for downsizing is not related to employee's productivity. The onus is mainly on the employer. The inefficiency of the organization or the restructuring held in the companies is the main cause of downsizing. This is a mass activity. The companies terminate the employment of several employees at the same time.

Downsizing in general terms refers to cutting down of its employees by an organization. Many take this course as a last step when the operational costs go overboard because of High number of employees and the said costs are not in practical proportions to the revenue generated by that organization. There could be many intrinsic and extrinsic reasons for the company to adopt downsizing. (Product obsolesces, Industrialization and automation, Shortage of raw materials, Power shortage, financial crisis, Strategic alliance, economic downturn, global health concerns, natural calamities etc.) Companies may implement employee reduction in different ways like termination of contractual employees, Termination by Buyout / compensation, Announcement of compulsory VRS beyond a certain age or optional VRS etc.

Many people like stability and permanence in work. Though they are ready for innovation and creating something new, but they prefer a sensibly stable situation as a platform for their learning and creativity.

Many companies around the globe implement downsizing keeping in mind that they will achieve economic benefits. They believe that there are only two ways to achieve this, either by reducing costs or by increasing the overall revenue. When the firms downsize, they cut down on the strength of manpower, which means less people in sales and marketing so less business generation. Similarly, low number of people in Research & Development so no forward integration of the products. This ultimately reduces morale of the employees as the number of working people is less and work load has increased. The companies need to bare losses with such missed opportunities.

Downsizing may not always be the right decision to improve the productivity and performance of an organization. This process may leave an organization in an unsuitable size thereby leaving a negative impact on its employees. Only reducing the pay of the employees and thereby retaining

all the employees is not a correct strategy to be implemented during financial crisis of the organization. A proper study needs to be done to understand the firms current position and then a decision can be taken as to which strategy to be implemented in this crisis's.

Organizational downsizing is considered as an upbeat management strategy whereas organizational decline is the firm's negative aspect towards not supporting the undesirable global issues. However, both the aspects can be related to the reduction of workforce. The focus of downsizing is mainly on the reduction of the workforce, but other options besides this can also be explored during downsizing. The focus of downsizing has always been on the improvement productivity and efficiency with the limited amount of resources and manpower. Downscale in the workforce means the same work to be done but with less number of people. So the quality and time has to be compromised on this.

The implementation of downsizing is a very crucial part. The Human Resource department has to take care that the appropriate employee gets retained by the organization. The company needs people who have a foresight and the urge to redevelop the organization in the coming years. Hence utmost care needs to be taken that only the non-performers are retrenched.

1.2 Definition

Cascio, W.F (1993) Downsizing refers to the planned elimination of positions or jobs.

Garry Desseler, Jean Philip, **Downsizing** means reducing a company's workforce. Here too the employees are the victims of the inefficiency of the organization. Since the organization is not able to remunerate the employees due to financial problems, they need to be separated from the company.

According to Cambridge Dictionary, "The process of making a company or organization a more effective size, especially by reducing the number of people working for it is called **rightsizing**."

"C.B. Memoria, S.V. Gankar: A **layoff** refers to an indefinite separation of the employee from the payroll due to factors beyond the control of the employer; the employee is expected to be called back in future" in a Layoff it is the inability of the employer to provide a secured job to the employee. The reasons could be breakdown of machinery, accumulated stocks, raw-material shortage, delay in production process etc. So if seen carefully the above reasons are all related to the management or the organization. None of the reason is related to the employee's skills or performance. But still the end recipient is the employee. It is he who has to go through the harsh decision taken by the management.

Survivor syndrome is described as a mixed bag of emotions exhibited by employees following organizational downsizing - a set of attitudes, feelings, and perceptions. These symptoms can be broken down into four clusters of feelings: (1) fear, insecurity, and uncertainty; (2) frustration, anger, and resentment; (3) sadness, depression, and guilt; and (4) injustice, betrayal, and guilt. These psychological states can affect survivors' work behavior (e.g., motivation, performance) and attitudes (satisfaction, commitment).

1.3 Industry 4.0 and downsizing

Industrial revolutions have had a massive impact on the global economies and hence the transitions and the inventions were more aptly named as revolutions. Be it the first steam revolution or the Second revolution of mass production, these have altered the economies across the globe, where in the major aspects like employment, skilled manpower, child labour, Lower pay, working conditions, women workforce etc came to force.

Every Revolution brought along with it, its own dynamics when seen from a human resource perspective. The employed workforce who used manual strength as a skill found itself redundant with advent of Steam power. The workforce which was employed in high numbers for mass production found itself redundant with advent of mass production. The third electronics and digital revolution marked a paradigm shift in skills of the employees since size of the machines shrunk to smaller sizes and mechanical force was mainly being replaced by electro-mechanical machines. The employees had to stress more on brain power to explore the possibilities of electronic circuits rather than stress on their physical strength to mobilize things.

The fourth and latest industry revolution “(Industry 4.0)” is about automation and data exchange between the autonomous systems which will contribute to cyber-Physical systems in the industry. This is expected to bring is high level of accuracy, repeatability, quality and dependability into the processes. Through this, companies would expect to address their inefficiencies by adapting to automation and data computing. This will help companies to adapt to fast pace of change that’s going on and also eliminate waste where ever possible.

With increasing need for having the right skilled employees, it would become inevitable for the companies to up skill and cross skill their employees who will be able to deliver the results across the functions.

The Modern machines show a high degree of cognitive abilities, there by prompting a question if Machines could replace Humans. The question though debatable is the driving force for companies looking to adopt modernization with downsizing. The capital intensive nature of modern machines though, may hinder the pace of this transition.

Studies show that with advent of “Industry 4.0”, the low-skilled standard jobs may decline giving way to more high skilled jobs like Programming, or Machine programming and Robotics. The cross functional interdependency may be expected giving rise to complexity in many job profiles. The above scenario may pave the way for the companies to go in for Downsizing, Post which the companies would hope to have survivors with right skills left behind.

The said Phenomenon would highlight the importance of continuous learning and training for the employees to adapt to new requirements of “Industry 4.0”.

1.4 Downsizing in Manufacturing and Automotive Industry

A very evident industry that reeled under these criteria is Auto industry, which directly catered to the masses in the B2C format. The huge potential customer base meant that the fortunes of the company could swing either ways depending on the acceptance by the masses. The only Indian Major Automobile manufacturers of pre-Liberalization era, VIZ Hindustan Motors and FIAT (Premier Automobiles), were the ones to think of Structured layoffs as they faced stiff competition from new and modern global entrants.

Auto and auto component industry has been the major contributor of the Indian economy and hence, also that much susceptible to the intrinsic and extrinsic changes which would force the companies to go in for temporary or permanent layoffs. In the near past around year 2017, Automotive industry played a crucial role in the global Economy, when the passenger vehicles and commercial vehicles sales across the globe were about 86M (million) units and the global Auto industry employed about 15M skilled workers.

In fact, it was said that, if at all the automotive industry was to be considered as an independent economy then it would be the 6th largest in the world. Moving on, the year of 2019 saw a continued slowdown in the automotive industry prompting the automakers to take the harsh step. The said slowdown not only affected the Auto OEMs themselves but also the Tier 1 suppliers (Auto component suppliers) dependent on them. The Biggies like ‘General Motors’ took a call to

shut down five plants across the United States and thereby reducing the workforce by about 14000.

Close on heels of General Motors, another US biggie 'Ford' announced reduction of about 12000 employees in phased manner. In Europe, UK was hardest hit because of its additional uncertainty of Brexit, and about 1/3rd of Auto players announced employee reduction. Moving on to Asia, the fastest growing economies like India and china also were also hit hard by the global slowdown. More than 2 lakh jobs were cut across the Auto segment as per Vikram Kirloskar, the president of Society of Indian Automobile Manufacturers (SIAM) in the year 2014.

Advent and promotion of Electric battery vehicles has also pushed major Automakers to shed their Staff from traditional IC (internal combustion) engine assemblies. Closer home in India, the Auto industry is marked around Rs16-18 Trillion. It is ranked as 4th largest in the world. Over the past decade since year 2000, Indian Auto and component industry has brought in FDIs of over US\$20 Billion. Auto industry in India, directly and indirectly employs about 10M people and contributes close to 7% of the GDP. The Slow down didn't spare the Indian Auto sector either with sales dropping over 40% YOY in year 2019.

Drop in Private investments, banking crisis and difficulty in accessing credit has weakened the consumer sentiment leading to lesser demand. Auto companies and its Tier suppliers are facing the heat of reduced production numbers and downtimes. The said industry downturn is considered to be one of the worst in recent years. Companies on their part are scheduling NPDs (Non Production days), Batch production, etc to cut down their losses, but many in the Auto industry have resorted to the inevitable step of job cuts. Across the Auto sector, India has seen a job cut of about 2.3Lakh employees.

The above scenario indicates that Downsizing has been on and off throughout the Auto industry. The effectiveness or the success of the Downsizing process largely depends on the ability of the company to effectively lay off the targeted staff and also on the ability of the companies to have the right staff retained back. It is this staff that is often termed as "Survivors" and much of company's productivity depends on the ability of this staff. The right skill sets and efficiency of these survivors has to match to the goals and aspirations of the company, for the organization to

have a fruitful downsizing process implementation. These survivors need to be nourished and correctly groomed to be more productive for the organization and at the same time it is important for the companies to keep their motivation and morale high, that's a walk on tight rope that every organization has to take along post implementation of downsizing.

1.5 Reasons for adopting the strategy to downsize:

When the companies face poor economic conditions, the first impact is on the skilled staff. It is this staff whose employment needs to be terminated. The companies intend to carry out a permanent downscaling thereby reducing the number of employees on the operating payroll.

Another reason could be a merger or an acquisition by the company. Every company has a dream to develop and expand its business either by vertical integration or horizontal integration. When this company goes for an external expansion they try to acquire a running business. Overlapping of functions and positions takes place in the acquiring company. This creates uncertainty of jobs and the employees are exposed to different management styles, incompatible work culture, loss of key talent, diminished trust and many more.

Discontinuation of a product or service also leads to downsizing. The workforce necessary for the production of that product is no longer required and hence to cut down on the expenses and to save the economy of the company, it follows the downscaling strategy.

Restructuring of an organization also needs to comprise the rightsizing strategy. Here the employer might feel the need to streamline the process in order to boost the profit and capitalize on the efficiency. Resistance to Change often shakes up the work force.

Cost reduction is one of the primary reasons for employee downsizing. An Employee on payroll is a liability to the company. In addition to that the benefits to be given to such employees increase the operating cost. Getting rid of such obligation is another way to curb costs.

To support the firm's expertise and talent towards an extensive market, downsizing can be carried out. It may initiate the process of downsizing to weed out the personnel with outdated skills which may not be valuable in its future course of action. This is also called as lean expertise in terms of production, where an unwanted part of an organizational structure is eliminated from the process as there will be no further value addition to it.

A change in technology is another reason for downsizing. Since the companies are going global they have to face the global competition. Hence there is a need to upgrade the technology. When technology is upgraded it automatically cuts down on the human resource of the company. New technology means automation in the organization. This automation will replace the manpower. Many posts will be redundant. People are bound to be jobless.

Many times the government of the state may take an initiative to generate employment in the market. They may start with the public sector, thereby reaching the private sector. Generating more jobs means to create more positions in the company. This may ultimately be a burden on the economy. Then after some years this excessive employment generation starts creating problems. As employment generation means giving them all the benefits like insurance, maternity, travel allowance, provident fund, gratuity, etc. This leads to the problem of excessive manpower in a particular sector, being another reason for subsequent downsizing.

The employees need to sharpen their skills and competencies continuously to sustain in this competitive world. The business line is changing. There are new innovations which need niche skills and knowledge. The ones who are able to provide this sustain comfortably in the global environment. Others are left with no choice. To limit the financial crisis, to gain competitive advantage and to sustain in the competitive global market this strategy of downsizing is used.

1.6 **Impact of Downsizing on Survivors:**

A survivor is a person who stays back in an event, a major set-back after everybody is gone. Such a person is called a survivor. With reference to downsizing, when maximum of the employees are removed / reduced from the company, then the ones who are left behind are called the survivors. They are supposed to be the luckiest people from the company, as usually the non-performers or the low performers are removed by the firms. The ones who stay back are hence considered as lucky.

These survivors are usually under tension of their **job insecurity**. As the company is facing financial crisis the current survivors may be considered for the next cycle of downsizing. The feeling that the person next to us, who was very close to us for a certain period of time will not be seen ever after the process, is very traumatic. Though the reason for his / her leaving the organization is not due to their low productivity or efficiency, but still they are considered for the downsizing process lowers the morale of the current employees. Their commitment level is hampered and can be seen from their work. This mixed feeling which consists of anger, irritation, low morale, and betrayal is called as “Survivor Syndrome”, as per Sahdev, K. (2004).

These people are added with extra responsibility thereby **increasing their overall work load**. They are expected to work extra hours and give productive output. The work of hundred people is now done by forty people, depending upon the intensity of downsizing though. These survivors are also not clear about the tasks to be performed during the process. They have the ambiguity of their exact role in the organization. They are expected to do multi-tasking jobs at the same time as the work load remains the same with the reduced number of employees.

The employers may find a rise in the **safety incidents** of such survivors. As they are mentally unstable and find very less time to cope-up with the situation, they find themselves mentally stressed. This increase in stress level of the employees might get a slight delay in their work. They may not be as active as they are expected to be. The reason behind such a delay could either be because of stress or purposely to reveal anger and distress towards the management. The

delivery of work on time is the need of the hour during such a situation. But since the employees are low on their morale, their on-time delivery of work is a big question.

The management is expected to handle such situation very carefully, as the **quality of work** and the product cannot be compromised. The company is already compromising on its customers for service. An unhappy employee cannot give his hundred percent neither to its customers nor to the management. The survivors are not able to complete their work on time. They cannot work on time bound projects as the commitment levels have gone down significantly. There is no motivation towards their work as in many cases their salaries are also reduced by some components. So the ultimate motivational factor for any individual which is 'Money' becomes very uncertain. And this leads to demotivation.

The employer should take the decision of downsizing and the employees who should be downsized very carefully by proper methods. For this their **appraisal method** should be in place. If through appraisal it is seen that few employees have a consistently low performance, such employees can be thought of downsizing first. The practice of downsizing should be the last practice to be implemented. As this downsizing is a very harsh method of getting rid of the manpower resources during the financial / economic crisis.

The survivors feel that they are **betrayed** by the management as the management usually does not tell the exact reason of downsizing. There is a **communication gap** between the management and the employees. Rumors spread a negative message and this again impacts the productivity of the left over employees. Improper communication leads to mistrust among the employees. If the company clears the doubts of the employees, then the motive behind reduction in workforce can be achieved.

The **employees are usually unhappy** as their co-workers have left the organization. They are not sure whether they will come back. If the human resource department assures them that the downsized employees were given full compensation and were taken care by the management, this will create a sense relief to the existing employees and as a result their level of motivation

may rise. It is the responsibility of the management to let the existing people know the betterment of the reduced staff.

The survivors are also expected to **increase their skill** sets in order to be retained by the organization further. The survivors are with the company due to their existing skills. But they will not be enough to serve in this competitive environment. There is a need to increase the competency level of every employee to survive in this global market. The employees may or may not receive career advancement opportunities by the employer. But they have to explore them on their own and get their competencies in tune to the organizational goals.

Usually the **employees with low tenure** are downsized as compared to the longer tenure. The ones with longer tenure are the most experienced staff of the organization. If they are downsized, then there is a shortfall of knowledge resource in the company. The remaining employees are expected to cope-up with this **knowledge resource** as early as possible to survive in the organization. There is a difference between knowledge and experience. The company can get knowledgeable staff from outside, but knowledge through experience is a niche skill. This skill needs to be nurtured by the company if they want faster growth during the downsizing phase.

Even after being retained by the employer, the surviving employees might feel insecure with respect to their jobs. Insecurity here means fear of losing the job anytime. There is a possibility that they may **look for a change elsewhere**. So even after downsizing process the company might have to face further reduction in their staff. There are chances that such survivors might join hands with the competitors for better opportunity. The management does not have any hold on such employees. They have to let go such people as even retaining them further will not be of much use to the company. Outflow of confidential information is another threat to the company. As revenge the employees might take such an action.

Absenteeism is another issue to be faced by the management. The survivors are no more willing to perform duty for the company. They might go on an extended leave giving medical reasons just to see that the company does not achieve its target. The motive of the employees is strictly to disturb the management by this act. They might use their complete leaves and then say a good

bye to the firm. The feeling of detachment makes them take this step. This intolerance reduces their involvement in organizational activities thus increasing the rate of absenteeism and attrition.

The need of the hour is the current **changes in technology**. This is the main reason of downsizing for many companies. **Automation** has reduced the work of people. It has easily replaced the manpower. As machines never stop, they never get tired, and can continuously work as per the requirement they are preferred more than human beings. These machines even do not ask for overtime or wages and at the time of breakdown, they are easily replaceable. This created a major impact on the survivors. Although the installation and software part is handled by humans by that is a very negligible part and very few manpower is required to do the same.

Trust factor is another impact seen on the survivors. Lack of communication across the hierarchy created a gap of trust among the employees and their manager. Many time since the information is not shared or shared quite late increases this gap of trust. After losing the trust factor, commitment level and motivation level automatically decreases. Trust plays an important role here. According to Keith Davis, Participation in management's decision making will help build mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share in responsibility of achieving them. As it takes ages to build a trust and not even a minute to break that trust.

1.7 Need and significance of the study:

There are three major recipients of the process of downsizing.

- Victims
- Survivors
- Organization

The victims here are the ones who are the downsized employees. They have to depart from the organization. The companies usually compensate for their loss in monetary benefits. There are a lot of problems faced by such victims, emotional and financial. Most of the times their exit is not treated properly. Here the researcher would like to focus more on the other two recipients.

The next recipient is the survivor. The ones who are retained by the company. The company feels that such employees are the lucky people to survive. There are few positive and negative aspects to their survival. These so-called survivors will hardly find any jobs in the market as downsizing will be applicable everywhere in the same industry. Either they need to change the industry as a whole or to wait to get selected by an equivalent company. These survivors face a lot of other emotional disturbances like low morale, low commitment, less interest in work, no motivation etc. The only positive side to being a survivor of the downsizing process is that they have a regular salary. Their benefits are intact. So their financial front is taken care of by the company to some extent.

The last recipient is the organization. They are the ones to suffer a lot in the whole process. The organization is already under a crisis and plus they need to face the victims and the survivors too. It is difficult on the part of the organization to manage the whole process. Here by management we mean the human resource department, as the main task is of the human resource department to facilitate the whole process. The organizations have to reduce costs, increase productivity in the given time and also to achieve efficiency. All this without the help of full manpower is a bit difficult.

It has been observed that very rarely the companies achieve the required results of the strategy adopted by them of downsizing. Very few companies achieve their desired targets after

downsizing. This strategy is mostly implied at the time of crisis. These crises may be due to recession in the economy, financial crisis, technology change, product obsolescence etc. So ideally when the company needs its human resource the most to help them come out of the crisis, the company is busy firing them to control the crisis.

When the manpower is reduced suddenly at an eleventh hour, they are bound to come back with a big bang. The company is trying to play with their emotions, with their family life balance and many more things unknowingly.

Instead the firms should find another way out. The strategy of downsizing definitely reduces the cost but it will be efficiently handled only when all the departments of the company are towards the same goal to reduce the cost. One thing need to be clear that costs are not just related to the human capital. There are products, after sales service, rewards and recognitions, travels of businessmen, entertainment and engagement activities which can also be worked upon.

Implementing this strategy is a failure on part of the management. The company should be well aware about their manpower resources, the financial stability, its market growth, change in trade conditions etc. A sudden downturn is never seen by any company in any of the above mentioned crisis. It is the failure on part of the management. Proper measures had to be taken then, to avoid this downsizing strategy.

Proper established organizations always plan their need. They invest in such employees who are more than just an employee for them to fill the job vacancy. The companies know the value of such employees who are worth investing. Business is very dynamic. It might have a change in technology which may create few posts redundant. But the posts are redundant not the employees. They can be used elsewhere without losing on their morale and commitment towards the organizations.

The study focuses on the impact of this downsizing strategy and what are the impacts of this strategy on the survivors/ the retainers/ the left over's in the company? When we get answers to the above questions, the researcher might say that the study was successful.

1.8 **The downside of Downsizing:**

The researcher wants to point out some points regarding the downside of downsizing. Why did some of the downsizing strategies fail to implement it efficiently.

Buy-outs are costlier. The employees who are left with longer period of service will happily accept the offer of buy-out. The employees with niche skills and competencies will also move out accepting a lucrative buy-out offer. Then the ones who stay back with the organization are usually the demotivated performers. In such a crisis situation for the management, they are left with such employees who are rather a burden for the organization.

Voluntary retirement Scheme (VRS) is also similar to the above buy-out option. The employees are offered a lucrative package to leave the company. Many employees accept the offer and move out of the organization. There are chances that they may join hands with the competitor. But if proper contract of memorandum of understanding can be signed by them then this possibility can be avoided.

Workers participation in management plays an important role here. If the management involves them in the decision making, they could definitely come out with great solutions to the problem. It is said the employees on the ground can see the problems and its possible solutions clearly than the top management.

Early retirement incentives (ERI's) may not work every time. Such offers and bonus are not lucrative enough to persuade the experienced staff of the organization. As they know that they deserve much better than what is offered to them. As a result, the experienced and out-performing staff will be the first ones to leave the organization.

To treat the laid off employees with respect is another drawback on the part of the management. Management usually fails to understand that the survivors are watching the behavior of the management with respect to the downsized employees. They immediately start relating it with them. The Human Resource department can help them in looking for outplacement assistance.

1.9 The impact of culture on Downsizing

A culture is the personality of any company. It is the way a company acts and reacts to the situations. It is how the people of a specific company interact with each other and react. “Culture is the self-sustaining pattern of behavior that determines how things are done”. A culture cannot be copied by anyone neither can it be documented. It is a gradual and continuous process. It keeps on evolving and becomes better and better as time passes. It is all about what one thinks, feels and believes and everything gets shaped accordingly. A company may display its values, ethics broadly on the walls but what reflects among its employees is the real culture that is imbibed in them.

“Culture is how organizations ‘do things’.” — Robbie Katangaⁱ. **“In large part, culture is a product of compensation.”** — Alec Haverstickⁱⁱ

1.9.1 The collapse of Yes Bank

The collapse of Yes Bank reveals their ethics and values. All the stakeholders have failed then be it the auditors, the promoters, the directors, their rating agencies and also the regulators. They all have failed individually and collectively too. There are people who are committing fraud and there are also people who should stop them from doing so, but are not interested in doing. There were also some silent observers who knew what was happening in and out of the company but cannot even complain about it nor can they prohibit it.

Excessive greed for money, high ambitions and absolute no value and ethics have resulted in such massive collapses. The ones who suffer are the investors and depositors as the balance sheets of such organizations are given five star ratings. It is high time that we layman understand that such flashy organizations with repetitive advertisements are bound to collapse soon. Money lending is a serious affair. A conservative and right approach will always help in such situations.

The best example here would be of “Sundaram Finance” from Chennai. They do not have flashy advertisements and stop taking deposits when their goal is accomplished. Such finance companies

are humble and very much grounded to their values and ethics that never thought of grabbing money from their loyal depositors and invest it somewhere else. “The humble Rassam wins anytime over the dangers of Chhole Bhature”.

Its high time we go back to school and learn the basics of our culture, and try to overcome “the five evils Satya, Dharma, Shanti, Prem, and Ahimsa”. It’s time to inculcate the values, principles, morals of life in the syllabus of B-Schools to enable our next generation stand by itself without getting affected by the “Virus of Corruption”.

1.9.2 Tata group

There are many companies in existence in India who have a very strong cultural and ethical background. All their decisions are linked to culture and ethics. One such company is the Tata group. They experienced downsizing between the years 1995 to 2005. They had to reduce their workforce from nearly 77000 to 32000. They came up with a very lucrative scheme called as “Employee Separation Scheme (ESS)”ⁱⁱⁱ. The objective behind launching such scheme was to make the separated employees feel comfortable.

- The company offered around 1.2 times of the monthly salary for all the separated employees for the rest of their remaining service period.
- The ones who belong to Jamshedpur were given full medical facility, and the ones who were from outside were given medical cards for their treatment.
- The downsized employees kept on receiving the benefits of accidents and deaths.
- The ones, who were staying in company allotted accommodation, were given an extra 3 lakh rupees to look for their own accommodation.
- Those who are looking for a change and needed consultation, the company had appointed free consultants who can guide them on Resume building, searching new jobs etc.

A company like this is not built in a month. It takes years to develop and inculcate such culture amongst the employees of such company. Tata steel is supposed to be the most ethical company in India. They take these decisions strategically. The strategy developed here was not to harm the

separating employees and to take good care of them so that they leave a good message to the survivors that we are happily leaving the organization. This automatically creates a motivation among the survivors and they do not have any guilt for staying back with the company. As morale plays a vital role here.

Unlike other companies even Tata group could have handled this downsizing process by just reducing the manpower and achieving the decided goals. But the culture played an important role here. It did not allow its employees to leave empty handed. Infact the ones who left the organization were supposed to be the lucky ones as the benefits and the care they received was more than anything else. The feeling that the employees are dependent on the company, not just the employees but their families are also dependent, did not allow them morally to just reduce the workforce and implement the strategy. A long term sustainability was achieved by implementing the downsizing strategy in this way.

Culture binds that affinity of the employers and employees together. The feeling of oneness starts nurturing among the employees unknowingly.

1.9.3 Downsizing strategy by Compaq Computers

Compaq computers based out in Houston USA, experienced downsizing in the year 1991. It had to get rid of around 2000 employees, the reason being more competitive in the global market.

To reduce the intensity of the strategy the company decided to launch a campaign internally to let everyone know about the process. And if anybody has doubts they can get it cleared by their managers. This removed the feeling of betrayal among the employees.

- It was also thought that the survivors can better give reasons for downsizing. The managers were given extensive training as to what to tell and how to deliver the information in order to stop the rumors from spreading.

- The management also underwent a training program to facilitate the outplacement activities to the victims as well as the survivors.
- Sessions were conducted for the supervisors to explain the reasons and process of downsizing implemented by the company.
- On job training was also conducted to give them live experience on conducting meetings with survivors, also a set of few expected questions from the survivors, was also handed over to avoid any situation of panic.
- Lastly the survivors were explained in detail how their colleagues the victims were treated by the company so that they would take the whole process positively.

The lowest survivor syndrome rate was achieved by Compaq computers almost eight months later. They were also able to launch low cost products in the market within the span of one year. This was possible only because of creating awareness amongst the survivors as what the company wants from the particular strategy. The employees were also able to understand and accept the importance of this strategy being implemented for its survival and success.

1.10 Objectives of the study

- To study the impact of downsizing, the reactions / responses of survivors.
- To find the relationship between survivor syndrome and organizational commitment deployed through HR Intervention.
- To assess the efficiency / productivity of the survivor post downsizing facilitated by HR Intervention.
- To study the role of HR in facilitating the change process through HR intervention such as Training.

To study the impact of downsizing, the reactions / responses of survivors.

The researcher wants to find out the immediate reactions of the survivor with regards to the downsizing process that he/she has experienced. As this is not a general practice observed by the management, the survivors might have different reactions towards the strategy adopted.

To find the relationship between survivor syndrome and organizational commitment deployed through HR Intervention.

After the downsizing has been implemented the survivor goes through mixed feelings. These feelings are termed as survivor syndrome. The researcher wants to find out whether there is any relation between these feelings and the organizational commitment of the survivor. The feelings can be of betrayal, morale, trustworthiness, job insecurity etc.

To assess the efficiency / productivity of the survivor post downsizing facilitated by HR Intervention.

Efficiency has an impact on the downsizing process. The researcher wants to find out the efficiency of the survivor during the downsizing process. There are few performance measurement tools given by the leaders in automotive industry, General Motors, Ford and Chrysler. They are PQCDMSM.

- **P**- Output produced (deployment of resources - **R**)
- **Q**- Quality of work (error / mistake free output - **Q**)
- **C**- Cost minimized through deployment of resources - **R**
- **D**-Delivery of work (Time management - **D**)

- **S**-Safety Incidents (Safe performance - **S**)
- **M**-Morale – Participation & involvement in self-development & Training- **M**

The efficiency of the survivors will be observed by using the above mentioned parameters. As the employees to be surveyed will be from all the fields / profiles, Human Resource, Information Technology, Sales and Marketing, Finance, Production & Project management etc. so everybody have different tools to measure their efficiency. Since the respondents are from the automobile and engineering sector, the researcher decided to use these parameters to know the efficiency of the survivors of downsized organizations.

To study the role of HR in facilitating the change process through HR intervention such as Training.

Another objective of the study is to find out the role of the Human resource department in facilitating the change process. Usually the HR department gets stuck between the management and the people. The management thinks that the HR department is working for them, whereas the people think that the HR department has been made for them to address their issues. So how well does the HR department perform its role as a facilitator, the researcher wants to study. Was the HR department able to handle the process smoothly and comfortably by conducting proper training programs, recruitment of appropriate candidates, compensation of the employees as per industry norms etc needs to be found out.

1.11 Hypotheses of the study

H₀: “Downsizing with effective HR Intervention does not affect survivor’s productivity or efficiency”

H₁: “Downsizing with effective HR Intervention significantly affects survivor’s productivity or efficiency”

Sub Hypotheses: -

H₀₁: There is no relationship between safe performance and HR intervention post downsizing

H₀₂: There is no relationship between quality of work and HR intervention post downsizing

H₀₃: There is no relationship between timely delivery of work and HR intervention post downsizing

H₀₄: There is no relationship between optimal resources deployed and HR intervention post downsizing

H₀₅: There is no relationship between survivor’s morale and HR intervention post downsizing

1.12 Scope of the study

The study is based on “the impact of downsizing on survivor’s productivity at managerial level with reference to multinational engineering companies in Pune city”.

Pune is a vast city. It is the state’s second largest district by having covered around 5% of the total area of the state. Pune is also called as the hub of automobile industry. There are many manufacturing and engineering companies in and around Pune city. The researcher had to select multinational engineering companies in Pune city for the study. Considering the number of multinational companies in Pune city, the researcher decided to limit the scope on number of employees employed in such companies or the turnover of such companies. The companies with approximately 1000 and more number of employees or the turnover of such companies to be 1000 and above was considered.

The researcher was able to identify 65 such companies in and around Pune City. They were from the Automobile, Auto ancillary, Industrial and Engineering sector. The number was sourced from authentic sources.

The reason behind limiting the scope to number of employees or turnover was, the bigger the company the more were the chances of implementing the downsizing process. As small scale and medium scale organizations usually have a Human Resource department and the administration department as one single department. Plus, the HR activities are also limited. In such “MSME’s Micro, Small, Medium Enterprises”, the process of downsizing will also be limited. So the scope to study will be restricted to very few in number.

Hence large scale organizations were considered.

A study was also performed using the secondary data by reviewing some of the research papers and articles published in research journals, newspaper articles and books. This study helped the researcher to enhance the knowledge related to the topic in a better way.

1.13 **Conclusion**

This chapter covered the definition part, the overall automobile and engineering sector and how they faced downsizing, the impact of downsizing on survivors, some of the reasons why firms adopt this strategy, the need and importance of the topic. The objectives and the hypotheses were also discussed in detail. The downside of the strategy was also briefly explained. The researcher tried to give the overall scope of the research study.

Chapter 2

Review of Literature

- 2.1 Introduction
- 2.2 Reference from articles published in journals
- 2.3 Review of Articles from Newspapers / Internet
- 2.4 Review of literature from books
- 2.5 Research Gap
- 2.6 Conclusion

2.1 Introduction

The intention of this chapter is to illustrate the variety of opinions and views of the issues related to downsizing of the employees and also the impact on the survivors with reference to their productivity. For this purpose, the researcher tried to review the relevant literature on this subject.

The literature is taken from the following sources: -

1. Books
2. Articles from magazines and journals
3. Articles form Internet
4. Articles from News papers

2.2 Reference from articles published in journals

As per **Shinta Dewi Sugiharti Tikson (October 2013)** in her research study she wanted to highlight how the survivors and the organisation are affected by the process of downsizing. She is trying to find out the exact victim of the process, whether it is the survivors or the employees that are downsized? According to her the company should take care that they are not displacing a person with required skills and knowledge as chances could be that he / she may get connected to the competitor after they are laid off. Greenspan (2002)ⁱ also explained in his research that the human capital may join the competitor thereby sharing his knowledge and competencies. Another point that she would like to highlight was that of the customers. When the customers get the hint of the downsizing strategy being adopted by the organisation they might feel neglected in customer service. A bank is a best example in such a case as the customers might feel financial uncertainty and may go for better options. Few negative impact were also observed by Zeffane and Mayo (1994 in Bajawa & Woodall 2006)ⁱⁱ, when they said that absenteeism, lack of motivation, feeling of betrayal was observed commonly amongst the survivors. This was mainly due to confusion and lack of knowledge by the management amongst the survivors. The researcher concluded that the

outcome or the results of the process lowered the employee morale and also the productivity which in-turn failed to achieve the intended outcome.

Grant, 2008; Grant et al., 2007: comments that motivation plays a vital role in the process of downsizing. If the survivors are motivated enough by the company, their productivity is at peak adding value to the company. And if they are negatively motivated the productivity level automatically comes down. Here the researcher is speaking about motivational theory and its implications on survivor's productivity, as this becomes an influencing factor. According to him factors of motivation are fluctuating as per the experience. (Anka, Jamali, Shaikh & Syed, 2012)ⁱⁱⁱ the most important motivating factor money might be getting exchanged to a most challenging job for somebody. At the time of layoffs, the most crucial motivating factor can be a job security which will indirectly boost productivity. In order to reduce the depressing effects of downscaling use of several motivational theories like Two Factor Theory (Herzberg et al, 1959), Expectancy Theory (Vroom, 1964), Equity Theory (Adams, 1965) can be applied. The researcher here concludes that it is the perception of the survivor that defines his productivity level. If he feels that he has been treated with injustice, then this will lead to feelings such as nervousness, annoyance or at times guilt too. But if the employee or the survivor takes it positively considering a second chance to prove him better than the discharged colleague, then the process of rightsizing can be considered as a fair attempt by the organisation. So perception plays a vital role here.

Cameron, 1994: says that the workforce reduction or downscaling of employees is supposed to be an immediate reaction of any organisation facing a business downturn. Though cost reduction is a major cause of downscaling but it leads to survivor syndrome. Here the employees start feeling incompetent for not being able to achieve organisational goals or standards due to remodelling of organisational composition. Such survivors feel prejudice in almost all Human Resource practices be it performance appraisals, career advancements, reward apportionment and so on. They feel detached from their work roles together with increased absenteeism and intention to quit (Guchait, Cho & Meurs, 2015)^{iv}. This prejudice reduces their involvement in organisational activities thus escalating the rate

of absenteeism and attrition (Biswas & Bhatnagar, 2013)^v. An organization can restore itself from the clutches of downsizing only by engaging its workforce in various activities. The more they remain engaged, the more are the chances of being positive about the company (Hughes & Rog, 2008). According to (Bass, Avolio, Jung, & Berson, 2003)^{vi} the role of leader is very crucial at this stage. He holds a key position of an intellectual coach or a mentor to develop and maintain the morale of the survivors. Convincingly, these leaders influence their subordinates through societal examples and to further develop their prime concern as goal accomplishment.

Steven H. Appelbaum (1997): The researcher here wants to focus more on the people factor rather than the corporate objectives to be achieved after downsizing. According to him the organisations are overlooking the people factor. There is a gap between the survivors and the organisation. The people are unaware about the actual reason of downsizing, their position in the reorganised structure, their expected level of performance and many more. The middle level management were unable to cope-up with the corporate goals and reach the expected performance standards. The only positive aspect here was the surviving employees were happy to know that the downscaled employees were fairly compensated which boosted their commitment towards the organisation. He also stated that the survivors are usually ignored during the streamlining process since more focus is given on the achievement of corporate goals. He also added that being a victim of downsizing is no less than losing a close relative due to death. The feeling is very traumatic. The survivors feel a sense of job insecurity, depression, anxiety and many more. The researcher suggested that if the company focuses more on the survivors training, giving them career advancement opportunities and also compensation benefits then the survivors will be happy and committed towards the organisation.

Crispen Chipunza and David. M. Berry (May 2010): This study observed the connection among survivor's characteristics like attitude, devotion and driving force after downsizing in certain manufacturing organizations. The study revealed that the survivors were quite motivated after downsizing. Their commitment level was quite high towards the organisation. If quality employees are left back as survivors, then quality initiatives are

supported. The employees are motivated to work harder in order to be retained by the organisation. Continuous commitment can be achieved through continuous investments on human capital. He concluded that a balance between the victims (downsized employees) and the survivors has been kept so that positive psychological outcomes for the survivors and positive organisational outcomes for the organisation can be achieved. The managers should have a complete idea of the context in which downsizing is taking place.

Anil K. Mishra and Gretchen M. Spreitzer (Jul., 1998): The researcher here tried to develop a stress based model of survivor's response towards downsizing. He considered two major aspects for his study. They were the productive / caustic aspect and the active / passive. The researcher says that many times in most organisations downsizing is purposely done to reduce the size of the workforce. The companies want to get rid of the aged employees and want to introduce new blood in the organisation. The aim of such companies is to increase the productivity and efficiency. But this speculation turns out to be negative in most cases as the survivors are hit with poor moral and implementation problems. Resistance to change is a major issue to be considered here. According to him the productive survivors are quite positive towards the change. They help the management go smoothly through this transition. Whereas the caustic or the destructive survivors are more concerned about their future with the organisation and hence their cooperation is negligible towards the implementation. The researcher concluded that the organisations need to guide its employees on the process. Proper communication channel needs to be used for this purpose.

Hlanganipai Ngirande and Andre Nel (2012): The researcher here wants to clarify that most companies need to go for downscaling of their manpower resources due to various factors like political change, globalization, decline in economic condition and so on. The researcher in his study tried to find out the association between commitment and stress. According to him every organisation must go through this process or downsizing to realign the organisation in terms of its goals, strategy and manpower resources. Since this process is very sensitive and traumatic to the survivors the organisations need to take utmost care while implementing it with minimum negative impact. The employer should also work upon the comfort level of the survivor after the whole process. The results of the study revealed

that the survivors were happy about the process since they were explained about it before its implementation. The researcher concluded that the level of commitment and affinity towards the organisation was at a higher side. A balance should always be maintained between the victims and the survivors by the employer.

Nadia Labib (1994): The researcher in his research on “The Impact of Downsizing Practices on Corporate Success” stated that more than a measure to reform the organisational policies and structure the employer is looking at downsizing as a permanent tool and a common practice. The organisations with inefficient practices are facing more downturn due to the execution of downsizing. According to the researcher the major factors behind implementing this strategy were mergers and acquisitions, a quick solution towards bankruptcy, privatisation of the company, to stay in the competition and many more. The researcher also mentioned some costs related to rightsizing. These costs include pay levels of the employees, relocation expenses, settlement cost, various insurances etc. The employers should be ethical on their part while terminating the employees. The employees should never feel that their inefficiency or low productivity was the only reason for their termination. The employer should take care that the process of economizing does not hurt the employees. The process should be conducted at ease.

Jessica M. Lahner, (2004): The researcher in his study “The Impact of Downsizing on Survivors’ Career Development” pointed out two aspects. One of them was the victim the laid off employees and the others as survivors. The researcher witnessed many factors of the survivor’s existence after the process on production, commitment, loyalty and increased emotional quotient. The survivors need to undergo self-development, make their own position strong enough so that they will no longer be the victims of the next cycle. They need to keep themselves updated and are also expected to come up with innovative ideas. This is another stage of career advancement under downsizing. The researcher also focussed on the religious and holistic part. The more the survivor is religiously stable the less disturbed and imbalanced life he will perceive. the study also highlights that a widower feels more depressed and frustrated than a widow or married males. The research work concluded

by stating that women have more inner faith and they are mentally strong than men in digesting the whole process positively.

Ronan Carbery: The study was done on the topic “Organisational Restructuring and Downsizing: Issues Related to Learning, Training and Employability of Survivors”. It defines how a strategy is adopted to permanently reduce the work force. It is not just a layoff of the unproductive employees but also premature retirement of the long-standing employees. To sustain in the global economy and be competitive in the market this is a very common used strategy to shrink the manpower to the minimum level. One of the damaging effects seen is the survivor syndrome, where they face excess of complications related to demotivation, depression, job insecurity, negligence etc. Very few of the times such people are considered as the cream of the company and are benefitted of staying back. The companies are growing rapidly in terms of technology. And the survivors are lagging behind the skill sets required for this change. Employer here plays a vital role by involving everybody in the learning and development activities and also engaging them with training sessions, thereby reducing their stress level.

Isaiah O. Ugboro: The study talks about organisational commitment and job insecurity of the survivors. Lack of trust of manager on its subordinates creates uncertainty for the job. The subordinates start losing confidence in their managers and dedication towards work drops down. The researcher also mentioned about retraining. The survivors should be retrained with the required skills to get accustomed to the extra work that they will be performing. Employee’s loyalty towards the employer depends upon the trust the employer has on his employee. The more trust the more is the commitment level from his employees. So here trust, commitment and loyalty go hand in hand. Lack of trust between the management and the employees is the mark of failure on part of the management. Workers participation in management and collective bargaining are some of the important points to be considered to improve the industrial relations. When employees are involved in the decision making process, they automatically feel the affinity towards the company.

Franco Gandolfi (March 2014): Through this study the researcher is trying to find out the reason of firms going for downsizing. Downsizing here is referred as a tool to reduce the manpower of any organisation at the time of financial crises. The author has identified two major approaches towards downsizing, Investment in human capital and financial crisis. The basic reasons for which firms accept downsizing as the best strategy is the quick fix solution, cost reduction for competitive advantage and so on. The research also says that there are few motivational factors which the government has imposed directly or indirectly on the firms. Few such factors are divestment, change in technology, deregulation, competition, regulatory requirements etc. The firms have worked the other way round. Instead of working for few hours but productive work, now the firms are expecting to work for more number of hours for the remaining employees. It is seen usually that when technology changes, new recruitment is required to handle that technology. This technological advancement has left the middle management jobless.

R Wiesner, L P Vermeulen, C R Littler: One of the passionate research's under human resource management relates to the survivor syndrome. The research is related to productivity growth of the survivors. This study was conducted to understand the impact of the people left behind in the process of restructuring. Here the management thought that the people might be happy and that they might feel themselves lucky enough to stay back with the company. But the case was vice versa. The people were feeling cheated, their morale went down, they were mentally stressed, felt insecurity towards their jobs and many more such attributes. To the surprise in spite of having all the above negative attributes, the employees were very much contented with job satisfaction. They were happy to work for that extra time and money. There were very few who had the ambiguity of their altered roles and responsibilities. The researcher here also commented that if the survivor was close to the retrenched employee than that would have been a major factor to affect productivity and commitment. The suggestions were to give a breathing period to these left over employees so that they can come back positively and be comfortable enough to achieve the

organizational goals after restructuring. The changes in the company by the employer should appear more of opportunities than threats.

Prof. Rutuja D. Jadhav, Dr. Kuldip S. Charak, (July, 2015): The study attempts to judgmentally scrutinize the adverse effects of downsizing on surviving employees. Lack of understanding towards the reasons of economising might affect the morale, obligation, and unhealthy work environment etc of the employees those are left behind. A decline is not always related to the manpower. There are various declines an organisation faces be it in the financial, sales, or production of the company. Not always every decline has to face the music of downsizing. The researcher here wants to suggest that some change strategy like “worry not” or “prolong strategy” or “downsizing” as the last option can be worked out. As the literature so far suggests that during any economic downturn the first strategy is to reduce the personnel and lower the cost burden of the company. The researcher also suggested that the firms should implement these strategies slowly and steadily after considering all the employees. As no two people are similar. People will take time to adjust themselves to this transition which the company has thought about. Some factors which were found relevant for the study by the researcher were all employees have different levels of stress, productivity concern, honest and straight forward communication may be a problem here, and older employees are affected first.

Muhammad Azeem Qureshi (MS), Syed Arslan Wasti (MS): As per the researcher survivor syndrome is a psychological and emotional disorder whose symptoms could be tension, prolonged sadness, irritation etc. whenever the respondent is unaware of a certain condition and suddenly things happen differently, they start getting withdrawal symptoms. These symptoms are not just limited to the employees but also to their families. Somewhere their families are also the victims of such downscaling. The sense of losing friends, anxiety, anger towards management these are nothing but termed as “Lay-off survivor sickness” by the researcher. The issues such as can this process be postponed? Or can this be handled smoothly was the question. If managers are able to handle their workforce smoothly at a

comfortable pace these issues would not arise. The transition will be quite smooth. The researcher suggested that with proper communication with the all the employee's major problems can be sorted out. The employer should be able to justify the downsizing process to its employees. This strategy should be adopted only as the last option.

Emmanuel C. Dibua, Ellis I. Idemobi PhD, Ikechukwu M. Okoli, (May 2018): This study scrutinizes the effect of retrenchment on employees' service related issues. The employees failed to deliver their services efficiently after the retrenchment process. The researcher tried to put some light on this problem through this study. The people from the company had to put in extra working hours together with pay cuts, distress, anger for the management. The management fails to train the employees after the rightsizing process, which affects their service quality and productivity in general. Long working hours are making these employees hamper their family life. They are unable to give quality time towards their families. Mentally unstable person cannot give his hundred percent to the company and in-turn to its customers. This results in customer dissatisfaction. The researcher found out from his study that the laid off employees did not have the required skills to be retained by the organisation. He further stated that the survivors had a fear of losing the job in the next cycle of downsizing. So they had to perform under tension to show their productivity and work efficiency to defend themselves from getting selected in the next cycle. The study concluded that the working hours of the employees should be adjusted properly with paying them handsome amount as a motivation through the process.

Rudrajit Sinha Roy: the researcher here points out that the level of demotivation is more among the survivors of downsizing than the retrenched ones. Another important point was raised here that the increase in competition has also increased the level of automation. The employees with poor performance are immediately replaced by machines. Hence to eradicate this problem the employees with questionable work records are laid off immediately to save the further crises of low productivity. The survivors here find themselves in a very harrowing situation rather than the downsized ones. The companies that were the initial victims of such process were from Metal, Engineering, Automobile and

Auto-component industry. The companies under these industries hit a major set-back of the downsizing process. The researcher concluded that the motive of implementation of downsizing to improve the productivity levels, cost reduction and employee satisfaction, nothing has been achieved. All the efforts have been wasted. The challenges faced by them were those of absenteeism, lower self-esteem, political interference etc.

James P Guthrie, D. K. (2009): According to the researcher, the industry is expecting its employees to be like nomadic tribes, setting their tents anywhere on a days' notice. They don't their employees to be like the agriculturist, who do not wish to move from their current location. By reducing the headcount, organisations are not going to achieve the desired results related to output and efficiency. Earlier in manufacturing industry the employees were easily replaceable. But now with increase in automation and technical assistance, only the employees with required skills and proficiency are retained by the organisations. The learning curve of the survivors is studied and they are the lucky ones to stay back with the company. The relationship of the employee with his vendors, customers plays a vital role and as a deciding factor to stay back. The researcher observed that initially the effects of downsizing are quite positive with reduction in costs and increase in efficiency and moral of the employees. But gradually the decline in the above factors is seen as the time passes by. As revenue and costs are not predictable, so initially a good amount of profit can be experienced.

Dr. Thomas N. Garavan: this paper says that when there is a major change in the company's net assets and another major change in the culture of the company that is called as corporate restructuring. Downsizing is a part of this restructuring. It is a type of strategy usually used to reduce the workforce. Early retirements and freezing the recruitment process is also a part of rightsizing. According to the researcher, change in the organisation was initially taken by the employees. Learning and development is an important aspect in change management. Creating opportunities to learn and spreading the knowledge of learning both are vital in their own way. If the individuals are less motivated, then learning can be less

comprehended inspite of possessing the ability to perceive. The concern here is again whether the learners are learning voluntarily or are they forced to do so. The researcher concludes that every survivor has to build his own skill set in order to survive in the company in next cycle too. He has to develop himself by grabbing the opportunities that are made available by the employer.

Manfred F. R. Kets de Vries* & Katharina Balazs*: An open ended research was conducted by the researcher in this study. The researcher tried to study the reactions of the survivors and also of the implementers. It was observed that the victims and the survivors were very furious, depressed whereas the implementers were very confused as to what reaction is expected by the management and also from the people left behind. Implementation of downsizing may sometimes be the error of the management for which it has to pay a high price at the cost of its employees. Earlier it was only the blue collared workers who used to face this strategic decision. But now the case is totally different. Even the white collared employees have to face this downturn. People at all levels are now exposed to such nasty strategy. Now-a-days it's a challenge to bring back the downsized company back on track like before. The actual gains expected from the process are quite less than the forecasted ones. More than fifty percent of the companies claimed that the productivity level drastically went down after downsizing. According to the researcher the people who leave the organisation first are supposed to be the star performers as the required skills and competencies are lost during the process by the survivors due to distress, anger and anxiety. The conclusion of this research was eradicate the word downsizing and talk with the new terminology as corporate transformation. Look at everything positively.

Cascio, W. F. (1993): The paper was published under the title “Unravelling Downsizing – What do we know about the Phenomenon?” As per the researcher the primary function of the “process of downsizing” is not to increase the productivity of the employees but to reduce the manpower. It is more of a process of restructuring the organizational goals, its policies, culture, and the mission of the company. This is such a process which is used

worldwide across all industries at least once in their entire existence. The “researcher” surveyed many articles in which he/she found that the main driving force behind “downsizing” is the decline in sales, profits, financial instability, rise in customer specific industry and many more. The companies are actually following the trend of their competitors in their own sector. The researcher also commented that it is a matching process, since the competitor is implementing the process our company shall too go for it. The author likes to conclude that “downsizing” is probably the most misunderstood phenomena and that the companies and the academics need to study it thoroughly.

Magda Donia (2001): As per the paper, downsizing is not temporary. The businesses now a days are trying to achieve productivity and efficiency by any methods. Downsizing is one of them. The companies are of the opinion that everybody is replaceable. It has been observed that once the process of downsizing becomes successful, they are ready to go for the next cycle as well. Earlier this process was initiated only to the private sectors, but now even the public sector has started to pitch in to limit the incompetent employees. The researcher stated that proper communication channel across the hierarchy will prove essential to understand the management’s perspective about the process. The study suggested that the company can gradually start the process of downsizing by cutting down some major events so that the employees get accustomed to the change. This transition will help them to cope up with the downsizing process and will certainly keep them away from survivor syndrome. Some of the suggestions suggested by the researcher are that the management can be honest and straight forward towards the hiring candidates to let them know the exact scenario of the company to avoid future losses. The management should understand that there has been an increase in work load and unwanted work can be removed from the task and that all work can be prioritised.

Anthony Travaglione* and Bernadette Cross (2006): The investigation says that the downsizing process has financial benefits associated to it, but the major loss of human capital is irreparable. The cost that has been already involved in hiring these employees and further into training and development should also be counted. The researched pointed out

that rightsizing has a drastic impact on the morale of the employees which can be compared to that of the victims. Together with demotivation, demoralization the survivors also face anger, fear of job insecurity, lack of commitment and trust. Furthermore, they have to perform their responsibilities additionally as compared to earlier due to the restructured workforce. The success of any layoff is conditional, depending upon the survivor's perception and reactions. Hence managing these survivors for future goal attainment is a big challenge in front of the management. The scholar also commented that the management should not only support the survivor but should care for the laid off people as well. This will create a positive impact on the survivors regarding organisational support. Working with a depressed workforce is practically difficult. So the management has to take efforts on improving the morale of the survivors.

MARY BOMELA (Nov 2007): According to the researcher, “survivor syndrome” is a negative term. These survivors think negatively about the whole process and lower their morale and motivation. Such survivors look for better alternatives for themselves and ultimately leave the organisation. The company is left with the loss of critical and talented human capital, who were once the achievers of the bottom line for the company. Downsizing leads to sleek organisation structures where the cream of the company its star performers are lost in the syndrome. In such cases a high rate to employee turnover is observed. The survivors are in a dilemma that today they are serving the company but in next cycle of downsizing they might be the victims. The researcher also commented that although the rules and parameters of downsizing have changed, but now many companies have found other options to work upon before downscaling. The scholar also mentioned that the company goes into huge losses when the unexpected employees leave the organisation as a side effect. There are few indirect costs that are involved during the process. And the employer or the organisation usually overlooks the same. That indirect cost is the loss of good talent and morale of the employees. There retention of the employee's skill sets and having good engagement activities are considered some of the healing efforts to reduce the after effects of downsizing.

Crispen Chipunza and Michael O. Samuel, (2011): The researcher here has tried to study the qualities of survivor after retrenchment. He focussed on the communication aspect more prominently as it plays an important role in building his morale and commitment towards the organisation. The scholar conducted a study of one hundred and fifty survivors from manufacturing industry to prove his assumptions. He used the multiple regression analysis method to prove that communication is a significant attribute that pressurises the survivor to take extreme decisions. According to the researcher downsizing undergoes many major changes for the individuals as well as the companies also. Prior to this process the management has to plan its activities in such a way that they have to keep such talented staff engaged all the time. If the members of the management also participate in the process, then it becomes easier and convenient for others to understand the process and accept it in a right and positive way. While communicating with the employees the management has to take care of the rumours as this might lose the high performers from the company.

Edward Abasimi, Dr. Samuel Atindanbila, Dr. Mwini-Nyaledzigbor Prudence Portia: the researcher tried to correlate the personality attributes of the survivors to their level of commitment during the layoff process. The scholar tried to find out the relation of organisational commitment, morale and the control of lives over certain situations. A sample of around two hundred and nineteen respondents were taken to conduct the survey. The tools such as “MANOVA and Hierarchical Multiple Regression analysis” were used to complete the survey. As per the study, layoffs are now a part of organisational strategy to be implemented after every certain year. The scenario was totally opposite few years back. The ultimate result of such layoffs is that a small cluster of employees called as the survivors are supposed to handle the operations of the organisation on a large scale with minimum resources available. This is the reason for low morale and assurance from the employees towards the management. It was observed that the survivors responded vividly to the process of downsizing. Some worked hard, few were less productive and few had withdrawal symptoms. The researcher concluded that the management has to pay more attention towards the internal workforce as they are the ones who take the company to achievable heights.

Patricia Michelle Hall, (2012): the paper states that reduction in manpower puts the knowledge resource of the organisation at stake. The research was focussed on the information sharing of the survivors with their co-survivors. Whether the left over people are able to share information and knowledge amongst the other people. A research design based on quantitative research was done to find out the correlation between the two attributes of knowledge and downscaling. It was observed in the research work that the employees leaving the organisation also take the information with them. Knowledge sharing is not possible as this is a quick and mass process. Whom to transfer the knowledge is also a question, as both the survivors and the victims are unknown as to who will be retained by the management. One of the suggestions given by the researcher are to call for a third party vendor or to outsource the process of exiting. This will create less pressure on the management and ultimately the vendors are not answerable to anybody. Counselling sessions also to be organised for the retained employees to regain their trust and loyalty towards the company.

Bhattacharya, S., & Chatterjee, L. (2005): The researcher has tried to explain the downsizing from right from its concept to its implementation. The workforce reduction strategy if implemented in a right way may prove beneficial to the management as well as to the survivors. Few points to be noted before the execution of such strategy would be to have good communication across the company to avoid any rumours about the process. The company if possible can also plan for their alternative job arrangements for the victims. This might create a sense of respect and loyalty amongst the survivors. The scholar coined down few reasons for downsizing namely, technological advances, rise of service sector, comparison with global standards. The study claims that it is the execution that plays a major role in deciding the success or failure of the process. There is a good scope for further research in this area as the correct reason for downsizing and its implementation is not clear yet.

Mansour Ezati Jivan, (2011): The study talks about the consequences of downsizing on private organisations. There are many researches which reveal that downsizing does affect adversely on the health of the employees. They feel stressed out and their emotional quotient is also weakened. It is very obvious that if our job is not secure we will never be happy and this will affect our health gradually. The researcher says that employees can work more under pressure but cannot give results if they are under stress. Reduction in cost can be achieved in the first cycle of downsizing. But repeated strategy may not always give positive results. There are other factors also where cost cutting can be done. But according to the researcher the employer wants to implement this particular strategy itself where not just employees but their knowledge, skills, morale, commitment etc everything is at stake. As per the scholar there are few more strategies to downsize, either use a complete downsizing strategy or go for job redesigning or may be into systematic strategy. The remaining left over employees here may feel that the ones who were downsized were better than them, but just because the management cannot afford them, they downsized such employees. “Workers participation in downsizing” is one of the best methods suggested by the researcher. As the self-involvement of the workers / employees will enable them to understand the management point of view in a better way, and that they can take the decisions for themselves.

Jeffrey Kurebwa, (2011): The researcher tried to analyse the downsizing process from the perspectives of both, the victims and the retained employees. This process officially helps to remove the inefficient and excess staff employed by the management. One of the points raised by the researcher is that the way mass reduction of workforce is done, the organisations should also think of hiring employees after the economic crisis of the company are resolved. In this way the retrenched employees might come back to the organisation with a fresh mind and a break in work. This will have a positive impact on the current downscaling process. The employees will also be assured that again in the good times the company will hire them back. The rightsizing efforts are always more towards the achievement of financial efficiency. The last in the priority list are the employees, which is contradictory to the whole process. The scholar says that the survivors are the better people

to judge the whole process as they have seen both the sides of management as well as the employees. The researcher concluded that both the parties are under same stress and tension. The survivor thinks whether he will be the victim in next cycle? Whether his job is still secured? Whether they will be the next victim? The victims think that whether they will get good jobs after the process? Or they will permanently be called as victims?

Kavitah Batumalai, August 2015: The scholar here tried to explain the relationship between survivor syndrome and job satisfaction and also between employee performance during mergers and acquisition. A merger is another valid reason for downsizing. Hence utmost care of its employees and their company's management have taken. The reason why merging companies perform so poorly with respect to its employees is that the assets and liabilities of the company are merged but the employees get a least chance to prove themselves or adjust themselves. Such companies prepare themselves to be careful with the employees leaving the organisation. But they tend to forget about the people who are left behind with the company. The acquiring company may have different policies, culture, work-ethics etc. To get accustomed to all the above mentioned things takes time. Some of the common symptoms shown by the retained employees after the mergers and acquisitions are anger, fear, insecurity, depression, dissatisfaction, lack of commitment etc. These mixed feelings are termed as "survivor syndrome". The researcher in this study depicted the irony of motivation. As the employees are required to work in a totally new environment with more vigour, dedication, creativity, out of the box thinking, with a new set of hierarchy and are overloaded with work and continuous tension of job insecurity. All this will ultimately result in low productivity.

Ryan Michaels, November 2009: The research paper is based on the reforms made in the motor industry in 1990. The paper talks about the reforms made by the Americas largest giant General Motors in the contract of labours. The contract was such that the company guaranteed full payment for the remaining workers if they allow the company to reduce its workforce. The union agreed to this in a 80:20 to rate the agreement. Later on the other too

giants Ford and Chrysler also agreed to this agreement and this is how the layoffs began in the automobile sector. The paper also talks about “JOBS” the “Job Opportunity Bank Security”. Under this the employer has to pay the salary of each week to the laid off worker for his lay off time. The time was specified as 36 weeks earlier and later it was extended to 42 weeks. When these workers were getting compensation paid for 36 weeks, their unemployment compensation was reduced later. The other companies in other states started to take undue advantage of this contract and in the case of closure; they need not pay full compensation to the employees. However, there were many limitations faced by the researcher to develop and prove this model. The scholar considered two aspects here one was the market structure and the other was demand for the product.

Juliaanaf, Lareennewman, Francebaum, Annazierchand Gwyneth Jolley, (2012):

The article talks about the negative consequences when it comes to job loss. The environment in which the employees are found after their job loss is more depressing. The article discusses about the mass loss of jobs in the year 2004-05 at Mitsubishi Motors. Mass job loss is due to the inefficiency on the part of the employer. It is he who is unable to continue the employment of his workers due to several reasons. To name a few may be due to economic downturn, a planned company closure or due to advancement in technology. Such event has a long term effect on the health of the survivor where he or she might face gloomy nature for a prolonged period, he may also be nervous for a long time. These effects are not just seen on the employees who are left back but also on their families at a later stage. This mass job loss has created an awareness among the employers to hire more contractual workers and outsource their employees. This makes the hire and fire strategy work well. The researcher in his study claimed an interview method of around 33 respondents where 27 were male and 6 were female. The study was also made on the employees who were retrenched. It was found that around 60 percent of them secured permanent jobs in 6 months' period and 20 percent were involved in part-time jobs. The retrenched workers were not interested to make a come-back in the company even after several reminders.

Dr. Abhishek Tripathi, Oct 2014: As per the article the biggest and the gravest ever recession in the global history was held in the year 1929. This particular meltdown was such that it not only hit people but many economists directly or indirectly. The researcher through this study wanted to highlight many aspects towards downsizing. The scholar reviewed many articles on why downsizing occurred, reasons in India and the neighbouring countries, its effects on the employees and the employers etc. According to the researcher liberalization policy made a number of changes in the Indian scenario. It made almost every company to go for automation there by replacing employees with machines. This resulted an indirect pressure on the employees to get accustomed to the technology and thus improve productivity by reducing the costs. The managers were left with no choice than to get rid of the non-performers or people with less productivity with a very heavy heart and making the process very emotional and stressful. The concept of “Golden Handshake” promoted by the government then, proved to be useful in such critical situation. The result was the employees were happy to take a handsome amount home and enjoy it for the rest of their life. The government supported further to this initiative by giving an exemption on the income tax for such employees. This scheme suggested that the employees with poor track record can leave the company voluntarily by taking a good amount as compensation thereby reducing the workforce on its own. All the stakeholders were happy by this initiative. The positive aspect of this strategy was that employees left the organisation voluntarily by getting post 3 years’ salary in hand depending upon the length of service. This was considered one of the positive ways of downsizing. Less work done by more number of people was the major reason for layoff. Over employment was the reason for layoffs.

David Bailey, Alex de Ruyter, Jonathan Michie, Peter Tyler, (November 2010): The researcher here is trying to give the example of car industry of the nation’s Brazil, India and China. Since the development is at a rapid pace there is a possibility of growing local market place. As per the data mentioned in the article by “International organization of motor vehicle manufacturers” out of 77 percent of total vehicle production in USA, Europe and Japan from 1997 to 2009, declined suddenly to 50 percent in 2009. Whereas the production

has shown a considerable rise from 3 percent to 22 percent since the year 1997 to 2009. The restructuring in the auto industry made the “original equipment manufacturers, OEM’s” to move from their original base to the north area of Europe called the auto valley whereas the south was taken over by the multinational car makers. Due to this, the places where these plants were originally from faced a lot of crisis like closures, relocation of many employees, resistance to change etc. The governments support was negligible as these were the giants of auto industry. As quality, cost of production and delivery cost were the major factors that affected the big giants, they still play a very vital role in value chain. The article concluded that looking at the standard of living of the employees now days downsizing is a questionable strategy to be implemented.

Umesh Maiya, (June 2011): The scholar throws some light upon how overstaffing took place in India. During the season of pre-liberalization, the public sector employed a tremendous size of manpower under the name of strengthening the public sector. Their motive was to generate more employment in the market and also to pamper the trade unions. This subsequently created more human related problems. Due to the emergence of globalization, liberalisation the Indian companies had to concentrate more on their productivity, innovation, service quality etc. All this ultimately resulted in down scaling the manpower resources, which the companies considered it as an efficient tool to achieve organisational excellence. The process of downsizing is irreversible. Once the employees are removed from the payroll of the employer, they do not have any chance to come back. Although the reason could be valid. The downsized and the survivors both of them suffer a lot of difficulties in the process. Another drawback of this process is the draining out of knowledge and experience. Employees with good and valid experience are the first ones to leave the organisation. Getting a new job is a challenge to such employees. The researcher suggested that before going for downsizing, the employer should make a list of non-performers in the organisation and only those should be downsized. The success of any strategy depends on how the Human Resource Department take the strategy into and the employees too.

Dileep Kumar M, September, 2009: As per the researcher every management considers downsizing as a management weapon, which can be used anywhere and anyhow in the organisation. It is mostly implemented to achieve productivity at the optimum level. To limit the financial crisis, to gain competitive advantage and to sustain in the competitive global market this strategy is used. There are few assumed benefits of downscaling, it improves the quality and time involved in decision making, and it helps to increase efficiency of the workforce and the organisation as a whole and also helps in building the productivity. The author conducted a study on the automotive industry where he inferred that it was an affirmative step towards reducing the over employed white collared employees in this sector. Another study revealed that the compulsory retirement scheme which was termed as “VRS Voluntary Retirement Scheme” was also quite beneficial as this was considered as an optimistic approach towards getting rid of over employed and over aged manpower. The study focussed on the retainers who have a short span of service left. They are seen more concerned towards their jobs as the possibility of getting a new job elsewhere seemed difficult for them. Vice Versa was the case of the employees with longer period of service. The companies here did not consider the experience and the knowledge base of the employees with short span of service as their productivity level was a challenge. The scholar also suggested few strategies towards the successful implementation of downsizing. The retained employees continuously need to make aware as to how important and successful was the strategy adopted by the company. There is a need to increase the awards and recognition and they need to be linked to the downsizing and the retainers in a proper way. Taking into consideration the union leaders of the company and convincing them to ask the age old people from the organisation to nominate themselves for “Voluntary Retirement Scheme”. The employer should engage the retainers in various engagement activities to make them come out of the traumatic “survivor syndrome”.

Bhavika S Batra, Dharmendra B Khairajani, (December 2012): This paper focuses on the “TATA Jaguar- Land Rover Deal” and the impact it has created in the global market. This deal was the best example of a merger and acquisition by Tata Group. The merger created a thin line of downsizing where the headcount of the people was reduced. Sometimes downsizing can be proved beneficial as the roles and responsibilities are reframed, the employees get a fair chance to prove themselves. Some firms conduct the process at a slower pace to adjust the employees to the changing situation, whereas many firms are in a hurry for this transition by cutting down the workforce at faster speed, without leaving much time for the employees to think about the pros and cons of the applied process. The Tata group had to downscale its staff by 800 employees during this merger. They had to further downsize the staff by 450 employees out of which 300 were white collared employees. They further made an agreement with the union on freezing the pay of the employees for next few years and to increase the working hours of the employees both blue and white collared ones. This strategy helped them to reduce the labour costs by another 20 percent. The main issue in this merger was to handle the culture of both the companies. They both existed from different cultures all together. Managing people through this was a difficult task all together. There was need to understand the better performers and the poor performers from the merged company. This took a lot of time to identify.

Rudrajit Sinha Roy: The study highlights that nobody has a lifetime job security. But if that is to be achieved then the employees need to develop their skill sets and competencies to stay in the desired company for longer period. The employees who are unable to deliver quality work desired by the organisation are replaced by the organisation in this 21st century very rapidly. This fear of job has been noted more in the auto industry as this particular sector has faced more number of downturns in the last few years. Automation is the major reason and the technological change being the other. There are many aftermaths observed after this process like low productivity levels, reduction in production, customer retention, decline in the level of sales, demotivation among the employees of the organisation etc. The researcher in this study focussed on 80 respondents to check the relation between the survivors and their job satisfaction. The survey was evaluated by using T-test analysis. The

researcher concluded that the major reasons for downsizing are the mergers and acquisitions that take place in any company as major cultural differences are seen and observed. Upgradation to new and latest technology is another reason for downsizing. The scholar also added that if the employer fails to implement the process correctly and efficiently then it has a major impact on the service sector as employees are directly related to the customer in this service industry. The researcher concluded that due to this process many loyal customers tend to join hands with the competitor to gain a competitive advantage and as revenge to this process.

2.3 Review of Articles from Newspapers / Internet

Hindustan Times, Mar 05, 2017: A news report said that India was likely to face a major setback due to the layoffs in manufacturing industry. The global slowdown and economic recession was the major reason for decrease in the sale of the products. In September 2016 a major giant in Pune city under engineering sector laid off its fourteen thousand employees. The main reason behind this layoff was the low investment, high import duty etc. If the situation does not improve then the best measure is to reduce the workforce. This statement was commented by economist Ila Patnaik, who has served as the principal economic advisor to the government of India. She further claimed that if the global economy does not improve in few months then more such layoff can be expected in this sector. A closure of 186 units was experienced by the industrial sector together with a net job loss of around twelve thousand in manufacturing sector over the last four years. Labourers need to be paid in cash and since there was a major problem of cash many of the employees returned to their families in villages.

The Economic Times, 30 July 2017: The Chief Minister of Maharashtra Mr. Devendra Fadnavis, looking at the forced layoff in IT industry, has assured to set up a Redressal committee to investigate the matter. Mr. Chief minister of Maharashtra also met the Forum of IT Employees(FITE) to clarify the matter and give them a ray of hope towards the forced layoffs. After the metro city-Bengaluru, Pune is the second largest city with maximum number of IT companies registered. The IT engineers in Pune were complaining about these forced and illegal layoffs for a long time. Many of them have already been laid off by the companies.

The Economic Times, Aug 18, 2019^{vii}: The Automobile and auto ancilliary industry in India is likely to discard around 500K employees by December 2019. The reason being the downfall of sales. The front end sales be it company-to-company or showroom sales are at more risk. Others like painting, welding, casting, production & technology are soon to follow. The auto component industry is facing a de-growth for atleast 3-4 months. But if this continues then around 1 million jobs will be at a risk “Vinnie Mehta, Director General

Automotive Components Manufacturers Association of India (ACMA), told ET". This downturn in auto sector may last upto 9 months approximately.

Business Today, 1st Feb 2020: The Union budget presented on 1st February declared that the Auto Industry is one of the most affected sectors by economic slowdown. This particular sector has an employment base of around 35 million all over India. This industry has reported the worst ever sales in the year 2019, as compared in the last two decades. The auto manufacturers have to stop their production to manage their inventory level which may cause extensive layoffs. The car sale of four wheeler fell by 19% in the last year, with 14% of two wheeler and 15% of trucks. On top of that the industry is also shifting its emission norms from BS IV to BS VI which will also cause further loss in consumer demand for cars and bikes due to rise in price.

Chris Isidore, CNNMoney.com, November 26, 2008: The news in the article says that Ford Motor in the 2008 had a loss of 3 billion for a quarter. Ford said that they will reduce the costs by cutting the expenses of salaried personnel by 10% and further no benefits and incentives to be given. They will also reduce the factory staff of blue collared by 2600 by using the voluntary buy-out practice. The company will also cut down on production by 40000 in the next two quarters.

Dietmar Henning, 10 October 2008: All the auto companies worldwide have announced a major drop in sales and that direct dismissals may take place. The crisis began with the rise of fuel price. This was just the beginning of the crisis but the auto companies have started with the stoppage of production and layoff. They are now facing the problem of over employment. So far they could not do anything about it, but now since the crisis has touched, they will take it as an opportunity and go for layoffs. The Swedish car producer of Volvo have announced a layoff of 6000 workers. Diamler, Volkswagen, Skoda, BMW all have announced reduction in their workforce and production units.

2.4 Review of literature from books

C.B. Memoria, S.V. Gankar: Downsizing, layoffs, retrenchment, dismissal are all types of separations from the company. They may be held or undertaken due to any reason resulting from financial problems to employee relations problem. In the above mentioned types the employees are permanently removed from the payroll of the company. The employer is liable to pay the employee a sum of money, compensation as prescribed by the law. In such circumstances usually as a thumb rule the last person admitted by the company goes out first. The reason being, the affinity of the last or the latest person for the company will be far less as compared to any experienced person. Moreover, the experience also matters. Layoffs are generally the reason of the incompetence of the company to pay for their staff. In layoffs, an employee is not permanently separated from the company. He may resume his duties after the company is in a position to pay the employees their salaries or wages. Who to layoff and whom to retain is decided by the management. The criteria of age, length of service remaining, experience etc all are considered during its implementation.

G.R. Ferris, S.D. Rosen & D.T. Barnum: The authors mentioned that usually the strategy of downsizing is used because of the inefficiency or a decline in organisational performance. But a decline in performance is not a prerequisite for conducting downsizing. The authors also mentioned that the common reactions of the survivors are related to trust and morale which in turn affects productivity. One of the author comments that it is like firing many bullets randomly. At least few might hit the target. The strategy of downsizing is somewhat similar to this. They have related this strategy to the firing of bullets. Companies are implementing it twice, thrice or more than four times, but the desired outcomes are not generated. Another key point which the authors mentioned was that the companies should avoid separation of key performers of the organisation. As the company is left with very less time to review its resources, so it is always better to retain the best employee.

Rustom S Davar: The author mentioned in his book that retrenchment is the termination of service as the business closes down all its activities. In such type of strategy, the employer needs to pay compensation of fifteen days towards every one year of continuous completed service with that same organisation. In addition to this one month of notice is also to be given by the company to the separating employee. The employee should be on the payroll of the company. If a worker comes to work in a company and if the employer does not give him work within 2 hours, then he is considered as a laid off employee. Similar is the case with the second half of the day. So a worker can be laid off either for a full day or half day.

K Aswathappa: As per the author “A lay off is a temporary separation of the employee from his or her employer at the instance of the latter without any prejudice to the former”. Downsizing is a very latest concept but it is derived from layoffs and retrenchment. Under “The Industrial Dispute Act” when an employee has been laid off, he/she has to be paid compensation for that particular period. The performance appraisal system helps to identify the employees to be laid off. If performance should not be the criteria and a mass lay off needs to be carried out, then it goes without saying that the last in employees go out first. As the unions of the company do not allow the older employees to leave the company at an early stage. The reasons of layoff mentioned by the author are breakdown of machinery, accumulation of stocks and shortage of raw materials.

Mamoria, Gankar: According to the “Industrial Disputes Act, 1947, Layoff means the failure, refusal or inability of an employer on account of shortage of coal, power or raw materials, or the accumulation of stocks, or the breakdown of machinery or for any other reasons to give the employment to workmen, whose name is borne on the muster rolls of his industrial establishment and who has not been retrenched”. According to the author, layoffs gradually started shaping up as downsizing. Or rather “retrenchment” took the place of downsizing. As in “downsizing” the company does not go for a closure. It is still working but at a reduced workforce. These layoffs usually take place as there are some circumstances which are beyond the control of the employer. So just to make sure that his employees are safe and they can look for betterment elsewhere, a “Layoff” takes place.

2.5 Research Gap Identification

The researcher tried to understand the process of downsizing and the impact of that downsizing on the survivor's productivity. There is a lot of literature available about downsizing. Many research scholars and renowned economists have written extensively on the downsizing process also called as the downscaling, reducing the workforce, retrenchment, lay off etc. There are many definitions available on the downsizing. The research work is available in almost every field, be it in information technology, manufacturing sector, engineering field, retail, academics etc. There is extensive research done in the field of automotive sector in India as well as states outside India. But very less work was found in the field of engineering and automobile in the state of Maharashtra with special reference to Pune city.

Pune, being the hub of automobile sector and where major engineering companies are also established - Indian as well as multinationals. There are many multinational engineering companies that are based out in Pune city for many years. These companies are from various countries namely United States of America, Germany, Sweden, Japan, Korea, Europe etc. Since the inception of these companies in Pune city they have been through the process of downsizing atleast three to four times. But the researcher found very less research work done to find out the reasons of downsizing in such multinational companies.

The above literature depicts the after effects of downsizing which are mostly anger, low employee morale, commitment levels of the employees, anxiety etc. There were few reasons found by the researcher through this literature review about the employer and the need for this employer to go for downsizing. The researcher wants to explore such reasons of downsizing related to Multinational engineering companies in Pune city from the view point of the management as well.

The researcher tried to find out the impact of downsizing on the left over employees known as the survivors on their ultimate productivity. Here the researcher has used certain

performance measures as a tool to measure efficiency. These measures have been defined by the leaders in the automotive industry namely the General motors, Ford and Chrysler and also referred from the research paper ‘Parameters of Production in a Manufacturing Plant’ The efficiency can be measured in terms of “PQCDSM”.

This says that,

- **P**- Output produced (deployment of resources -**R**)
- **Q**- Quality of work (error / mistake free output -**Q**)
- **C**- Cost minimized through deployment of resources -**R**
- **D**- Delivery of work (Time management – **D**)
- **S**- Safety Incidents (Safe performance- **S**)
- **M**- Morale – Participation & involvement in self-development & Training- **M**

As per the above standards, no two components can be overlooked. One cannot say that he could not achieve quality in production, or delivery was achieved but safety incidents could not be avoided. All the above mentioned points are correlated. If there is problem in any one dimension, then the others are affected. One cannot sacrifice dimension Q-Quality for example for the need of the other two. And the most deciding dimension here is the M dimension that stands for Morale. All things are moving around this dimension.

The researcher in this study has tried to ask different question based on the above mentioned dimensions to get a clear picture about the exact cause of the problem-here downsizing and its ultimate impact on the survivor’s productivity / efficiency.

2.6 **Conclusion**

This chapter covered various issues related to downsizing of the employees and also the impact on the survivors with reference to their productivity. It has confirmed the understanding of the researcher towards the above mentioned topic. The further chapter is devoted to research methodology.

Chapter 3

Research Methodology

- 3.1 Introduction to Research Methodology
- 3.2 Research Problem Statement
- 3.3 Research Objectives
- 3.4 Research Hypothesis
- 3.5 Research Design
 - 3.5.1 Research Type
 - 3.5.2 Sources of Data
 - 3.5.3 Sampling Technique
 - 3.5.4 Techniques of Data Analysis (Method of Data Processing, Tools used for data analysis, Data coding)
- 3.6 Pilot Study & Result
- 3.7 Reliability Test
- 3.8 Respondents Profile
- 3.9 Questionnaire Construction
- 3.10 Scaling Techniques
- 3.11 Selected Variables in the study
- 3.12 Type of Industries
- 3.13 Participated Companies
- 3.14 Limitation
- 3.15 Ethical Consideration
- 3.16 Conclusion

• 3.1- Introduction to Research Methodology

Research is a tool for building knowledge in a systematic and purposeful way. Today decision making for managers has become complex and tedious. In this situation finding out solution in stipulated time with maximum accuracy is become vital. For this a systematic conducted study will help the managers to take right decision under such circumstances. For the current study also researcher has taken efforts right from defining the problem to drawing conclusions systematically by following the process of research.

According to **C. R. Kothari (2018)**, Research is “original contribution to the existing stock of knowledge making for its development.” The systematic approach concerning generalisations and formulation of a theory is also research.

AMA (2019) defines research as “Research is the systematic gathering, recording and analysing of data about problems relating to the marketing of goods and services.”

Philip Kotler (2017) defines Research as “Marketing research is a systematic problem analysis, model building and fact finding for the purpose of improved decision-making and control in the marketing of goods and services.”

From above all the three definitions it has been observed that research is the systematic efforts taken for addition of knowledge to the existing knowledge by collecting required data in a scientific way for making decision process easy. Research is a mean to address various issues at different levels. It could be stated as a tool for any business success. In the current study researcher defined the problem after an extensive literature review through various sources of literature. Research steps were predefined and set in advanced. Complete research process was aligned with the objectives and hypothesis. Focus of the current research was to highlight the various issues faced by the survivors after downsizing. As well as study was highlighted its impact on employee and organisations productivity. It was a survey based research where questions were designed to get in-depth feedback from the respondents to understand the various issues and challenges occurred after downsizing of employees.

3.2- Research Problem statement:

The need and significance of the study has led the researcher to state the undertaken research topic as follows;

“To study the impact of downsizing on survivors’ productivity at managerial level with reference to multinational engineering companies in Pune city.”

Pune is the leading industry hub in India. Especially for IT industry, services industry, educational industry, automobile industry, auto ancillary industry and engineering support industry. Available human resource is the key to success for such a variety of industries in Pune city. Automobile industry is a huge employment generation industry where an employee comes across the states and across the worldwide. IT industry is having the blend of highly literate and technical background employees. But in automobile and auto parts, engineering industries employees are the mixture of white and blue color employees. Pune auto and engineering industry had a history of downsizing and witnessed various difficulties in dealing the situation from employee as well as employer side. Downsizing may have various reasons but it has the effects that may be again positive as well as adverse. Different literature has been taken in to consideration to study the problem in depth. So through this study an attempt has been made to understand how downsizing decision affects the productivity of employee and overall organization.

Research Questions

On the basis of research problems certain questions were generated which later converted in to objectives as follows.

- Q.1) What is downsizing? What is the impact of downsizing on survivors?
- Q.2) How is organizational commitment related to survivor’s syndrome?
- Q.3) Is there any change in the efficiency of the survivor after downsizing?
- Q.4) What is the role of HR Manager during and after downsizing?

3.3- Research Objectives:

As mentioned in the beginning that research is a systematic process to study any problem. Hence the study starts with setting certain objectives that were set and explained in a precise manner. These objectives were as follows.

- **To study the impact of downsizing, the reactions / responses of survivors.**
- **To find the relationship between survivor syndrome and organizational commitment deployed through HR Intervention.**
- **To assess the efficiency / productivity of the survivor post downsizing facilitated by HR Intervention.**
- **To study the role of HR in facilitating the change process through HR intervention such as Training.**

In align with the above objectives, hypothesis was formulated to give a right direction to the study. First objective is related with the reaction of survivors after the downsizing. Second objective was based identifying thread between organizational commitment towards the employees and survivor's syndrome. Downsizing is a negative process. Cutting down on the number of employees may result in extra workload or may hamper the productivity or efficiency of the top performing employees too. To put more focus on this, the third objective was set to assess the efficiency of the survivor post downsizing. During downsizing most of the problems are to be faced by the HR managers and he / she is the mediator between employees and employer. Thus HR manager's role carries lot of importance especially during and after downsizing. Therefore, fourth objective is associated with assessing the role of HR in facilitating the change process that occurs after downsizing in the organization.

3.4- Research Hypothesis:

After setting the objectives an extensive literature review was done. This literature review helps to assume certain facts which were later explained and proved in the data analysis. These assumptions were as follows.

H₀: “Downsizing with effective HR intervention does not affect survivor’s productivity or efficiency”

H₁: “Downsizing with effective HR intervention significantly affects survivor’s productivity or efficiency”

In the above stated hypothesis, it has been assumed that implication of downsizing does not affect on survivors’ productivity or efficiency (Null Hypothesis). Here survivor’s productivity was considered with three factors which may get affected due to downsizing. These three factors were Work related factors, Time related factors and Use of resources related factors.

Sub Hypothesis:

H₀₁: There is no relationship between safe performance and HR intervention post downsizing

H₀₂: There is no relationship between quality of work and HR intervention post downsizing

H₀₃: There is no relationship between timely delivery of work and HR intervention post downsizing

H₀₄: There is no relationship between optimal resources deployed and HR intervention post downsizing

H₀₅: There is no relationship between survivor’s morale and HR intervention post downsizing

3.5- Research Design:

Research design contains the researchers overall plan or strategy that he chose various mechanism of the study in an articulated and logical way which ensures addressing accurately and effectively research problem. It is also called a blueprint of the given problem that includes collection of data, sources, sampling design, data measurement and analysis techniques etc. Basically there are three types of research designs namely explorative research design, descriptive research design and experimental research design.

- **3.5.1 - Descriptive Research Design:**

Current study uses **Descriptive Research Design**. It describes the characteristics of the given population as it is existing. Descriptive research design aims to describe the nature of demographic segment rather than explaining the reasons of the occurrence of the particular phenomenon. It is a survey based study. On the basis of objectives, hypotheses were formulated. To test and prove a structured questionnaire was framed. Through questionnaire data was collected and analysed with suitable statistical techniques. Hence this study is conducted with the aim to answer the question set in research question, to achieve the objectives and to prove the hypothesis. Statistical tools are used to examine the statistical relation between various research variables.

3.5.2- Data Collection:

Data collected was the basis to draw the inferences from the analysis. During the study a balanced data collection was used as both primary and secondary data has been used. Understanding the advantages and disadvantages of each type of data, different sources were used to collect the primary and secondary data.

- **Primary data** was used mainly for statistical analysis. A structured questionnaire was the instrument to collect the feedback of the employees. Questions were set on the basis of objectives and hypothesis formulated. Enough questions were asked so that purpose of the study will be fulfilled.

A survey was conducted in the Pune and in an around Pune based automobile and other engineering based organizations. Individual employees were approached along with predefined profiles of the employees. Questionnaire was framed in English language. Google form was also prepared to get the data quickly. Final questionnaire was framed on the basis of expert guidance before and after conducting pilot study. A Questionnaire was divided in to two parts. First part was related with the demographic information. Second part was focussing on functional part.

- **Secondary Data** was collected from earlier study and already existing sources. Various authentic sources were utilised to collect the secondary data. Sources like earlier published research papers, reference books, magazines, newspapers, articles, syndicated reports, research agencies reports, government websites, and Internet and company websites.

Secondary data was found very useful especially during literature review. A critical and analytical literature review was done and potential research gap was identified. Secondary data, which was already used by someone, carries little bit less reliability, accuracy and confidence in the result. Hence to overcome this, primary and secondary data were used by maintaining the balance. Library played an utmost important role in collecting the secondary data as many of the books and journals were available in the libraries. Secondary data for literature review was collected by pre-setting the variables to study.

3.5.3- Sampling Design:

Sampling is the process of selecting appropriate number of respondents from the total population for data collection which will truly represent the parent population. There are two types of sampling i.e. Random sampling and Non random sampling. By considering the advantages and limitations of both the type, **Non Random sampling** technique was used to collect the data from the respondents.

- **Convenience Non Random Sampling** was the technique used according to availability of time, limitations of available respondents and convenience to study. Here all the Automobile / Auto component manufacturing and engineering companies

in Pune city either having their total turnover of more than rupees 1000 Crore or employee number of more than 1000 were taken as the target population.

A list of all the companies that come under the above mentioned category was received from government website - Ministry of Corporate Affairs, Money control and Society of Indian Automobile website as on year 2012-2016. Filter was used according to location Pune, Turnover rupees 1000 Crore or employee number 1000 and more.

Areas like Pimpri-chinchwad, Chakan, Mahalunge, Bhosari, Hinjewadi, Ranjangaon, Uralikanchan were taken in to consideration to identify the location of the organisation.

- **Sample size:**

- 1. Total companies: 65**
- 2. Companies responded positively: 33**
- 3. Employees/Respondents number: 396**

- **3.5.4- Techniques of Data Analysis:**

After data collection from structured questionnaire and Google form through respondents, data was accumulated and processed in Microsoft excel to verify missing entries, removing errors in data entry, to remove partially filled questionnaires and ambiguous answers.

SPSS software was used to apply different statistical techniques in data analysis. Initially reliability test was conducted to test the consistency in the responses of the respondent. Cronbach alpha was considered to measure this consistency.

Data analysis was done in two parts. First part was related to descriptive statistics like using mean, charts, graphs, pie diagrams and tables for each questions. This gives overall idea about the responses of the respondent's feedback. Later on to test the objectives and hypothesis, various statistical tools like Chi-square test and Pearson's correlation was used.

Descriptive Statistics:

- Mean
- Pie-charts, Graphs
- SPSS
- Sigma
- Standard Deviation
- Chi-square test

Statistics for Hypothesis Testing

- Pearson's Correlation

3.6- Pilot Study:

A Pilot study is a testing phase of proposed study to check its feasibility and effectiveness. Generally, it is to be conducted in order to examine and evaluate feasibility, areas of improvements, identification of gaps and its adverse effects prior to go for a final research project.

After research design and formulation of employee questionnaire, pilot study was carried with the objective of testing the feasibility of the questions mentioned in the questionnaire. 23 questions were included in the questionnaire and tested with 55 employees. From the respondent's feedback there were some questions where respondents were not comfortable to answer, some repeated questions and chronology of the questions was not appropriate.

Analysis was done for the pilot study and was validated by the QCI panel expert and Industry experts too. With the prior permission from the Research guide and discussion with few research experts, changes in the proposed questionnaire were carried out. Final questionnaire was prepared according to above mentioned changes and distributed for final data collection.

3.7- Reliability Test:

Reliability test in research is a quality of the data and a state of data being reliable. It checks the consistency of the data in producing the same result on repeated trails. Cronbach Alpha reliability test was performed and results were reflected as follows.

Cronbach Alpha Test

Cases	Valid	396	396.0
	Excluded ^a	0	0.0
	Total	396	100.0
a. List wise deletion based on all variables in the procedure.			

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.790	.808	89

SPSS software was used to perform the test with Cronbach alpha reliability test. It was performed to check the internal consistency of the responses. Here alpha value should be greater than 0.70 to have enough consistency and greater reliability in the set of variables. Below this value the internal consistency is considered as low.

From the result shown in the table it has been observed that alpha value for current test was **0.790** which implies that responses of employees are valid and consistent as correlations between various variables were significant.

3.8- Respondents Profile:

As Automobile manufacturing and engineering companies were considered for the current study, employees from different managerial positions of the organisations who were survived after downsizing in the organization were considered as samples in the research. An attempt

was made to give justice to each and every segment of managerial level employees by collecting the information from the respective department.

Following are the profiles of the respondents considered in the research during data collection.

1. Sales & Marketing Representative
2. Finance Representative
3. Materials & Purchase Representative
4. Operation / Production Representative
5. Administration Representative
6. Design & Projects Representative

Above mentioned profiles were considered in the research so comprehensive data could be collected from each department of the organization. HR department was not considered here for data collection as they may have a biased opinion. But their opinion was considered for validating the data. From the literature review it has been observed that most of the time downsizing impacted the above mentioned profiles hence these common profiles were selected.

3.9- Questionnaire Construction:

Questionnaire was constructed using various variables that were identified in the literature review and during pilot study interaction with employees. Questionnaire is divided in two parts. First part is related to demographic information of the respondents. Second part majorly focuses on functional questions related to downsizing and its impact on employees.

Variables taken for the demographic study were gender, age, annual income, education, profile in the company, year of experience, type of the current company, number of the employees in the company and turnover of the company. These variables describe the basic information related with respondent as well as the organization where they work.

The second half of the questionnaire was based on downsizing strategy adopted by the company, its effect on their day to day functioning, their adaptability with the strategy, impact on productivity / efficiency and improvements made by individuals to cope up with the change.

Some variables were independent variables and some were dependent variables. An attempt was made to balance both the variables and establishes the relationship between these variables.

3.10- Scaling Techniques:

In order to go in-depth responses of the respondent a nominal, ordinal, interval and ratio scales are used in the questionnaire. A five point Likert scale was used in collecting the qualitative nature of data to convert it in numerical values. Different parameters were used while constructing the scales in the questions.

Example:

Sr. No.	Personal Attributes (Psychological) changed after downsizing	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Increased Anger					
2	Depression					
3	Increased Fear					
4	Feeling Unfairness					
5	Reduced Motivation					
6	Increased Stress and Fatigue					
7	Low Morale					

Here numerical values were assigned as follows.

- Strongly Disagree-1
- Disagree-2
- Neutral-3
- Agree-4
- Strongly Agree-5

At the same time parameter like Satisfaction was also used to understand the extent of satisfaction with five point Likert scale.

3.11- Variables considered:

Independent Variables:

- Gender,
- Age,
- Year of Experience,
- Type of The Company,
- Turnover of The Company,
- Frequency of Downsizing Implemented,
- Reasons for Downsizing

Dependent Variables:

- Productivity of The Employees,
- Employee Trust,
- Commitment / Loyalty of survivors towards their organisation
- Career Advancement Opportunities,
- Morale,
- Operational Efficiency,
- Process of Recruitment-Training-Performance Appraisal,
- Overall Satisfaction of the Employees.

3.12- Type of Industries Considered for the study:

Downsizing is the cyclical process that is observed overall across the industries. Pune city is known as a hub of automobile and engineering work based companies. Downsizing may have various reasons. From the literature review it has been observed that Downsizing in Pune city at different time and different situations mostly observed in automobile and engineering work related companies. As well as these two industries generates the maximum jobs for all the type of employees like blue collar and white collar employees. These industries in Pune city witnessed the effects of downsizing from both i.e. employee and employer's end majorly in the year 2008 and 2014. Hence Automobile and Engineering related companies are considered for the current study for the year 2012-2016.

For the convenience of the study further scope of the companies was limited either to their turnover (Rs.1000 Crore and more) or Number of employees (1000 and more).

Following is the list that has been prepared from different sources.

3.13- List of Companies

Sr. No	Name of the Company	Location
1	Desoutter Industrial Tools	Hinjewadi
2	Volks Wagen	Chakan
3	Faurecia India Pvt. Limited	Pimpri Chinchwad
4	Atlas Copco	Dapodi
5	Henkel Adhesives	Hinjewadi
6	TE Connectivity	Shirval
7	PARI- Precision Automation & Robotics India	Katraj Ambegaon
8	JCB	Talegaon
9	Eaton Technologies	Pimpri
10	Lear Corporation	Pimpri Chinchwad
11	SKF India Ltd	Pimpri
12	Bosch Chassis System India Pvt Ltd	Chakan
13	Sandvik Asia Pvt Ltd	Dapodi
14	FCA India Automobiles Private Limited (FIAT)	Ranjangaon
15	General Motors	Talegaon
16	Mercedes Benz India Pvt Ltd	Chakan
17	Piaggio Vehicles Pvt Ltd	Baramati, Pune
18	Romax Solutions Pvt Ltd	Shivaji Nagar
19	Bajaj Auto Ltd	Akurdi
20	Force Motors Ltd	Akurdi

Sr. No	Name of the Company	Location
21	Honeywell Automation India Ltd	Hadapsar
22	Kirloskar Brothers Ltd	Baner
23	Thermax Ltd	Chinchwad
24	Kirloskar Oil Engines Ltd	Khadki
25	Greaves Cotton Ltd	Chinchwad
26	Gabriel India Ltd	Kuruli
27	Forbes Marshall Pvt Ltd	Pimpri
28	Tata Motors Ltd	Ashok Nagar, Pune
29	KSB Ltd	Pimpri
30	Praj Industries Ltd	Hinjewadi
31	Mahindra & Mahindra Ltd	Pimpri
32	Alfa Laval India Pvt Ltd	Baner
33	Adient India Pvt Ltd	Pimpri Chinchwad

3.14- Limitations of the Study:

Current study has been conducted with all the scientific steps and process. Still there were some flaws and shortcomings that could be the result of various actions taken during research like small sample size, selected methodology, flaws during selection of statistical tool for data analysis.

In the current study following limitations were observed.

- Current study was related to only automobile and engineering companies. It could have been conducted with either all the type of manufacturing companies or other types of industries in Pune such as service industry, IT industry, hospitality, education etc.
- Though sample size mentioned in the study is enough to generate the accurate results still more reliability and accuracy could have been achieved in the result by increasing sample size.
- Respondents were found hesitant during filling up questionnaire. The study was conducted for the period 2012-2016. There might be few employees who did not experience downsizing in that particular organisation.
- The researcher could not force the respondents or pressurise them to fill the questionnaire. Hence it was difficult to collect the information from the respondents.

So there may be a question mark on the true responses of the respondents. Secrecy had to be maintained at all levels.

3.15- Ethical Consideration

Ethical aspects were followed during each step of the research. Utmost care has been taken during the research to eliminate biasness while adopting a research design, selecting the samples, construction of questionnaire and analysis of the data. Selection of the respondents was purely based on predefined parameters.

Scaling techniques and tools of analysis were selected as per the need of the study. Secrecy of the data collected was thoroughly maintained. Prior permission from the plant head or respective managers was taken in advance and then survey / discussion was done in the company premises.

3.16- Conclusion: - In this chapter research methodology adopted is described in precise manner mentioning all the research activities in detail. Descriptive research methodology was selected for the study. Primary as well secondary data was collected from the respondents. Primary data was collected from a structured questionnaire and secondary was collected from various other sources like research papers, research thesis, newspapers, magazines, reports and websites. Questionnaire was constructed by keeping in the mind of objectives of the study, hypothesis and various scaling techniques. Appropriate data analysis techniques were decided well in advance. Respondents profile and targeted industries were determined in advance. All the ethical consideration was kept in mind while conducting the research.

Chapter 4

Data Analysis and Interpretation

- 4.1 Introduction
- 4.2 Data Analysis
- 4.3 Analysis on Impact of Downsizing on various attributes
- 4.4 Analysis of Age & Gender on various attributes
- 4.5 Testing of Hypothesis
- 4.6 Conclusion

Introduction

In this chapter, the researcher has analyzed the collected data to get a deeper knowledge about the issues towards downsizing and its impact on the survivors. The collected data is tabulated, interpreted and analyzed systematically. The researcher has collected quantitative and qualitative type of data on various aspects from employees working in multinational manufacturing, engineering and automobile companies. The study was undertaken to understand the impact of downsizing on the productivity of the ones who are retained by the organization.

4.2.1 Gender of the respondent

Gender	No of Respondents	Percent
Male	323	82
Female	73	18
Total	396	100

Table No 4.2.1 Gender of the Respondents

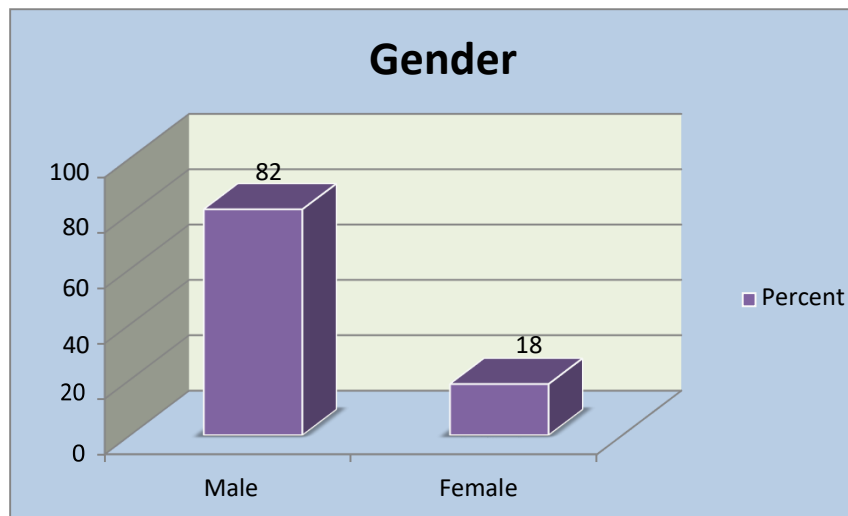


Figure No 4.2.1 Gender of the respondent

Interpretation:

Survey starts with the question of gender of the respondents. Gender was the important factor in the survey as intensity of downsizing varies with gender of the respondent. From the table it is clear that male respondents were more in number than female respondents as shown in frequency table. Table reflects that 82% of the respondents were male and remaining 18% were female. Chart shows that manufacturing and engineering work related companies are dominated by male employees. After discussion with the HR of few companies it was observed that female employees were the first ones to be retrenched.

4.2.2 Age of the respondent

Age	No of Respondents	Percent
20 to 30	30	8
31 to 40	209	53
41 to 50	87	22
50 & above	70	18
Total	396	100

Table No 4.2.2 Age of Respondents

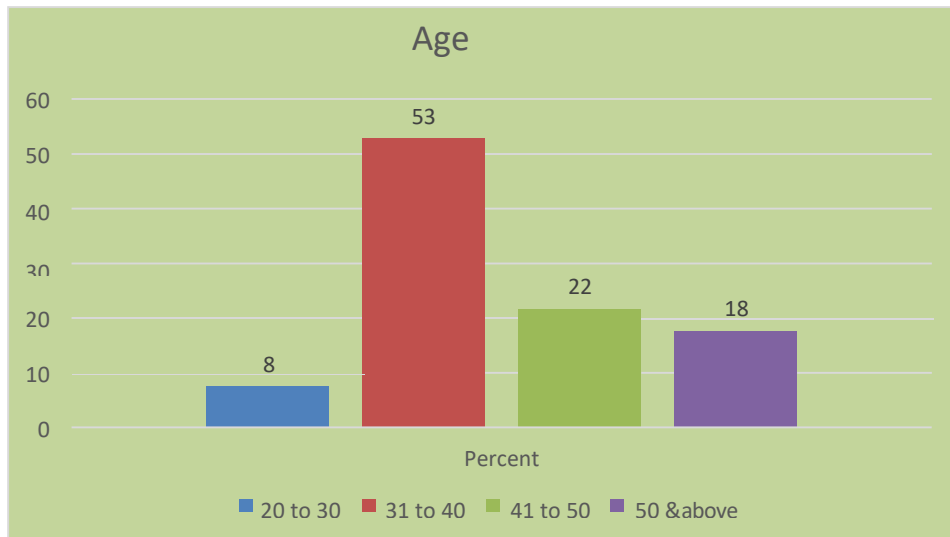


Figure No 4.2.2 Age of Respondents

Interpretation:

In demographic factor, along with gender, age also carries an equal importance as it is directly correlated with respondent's experience, income and expertise. From the respondents profile it has been observed that young professionals i.e. from the age group of 20 to 30 there were 8% of the respondent. Most of the respondents fall in to the age group of 31 to 40 as around 53% i.e. more than half of the samples were from this age group. It is followed by age group 41 to 50 with 22%, and 18% of the respondents from the age group 50 & above. Since the researcher had focused on the managerial level employees, the average age for a person to reach the manager level is between 30-40 years of his/her age.

4.2.3 Qualification of Respondents

Education	No of Respondents	Percent
Graduate	231	58
Post graduate	127	32
Any other (Diploma etc.)	38	10
Total	396	100

Table No 4.2.3 Qualification of Respondents

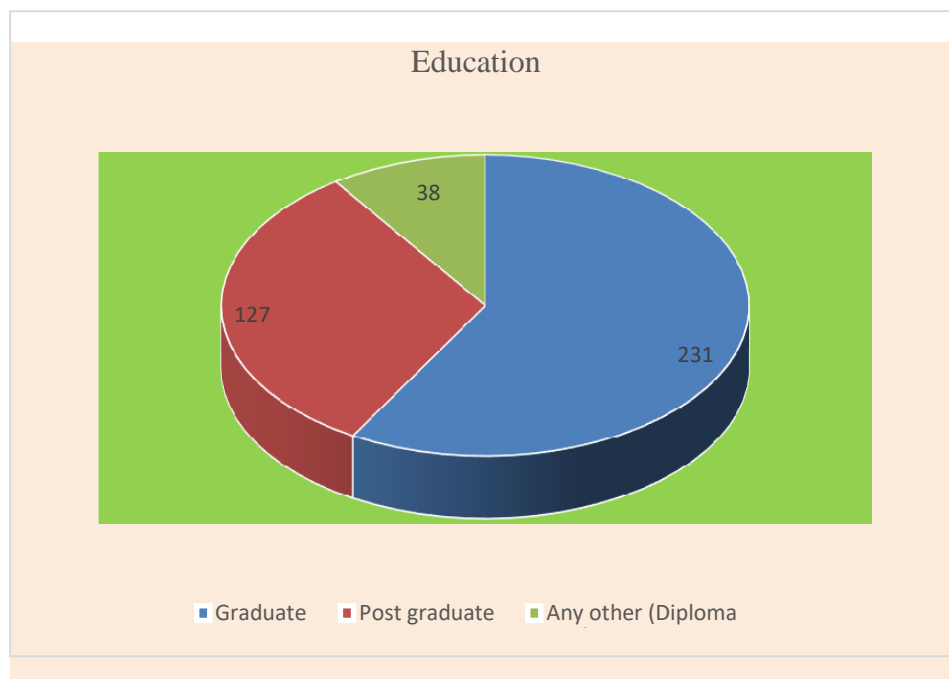


Figure No 4.2.3 Qualification of Respondents

Interpretation:

Table directly shows that graduate employees lead the survey as 231 respondents i.e. 58% of the respondents were graduate. It was followed by post graduate and diploma with the 127 (32%) and 38 (10%) respondents respectively from diploma background. This is the only industry where a diploma holder is considered as equivalent to a degree or a post graduate degree holder. A good number of post graduates is also seen from the above chart and table, so we can infer that the respondents are highly literate and from good educational background.

4.2.4 Profile of the respondents

Profile	No of Respondents	Percent
Sales & Marketing	79	20
Finance	66	16
Materials / Purchase	54	14
Operation/Production	119	30
Administration	30	8
Design & Product	48	12
Total	396	100

Table No 4.2.4 Profile of the respondents

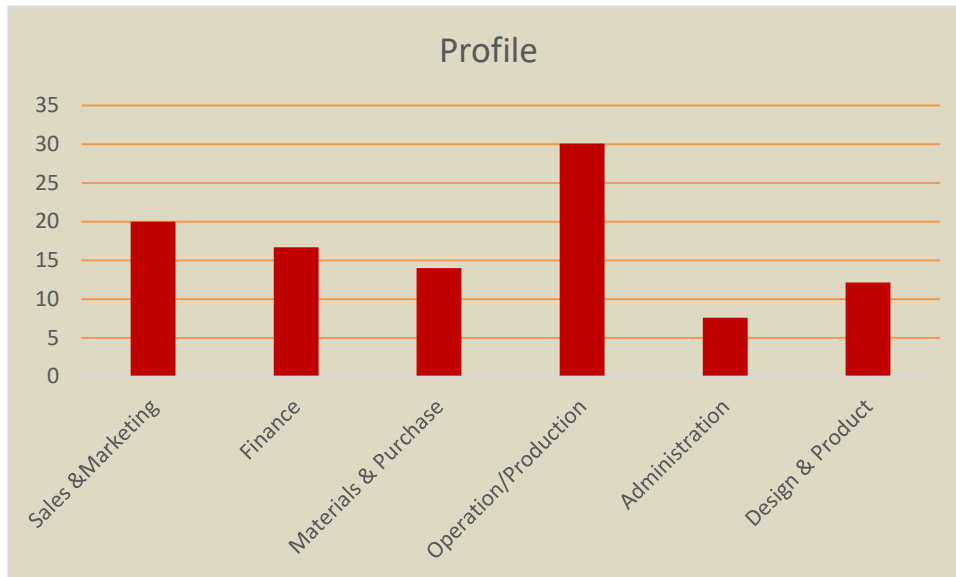


Figure No 4.2.4 Profile of the respondents

Interpretation:

In any organization, above mentioned profiles are commonly observed. Hence these profiles were considered while studying impact of downsizing on each type of profile. From the table it has been observed that almost all the kind of the profiles were in similar proportion except Operation and Production. Above mentioned table and charts depicts that 119 respondents i.e. 30% of the respondents were from Operation/Production profiles, and it was followed by Sales and marketing team with 20%, Finance background team with 16%, Design and product background respondent were 12%, Materials & Purchase department employees were 14% and only 8% of the respondents were from Administration department.

4.2.5 Income of respondents

Annual Income	No. of Respondents	Percent
10 to 15 Lakhs	100	25
16 to 25 Lakhs	156	39
26 to 35 Lakhs	67	17
36 to 45 Lakhs	39	10
More than 45 Lakhs	34	9
Total	396	100

Table No 4.2.5 Income of respondents

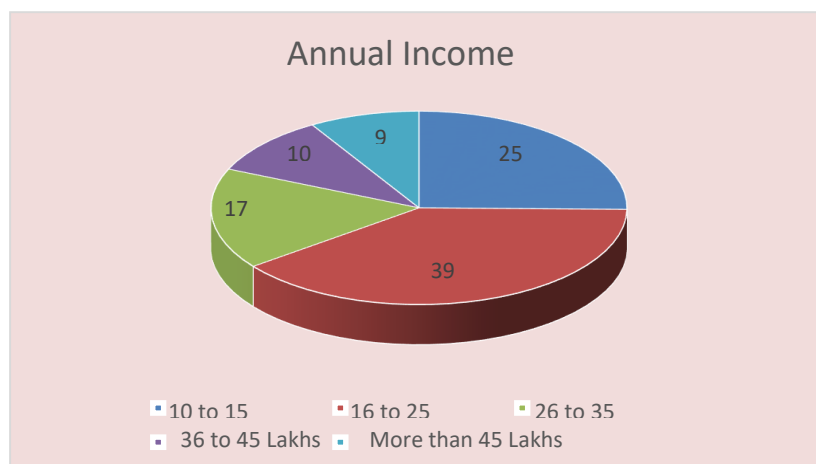


Figure No 4.2.5 Income of respondents

Interpretation:

One of the vital factors of demographic profile of the respondent is their annual income. From the graph and table, it has been observed that most of these managerial professional belong to a good salary/package as 100 respondents belong to 10 to 15 Lakhs salary annually, highest number of frequency was observed for the package ranges between 16 lakhs to 25 lakhs. Total 156 respondents belong to this group. 67 respondents were in the income range 26 lakhs to 35 lakhs, only 39 respondents were observed from the higher income group i.e. 36 to 45 lakhs and more than 45 lakhs category had only 34 respondents. The reason considering this demographic analysis was to find out the income generation capacity of the respondents and the financial set back that these respondents might face at the time of downsizing.

4.2.6 Experience of Respondents

Work Experience	No. of Respondents	Percentage %
Up to 5 Years	47	12
5 – 10 Years	192	48
10 - 15 Years	98	25
More than 15 Years	59	15
Total Frequency	396	100

Table No 4.2.6 Experience of Respondents

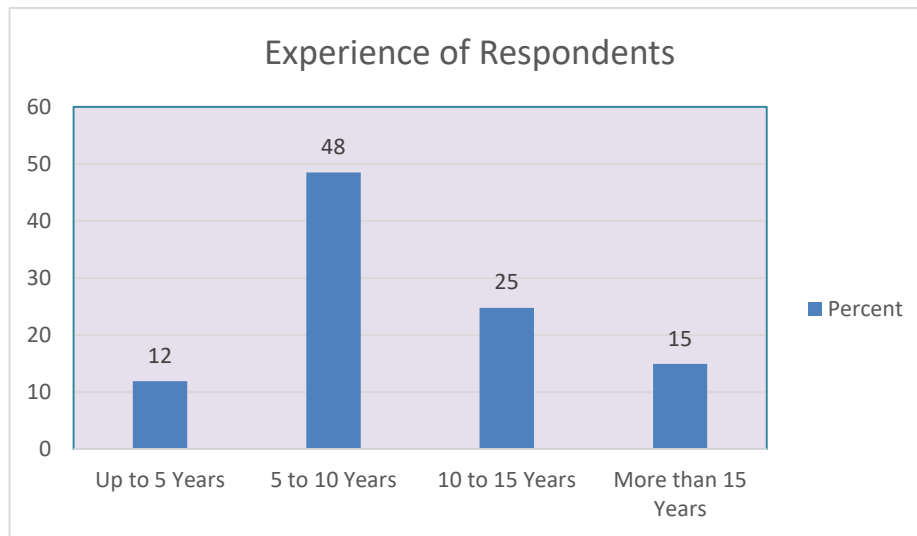


Figure No 4.2.6 Experience of Respondents

Interpretation:

Managerial positions are always filled with the professionals having appropriate experience. Same was reflected by the table and graph as 5 to 10 years' experience professionals were observed with highest frequency (48%), 98 respondents were from the experience group of 10 years to 25 years, 59 respondents were from the group of greater than 15 years of experience, only 47 respondents were belonging to the group of less experience i.e. up to 5 years of experience. The trend in downsizing shows that the employees with less experience with the company are first ones to be downsized. The above data was further validated with detailed discussion held with the HR managers of the respective companies.

4.2.7 Type of Company

Company Type	No. of Respondents	Percent
Automobile	188	47
Auto Component/Auto Ancillary	34	9
Industrial Engineering	174	44
Total	396	100

Table No 4.2.7 Type of Company

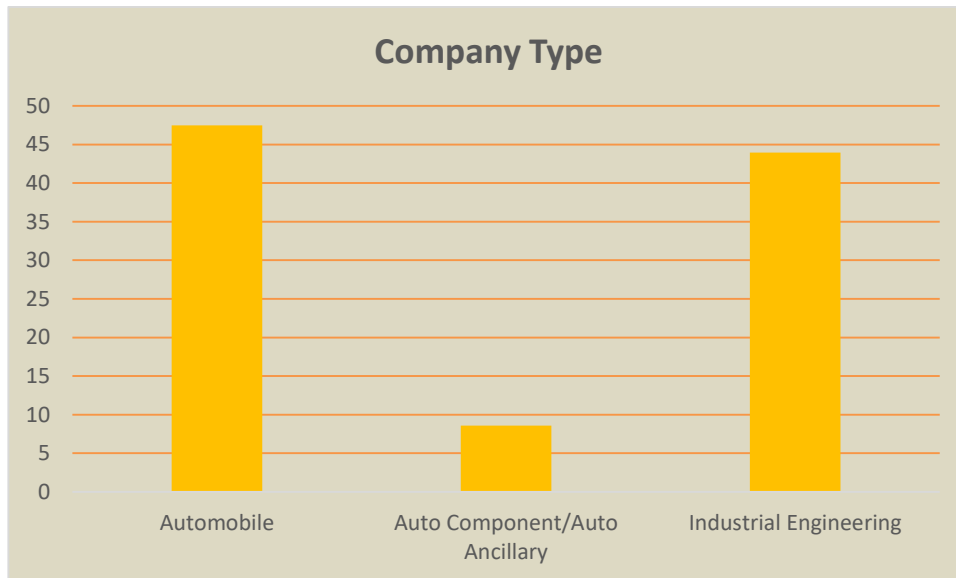


Figure No 4.2.7 Type of Company

Interpretation:

This Survey was limited to Multinational Automobile manufacturing companies, companies involved in the production of auto component and companies related to Industrial Engineering. From the above table it has been observed that most of the respondents participated in the survey were from automobile companies. 188 respondents were from Automobile industry, 34 respondents belonged to Auto component and Auto ancillary companies, whereas 174 of the respondents were from Industrial / engineering companies.

4.2.8 Number of Employees in Company

Employee Number	No. of Respondents	Percent
1000 to 2000	162	41
2001 to 3000	82	21
3001 to 4000	47	12
More than 4000	105	27
Total	396	100

Table No 4.2.8 Number of Employees in Company

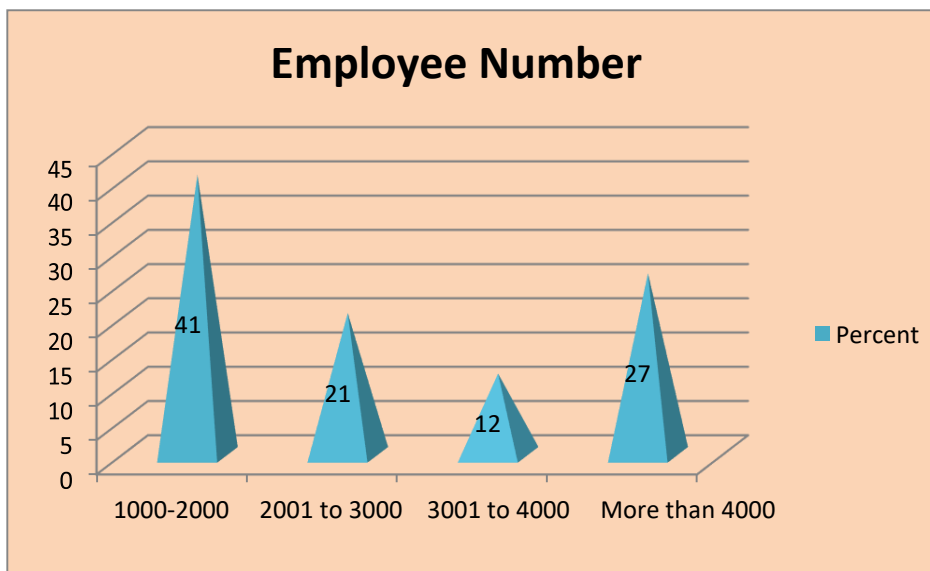


Figure No 4.2.8 Number of Employees in Company

Interpretation:

Table and charts reflect the number of employees in their organization. As mentioned by the researcher that the scope was further narrowed down to the number of employees in the company as the universe was too big and scattered. From the table it has been observed that 162 (41%) respondents were from the organization where employee strength was 1000 - 2000, there were 105 respondents from the companies having the employees more than 4000, 82 i.e. 21% of the respondents belonged to the companies having the employees number between 2001 to 3000. There were only 47 i.e. 12% employees were associated with companies having the strength of employees from 3k to 4k.

4.2.9 Turnover of the company

Turnover	No. of Respondents	Percent
Rs.1000 to Rs.2000Cr	105	27
Rs.2000 to Rs.3000Cr	43	11
Rs.3000 to Rs.4000Cr	154	39
Rs.4000 Cr and more	94	24
Total	396	100

Table No 4.2.9 Turnover of the company

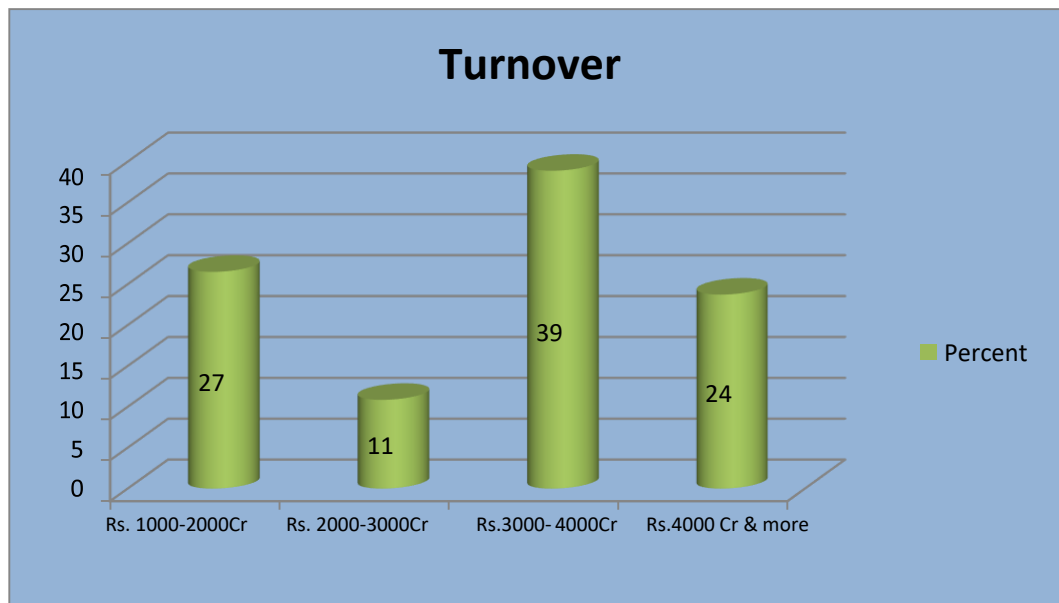


Figure No 4.2.9 Turnover of the company

Interpretation:

One of the criteria to select the companies for the current study was its turnover. As stated earlier, to narrow down the scope the companies were also selected on the basis of its annual turnover. This information was sourced from an authentic and reliable source. The companies nearing to rupees 1000 crores of turnover and above were shortlisted. Above data shows that 154 (39%) respondents were from the companies having turnover rupees 3 thousand to 4 thousand Crore, it was followed by 105 (27%) respondents from rupees 1000 to 2000 Crore category, and 94 (24%) and 43 (11%) of the respondents were from the company having turnover rupees 4000cr & above and rupees 2000cr to 3000cr respectively.

4.2.10 Number of Downsizing experiences

	No. of Respondents	Percent
1 Time	183	46
2 Time	124	32
3 Time	89	22
Total	396	100

Table No 4.2.10 Number of Downsizing experiences

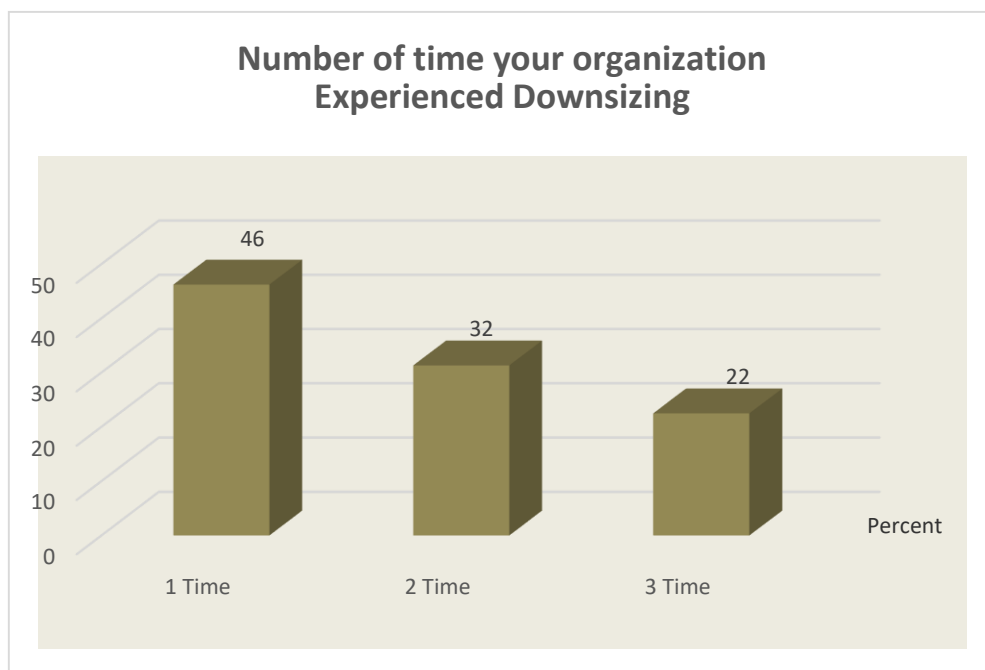


Figure No 4.2.10 Number of Downsizing experiences

Interpretation:

Above table describes the frequency of any organization went for downsizing process. It reflects that most of the organization went for 1 time of downsizing during their tenure in that organization. 183 (46%) respondents replied that they experienced downsizing for the first during their tenure in the organization, 124 (32%) of the respondents experienced it twice whereas 89 (22%) respondents said that they saw 3 times downsizing in the organization during their tenure.

4.2.11 Downsized Employees

	No. of Respondents	Percent
10 percent	175	44
20 percent	119	30
More than 20 Percent	102	26
Total	396	100

Table No 4.2.11 Downsized Employees

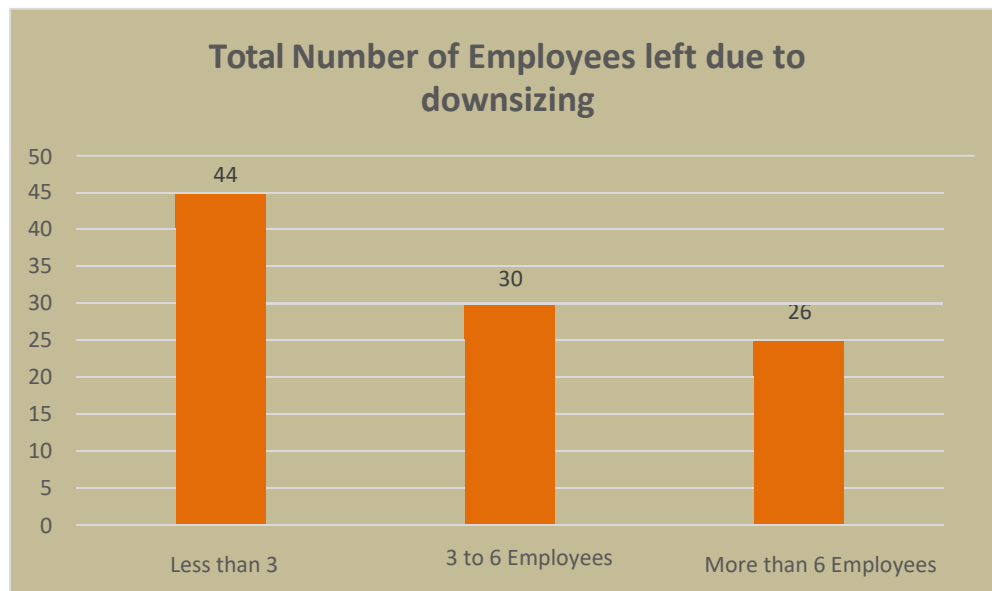


Figure No 4.2.11 Downsized Employees

Interpretation:

After understanding the frequency of downsizing in each company, its impact was examined by asking the question on number of employees left from the organization due to downsizing. Result shows that 175 (44%) respondents said that from their department 10 percent of employees lost the job, 119 (30%) of the respondent replied that 20% employees lost their job and around 102 (26%) of the respondents replied that more than 20% had lost their job during downsizing strategy implemented by the organization. This analysis was done department wise because the employees never get to know the overall number of downsized people from their organization. But identifying people from our own department becomes easier. By this the researcher got an overall idea as to how many people at managerial level were downsized from the year 2012-16.

4.2.12 Reasons for Downsizing

	No. of Respondents	Percent
Financial Crisis	73	18
Product Obsolescence	12	3
Over Employment	87	22
Economic Recession	106	27
To minimize average age of employees	36	9
Automation	77	19
Merger/Acquisition process	5	1
Total	396	100

Table No 4.2.12 Reasons for Downsizing

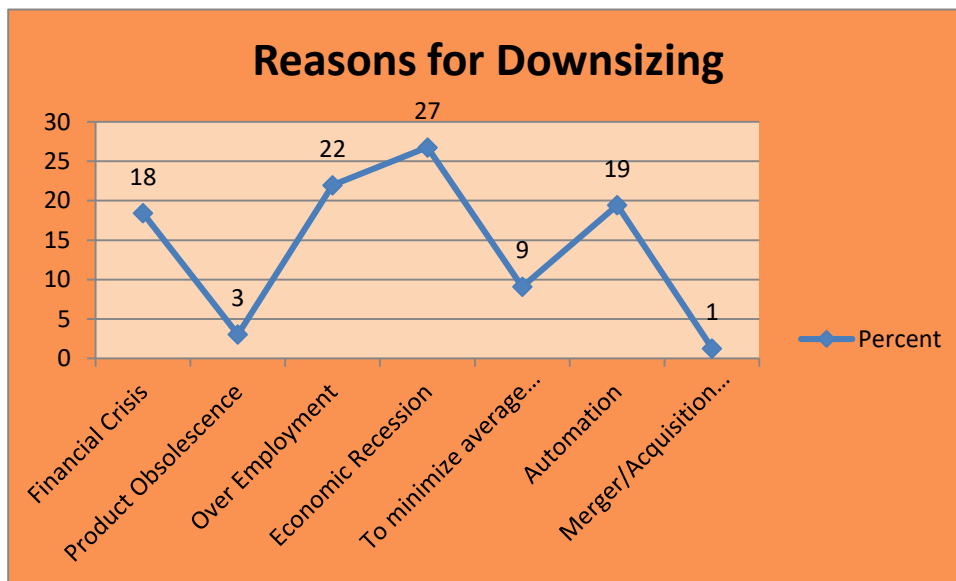


Figure No 4.2.12 Reasons for Downsizing

Interpretation:

There might be various reasons for taking the step of downsizing. From the frequency table and chart shown above it has been observed that Economic recession is one of the biggest reason for maximum companies heading towards downsizing as a course of action. 27% respondents replied that economic slowdown as a reason for downsizing; followed by over employment reason given by 22% of the respondents, 19% respondents said that automation is responsible for downsizing. Due to automation, less number of employees were needed by the organization and training cost was also reduced. It was followed by 18% respondents stating that financial crisis being there as on for downsizing, 3% of the responses fall under the category of product obsolescence and only 1% respondents replied that merger and acquisition was the reason for downsizing.

Factor-1 (Trust)

4.2.13 Organization shared good and bad news with employees

	No. of Respondents	Percent
Strongly Disagree	44	11
Disagree	48	12
Neutral	78	20
Agree	112	28
Strongly Agree	114	29
Total	396	100

Figure No 4.2.13 Sharing of Good and Bad news



Figure No 4.2.13 Sharing of Good & Bad News

Interpretation: -

When opinion was asked with different factors, Trust was considered on five sub factors and result shows as follows. Question was whether organization shares good and bad news with the employees. From the graph it has been observed that around 23% of the respondents said that the information was never shared with them so the level of trust was low. 20% respondents chose to be neutral. Whereas 57% of the respondents said that they were communicated the good and bad news by the HR department.

Factor-1 (Trust)

4.2.14 Employees received adequate information of downsizing before implementation

	No. of Respondents	Percent
Strongly Disagree	23	6
Disagree	170	43
Neutral	43	11
Agree	71	18
Strongly Agree	89	22
Total	396	100

Table No 4.2.14 Information about the process of downsizing

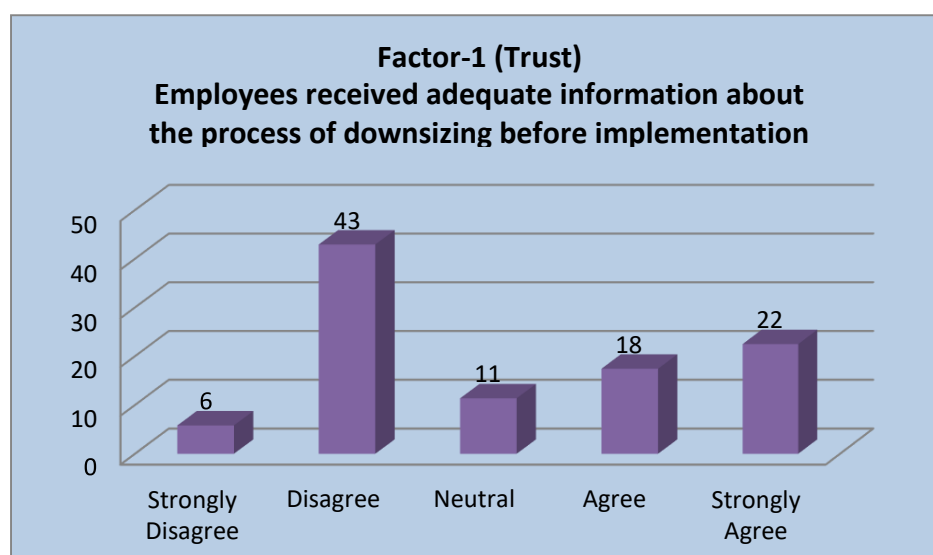


Figure No 4.2.14 Information about the process of downsizing

Interpretation:

Within the Factor Trust, opinion was collected whether employees receive the information in advance regarding downsizing. From the respondent's response it has been observed that around 49% of the respondents replied negatively, 11% of the respondents were neutral and 40% of the respondents replied that they were informed in advanced and taken in to confidence before they applied the strategy of downsizing. The reason for not sharing the information related to downsizing was only to lower the chances of miscommunication and spread of wrong information, as shared by the HR verbally.

4.2.15 Organization gives clarity on the recruitment and selection process to the candidates before hiring

Factor-1 (Trust)		
	No of Respondents	Percent
Strongly Disagree	44	11
Disagree	71	18
Neutral	20	5
Agree	162	41
Strongly Agree	99	25
Total	396	100

Table No 4.2.15 Clarity on the recruitment and selection process

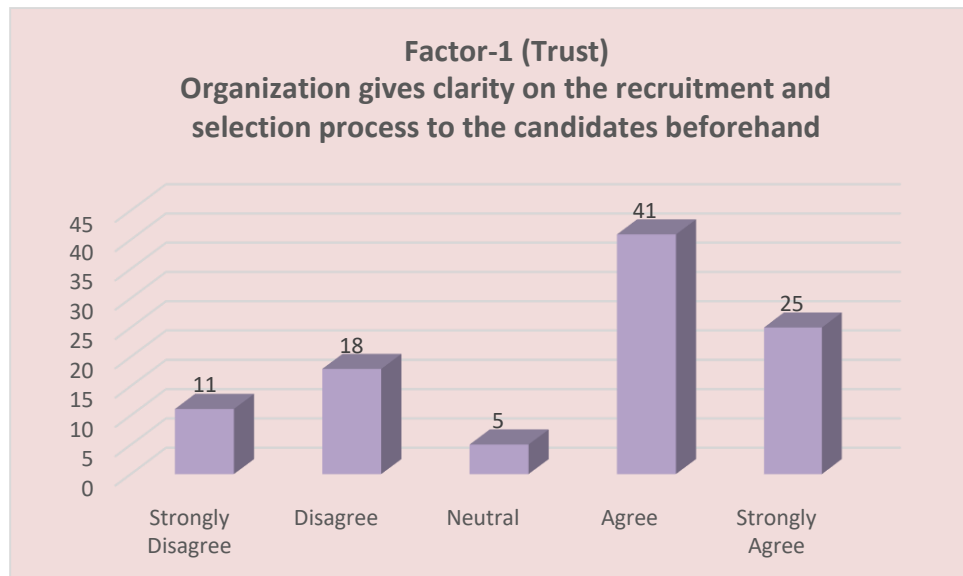


Figure No 4.2.15 Clarity on the recruitment and selection process

Interpretation:

Trust factor was tested with the opinion statement of clear communication during the recruitment and selection process about different policies like leave policy, exit policy and so on of the organization. From the responses of the respondents it has been observed that 29% of the respondents were not aware and also not clear with various policies of the organization during recruitment and selection process. 5% of the respondents remained neutral. Majority of the respondents (66%) of the respondents show the trust towards organization by replying positively. They agreed that organization gives clarity during the recruitment and selection process.

4.2.16 Employees were clear with management’s decision for employee transfers

Factor-1 (Trust)		
	No of Respondents	Percent
Disagree	114	29
Neutral	100	25
Agree	127	32
Strongly Agree	55	14
Total	396	100

Table No 4.2.16 Management’s decision for employee transfers

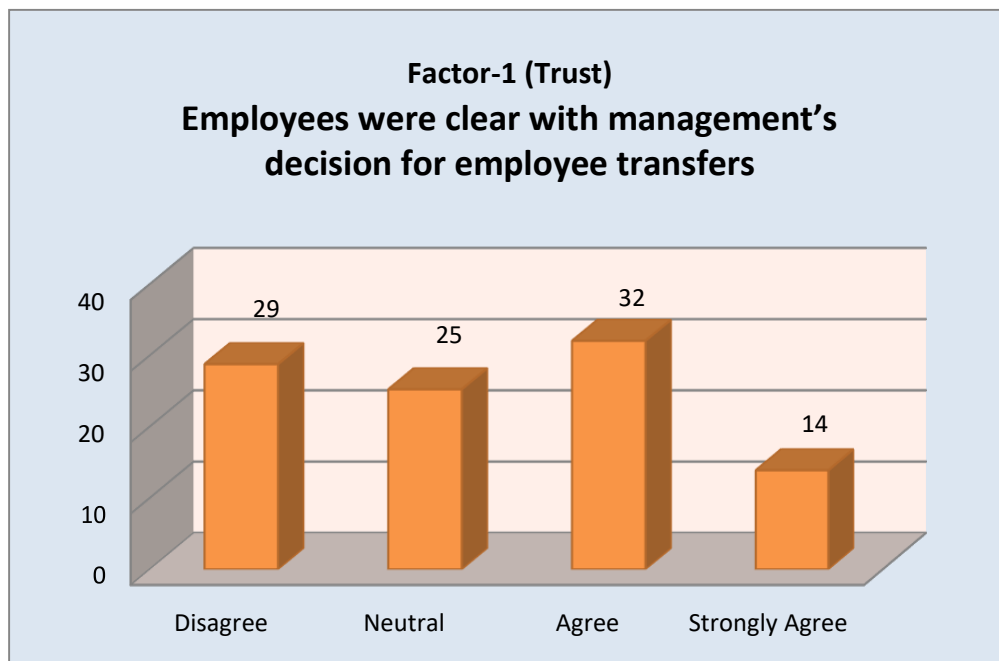


Figure No 4.2.16 Management’s decision for employee transfers

Interpretation:

The organizations considered in the study are with wider scope of operation and hence having coverage with multiple units. So transfer of the employees amongst these units is a common practice followed by the organizations. This was inferred during the discussion with various HR managers. Hence when asked employees about such transfers, 182 (46%) of the managerial position employees replied that they were informed and their consent was taken before they transferred anybody. But at the same time 114 (29%) of the respondents disagreed with the statement and they said they were not informed in advance before they transferred. Surprisingly 25% respondents kept mum by staying neutral.

4.2.17 Management had taken employees in confidence before implementing downsizing

Factor-1 (Trust)		
	No of Respondents	Percent
Strongly Disagree	68	17
Disagree	149	38
Neutral	73	18
Agree	83	21
Strongly Agree	23	6
Total	396	100

Table No 4.2.17 Employees in confidence before implementing downsizing

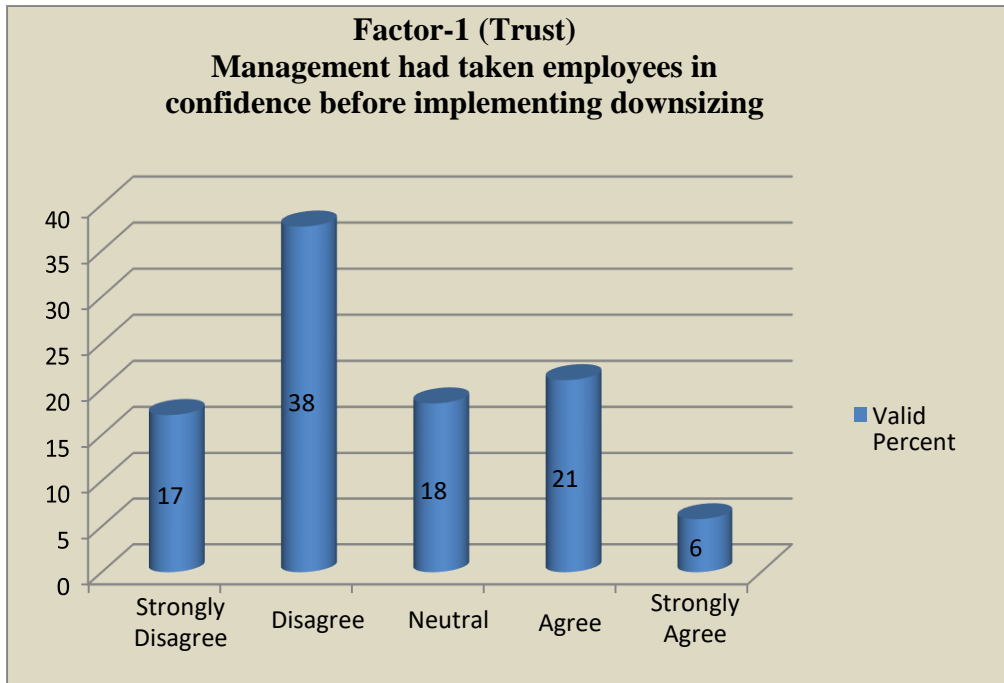


Figure No 4.2.17 Employees in confidence before implementing downsizing

Interpretation:

The employees had agreed earlier that good and bad news is shared with them, but when the news is about downsizing, it was not shared. After further validation from HR department, it was observed that the news was shared at a later stage to avoid misunderstanding and spreading of rumors. 55% of the respondents denied and disagreed with the statements and it shows low trust between employer and employee. 27% of the respondents replied that they were being taken into confidence by their organization before they took downsizing decision.

4.2.18 Mean of Trust Related Factors

Trust related Factors	Mean	Overall Mean
Organization shared good and bad news with employees	3.52	3.2
Employees received adequate information about the process of downsizing before implementation	3.08	
Organization gives clarity on the recruitment and selection process to the candidates before hiring	3.51	
Employees were clear with management's decision for employee transfers	3.31	
Management had taken employees in confidence before implementing downsizing	2.61	

Table No 4.2.18 Mean of Trust Related Factors

Interpretation:

From the graph and charts it has been observed that mean of all the trust related factors was moderate. Especially mean for providing information of downsizing process was 3.08 and Management had taken employees in to confidence was 2.61 where survivors were found dissatisfied. The company did share good and bad news with its employees. They also tried to give clarity on the downsizing process. The information about downsizing was disclosed at a later stage to avoid negative spread of the information. To ensure that positive information is shared among the employees a delay was done by the management and this brought some disagreement among the present employees.

4.2.19 Even after downsizing, the survivors are willing to put-in extra effort than earlier

Factor-2(Commitment) Even after downsizing, the survivors are willing to put-in extra effort than earlier		
	No of Respondents	Percent
Strongly Disagree	21	5
Disagree	85	21
Neutral	108	27
Agree	127	32
Strongly Agree	55	14
Total	396	100.0

Table No 4.2.19 Survivor’s willingness to put in extra effort

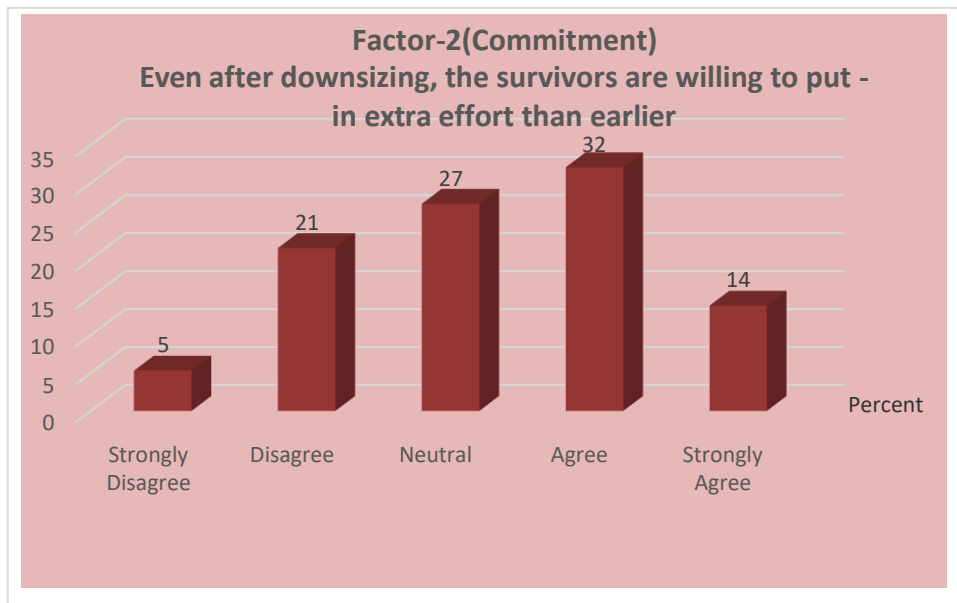


Figure No 4.2.18 Survivor’s willingness to put in extra effort

Interpretation:

Employee commitment was tested with six statements. Results obtained are as follows. Employees were asked on their putting extra efforts to achieve organizations goals even after downsizing process, 46% of the respondents opined positively and only 26% of the respondents showed their disagreement with the statement. But 27% of the respondents opted to be neutral.

4.2.20 Survivors were committed towards the organizational goals even after the downsizing process

Factor-2 (Commitment)		
	No. of Respondents	Percent
Disagree	21	5
Neutral	122	31
Agree	205	52
Strongly Agree	48	12
Total	396	100.0

Table No 4.2.20 Survivors commitment towards the organization



Figure No 4.2.19 Survivors commitment towards the organization

Interpretation:

The above statement shows the real commitment of the employees towards the organization. Question was asked to check employee’s commitment towards achieving organizations goal with the same spirit even after downsizing process. From the table and charts, it reflects that around 64% of the respondents were in favor of the statement and only 5% of the respondents were against the statement. Again a big number of neutral opinion of 31% among the employees. This 64% of the respondents feel if they do not perform, they will perish. Therefore, this threat is making them achieve their desired goals. This is a proof of employee’s commitment towards their organization.

4.2.21 Affinity towards the organization increased after downsizing

Factor-2 (Commitment) Affinity towards the organization increased after downsizing		
	No. of Respondents	Percent
Strongly Disagree	68	17
Disagree	103	26
Neutral	138	35
Agree	76	19
Strongly Agree	11	3
Total	396	100

Table No 4.2.21 Affinity towards the organization

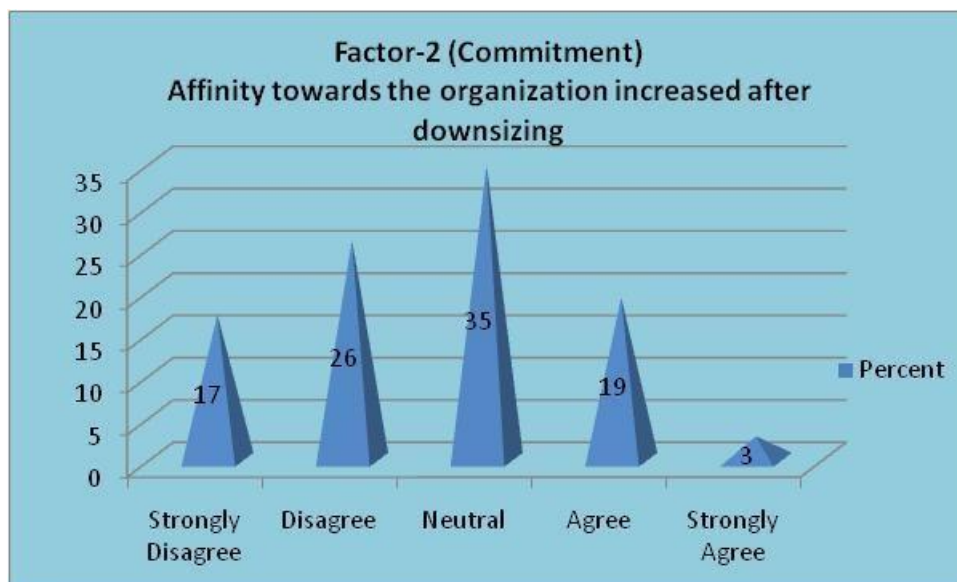


Figure No 4.2.20 Affinity towards the organization

Interpretation:

Employee's commitment was again checked with the factor of affinity. From the statement, it has been observed that respondents were very true to their response and only 22% of the respondent agreed that their affinity increased towards organization after downsizing was implemented. However, surprisingly 43% of the respondents responded very frankly that they do not feel any affinity towards the organization, as they know that they are with the organization only by luck. They could also have been the victims of this strategy.

4.2.22 Post downsizing, survivors have Positive attitude towards the company

Factor-2 (Commitment)		
	No. of Respondents	Percent
Strongly Disagree	45	11
Disagree	132	33
Neutral	126	32
Agree	46	12
Strongly Agree	47	12
Total	396	100

Table No 4.2.22 Survivors positive attitude towards the company

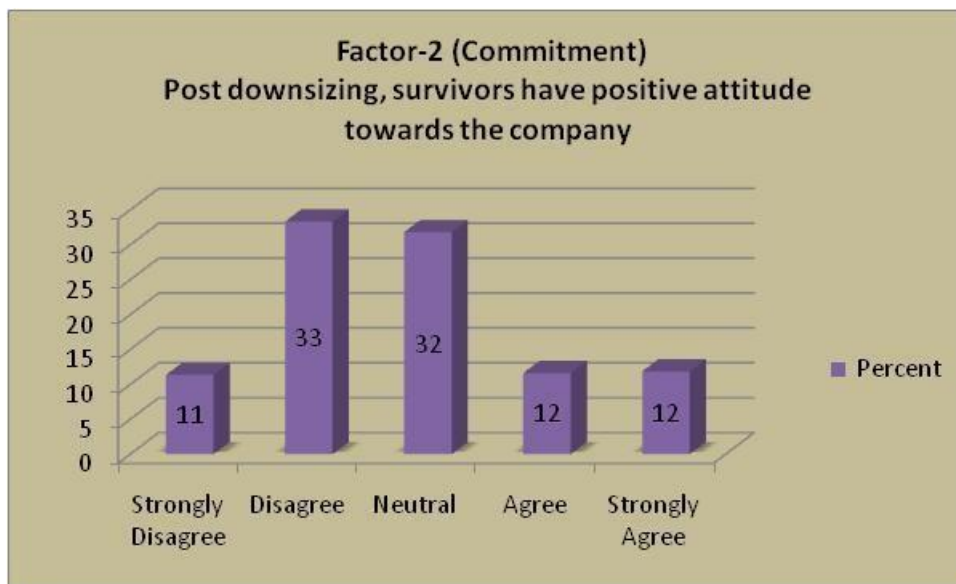


Figure No 4.2.21 Survivors positive attitude towards the company

Interpretation:

To test Positive attitude of the employees, a question was asked to employees. As employee's positive attitude towards organization is always an asset and a good will for the company, 24% of the respondents had the positive attitude towards the organization. 44% of the respondents disagree and they no longer have any positive attitude after downsizing. After further validation from HR, it was found that the change was severe and difficult to digest. The survivors were quite confused and hence the neutral response was observed as 32%.

4.2.23 Adopted new skill set by upgrading hands on knowledge

Factor-2 (Commitment)		
	No. of Respondents	Percent
Disagree	14	4
Neutral	91	23
Agree	178	45
Strongly Agree	113	28
Total	396	100

Table No 4.2.23 Adoption of new skill set

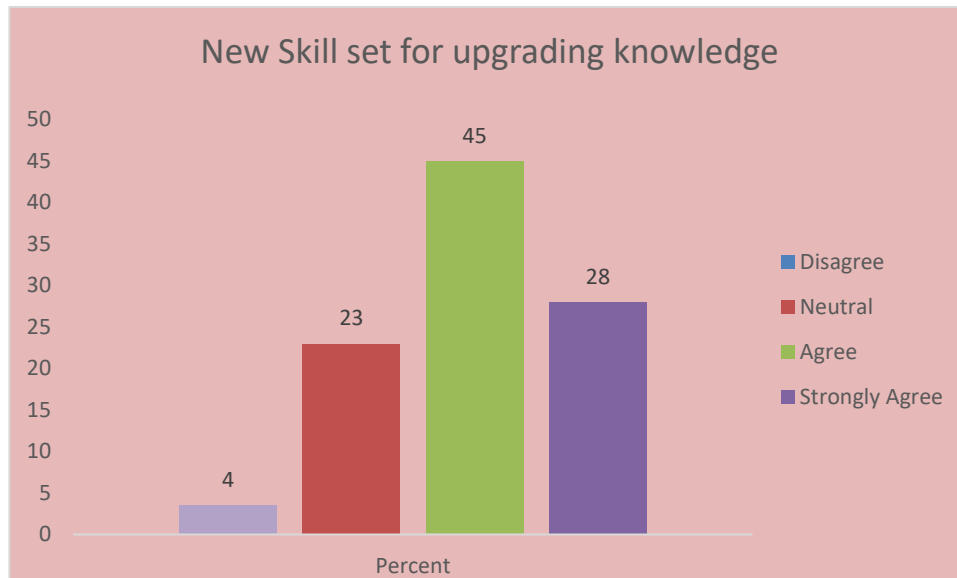


Figure No 4.2.22 Adoption of new skill set

Interpretation:

Employee's commitment towards organization was tested by checking their willingness to upgrade skills. A positive reply was received from respondents as 74% of them said that they upgraded their existing skill through various trainings.

23% of the respondents remained neutral, as they may not have felt the need to upgrade their skill set after downsizing. Only 4% of the respondents replied straight negative and they did not upgrade their skill sets through any of the trainings offered.

After discussion with HR it was observed that, since multitasking jobs were expected from the employees, they showed their willingness to adopt new skills. Since perform of perish was the key to success.

4.2.24 Efforts taken for self-learning by individual employees

Factor-2 (Commitment)		
	No. of Respondents	Percent
Neutral	137	35
Agree	146	37
Strongly Agree	113	28
Total	396	100

Table No 4.2.24 Efforts taken for self-learning

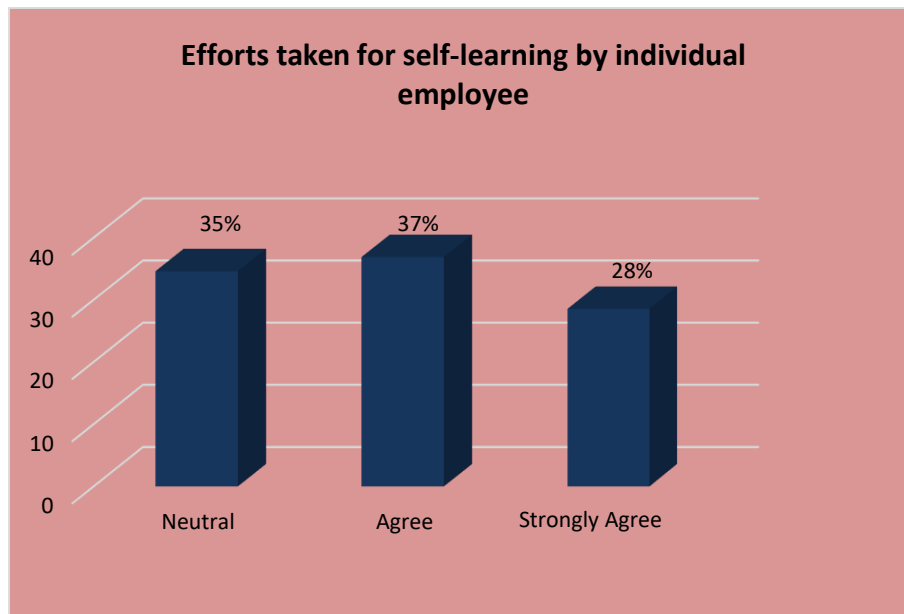


Figure No 4.2.23 Efforts taken for self-learning

Interpretation:

After downsizing process resources are scarce and need to utilize those with optimum level. Hence self-learning is one of the techniques to use available resources at their optimum level.

65% respondents were positive in self-learning whereas remaining were neutral and there was no negative response towards this statement. As stated earlier, the survivors are willing to upgrade their skills and knowledge. They are even ready to invest extra amount and time in self learning.

4.2.25 Mean For Factor 2-Commiment

	Mean	Overall Mean
Even after downsizing, the survivors are willing to put in extra effort than earlier.	3.28	3.27
Survivors were committed towards the organizational goals even after the downsizing process.	3.71	
Affinity towards the organization increased after downsizing	2.64	
Post downsizing, survivors have positive attitude towards the company	2.79	
Adopted the new skill set by upgrading hands on knowledge	3.98	
Efforts are taken for self-learning by individual employees	3.94	

Table No 4.2.25 Mean for Factor 2-Commiment

Interpretation:

From the above table it has been observed that survivors were ready to give their hundred percent commitments for the organization by self-learning and upgrading their knowledge and skills by attending various certifications and training programs. Except for the affinity towards organization and post downsizing positive attitude was below 3 i.e. towards dissatisfaction. Since the change was difficult to accept, bringing back the same positive attitude and affinity towards the organization was not an easy task.

4.2.26 Survivors need to try new skill sets for career advancement

Factor-3 (Career Advancement)		
	No. of Respondents	Percent
Neutral	24	6
Agree	143	36
Strongly Agree	229	58
Total	396	100

Table No 4.2.26 New skill sets for career advancement

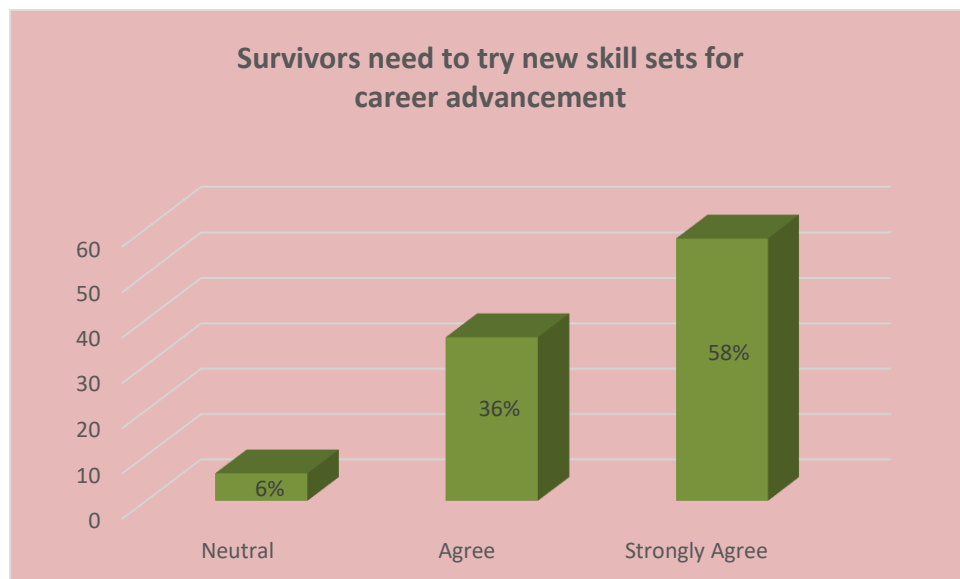


Figure No 4.2.24 New skill sets for career advancement

Interpretation:

Respondents were asked about the career advancement opportunities available in their organization post downsizing. A question was asked whether the survivors were ready to adopt new skills for career advancement.

A quite positive reply was received from almost all the respondents. 58% of the respondents replied that they strongly agree, 36% of them expressed positivity. There were 6% of the respondents who did not agree to the statement.

This shows that employees have thought on career advancement and are ready to adopt additional skills to make themselves ready for the new challenges.

4.2.27 Training opportunities post downsizing are encouraged

Factor-3 (Career Advancement)		
	No. of Respondents	Percent
Disagree	14	4
Neutral	139	35
Agree	120	30
Strongly Agree	123	31
Total	396	100

Table No 4.2.27 Career advancement training opportunities

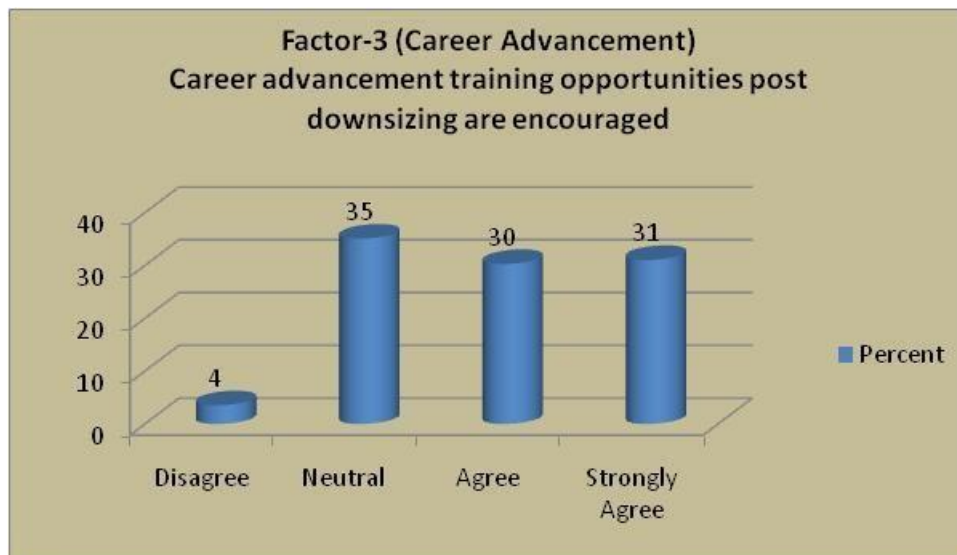


Figure No 4.2.25 Career advancement training opportunities

Interpretation:

Training plays an important role specifically after any company has implemented downsizing strategy. So question was asked to the respondents regarding the encouragement and motivation given by the organization towards career advancement of the employees. 61% of the respondents told that career advancement training opportunities after downsizing are encouraged. 35% of the respondents were neutral and only 4% of the respondents disagreed to the statement. Further discussion with the industry experts it was observed that initially the employees were reluctant to accept the trainings offered by the company. Hence 35% of neutral opinion was observed.

4.2.28 Chances of promotion are better than before

Factor-3 (Career Advancement)		
	No. of Respondents	Percent
Strongly Disagree	23	6
Disagree	44	11
Neutral	191	48
Agree	124	31
Strongly Agree	14	4
Total	396	100

Table No 4.2.28 Better Promotion Chances

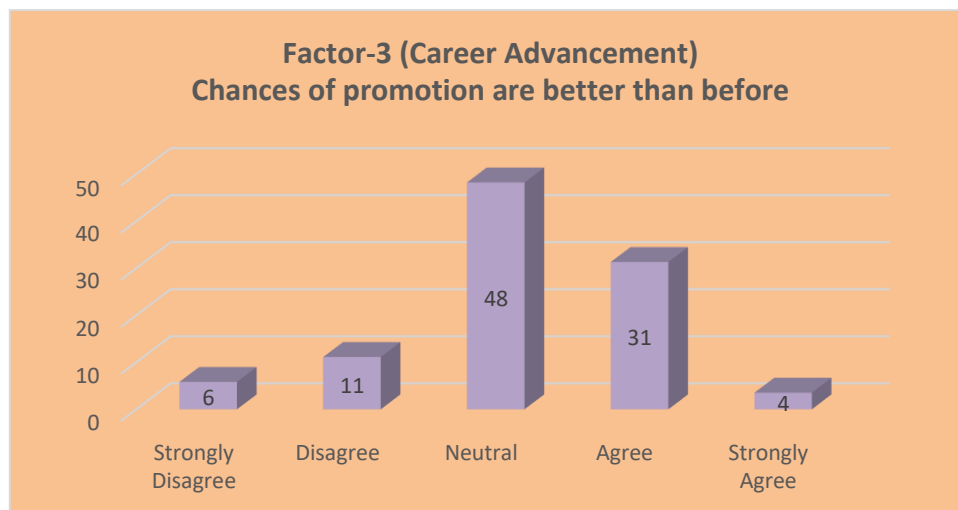


Figure No 4.2.26 Better Promotion Chances

Interpretation:

In career advancement option one more question was asked regarding increase in chances of promotion post downsizing, 31 respondents agreed with this statement, 4% of the respondents strongly agree with statement i.e. they got an opportunity to have better promotion than earlier after downsizing.

From the remaining responses it has been observed that 48% of the respondents were neutral, 11% of the respondents disagree whereas 6% of the respondents strongly disagree with the statement and they opined that chances of promotion after and before downsizing had no difference.

4.2.29 I can achieve my personal goals in this company

Factor-3 (Career Advancement)		
	No. of Respondents	Percent
Strongly Disagree	23	6
Disagree	37	9
Neutral	172	43
Agree	116	29
Strongly Agree	48	12
Total	396	100

Table No 4.2.29 Achievement of Personal Goals



Figure No 4.2.27 Achievement of Personal Goals

Interpretation:

From the table and graph it has been observed that 29% and 12% respondents stated that they agreed and strongly agreed respectively to the statement. Whereas 43% of the respondents were found neutral. Disagreed responses were received from 15% of the respondents. Thus it can be inferred from the graph that in career advancement option, respondents were in a dilemma whether they are able to achieve their personal goals in this setup.

4.2.30 Mean for Factor 3- Career Advancement

Career Advancement Related Factors	Mean	Overall Mean
Survivors need to try new skill sets for career advancement	4.52	3.72
Career advancement training opportunities post downsizing are encouraged	3.89	
The chances of promotion are better than before	3.16	
I can achieve my personal goals in this company	3.33	

Table No 4.2.30 Mean for Factor 3- Career Advancement

Interpretation:

From the above table it has been inferred that in career advancement related factors almost all the factors show positive response with the mean value of 3.72. It depicts from the mean value that survivors are ready to adopt new skills, companies are encouraging the employees for adopting new skills, moderate response received for the factors like chances of promotion are increased and survivors can achieve their personal goal in the company. In this factor neutral responses were found to be more in number. Out of the total sample size 40% of the responses were of neutral opinion. Over a period, they may change their opinions.

4.2.31 Company clarified its expectations from survivors

Factor-4 (Communication)		
	No. of Respondents	Percent
Disagree	127	32
Neutral	108	27
Agree	117	30
Strongly Agree	44	11
Total	396	100

Table No 4.2.31 Expectations clarified from Survivors

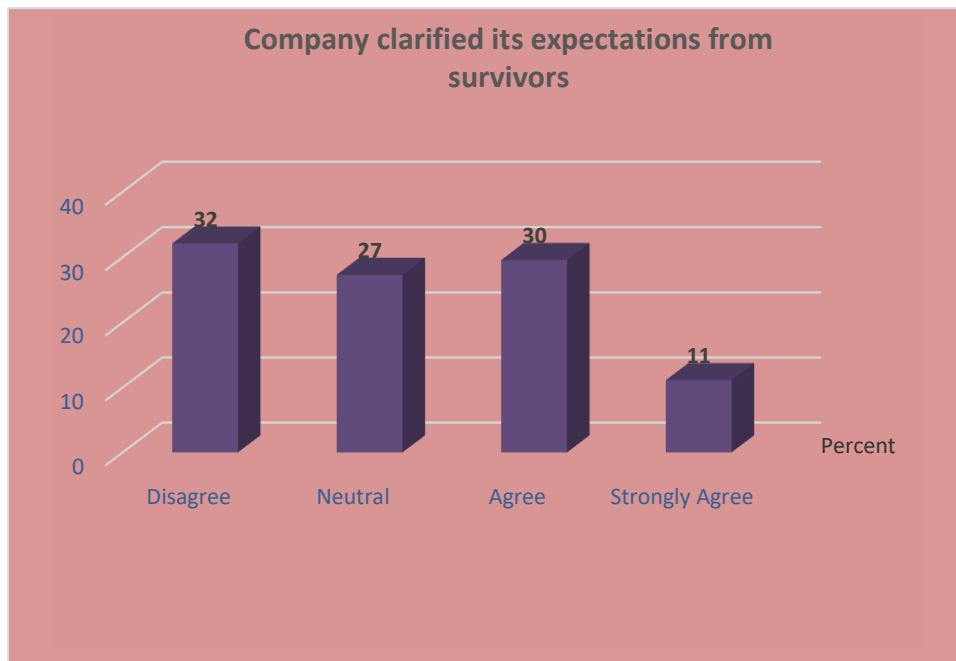


Figure No 4.2.28 Expectations clarified from Survivors

Interpretation:

Did the company clarify their expectation from the survivors post downsizing? From the above graphical information, it has been observed that 30% of the respondents agreed with the statement and said that they were informed and communicated regarding their expectation from survivors, 11% of the respondents strongly agree to this. Almost 32 percent of the respondents were found uninformed and 27% of the respondents remain neutral that shows that they do not want to comment. After further clarification by the HR department, it was understood that communication was done through the departmental heads. Allotment of new tasks and responsibilities was also done.

4.2.32 Incomplete communication between Management and employees created a gap

Factor-4 (Communication)		
	No. of Respondents	Percent
Strongly Disagree	35	9
Disagree	79	20
Neutral	48	12
Agree	193	49
Strongly Agree	41	10
Total	396	100

Table No 4.2.32 Communication Gap

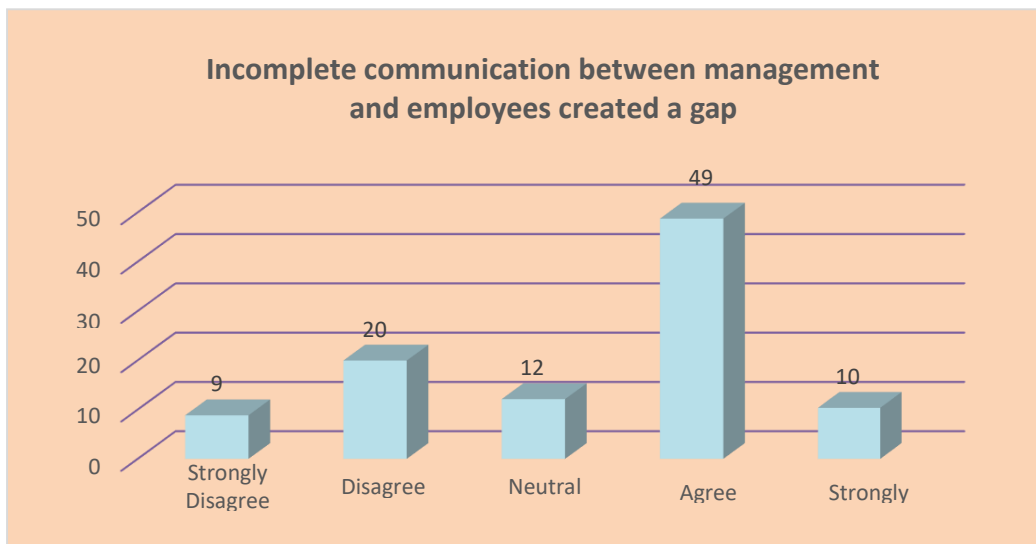


Figure No 4.2.29 Communication Gap

Interpretation:

From the above table it has been observed that 49% of the respondents agreed and 10% of the respondents strongly agreed to the statement and accepted that there is a gap between the management and employees in terms of communication. 20% and 9% from total responses were observed as disagree and strongly disagree respectively with the given statement. 12% chose to be neutral. On further validation of data, it was observed that communication related to roles and responsibilities post downsizing was not clearly mentioned to the survivors. They were unaware about further trainings, goals / targets, career advancement opportunities if any.

4.2.33 I believe that my company has an honest, open and straight forward communication

Factor-4 (Communication)		
	No. of Respondents	Percent
Strongly Disagree	21	5
Disagree	82	21
Neutral	224	57
Agree	14	4
Strongly Agree	55	14
Total	396	100

Figure No 4.2.33 Honest, open and straight forward communication

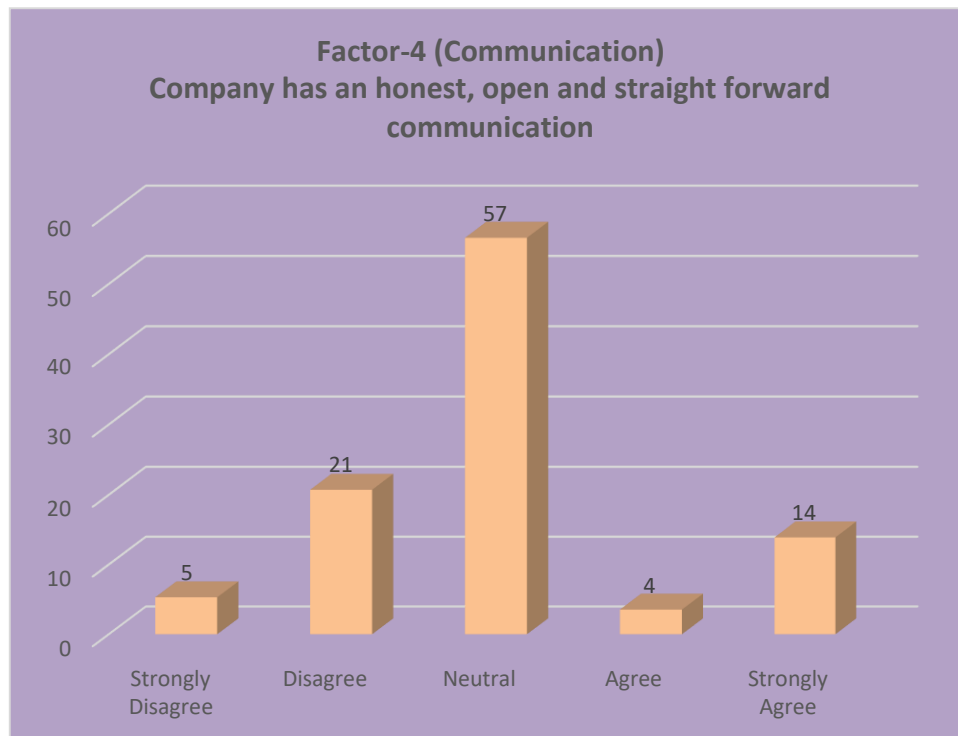


Figure No 4.2.30 Honest, open and straight forward communication

Interpretation:

A Question was asked about manager’s belief regarding existence of honest, open and straight forward communication used in the organization, it has been observed that 14% were positive as they show their strongly agree response, and 4% of the respondents agreed. 57% respondents were neutral as they were in a confused state of mind and around 26% were observed with a negative response.

4.2.34 Company has multiple and open channels for communication across the hierarchy

Factor-4 (Communication)		
	No. of Respondents	Percent
Strongly Disagree	21	5
Disagree	21	5
Neutral	122	31
Agree	177	45
Strongly Agree	55	14
Total	396	100

Table No 4.2.34 Multiple and open channels for communication

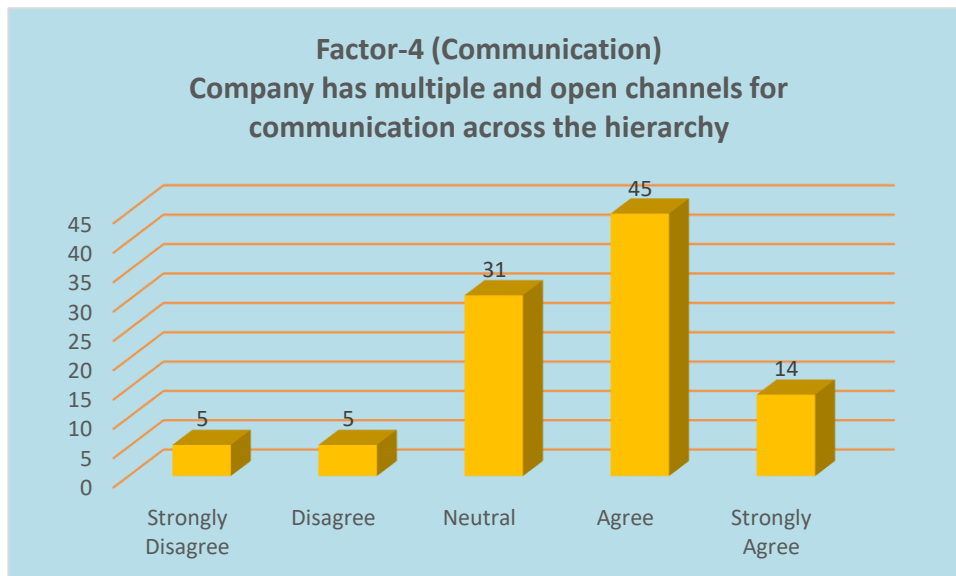


Figure No 4.2.31 Multiple and open channels for communication

Interpretation:

Question was asked regarding the availability of multiple channels for communication across various hierarchies. By channels the researcher here meant reaching a higher level person directly, indirectly, by emails, direct telephone lines, monthly meetings etc. 59% of the respondents replied positively and agreed to the statement. That means there are open and multiple channels available for hierarchical communication. 31% of the respondents remained neutral, 5% of the respondents found not agree at all with statement. Most of the Multinational companies do have open channels for communication. The managers and top management are approachable.

4.2.35 Mean for Factor -4 Communication:

Communication Related Factors	Mean	Overall Mean
Company clarified its expectations from survivors	3.20	3.27
Incomplete communication between management and employees created a gap amongst them	3.32	
I believe that my company has an honest, open and straight forward communication.	3.00	
Company has multiple and open channels for communication across the hierarchy	3.57	

Table No 4.2.35 Mean for Factor -4 Communication

Interpretation:-

Mean value of all the factors is 3.27. It reflects that survivors were mostly neutral in answering these questions. Miscommunication between management and employee was observed, very few of the survivors believed that their company has an honest, open and straight forward communication but survivors were observed agreeing to the statement that company have multiple open channels for communications across the country. Survivors were found unhappy with regards to communication factor. After talking to few of the employees it was observed that in spite of having open and multiple channels for communication their queries and concerns were not handled efficiently. They felt neglected and left out from the communication process.

4.2.36 I am skeptical about future

Factor-5 (Morale)		
	No. of Respondents	Percent
Strongly Disagree	55	14
Disagree	83	21
Neutral	106	27
Agree	128	32
Strongly Agree	24	6
Total	396	100

Table No 4.2.36 Skeptical about future

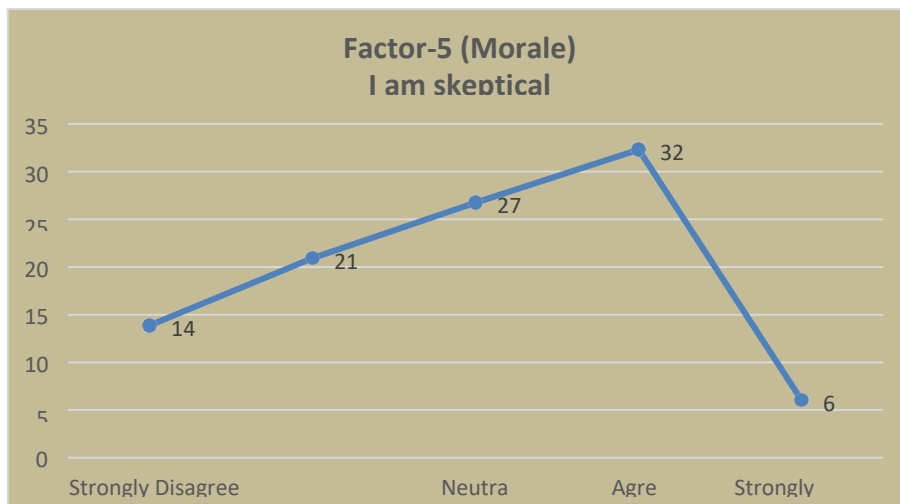


Figure No 4.2.32 Skeptical about future

Interpretation:

Employee's morale carries their performance at the workplace. From the table and graph it can be inferred that only 24 respondents displayed their strongly agree response, 128 respondents agreed. 27% of the respondents were neither positive nor negative. After discussion with the employees it was observed that 35% of the survivors felt that their competitors have left and this makes the scope for a better future. Whereas 38% were still skeptical about their future. They are not sure whether their position in the company is permanent or not. The respondents with neutral response were still trying to judge themselves regarding their security and further growth with the company.

4.2.37 Increase in work load

	No. of Respondents	Percentage (%)
Disagree	49	12
Neutral	89	22
Agree	171	43
Strongly Agree	87	22
Total	396	100

Table No 4.2.37 Increase in work load

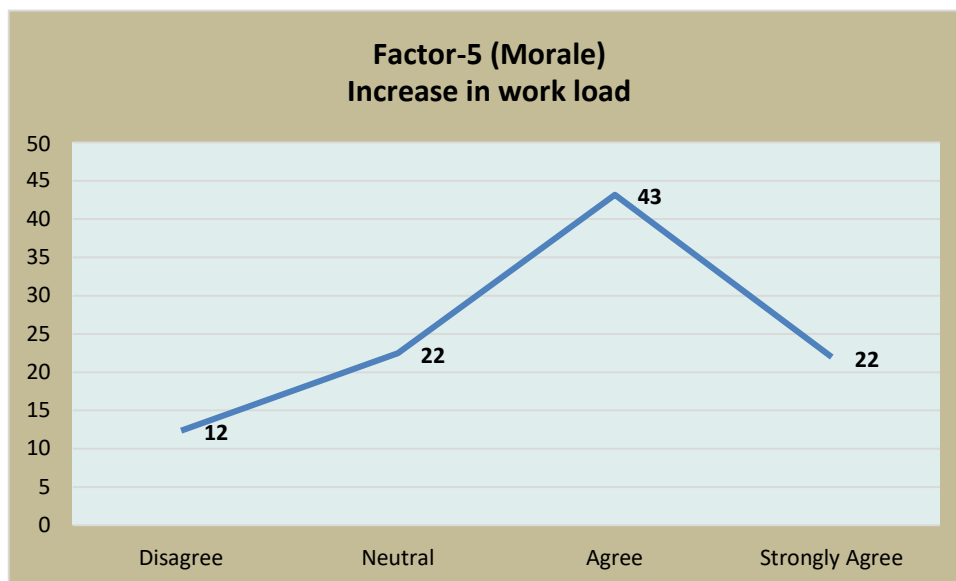


Figure No 4.2.33 Increase in work load

Interpretation:

Employee morale was checked with increase in workload after downsizing. Result shows that almost one third of the respondents replied that they found increase in workload after downsizing implementation. Since the manpower was reduced from earlier size, their work load automatically got transferred on survivors. Data reveals that 43 and 22 i.e. total 65% respondent's feel that after downsizing there is an increase in workload. On other side 12% didn't feel so. 22% were neutral with the statement. Increase in workload means increase in responsibility, targets, goals of the company etc. The workload was distributed among the existing survivors and hence 65% respondents agreed to the statement.

4.2.38 Post the change adverse emotions affect the deliverables

Factor-5 (Morale)		
	No. of Respondents	Percent
Strongly Disagree	21	5
Disagree	47	12
Neutral	90	23
Agree	195	49
Strongly Agree	43	11
Total	396	100

Table No 4.2.38 Adverse emotions affect the deliverables

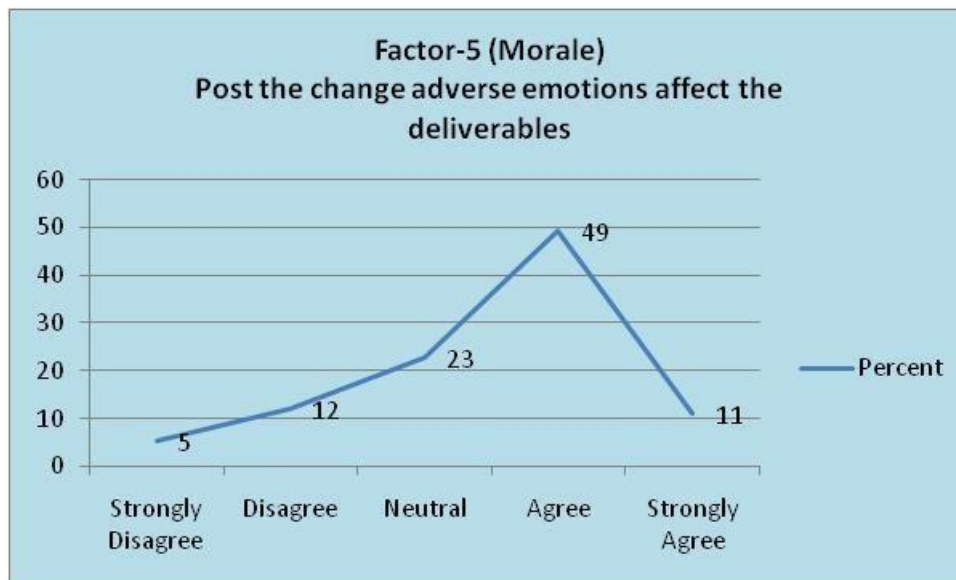


Figure No 4.2.34 Adverse emotions affect the deliverables

Interpretation:

Charts and graph show that after downsizing adverse emotions affects the deliverables. It is general that after implementing downsizing, it may impact on emotions of survivors who were left behind in downsizing. Then how these emotions effect on actual deliverables? Around 60% of the respondents feel that these emotions have affected the deliverables. They were not able to concentrate in their work and give justice to the work done. Their work was getting affected in time, productivity / efficiency. 23% of the respondents were neutral. Around 17% disagreed to the given statement.

4.2.39 Survivors feel stagnated

Factor-5 (Morale)		
	No. of Respondents	Percent (%)
Strongly Disagree	25	6
Disagree	90	23
Neutral	123	31
Agree	135	34
Strongly Agree	23	6
Total	396	100

Table No 4.2.39 Survivors feel stagnated

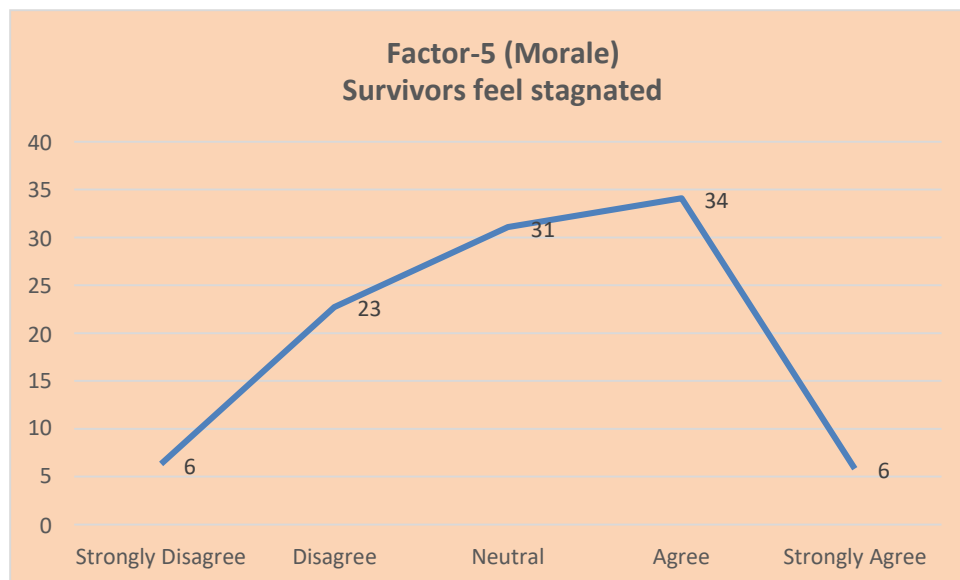


Figure No 4.2.35 Survivors feel stagnated

Interpretation:

Table mentioning morale of the employees after downsizing reveals that 40% survivors felt stagnated. 31% of them were found without any response. 29% of the respondents did not feel stagnated after downsizing. It can be inferred that 40% of the sample size felt that their career/job has come to a stand-still. They could not see any hopes for further improvement in their career graph even after retaining by the company.

4.2.40 Increased Health issues due to stress

Factor-5 (Morale)		
	No. of Respondents	Percent
Strongly Disagree	37	9
Disagree	80	20
Neutral	66	17
Agree	146	37
Strongly Agree	67	17
Total	396	100

Table No 4.2.40 Increased Health issues due to stress

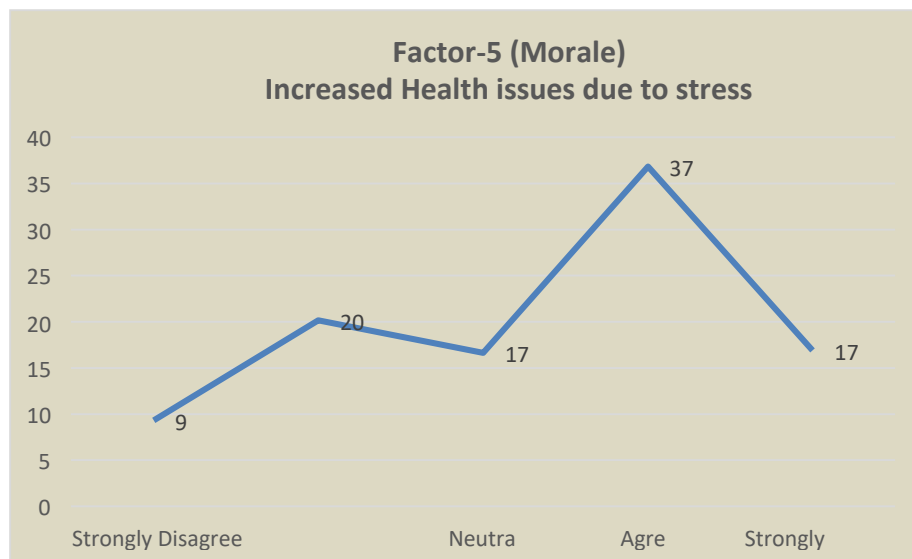


Figure No 4.2.36 Increased Health issues due to stress

Interpretation:

Morale of the employees after downsizing process was analysed by asking the question whether it affects the health issues. 17% and 37% of the respondents were of the opinion that they agree that health issues have increased after downsizing process. Neutral respondents among all were around 17%. Remaining 20 and 9% were observed as not agree and strongly not agree with the mentioned statement. Health issues like increase in headache, depression, anxiety, panic attacks, nervous breakdown, and gynecological problems among women were some of the issues pinpointed by the HR.

4.2.41 Mean for Factor-5 Morale

Morale Related Factors	Mean	Overall Mean
I am skeptical about future.	2.96	3.32
Increase in work load	3.75	
Post the change adverse emotions affect the deliverables	3.48	
Survivors will feel stagnated	3.10	
Increased Health issues due to stress	3.32	

Table No 4.2.41 Mean for Factor-5 Morale

Interpretation:

Result of the morale through responses mean was **3.32**. It suggests that, morale of the survivors was little down. Survivors have fear about their future. They were feeling stagnant, and there was an increase in health issues due to stress. Workload is the highest impacting factor for low morale, followed by adverse emotions that were affecting on the work done.

4.2.42 Rejection percentage decreased during Manufacturing/Production

Factor-6 (Efficiency & Effectiveness)		
	No. of Respondents	Percent
Strongly Disagree	102	26
Disagree	100	25
Neutral	66	17
Agree	71	18
Strongly Agree	57	14
Total	396	100

Table No 4.2.42 Decrease in rejection percentage

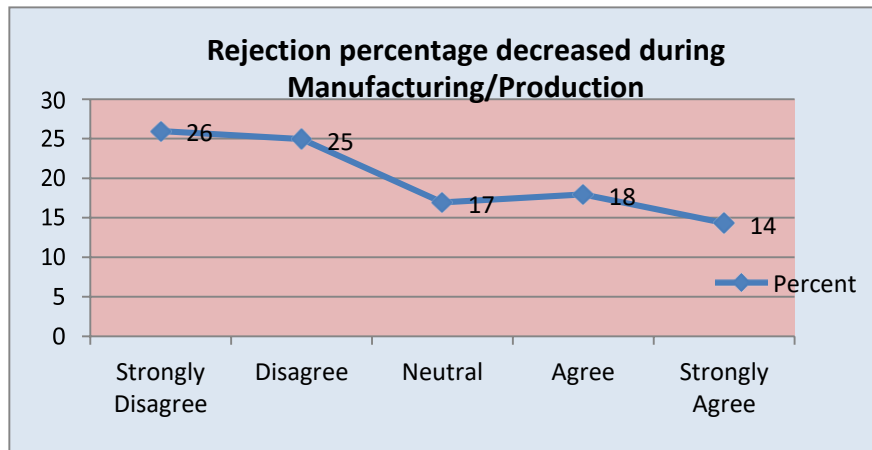


Figure No 4.2.37 Decrease in rejection percentage

Interpretation:

The efficiency and effectiveness of the employees after downsizing process was tested by asking the respondents four operational based questions. Around 51% of the responses feel that the rejection percentage has not reduced. In-fact the Rejection has increased, as the employees are not able to focus more on their work. Rejection at managerial level was related to number of acceptable and logical decisions taken. As per the HR, they all were working under stress and were over loaded with work. Hence rejection chances were more, which was ultimately causing loss to the company. 17% of the respondents were neutral. 18% and 14% of the respondents felt that there was a decrease in the rejection percentage during production.

4.2.43 Cost of Production Decreased after Downsizing

Cost of Production Decreased after Downsizing		
	No. of Respondents	Percent
Strongly Disagree	23	6
Disagree	40	10
Neutral	107	27
Agree	110	28
Strongly Agree	116	29
Total	396	100

Table No 4.2.43 Decrease in Cost of Production

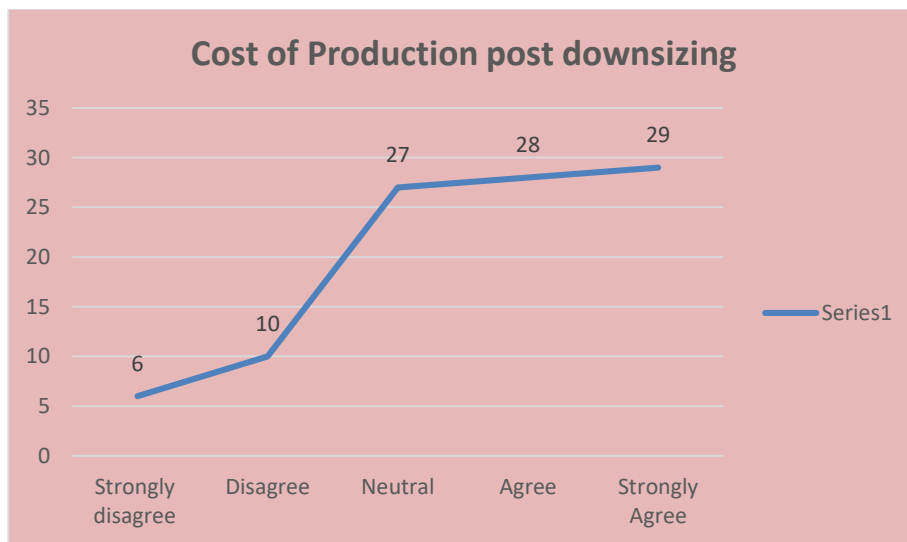


Figure No 4.2.38 Decrease in Cost of Production

Interpretation: -

Rise in cost of production would be one of the most important reason for downsizing decision for many companies. So this question tries to examine whether post downsizing cost of production got affected? 6% of the respondents replied that they strongly disagree with the statement and 10% of the respondents disagreed with the same intention, 27% of the respondents were neutral as they might not be knowing the change, and around 28% & 29% of the respondents agreed with the statement that cost of production has decreased after the downsizing process since reduction in human capital (salary) was one of the factor affecting cost of production.

4.2.44 Optimization of time is achieved in delivery

Factor-6 (Efficiency & Effectiveness)		
	No. of Respondents	Percent
Strongly Disagree	92	23
Disagree	100	25
Neutral	57	15
Agree	65	16
Strongly Agree	82	21
Total	396	100

Table No 4.2.44 Optimization of time

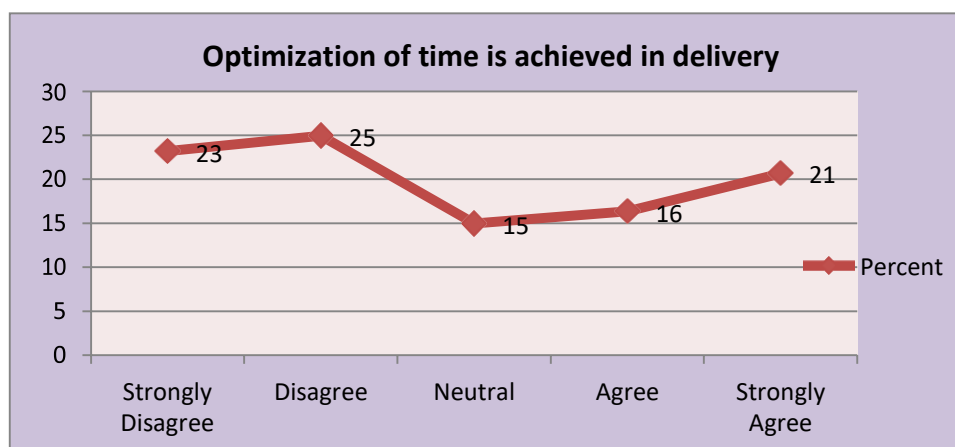


Figure No 4.2.39 Optimization of time

Interpretation:

Optimization of time in delivery carries vital role in any company's success. This has been tested by asking the question and respondents showed their responses as follows. 23% of the respondents claimed strong disagreement toward the statement, 25% of the respondents claimed their disagreement over the statement optimization time achieved in delivery. According to them still timely delivery is the question in front of the company. 15% were neutral in position while giving the answer. 16% of the participants said that they agree with the opinion that optimization has been achieved in timely delivery, and there were 21% of the respondents who felt strongly that there was a substantial achievement in optimization of time during timely delivery.

4.2.45 Factory accidents have decreased after downsizing

Factor-6 (Efficiency & Effectiveness)		
	No. of Respondents	Percent
Strongly Disagree	45	12
Disagree	43	11
Neutral	100	25
Agree	100	25
Strongly Agree	108	27
Total	396	100

Table No 4.2.45 Decrease in Factory accidents

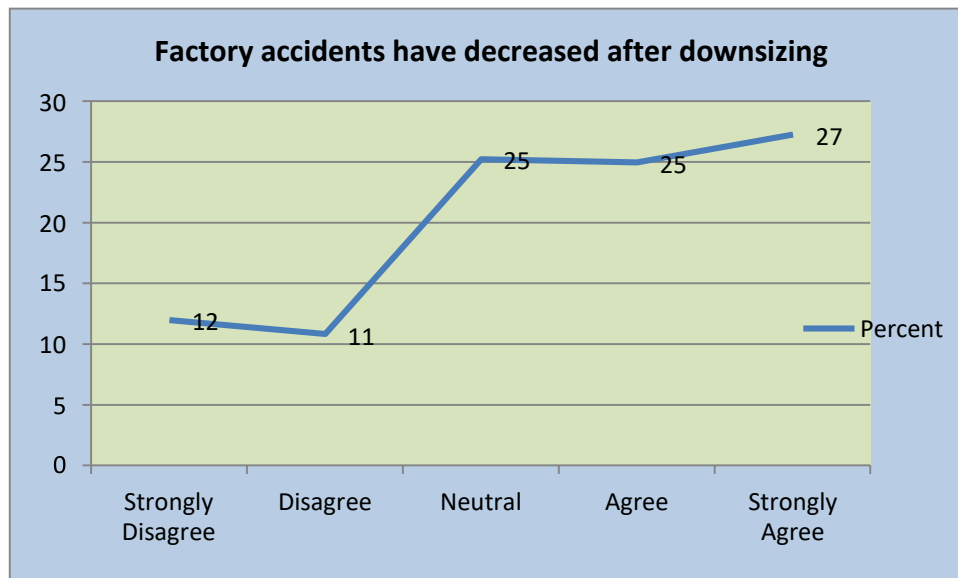


Figure No 4.2.40 Decrease in Factory accidents

Interpretation:

Regarding Factory accidents, from the charts and graphs it has been observed 52% of the respondents felt that number of factory accidents have decreased. 25% of the respondents agree with the statement and feel that there was a decrease in factory accidents, 27% i.e. 108 respondents displayed their agreement as a response. Even though a major chunk of 52% agrees that accidents have been controlled or decreased, the researcher cannot overlook that 23% who still do not agree. There are people under stress and with low morale due to which accidents are still happening.

4.2.46 Mean for Factor 6- (Efficiency and effectiveness)

Operational Related Factors	Mean	Overall Mean
Rejection percentage decreased during Manufacturing/Production	3.20	3.27
Cost of Production Decreased after Downsizing	3.21	
Optimization of time is achieved in delivery	3.35	
Factory accidents are decreased after downsizing	3.05	

Table No 4.2.46 Mean for Factor 6- (Efficiency and effectiveness)

Interpretation:

Operational related factors mean was 3.27. Mean for Rejection percentage in manufacturing was below average i.e. 3.20. Cost of production was decreased as the mean indicate it. Optimization of the time was achieved moderately. But Factory accidents which is very serious issue and any company wants to reduce it. Mean value 3.05 depicts that still there are higher frequency of factory accidents. Accidents being an impacting factor cannot be overlooked. Even though the frequency or the rate of accidents have decreased it is still a major concern. And hence to further verify this, the researcher conducted Pearson's Correlation study.

4.2.47 I am not able to achieve target work

Employee's Work Related Productivity-1		
	No. of Respondents	Percent
Strongly Disagree	48	12
Disagree	135	34
Neutral	24	6
Agree	126	32
Strongly Agree	63	16
Total	396	100

Table No 4.2.47 Not able to achieve target work



Figure No 4.2.41 Not able to achieve target work

Interpretation:

Employee productivity was checked with the factors like work, time and use of resources. From the table it has been observed that 12% and 34% respondents had the same feeling that they failed to achieve the target. 6% of the respondents were found neutral in response. 32% respondents were confident about their achieving target and revealed their agreeableness. 16% respondents had achieved their target work successfully. The respondents are unable to achieve their targets as they are under pressure to perform. They are going through stress and low motivation. This data was validated by the HR of few companies.

4.2.48 Errors in task/work have increased

Employee's Work Related Productivity – 2		
	No. of Respondents	Percent
Strongly Disagree	37	9
Disagree	146	37
Neutral	61	15
Agree	109	28
Strongly Agree	43	11
Total	396	100

Table No 4.2.48 Errors have increased

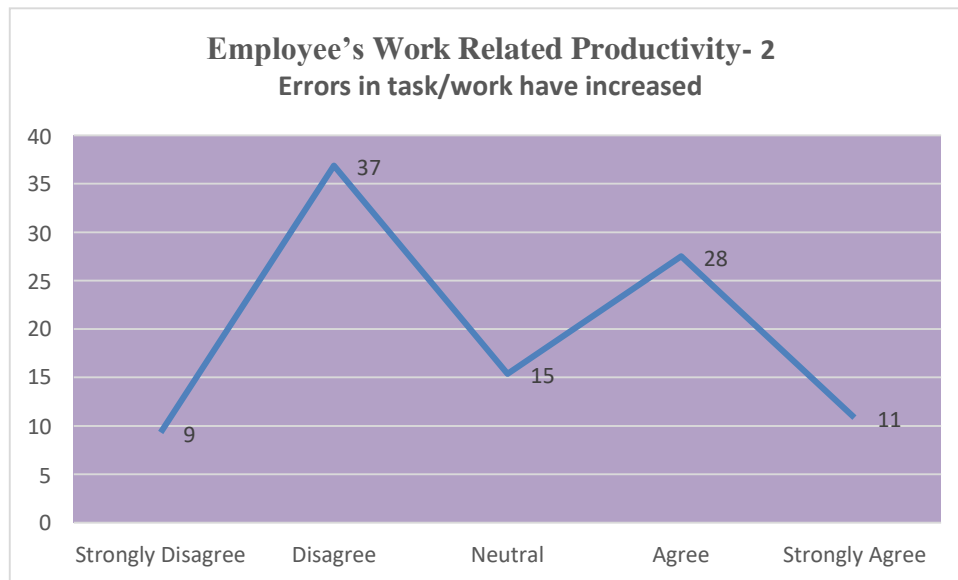


Figure No 4.2.42 Errors have increased

Interpretation:

After downsizing, employees might be in a pressure to work in limited resources and hence this work pressure may be a reason to increase in the errors while working.

From the table and chart it has been observed that 9% of the respondent strongly disagreed to the statement, 37% of the respondents disagreed and expressed that errors in task decreased in fact after downsizing. 15% of the respondents remained unanswered, 28% and 11% of the respondents strongly agreed that errors in task have increased. After the discussion with few respondents the researcher observed that errors were only because of tension, stress and increase in workload.

4.2.49 Gap in expected result and actual result has increased

Employee's Work Related Productivity -3		
	No. of Respondents	Percent
Strongly Disagree	40	10
Disagree	139	35
Neutral	47	12
Agree	126	32
Strongly Agree	44	11
Total	396	100

Table No 4.2.49 Gap in expected and actual result

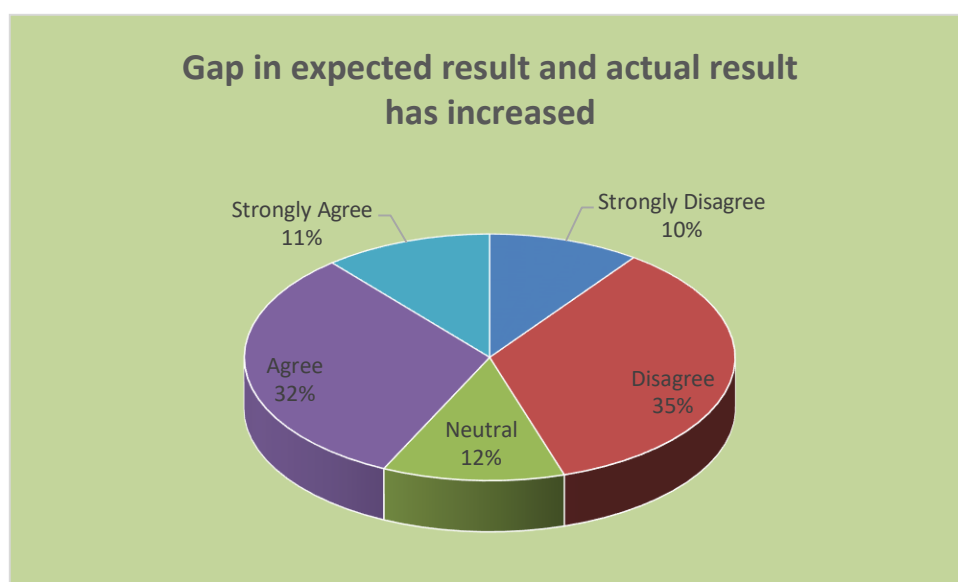


Figure No 4.2.43 Gap in expected and actual result

Interpretation:

Employee productivity related to work has been checked with the sub factor gap between expected and actual result. 10% and 35% respondents disagreed and strongly disagreed respectively and feel that gap was not increased. So around 43% of the respondent's responses depict that gap existed between expected task and actual result. 12% of respondents were neutral. 11% respondents strongly agreed and 32% of the respondents agreed that there was a gap between expected and actual work result.

4.2.50 Doing extra work apart from my regular work

Employee's Work Related Productivity-4		
	No. of Respondents	Percent
Disagree	38	10
Neutral	124	31
Agree	187	47
Strongly Agree	47	12
Total	396	100

Table No 4.2.50 Extra work apart from my regular work

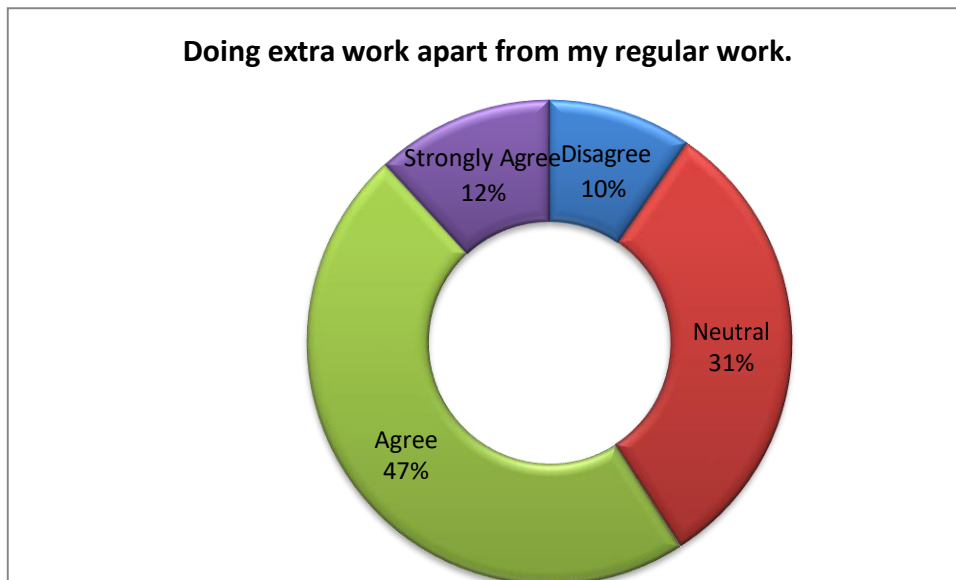


Figure No 4.2.44 Extra work apart from my regular work

Interpretation:

Due to downsizing human resources generally get reduced and the same task has to be done by existing survivors. Respondents were asked whether they were allotted some extra work due to downsizing?

From the above table and charts it has been observed that 47% of the respondents strongly agreed and 12% of the respondents agreed that they were being allotted with extra work apart from their regular tasks. 10% respondents were found disagree, and 31% of the respondents were found neutral.

4.2.51 Mean for Work Related Productivity

Work Related Productivity	Mean	Average Mean
1-I am not able to achieve target work	2.85	3.12
2-Errors in task/work have increased	2.94	
3-Gap in expected result and actual result has increased	3.07	
4-Doing extra work apart from my regular work.	3.61	

Table No 4.2.51 Mean for Work Related Productivity

Interpretation:

From the above table it has been observed that in Work related productivity overall mean was obtained as 3.12. the employees failed to achieve their targets, there were errors in their work. There was a gap in expected outcome and actual outcome. Lastly the survivors were doing extra work, there were overloaded with work. All the above factors impacted the work related productivity of the survivors.

4.2.52 I am completing my task within time

Employee Productivity Related to Time		
	No. of Respondents	Percent
Disagree	102	26
Neutral	87	22
Agree	148	37
Strongly Agree	59	15
Total	396	100

Table No 4.2.52 Able to complete task within time

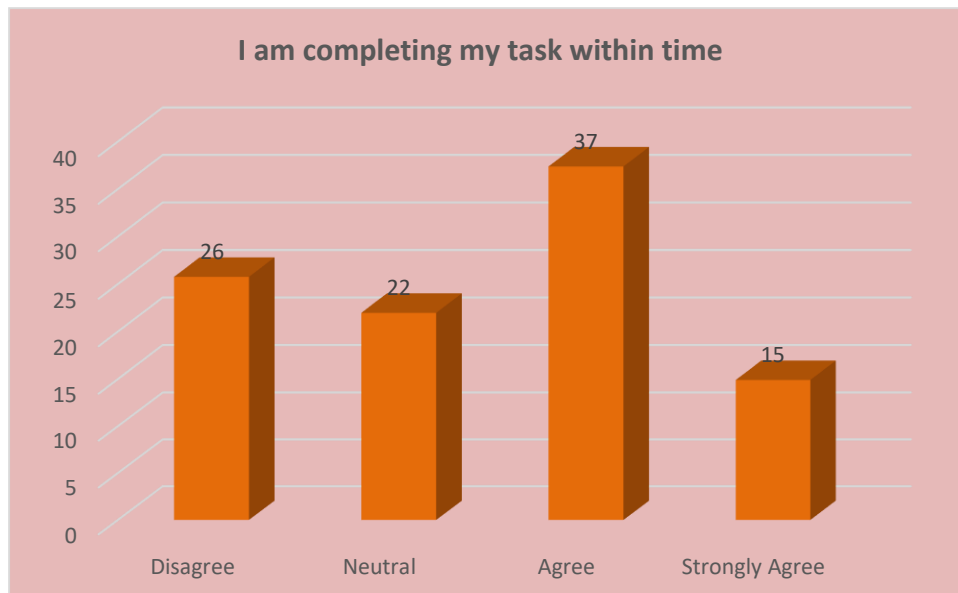


Figure No 4.2.45 Able to complete task within time

Interpretation:

Productivity of employees tested with the factor “Time”. In general, at the workplace where downsizing has been done then work load may get increased on survivors. This may lead to increase in time required to complete the task allotted. From the above mentioned chart it has been observed that 37% and 15% strongly agreed with the statement that they complete their task within time. 22% of the respondents were neutral and were found not sure whether they complete the task every time within the time. 26% of the respondents feel it difficult to complete the given task on time. Due to added responsibility, accountability plus the pressure to perform makes the employees take extra time to work.

4.2.53 There is a gap between expected time to complete the task and actual time required

Employee Productivity Related to Time		
	No. of Respondents	Percent
Strongly Disagree	74	19
Disagree	61	15
Neutral	40	10
Agree	127	32
Strongly Agree	94	24
Total	396	100

Table No 4.2.53 Time gap required to complete the task

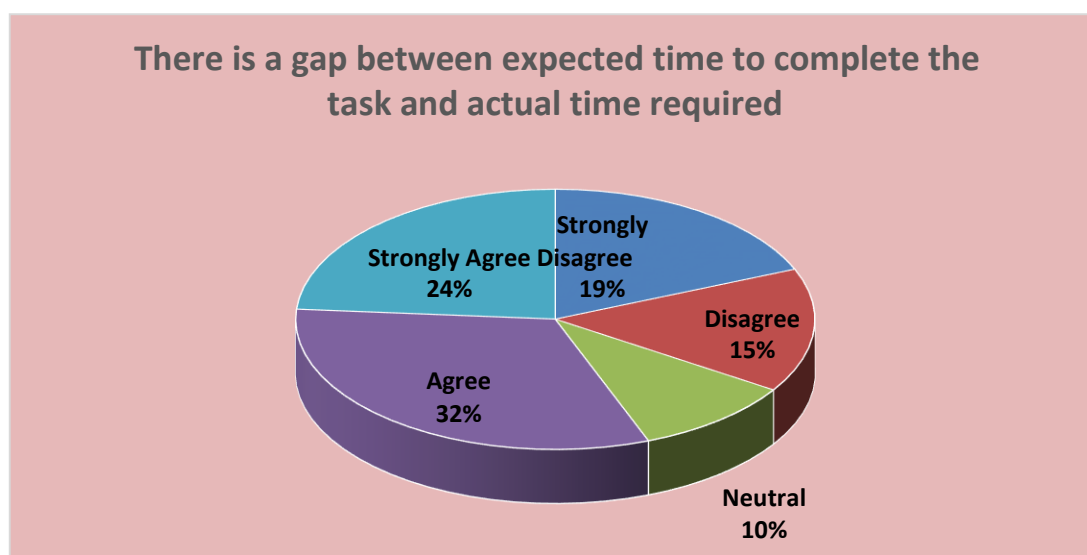


Figure No 4.2.46 Time gap required to complete the task

Interpretation:

In the above question gap between expected and actual work was compared. From the graph and charts it has been observed that there is a gap between actual time and expected time to complete a particular task. 24% and 32% strongly agreed with the given statement. They themselves found the gap of expected and actual time required. The number of people in each department are less and workload is the same. This was the major reason for the gap observed. 10% of the respondents were neutral, 15% disagreed and 19% strongly disagreed with the given statement.

4.2.54 Increase in overtime due to excess work load

Employee Productivity Related to Time		
	No. of Respondents	Percent
Strongly Disagree	24	6
Disagree	45	11
Neutral	90	23
Agree	183	46
Strongly Agree	54	14
Total	396	100

Table No 4.2.54 Increase in overtime

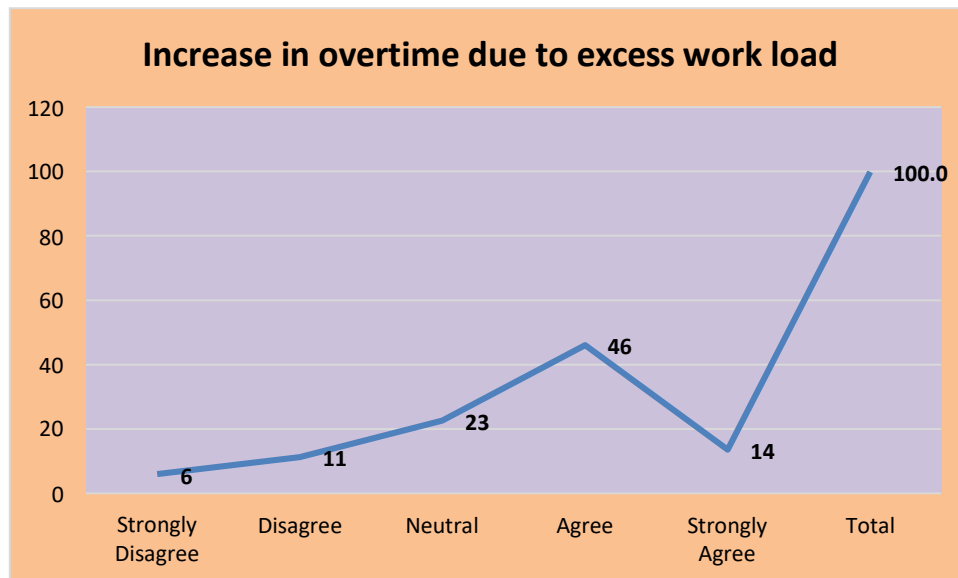


Figure No 4.2.47 Increase in overtime

Interpretation:

In manufacturing and industrial engineering, employees work in shifts. Managerial grade employees are not required to work overtime and are neither paid for it. But they are always expected to give their performance 24*7. Due to downsizing chances of overtime work has increased as scarcity of employees and manpower was observed. Regarding overtime data shows that 46% of the respondents replied strongly that they do agree and 14% respondents agree that overtime usually happens due to excess workload. 23% of the respondents were neutral. 11% i.e. 45 respondents and 24 i.e. 6% respondents disagree and strongly disagree respectively.

4.2.55 Mean for Time Related Productivity

Time Related Productivity	Mean	Average Mean
I am completing my task within Time	2.62	2.97
There is a gap between expected time to complete the task and actual time required	2.79	
Increase in overtime due to excess work load	3.50	

Table No 4.2.55 Mean for Time Related Productivity

Interpretation:

From the above mentioned table it has been observed that mean value for the Time related productivity was 2.97. Most of the respondents did not agree that they could finish their task within the given time. That’s why respondents feel that there is a gap between the time to complete and actual time taken. Since there was an increase in workload, the managers could not focus on their primary work. Therefore, they had to work more beyond their normal working hours.

4.2.56 Completing the task in available limited resources

Completing the task in available limited resources		
	No. of Respondents	Percent
Disagree	229	58
Neutral	77	19
Agree	67	17
Strongly Agree	23	6
Total	396	100

Table No 4.2.56 Completing task in available resources

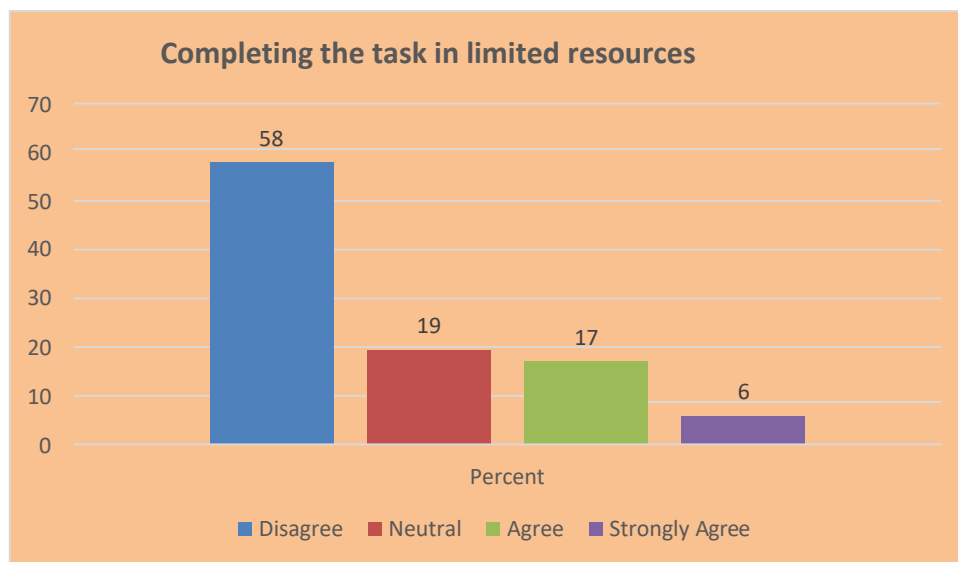


Figure No 4.2.48 Completing task in available resources

Interpretation:

Use of available resources to complete a task within limited time would be the biggest challenge in front of any survivors. As downsizing is related to cutting down of costs, so the challenge was to achieve the target within limited resources. Their responses are as follows.

From the above table and charts it reflects that 58% of the respondents said that they did not complete the task in the available resources. 19% of the respondents were neutral. 17% of the respondents agreed that they could complete the task in the limited resources. Only 6% of the respondents strongly believed that they could complete their work in the given limited resources.

4.2.57 Extra resources required

Employee Productivity Related to Use of Resources		
	No. of Respondents	Percent
Strongly Disagree	71	18
Disagree	78	20
Neutral	24	6
Agree	155	39
Strongly Agree	68	17
Total	396	100

Table No 4.2.57 Extra resources required

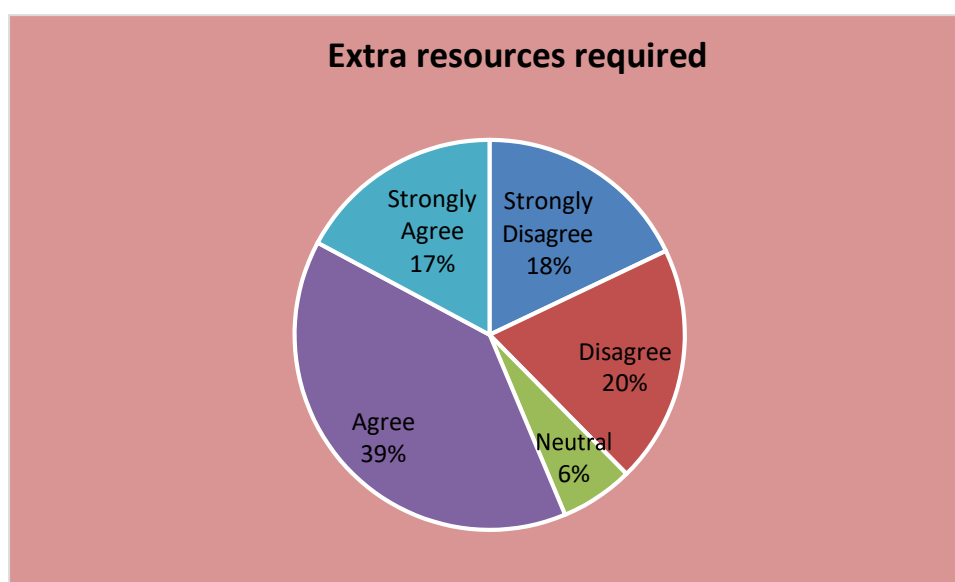


Figure No 4.2.49 Extra resources required

Interpretation:

In the use of resources, respondents were asked whether they need any extra resources to complete their work. 39% of the respondents felt that they required extra resources to complete the target. 17% also felt strongly and therefore they too claimed strongly for the requirement of extra resources. 6% of the respondents remained neutral, 20% disagreed and 18% strongly disagreed with statement. So around 38% of the respondents claimed that they could complete the task in available resources only and that extra resources were not required.

4.2.58 Mean for Use of Resources Related Productivity

Use of Resources Related Productivity	Mean	Average Mean
Completing the task in available limited resources	2.70	2.97
Extra resources required	3.24	

Table No 4.2.58 Mean for Use of Resources Related Productivity

Interpretation:

Mean value for Use of Resource related productivity was observed as 2.97 which is in between disagree to neutral. Here maximum survivors say that they hardly completed the task in available limited resources as mean value is 2.70. Therefore, survivors demand extra resources to complete the given tasks within given time. Extra resources here could be in terms of manpower, automation, technical assistance, outsourcing etc. So completing the task in the available limited resources was not possible and that they had to demand for extra resources.

4.3.1 Impact of downsizing on Following Factors

Basic Factors	Sub Factors	Mean	Std. Deviation
Recruitment	Cost of recruitment has increased	2.78	.880
	Increase in recruitment through internal sources	3.77	.861
	Candidates with multi skill sets are preferred	3.78	.987
	Top level management recruitment has stopped	3.47	.895

Table no 4.3.1 Impact of downsizing on Recruitment

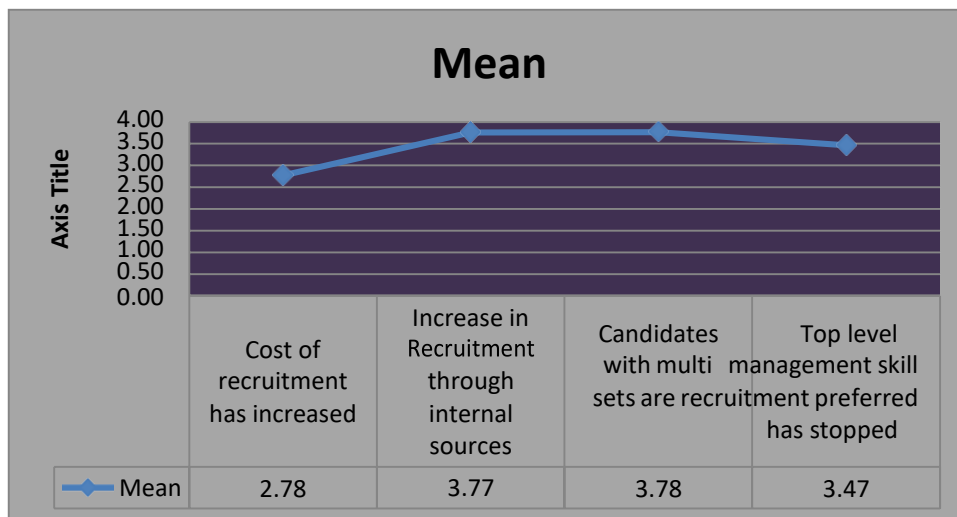


Figure no 4.3.1 Impact of downsizing on Recruitment

Scale: - 1-Strongly Disagree, 2- Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree

Interpretation: -

Impact of downsizing on “Recruitment” factor was tested with four sub-questions. In this factor cost of recruitment, sources of recruitment, skill set considered in recruitment, top level management recruitment etc. Sub factors are taken in to consideration. Results are as follows. In the frequency table mean and standard deviation values are given. Here standard values find out the deviation between the value and supports the answer.

Cost of Recruitment: - Mean value is **2.78**. From the mean value it has been observed that it is in between disagree to neutral. That means overall respondents response was more inclined towards negative i.e. disagree. This supports that cost of recruitment has not increased. Standard deviation for this statement is 0.880. This supports the mean value and has very less deviation.

Increase in Recruitment through Internal sources: Mean value for this statement is 3.77 and Standard deviation is 0.861. From the mean value it has been observed that average respondents are agreeing with the statement and hence can be inferred that companies were doing recruitment after downsizing through internal sources. Standard deviation values states that there is very little deviation in mean value. Hence it supports the mean value.

Candidates with Multi Skill sets are preferred: Mean value for the given statement is 3.78 and standard value is .987. Mean value of the statement indicates that respondents are mostly in favor of the statements and agreed that organizations after downsizing are recruiting people with multi skill set. Standard deviation is little bit higher but still it supports the mean value.

Top Management Recruitment Has Stopped: Mean value of the statement is 3.47 and Standard deviation is 0.895. From the observed mean it can be inferred that in recruitment top level management recruitment has stopped and majority of the respondents were agreeing with this statement. Standard deviation which is below 1 hence deviation in mean value is very less and supports the mean value.

4.3.2 Impact of downsizing on Following Factors

Factors	Sub Factos	Mean	Std. Deviation
Training	Increase in On-job training	3.49	0.799
	There is more emphasis to increase the skill set	3.72	.892
	Training frequency has increased after downsizing	3.05	1.035

Table no 4.3.2 Impact of downsizing on Training

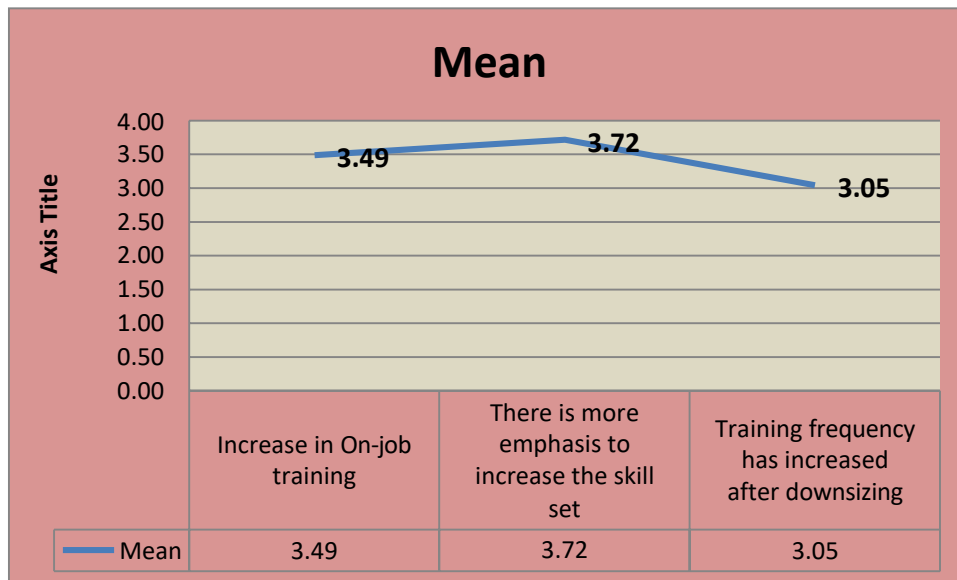


Figure no 4.3.2 Impact of downsizing on Training

Interpretation:

Impact of downsizing was observed with the point of view of training. Above chart shows how training gets affected after downsizing. Three sub factors were taken in to consideration for studying this impact.

Increase in On-Job Training: On job training saves the cost and time of the organization. Hence from the mean value i.e. 3.49 and Standard deviation value i.e. 0.799, it can be inferred that companies are focusing on on-job training and most of the respondents in the survey agreed to this statement. Standard value which is less than 1 supports the mean value and states that dispersion from mean value is very less.

There is more emphasis on increasing the skill set: Mean value for the statement was 3.72 and standard deviation value was 0.892. The figure explains that respondents are closer to the option 'agree' with this statement and according to them companies through training are expecting increase in the skill set of the newly recruited and old employees. Standard deviation values also support the statement and thereby inferring very less deviation from mean value.

Training Frequency has increased after downsizing: 3.05 was the mean for this statement and standard deviation was observed slightly higher i.e. 1.035. On the basis of descriptive statistics, it has been observed that respondents agreed that frequency of training has increased. As well as standard value which is greater than 1 gives little support to mean value and found larger deviation in mean value. The employee's morale was low. They were insisting on having more number of training sessions, be it product related or skills related.

4.3.3 Impact of downsizing on Following Factors

Factors	Sub Factors	Mean	Std. Deviation
Compensation	There is no change in compensation after downsizing	3.36	.704
	Compensation of senior managers has increased.	3.06	.861
	There is an increase in monetary incentives after downsizing	2.40	.710

Table no 4.3.3 Impact of downsizing on Compensation

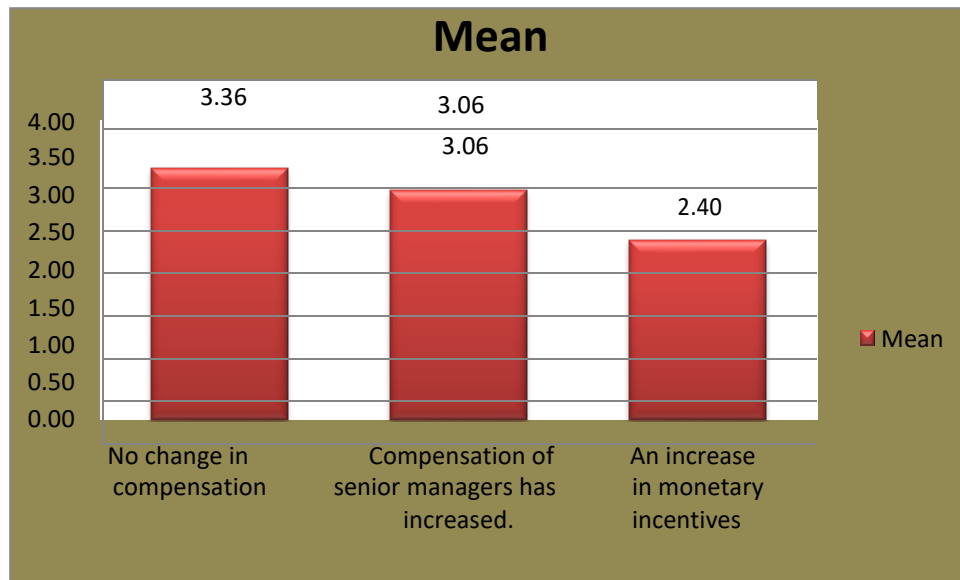


Figure no 4.3.3 Impact of downsizing on Compensation

Interpretation:

Compensation factor also consider to measure the impact of downsizing with three sub-factors. Mean and Standard deviation were used to test the result.

No change in Compensation after downsizing: Mean value for this statement was 3.36 and standard deviation was 0.704. Both the values express that respondents agreed that there was no change in compensation after downsizing. In this mean value there is very little deviation hence mean value carries confidence in the result.

Compensation of senior managers is increased: From the chart and mean table it has been observed that mean value for this statement is 3.06 and standard value is 0.861.

Result shows that mean value is slightly greater than 3. i.e. responses cross the neutral phase and inclines towards the response “Agree”. Hence it can be inferred that average respondents were agreeing with the statement therefore it can be inferred that compensation of the senior managers have increased after downsizing. Standard deviation also shows that values in the set of data are close to mean. After further validation with HR it was observed that there was no change in compensation for senior managers as well. Compensation is a very delicate issue and open discussions are not encouraged. But a general tendency of every individual says that ‘I am getting paid less than my colleague’.

There is an increase in monetary incentives after downsizing: As above two statements clearly mentioned that compensation of employees has not been changed and slight increment was observed in the senior manager’s compensation, this statement’s result supports earlier two results. Mean value of the statement was 2.40 and standard deviation was 0.710. Here mean value goes towards the response “Disagree”. Hence it can be inferred that respondents were not in favor of the statement and they said that there were no monetary incentives observed after downsizing.

4.3.4 Impact of downsizing on Following Factors

Factors	Sub Factors	Mean	Std. Deviation
Performance Appraisal	Frequency of performance appraisal increased after downsizing.	2.49	.727
	Modern methods of appraisal introduced in the organization.	3.30	1.077
	Reward scheme introduced after downsizing.	2.98	.883
	Started Innovation Award	3.11	.785
	Started Best performer Award	3.34	.724

Table no 4.3.4 Impact of downsizing on Performance Appraisal

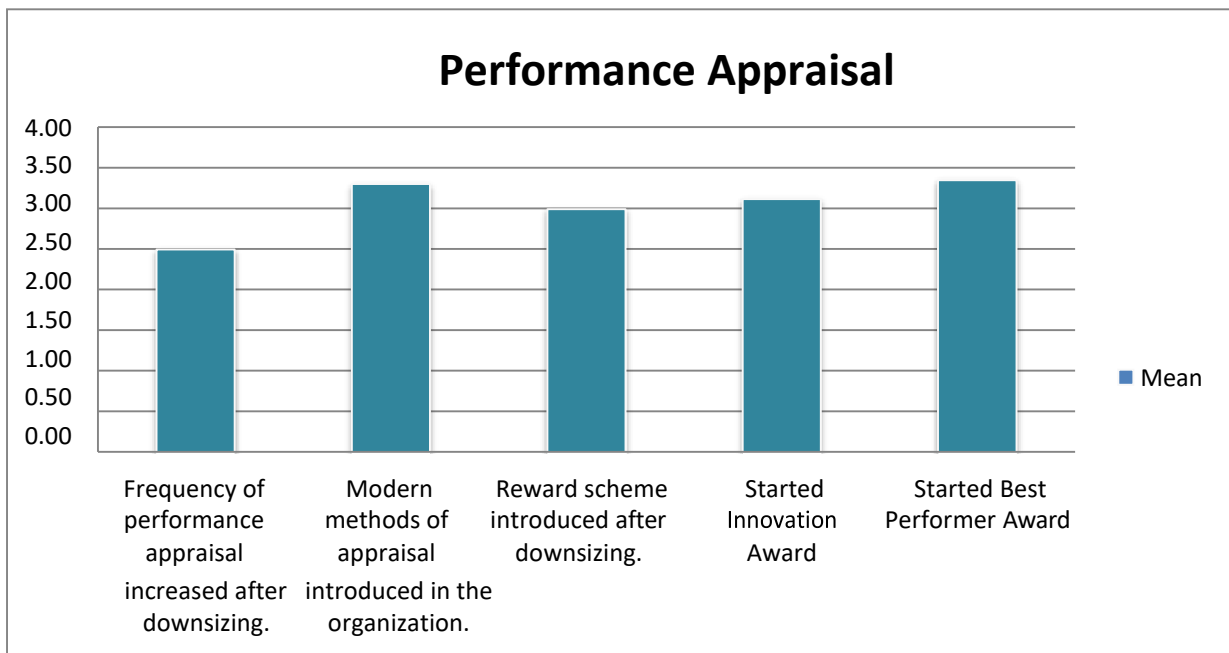


Figure no 4.3.4 Impact of downsizing on Performance Appraisal

Interpretation:

To check impact of downsizing on performance appraisal system, five factors were taken into consideration as follows.

Frequency of performance appraisal increased after downsizing: Mean value of the given statement was 2.49 and Standard deviation was 0.727. From both the values it can be concluded that most of the respondents did not agree to the statement and mean 2.49

goes towards the Response “Disagree”. As well as standard deviation was also less than 1. That means values in the set are very close to mean hence supports the mean value result.

Modern methods of appraisal introduced in the organization: Mean value was 3.30 and Standard deviation was 1.077. Mean value which is greater than the neutral response and slightly goes towards the “Agree” response states that in some companies’ new method of performance appraisal has been introduced. Standard deviation was little greater than 1 hence gives more deviation from the mean values.

Reward scheme introduced after downsizing: Respondents responses inclined that very few organizations introduced reward scheme, as mean value was less than 3 i.e. 2.98 and Standard deviation was 0.883. Mean value reflects that respondents feel that reward scheme has not been introduced after downsizing and standard deviation values also suggest that there is little deviation from the mean values.

Started Innovation Award: As organizations expectation to recruit multi-skilled employees, hence to motivate them, respondents agreed that many organizations started the Innovation Award. Mean value which is greater than neutral response and march towards the “Agree” response. Standard deviation value which is 0.785 also suggest that there is no or very less deviation observed between the different responses and mean value hence supports the mean result.

Started Best Performer Award: Along with best innovative award result shows that many organizations also started best performer award as mean value for this statement was 3.34 and standard deviation was 0.724. Mean value is closer to the response “Agree” and hence statement has been supported by the mean value as well as standard value as it reflects very less deviation in the set of values and mean value.

4.3.5 Following are the impact of Downsizing on personal attributes.

Impact of Downsizing on personal attributes	Mean	Std. Deviation
Increased Anger	2.63	.931
Depression	2.74	0.904
Increased Fear	3.84	0.864
Feeling Unfairness	3.07	0.834
Reduced Motivation	3.56	0.764
Increased Stress and Fatigue	3.64	0.834
Low Morale	3.73	0.927

Table no 4.3.5 Impact of Downsizing on personal attributes

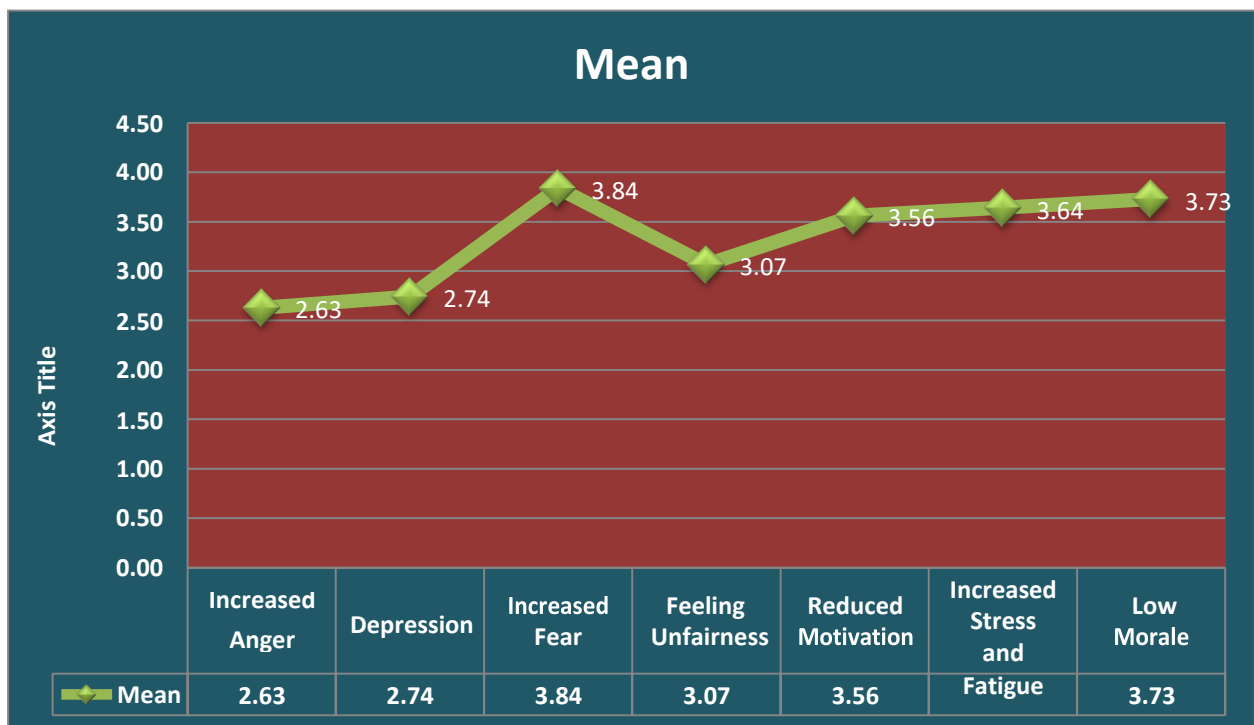


Figure no 4.3.5 Impact of Downsizing on personal attributes

Interpretation:

Impact of downsizing was measured on personal attributes in which 7 personal attributes were taken in to consideration. They were Anger, Depression, Increased Fear, unfairness feeling, motivation, stress and fatigue, and low morale.

From the table it has been observed that mean for “Increased fear”, “Feeling Unfairness”, “Increased stress and fatigue”, and “Low Morale” was 3.84, 3.07, 3.56, 3.64 and 3.73 respectively. All these mean values are more than 3 i.e. greater than neutral and close to the response “Agree”. Hence these attributes were observed among the respondent after the downsizing process. According to respondents they had a fear of loss of job, thought of unfairness in many situation, they were working without any motivation, and they were working with stress, fatigue and low morale. Standard deviation for all the values mentioned above was less than 1 hence that also supports the statement and all the values in the set are closer to mean value.

For “Increased Anger”, and “Depression” mean value was 2.63 and 2.74 which reflect that there wasn’t any increase in anger and depression was observed among the respondents. Anger and depression cannot be expressed at work place freely. People do not like to discuss about depression in public. Hence there could be biasness in some of the responses.

4.3.6 Mark your opinion on following statements about downsizing.

Descriptive Statistics		
Statement	Mean	Std. Deviation
Downsizing helped to fix the organizations problems.	2.72	.879
Downsizing was implemented with fairness and equity.	2.80	.912
Performance of the organization has significantly improved after downsizing.	2.93	.954

Table no 4.3.6 Survivors views on downsizing

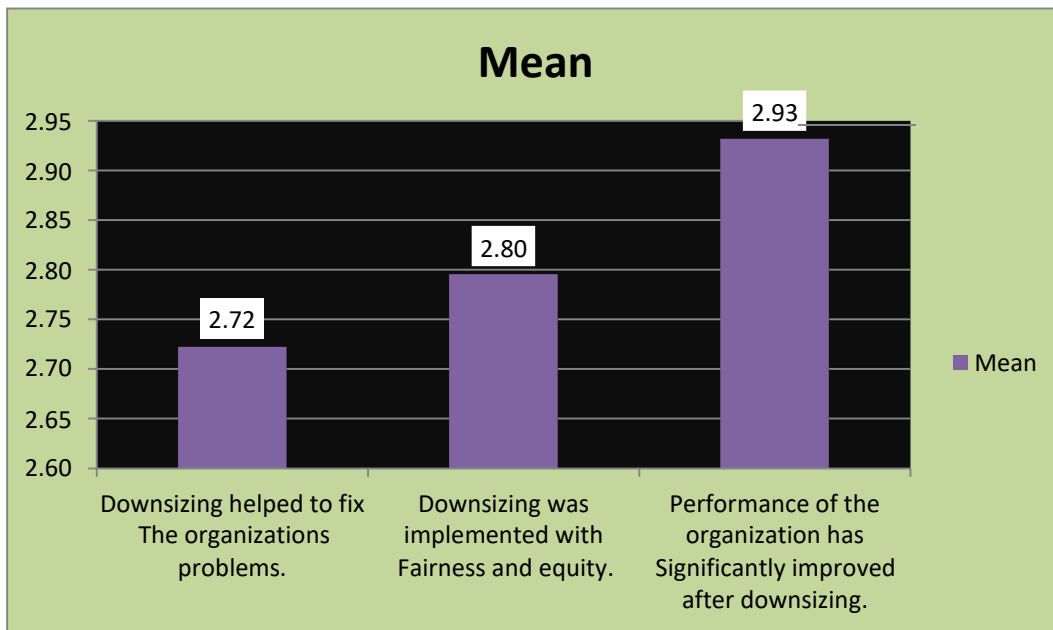


Figure no 4.3.6 Survivors views on downsizing

Interpretation:

Few more statement were tested with the impact of downsizing. Those were regarding the fixation of company problems, implementation of downsizing process with fairness, and increase in organizational performance.

Downsizing helped to fix the organizations problems: It was regarding fixation of organizational problems with downsizing process. Mean value against this statement was 2.72 and standard value was 0.897. Mean value is in between neutral and disagree response.

It explains that majority of the respondents were disagreeing that downsizing has decreased or fixed any problems as well as standard value also supports this as there is a little deviation between set of values and mean of the values.

Downsizing was implemented with fairness and equity: 2.82 is the mean with standard deviation of 0.912. Both the values explain that there is little dissatisfaction observed amongst employees as their response is more towards “Disagreement”. As well as standard deviation shows little deviation from the mean value. Hence downsizing process was not performed with all the fairness and equity.

Performance of the organization has significantly improved after downsizing: From the chart and mean table it has been observed that this statement carries the mean value 2.93 with standard deviation of 0.954. Again the result observes between neutral and disagree responses. Hence it can be inferred that respondents were not sure or little bit bend towards the “Disagree” response. Hence from the mean value it can be inferred that organizations performance after downsizing was not improved as per expectation.

4.3.7 Mark the following as an effect of downsizing on individual employee performance.

Effect of downsizing on individual employee performance.	Mean	Std. Deviation
Downsizing helped to improve employee performance	2.88	0.873
Decreased absenteeism	3.52	0.714
Increased employee assignment	3.76	.902
Improved employee accountability	3.37	.912
Improved loyalty towards organization	2.34	.940
Improvement in discipline	3.63	1.031

Table no 4.3.7 Effect on individual employee performance

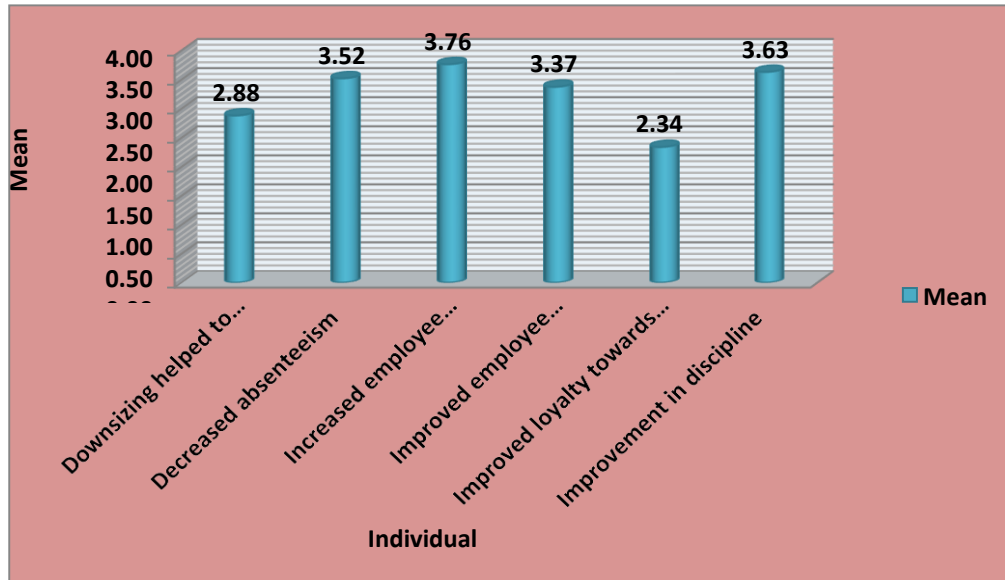


Figure no 4.3.7 Effect on individual employee performance

Interpretation:

After studying individual personal characters, organizational performance now individual performance has been studied. Individual employee performance and downsizing has been studied with identifying its impact on six sub questions as follows.

Downsizing helped to improve employee performance: Individual employee performance should be increased or consistent would be the expectation of any organization. But after downsizing it has been observed that individual employee performance got affected negatively. The mean value of this statement i.e. 2.88 and standard deviation value 0.873 shows that respondents were disagreeing to the statement. The employees felt that

their performance was deteriorating.

Decreased absenteeism: As many of the colleagues lost their jobs in downsizing hence there was a fear in the minds of survivors and hence absenteeism was decreased with due to that fear. Mean value was 3.52 and standard deviation was 0.714. Here Mean value shows that respondents response was above the neutral and closer to Agree. If they ask for leave, management might permanently send them on leave was th fear and hence it can be inferred that absenteeism was decreased after downsizing. Also standard deviation was less than 1, hence values in the study were close to mean and didn't deviated from the mean.

Increased employee assignment: After downsizing employee strength drastically got reduced. Hence workload of the employees was increased automatically. The result also supports this. Mean value of the statement was 3.76 and standard deviation was 0.902. Here mean value shows that majority of the respondents replied to the answer with their agreement that there is an increase in employee assignment. They were over loaded with work. This was supported by standard value too, as it was less than 1 and hence there was minimum deviation observed from mean value.

Improved employee accountability: Due to less number of survivors in the company, individual performance was supervised closely. Hence the statement tested with the opinion of the respondents. Mean value of the statement was 3.37 and standard value was 0.912. Both the values reveal that respondents were Agree with the statement and hence can be inferred that there was an improvement in employee accountability. As well as standard value also less than 1 hence mean value carries importance and found with less deviation.

Improved loyalty towards organization: With above statements, one individual and psychological concept was framed to test their loyalty with the organization. Mean value for the statement was 2.34 and standard value was 0.940. Here mean value shows that responses were in between of neutral and Disagree but looking more towards "Disagree". Hence it can be inferred that downsizing reduced employee's loyalty and ownership feeling of the employees towards the organization got negatively affected.

Standard value also supports as it shows minimum deviation from mean value.

Improvement in discipline: Discipline in the organization has to be changed after downsizing. It was tested with the opinion of the employees. Mean value for the statement was 3.63 and standard value was 1.031. Here Mean value is higher than the response Neutral and goes towards “Agree” response. Hence from the mean value it can be inferred that discipline in the organizations has increased after downsizing. Standard value of the statement which was found little higher than 1 hence deviated values were observed from mean values.

4.3.8 Mark your opinion regarding Decrease in cost of production

Decrease in cost of production		
	No. of Respondents	Percent
Disagree	67	17
Neutral	165	42
Agree	127	32
Strongly Agree	37	9
Total	396	100

Table no 4.3.8 Decrease in cost of production

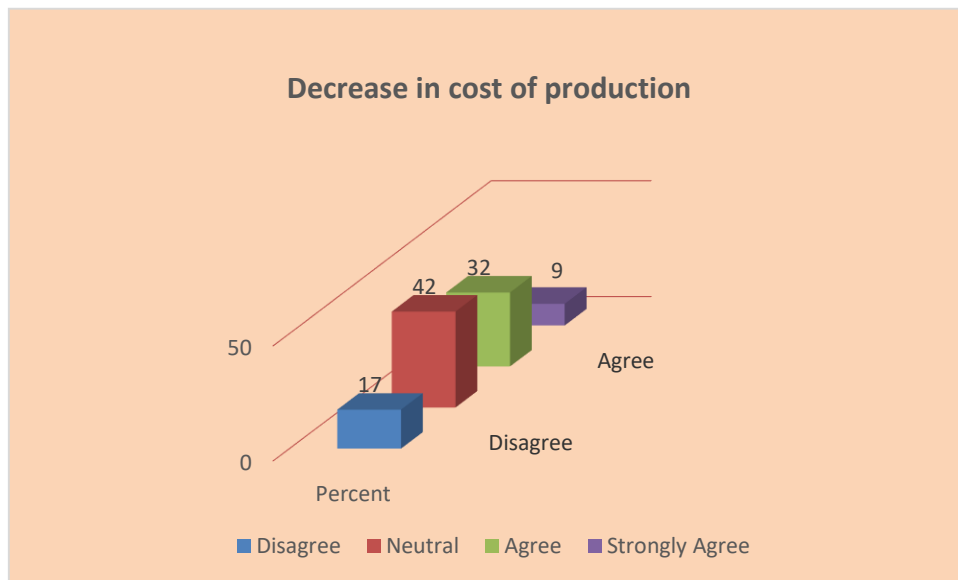


Figure no 4.3.8 Decrease in cost of production

Interpretation:

Impact of downsizing was asked to the participants in the survey. 42% were neutral while responding. 41% of the respondents felt that production cost was decreased. From the table it can be inferred that, since many of the employees were discontinued from their services, hence that much cost has been reduced which may indirectly help the organization to decrease the cost of production. This information was further validated from the production department and they agreed that cost of production did decrease after downsizing.

4.3.9 Increase in market share

Increase in market share		
	No. of Respondents	Percent
Disagree	198	50
Neutral	164	41
Agree	23	6
Strongly Agree	11	3
Total	396	100

Table no 4.3.9 Increase in market share

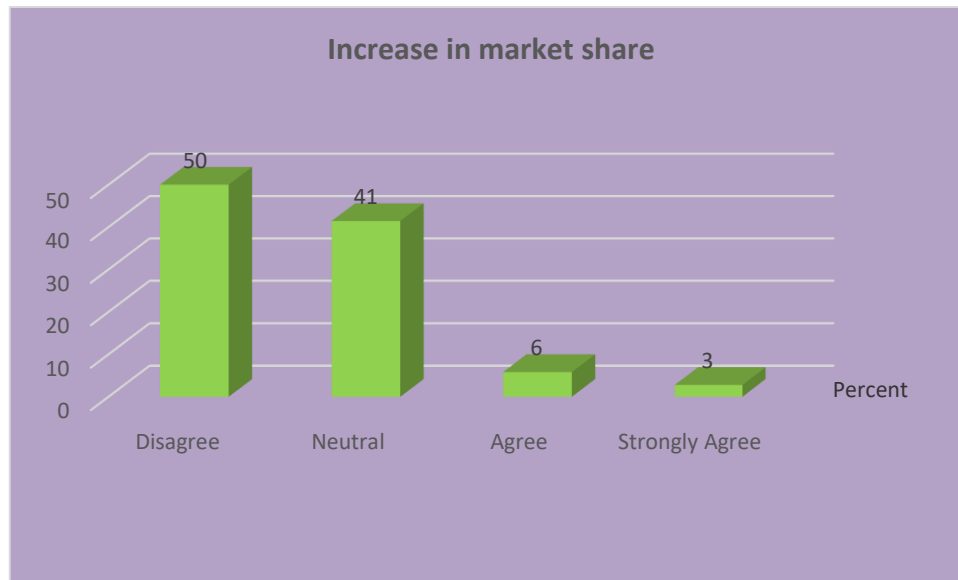


Figure no 4.3.9 Increase in market share

Interpretation:

Downsizing shows negative impact on market share also as respondents shared their opinion and it reflects that 50% of the respondents disagreed with the statements and only 9% were agreeing with the statement. Hence it can be assumed that market share of most of the organization got affected negatively after downsizing.

The data was further verified from the HR managers.

4.3.10 Increase in sale

Increase in sale		
	No. of Respondents	Percent
Disagree	157	40
Neutral	191	48
Agree	37	9
Strongly Agree	11	3
Total	396	100

Table no 4.3.10 Increase in sale

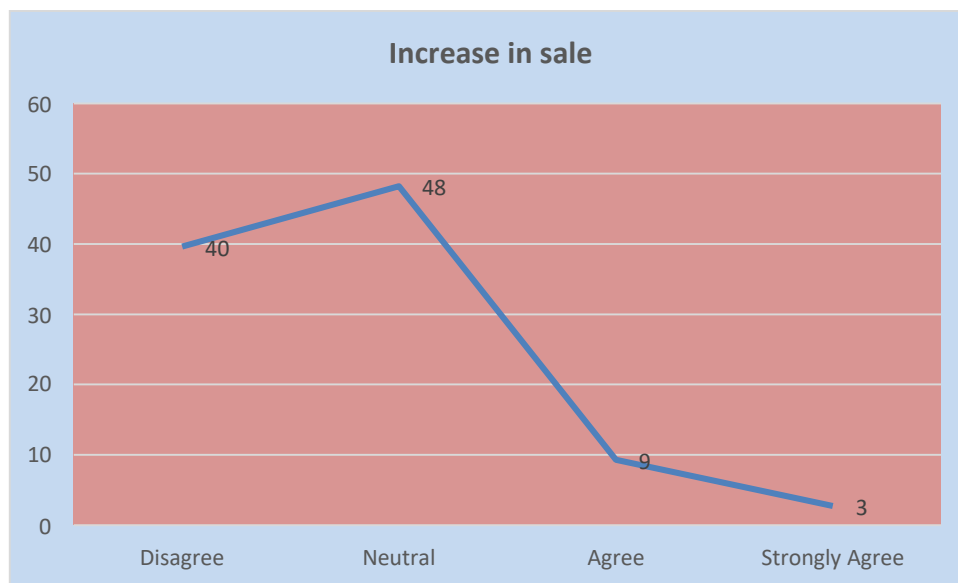


Figure no 4.3.10 Increase in sale

Interpretation:

Respondents were asked regarding sale after downsizing. Result shows that out of 396 respondents total 157 disagreed to the statement. This depicts that there was no improvement in organizational performance after downsizing. The data was verified from the Balance sheets of the company for the year 2014-15 and 2015-16. Since the economy was down, the overall sales of the companies had also gone down.

4.3.11 Increase in overall business

	No. of Respondents	Percent
Strongly Disagree	24	6
Disagree	190	48
Neutral	113	29
Agree	58	15
Strongly Agree	11	3
Total	396	100

Table no 4.3.11 Increase in overall business

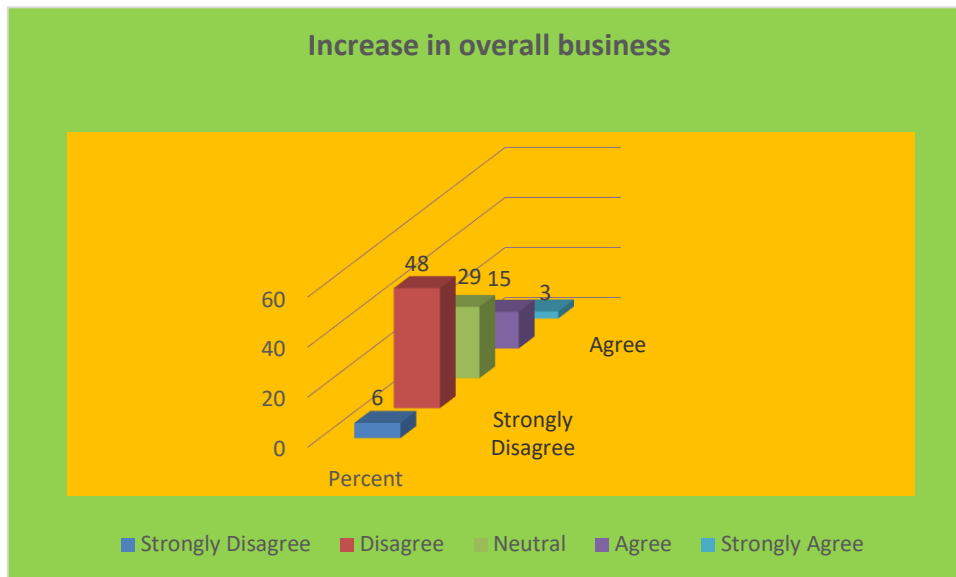


Figure no 4.3.11 Increase in overall business

Interpretation:

As downsizing shows negative impact on market share and sale of the product, the overall business is going to suffer. Around 54% respondents replied to this negatively and only 18% of the respondents found it positive response after downsizing in overall business. Hence data reveals that there was no growth observed in most of the company's overall business. The downsizing strategy was adopted to overcome the financial crisis. The performance of business was verified through the annual reports of the companies.

4.3.12 Increase in profit

Improvement in Organizational Performance due to downsizing		
	No. of Respondents	Percent
Strongly Disagree	146	37
Disagree	118	30
Neutral	56	14
Agree	60	15
Strongly Agree	16	4
Total	396	100

Table no 4.3.12 Increase in profit

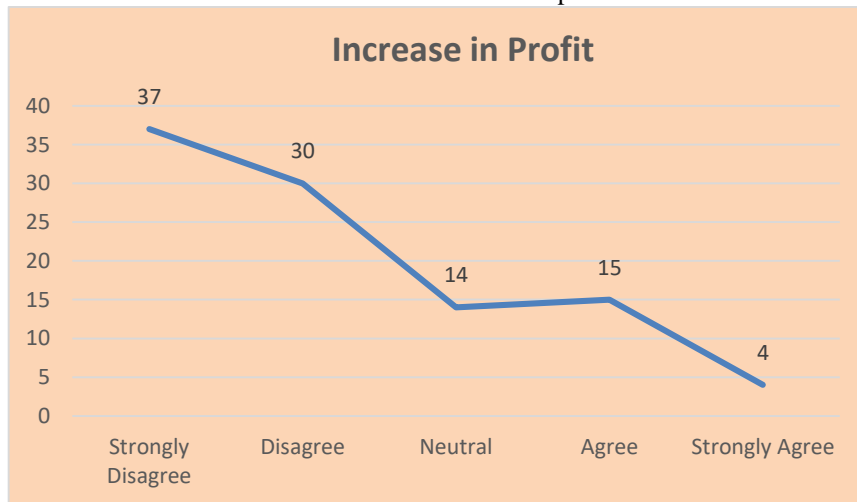


Figure no 4.3.12 Increase in profit

Interpretation:

It was observed that 67% respondents disagreed that there was an increase in profit post downsizing. Since the market share and overall business saw a decline, profit was also reduced. The data was validated through various balance sheets for the year 2014-15 and 2015-16.

4.3.13 After the downsizing do you see any productivity enhancement due to automation?

	No. of Respondents	Percent
Yes, Potential productivity enhancement was observed	126	32
To some extent it has been observed	165	42
Not yet but may reflect in coming time	58	15
No productivity enhancement was observed	47	12
Total	396	100

Table no 4.3.13 Productivity enhancement due to automation

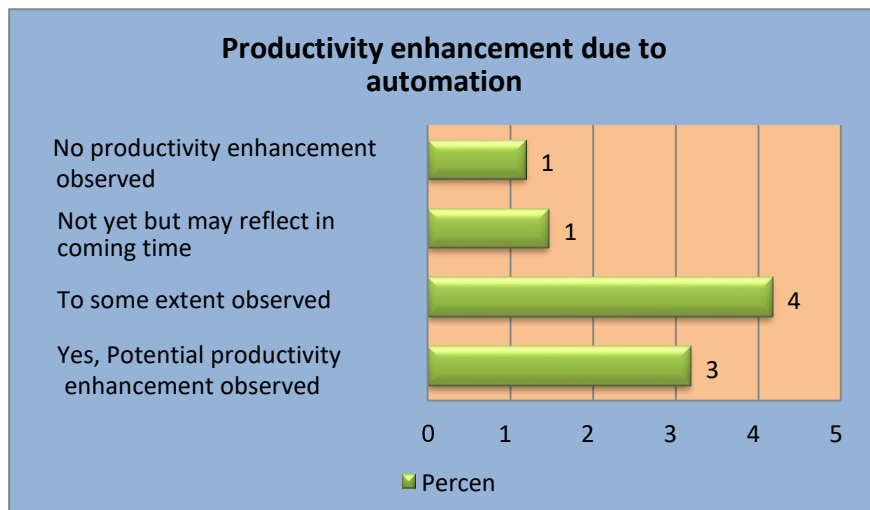


Figure no 4.3.13 Productivity enhancement due to automation

Interpretation:

Automation is one of the resources deployed by the organization. Use of automation usually enhances the productivity. 27% still feel that productivity has not yet achieved even due to automation. Lack of training could be one of the reason for this. And hence researcher has further tried to find out the correlation of automation towards productivity.

4.3.14 Do you see yourself in the same organization for next five years?

	No. of Respondents	Percent
Yes	117	30
Not Sure	184	46
No	95	24
Total	396	100

Table no 4.3.14 Association for next 5 years



Figure no 4.3.14 Association for next 5 years

Interpretation:

Very interesting question raised in the questionnaire regarding their existence in the company in the future. It indirectly reflects their willingness to work with the organization. Only 30% of the respondents feel that they see themselves in the future time in the same organization. Whereas majority of the respondents (46%) were not in position to say anything i.e. they were not sure about their existence in the same company. 24% of the respondents were confident that in coming future they will definitely not be a part of the organization.

4.3.15 Level of Job Security

	No. of Respondents	Percent
Very insecure	79	20
Somewhat insecure	180	45
Not Sure	23	6
Secure	91	23
Fully Secure	23	6
Total	396	100

Table no 4.3.15 Level of Job Security

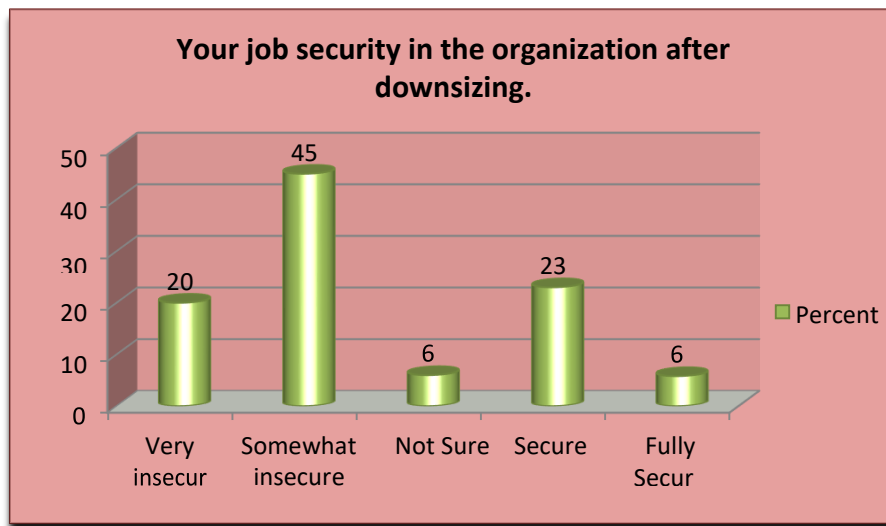


Figure no 4.3.15 Level of Job Security

Interpretation:

Having job security becomes very important especially in private companies. Job security automatically motivates the employees. But downsizing creates insecurity amongst the survivors. Same has been reflected from the chart that 20% of the respondents feel insecure in the workplace with respect to their job security. 45% of the respondents feel insecure to some extent, 6% were not sure, 23% of the respondents were sure and feel that their job is secure and only 6% of the respondents feel that their job is absolutely secure. From the chart it can be inferred that around 65% of the respondents were in the fear of job insecurity which is itself very detrimental for any organization where more than half of its staff is working with the mindset of job loss. The role of senior manager is very vital here. He is the one who can lower down this feeling by making them comfortable at workplace.

4.3.16 Your overall satisfaction towards downsizing process implemented by your organization.

	No. of Respondents	Percent
Totally Dissatisfied	183	46
Dissatisfied	99	25
Neutral	20	5
Satisfied	34	9
Totally Satisfied	60	15
Total	396	100

Table no 4.3.16 Satisfactory implementation of the process

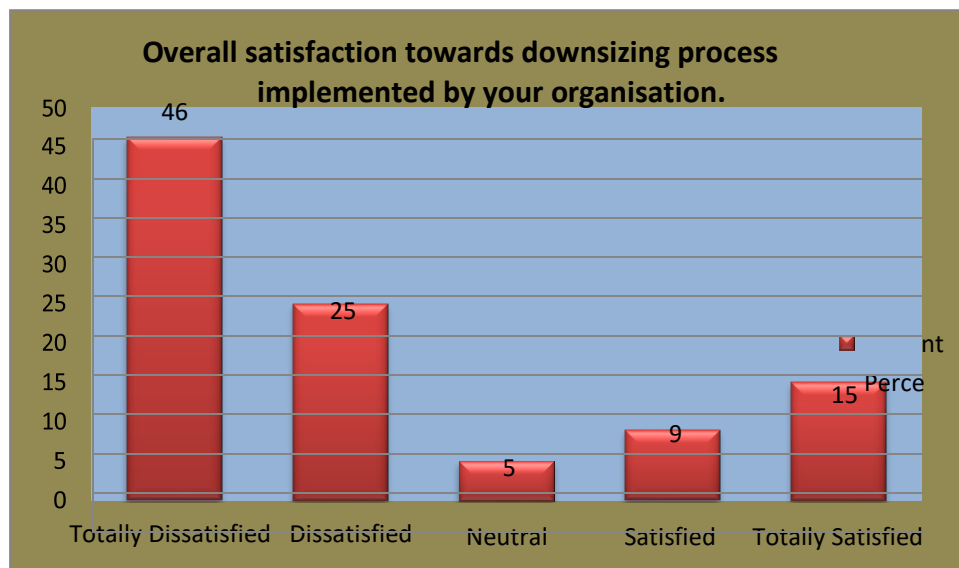


Figure no 4.3.16 Satisfactory implementation of the process

Interpretation:

Overall satisfaction of the survivors in the organization was measured and responses received from them reflected in the frequency table and charts as follows. Out of 396 respondents taken into study, majority of the respondent i.e. 46% of the respondents were observed totally dissatisfied towards downsizing decision. 25% of the respondents publicized their dissatisfaction towards this strategy. There were 20 responses neither satisfied nor dissatisfied i.e. remaining neutral. 34 responses i.e. 9% of the respondents showed satisfied reply and only 15% of the respondents were observed with full satisfaction with the downsizing process.

From the above statistics it can be inferred that one third of the survivors are not in favor of the downsizing decision as it may effect on them in many ways.

4.4.1 Association between Age and Anger

		Increased Anger				Total
		Strongly Disagree	Disagree	Neutral	Agree	
Age	20 to 30	4	16	5	5	30
	31 to 40	16	110	34	49	209
	41 to 50	0	44	0	42	86
	51 & above	3	33	29	6	70
Total		23	203	68	102	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	92.814 ^a	12	.000
Likelihood Ratio	93.774	12	.000
Linear-by-Linear Association	.390	1	.532
N of Valid Cases	396		

Table no 4.4.1 Association between Age and Anger

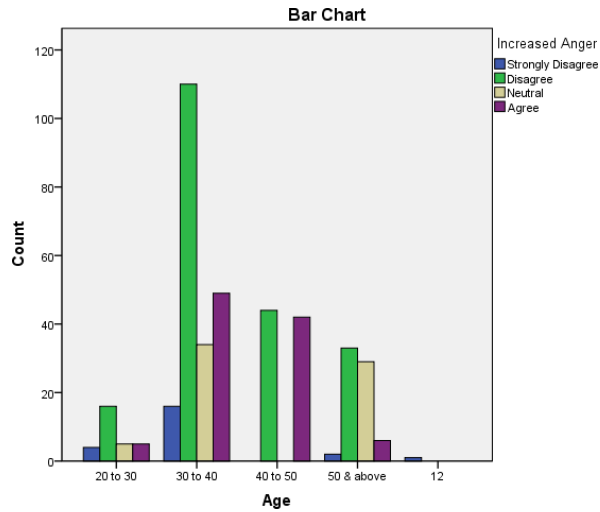


Figure no 4.4.1 Association between Age and Anger

Interpretation:

It can be inferred that hardly 80 people from the age group of 31 to 40 have noticed increase in anger. Rest everybody is of the opinion that anger and age are not related.

4.4.2 Association between Age and Depression

		Depression					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Age	20 to 30	4	10	11	3	2	30
	31 to 40	16	96	48	33	16	209
	41 to 50	0	44	0	42	0	86
	51 & above	3	29	33	3	3	70
Total		23	179	92	81	21	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	121.441 ^a	16	.000
Likelihood Ratio	130.546	16	.000
Linear-by-Linear Association	.087	1	.767
N of Valid Cases	396		

Table no 4.4.2 Association between Age and Depression

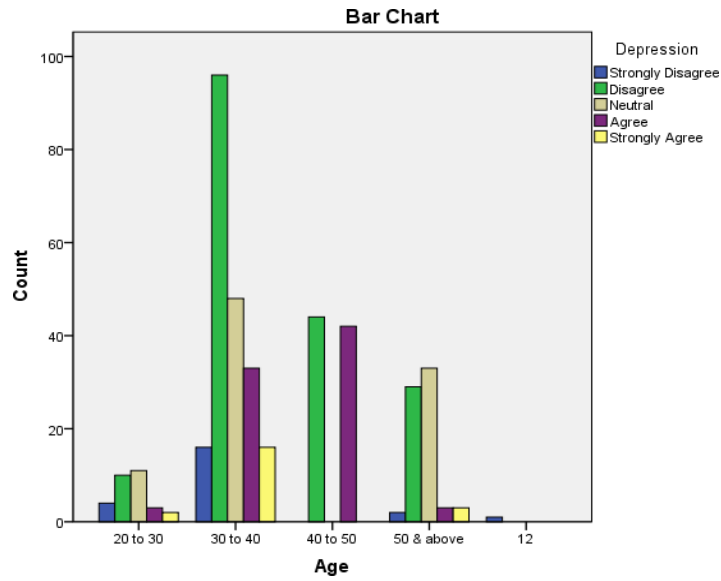


Figure no 4.4.2 Association between Age and Depression

Interpretation:

Around 33 employees from 31 to 40 age group and 42 from 41 to 50 group have agreed that they feel depressed during the downsizing process. But a good number of employees do not feel depressed at all. This depression could be because of family pressure or career pressure. The person may be alone to earn for the family. After discussing with the HR it was observed that, people do not like to express their depression in public. Responsibility towards the family increases at this age. And therefore many respondents did not react positively to this question.

4.4.3 Association between Age and Increased Fear

		Increased Fear					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Age	20 to 30	0	12	3	19	2	30
	31 to 40	0	107	14	47	16	209
	41 to 50	0	0	21	57	23	86
	51 & above	1	29	27	15	3	70
Total		1	148	65	138	44	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	151.927 ^a	16	.000
Likelihood Ratio	176.569	16	.000
Linear-by-Linear Association	2.736	1	.098
N of Valid Cases	396		

Table no 4.4.3 Association between Age and Increased Fear

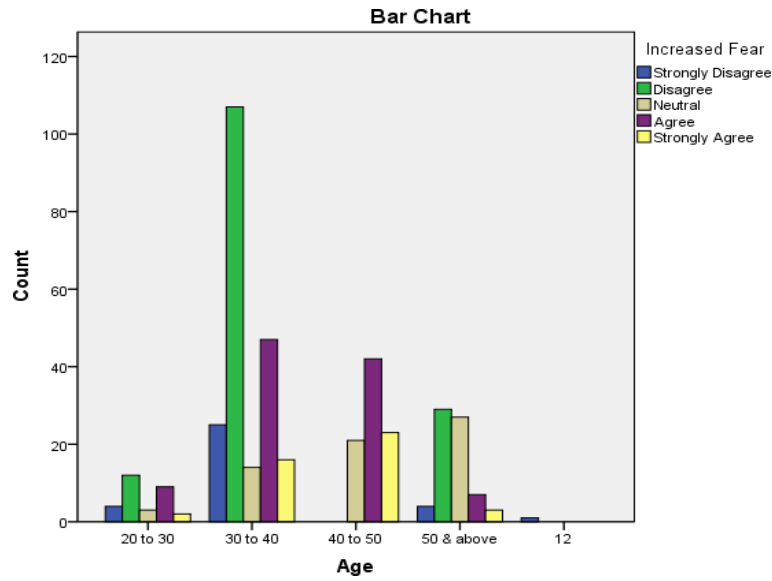


Figure no 4.4.3 Association between Age and Increased Fear

Interpretation:

80 employees within the age group of 41 to 50 fear the most of losing their jobs, as they are the ones who are in the mid of their career, with increased family responsibilities. Then comes the age group of 31-40 where 63 employees fear of losing jobs. This group is towards the starting of their career and losing a job might reflect in their career path.

4.4.4 Association between Age and Feeling Unfairness

		Feeling Unfairness					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Age	20 to 30	0	8	7	11	4	30
	31 to 40	0	76	54	63	32	209
	41 to 50	0	0	21	42	23	86
	51 & above	0	12	8	34	1	70
Total		0	96	90	150	23	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	163.547 ^a	16	.000
Likelihood Ratio	169.912	16	.000
Linear-by-Linear Association	3.269	1	.071
N of Valid Cases	396		

Table no 4.4.4 Association between Age and Feeling Unfairness

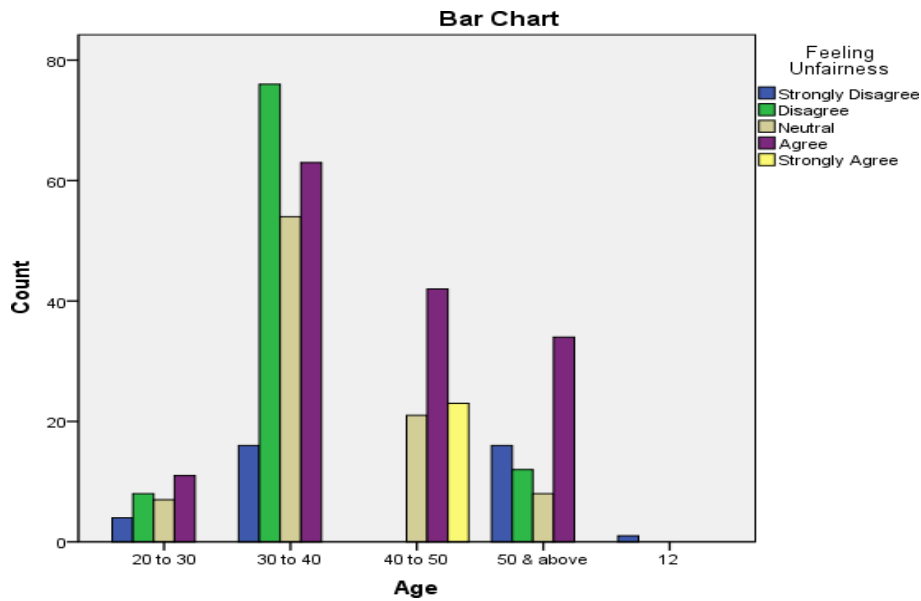


Figure no 4.4.4 Association between Age and Feeling Unfairness

Interpretation:

95 employees from the age group 31-40 thought that the process was not done fairly as maximum of retrenchment was also seen from the same age group. 65 senior managers from 41-50 age also felt the same. So around 160 employees felt that the process was not fairly implemented. At some age the employees do feel that management should consult them before taking such drastic steps. Had these employees also been involved in decision making process, their point of view towards the organization could have changed.

4.4.5 Association between Age and Reduced Motivation

		Reduced Motivation				Total
		Strongly Disagree	Disagree	Neutral	Agree	
Age	20 to 30	4	8	5	17	34
	31 to 40	16	39	31	93	179
	41 to 50	0	23	19	66	108
	51 & above	3	25	8	34	75
Total		23	100	63	210	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	49.001 ^a	12	.000
Likelihood Ratio	42.990	12	.000
Linear-by-Linear Association	6.699	1	.010
N of Valid Cases	396		

Table no 4.4.5 Association between Age and Reduced Motivation

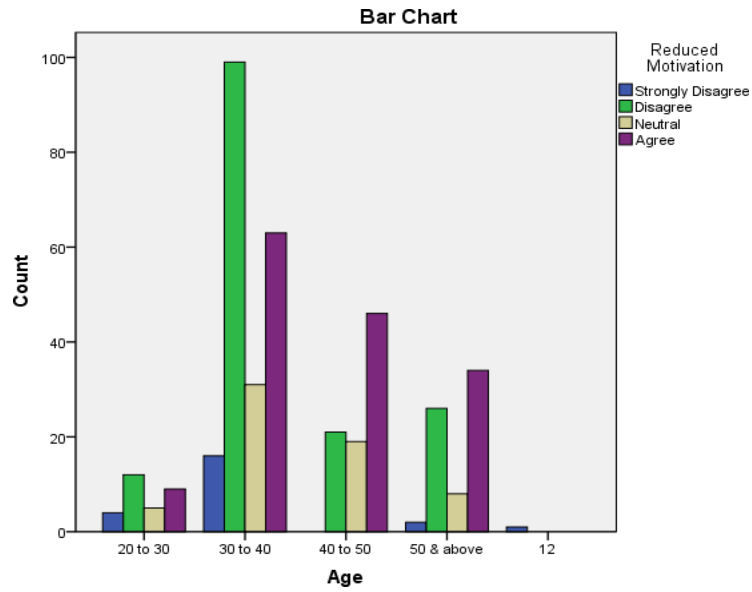


Figure no 4.4.5 Association between Age and Reduced Motivation

Interpretation:

The people of age groups from 31-40 and 41-50 have agreed that their motivation is negatively affected by downsizing. After further discussion it was informed that no change in pay, work overload etc were the impacting factors for low / reduced motivation. The most impacted age group was found to be between 31 to 50 age.

4.4.6 Association between Age and Increased Stress and Fatigue

		Increased Stress and Fatigue					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Age	20 to 30	0	16	5	9	0	30
	31 to 40	9	104	31	65	0	209
	41 to 50	0	0	21	42	23	86
	51 & above	16	18	4	33	0	71
Total		25	138	61	149	23	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	187.233 ^a	16	.000
Likelihood Ratio	198.643	16	.000
Linear-by-Linear Association	9.062	1	.003
N of Valid Cases	396		

Table no 4.4.6 Association between Age and Increased Stress and Fatigue

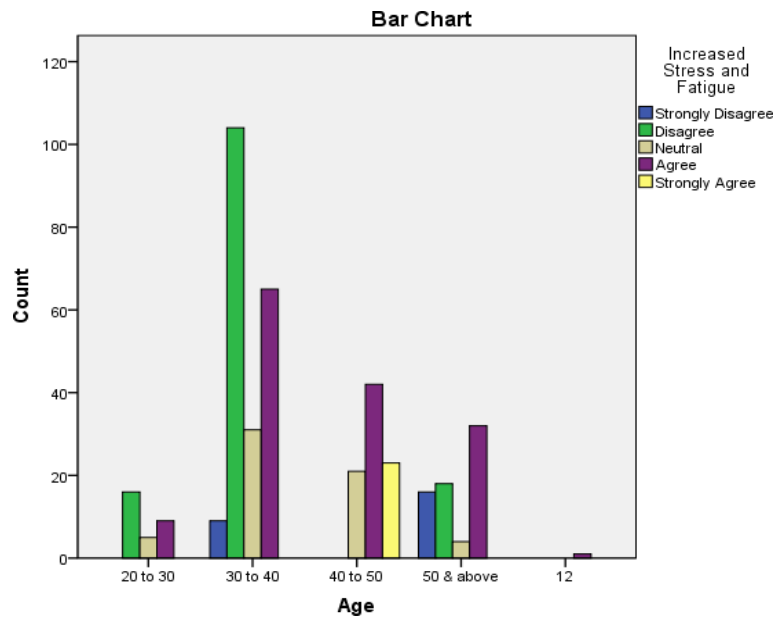


Figure no 4.4.6 Association between Age and Increased Stress and Fatigue

Interpretation:

Both the age groups from 31-40 and 41-50 have experienced stress in their work and an overall fatigue, which comes through prolonged stress. And overall the entire sample has accepted that there is an increase in stress level. It can be interpreted that the people of this age feel more stressed as they are loaded with responsibilities of their career and family.

4.4.7 Association between Age and Low Morale

		Low Morale					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Age	20 to 30	4	10	11	5	0	30
	31 to 40	16	24	48	49	72	209
	41 to 50	0	21	23	19	23	86
	51 & above	17	15	9	6	24	71
Total		37	70	91	79	119	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	132.059 ^a	16	.000
Likelihood Ratio	147.137	16	.000
Linear-by-Linear Association	9.900	1	.002
N of Valid Cases	396		

Table no 4.4.7 Association between Age and Low Morale

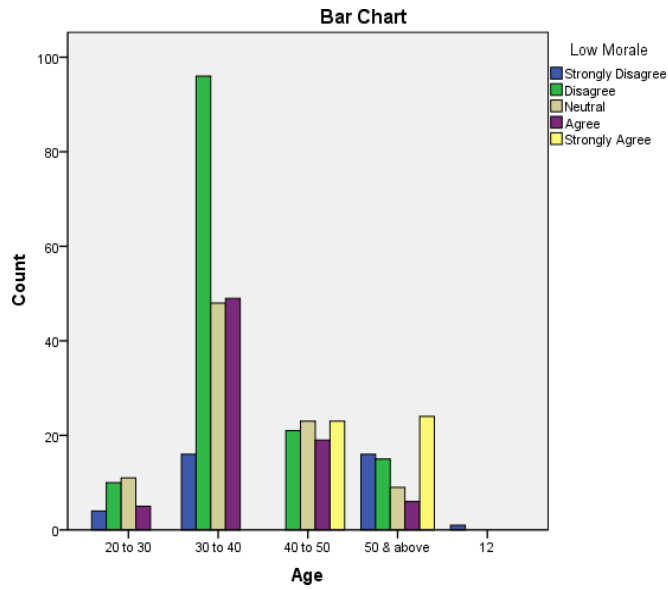


Figure no 4.4.7 Association between Age and Low Morale

Interpretation:

The employees with low morale are found in the age group of 31-40 with 120 in number. They might be feeling betrayed, fear; hatred all the above behavior may decrease their overall morale. The above factors were associated with the survivor syndrome factors. So the study helped us to understand which age group and whether males or females are more affected by survivor syndrome. The above mixed feelings helped the study go smoothly.

4.4.8 Association of Gender and Increased Anger

		Increased Anger				Total
		Strongly Disagree	Disagree	Neutral	Agree	
Gender	Male	23	188	60	52	323
	Female	0	15	8	50	73
Total		23	203	68	102	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	87.139 ^a	3	.000
Likelihood Ratio	80.868	3	.000
Linear-by-Linear Association	74.706	1	.000
N of Valid Cases	396		

Table no 4.4.8 Association of Gender and Increased Anger

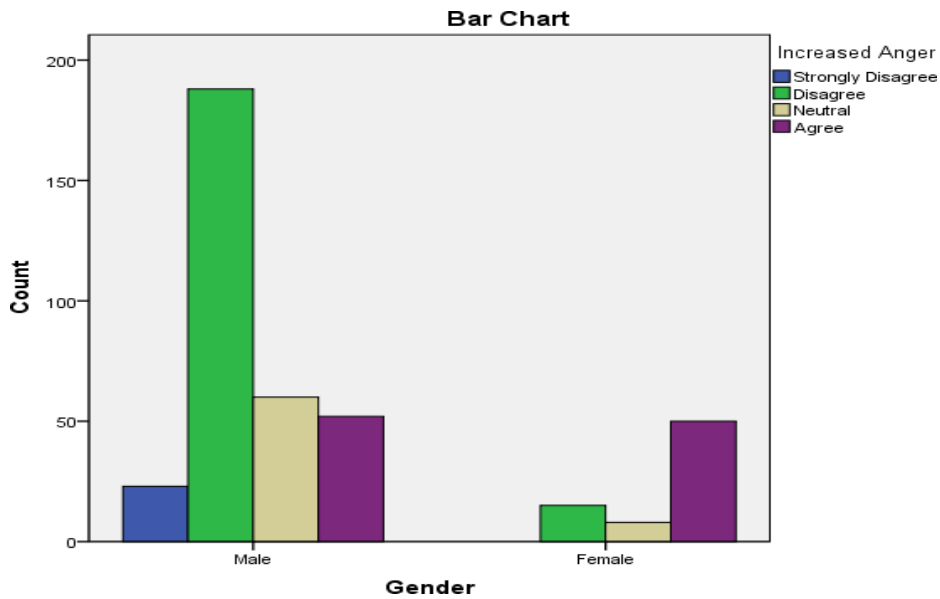


Figure no 4.4.8 Association of Gender and Increased Anger

Interpretation:

It can be observed that, 50 females have agreed that there is a rise in anger level due to downsizing; whereas 188 males disagree to the statement. Hence it can be stated that anger among males is not due to downsizing. After further discussion it was validated that increased anger among females was because of increase in responsibilities at work place. Since they have to balance their work and family simultaneously. Since the p-value is less than the significant value 0.05, we can conclude that gender and increased anger are dependent on each other by a significant relationship.

4.4.9 Association of Gender and Depression

		Depression					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Gender	Male	23	168	80	32	20	323
	Female	0	11	12	49	1	73
Total		23	179	92	81	21	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	122.862 ^a	4	.000
Likelihood Ratio	107.848	4	.000
Linear-by-Linear Association	55.985	1	.000
N of Valid Cases	396		

Table no 4.4.9 Association of Gender and Depression

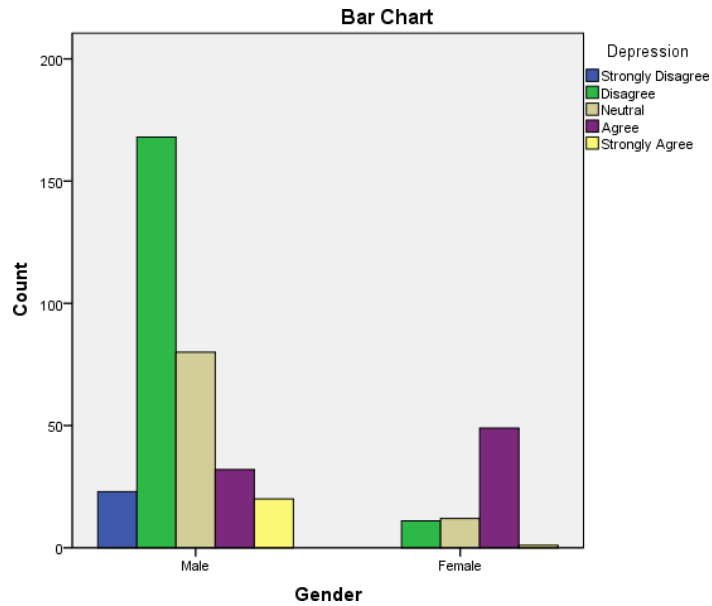


Figure no 4.4.9 Association of Gender and Depression

Interpretation:

It can be inferred from the above cross tables that 49 women agreed that they find depression as a consequence of downsizing as against 168 men disagreeing to this reason. The p-value indicates that the variables gender and depression are not independent of each other. The association of female gender was seen more significant with depression. The reason being females are considered as soft corner so they are the first victims of downsizing.

4.4.10 Association of Gender and Increased Fear

		Increased Fear					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Gender	Male	0	137	60	106	20	323
	Female	1	11	5	32	24	73
Total		1	148	65	138	44	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	70.616 ^a	4	.000
Likelihood Ratio	66.135	4	.000
Linear-by-Linear Association	59.730	1	.000
N of Valid Cases	396		

Table no 4.4.10 Association of Gender and Increased Fear

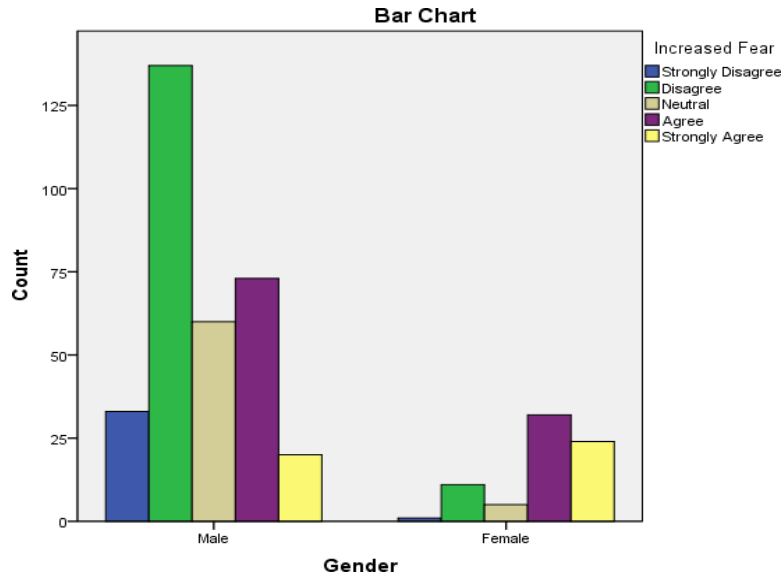


Figure no 4.4.10 Association of Gender and Increased Fear

Interpretation:

There are a significant number of females observed around 56 who say that the fear related to job has increased, whereas 106 males agree to this and 137 of them disagree that they do not fear the downscaling process. The main reason could be comfort level achieved since many years. It becomes difficult for many women to leave their current workplace and join somewhere with totally new environment. So usually the attrition rate among women is also very less.

4.4.11 Association of Gender and Feeling Unfairness

		Feeling Unfairness					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Gender	Male	0	92	82	112	37	323
	Female	0	4	8	38	23	73
Total		0	96	90	150	60	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	133.328 ^a	4	.000
Likelihood Ratio	121.471	4	.000
Linear-by-Linear Association	77.478	1	.000
N of Valid Cases	396		

Table no 4.4.11 Association of Gender and Feeling Unfairness

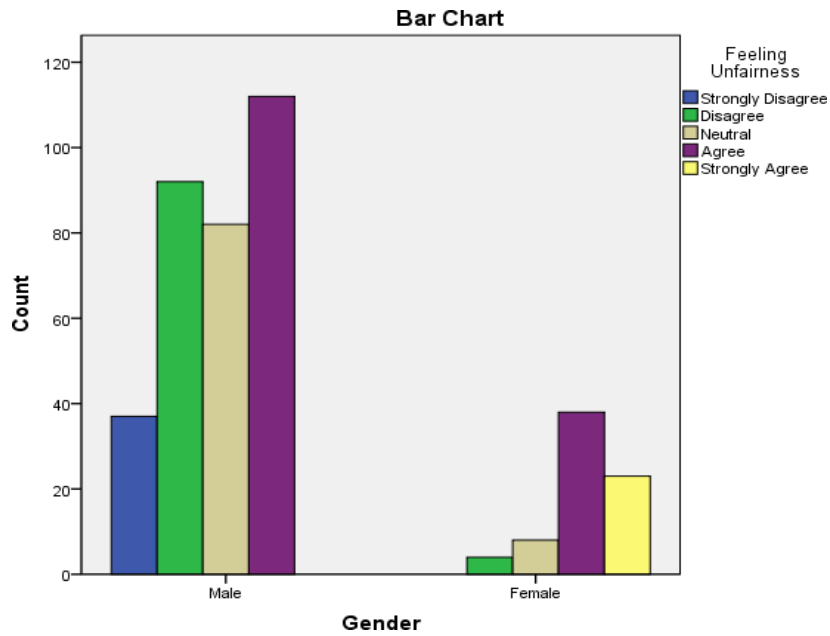


Figure no 4.4.11 Association of Gender and Feeling Unfairness

Interpretation:

Almost 61 women out of 73 feel that the organization followed an unfair practice of downsizing, 150 men feel the same but that there is an unfair practice observed by the organization.

4.4.12 Association of Gender and Reduced Motivation

		Reduced Motivation				Total
		Strongly Disagree	Disagree	Neutral	Agree	
Gender	Male	23	90	40	170	323
	Female	0	10	23	40	73
Total		23	100	63	210	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	40.562 ^a	4	.000
Likelihood Ratio	46.059	4	.000
Linear-by-Linear Association	26.306	1	.000
N of Valid Cases	396		

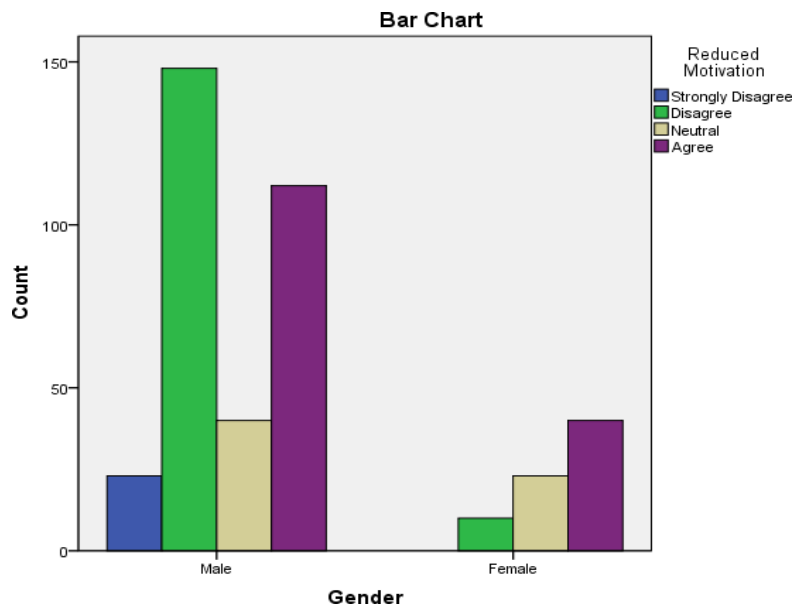


Figure no 4.4.12 Association of Gender and Reduced Motivation

Interpretation:

Since the p-value is less than our chosen significance level $\alpha = 0.05$, we can observe that there is an association between gender and reduced motivation.

Based on the results, we can state that there was a significant association between gender and reduced motivation.

4.4.13 Association of Gender and Increased Stress and Fatigue

		Increased Stress and Fatigue					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Gender	Male	0	115	60	124	24	323
	Female	1	14	1	34	23	73
Total		25	138	61	149	23	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	124.886 ^a	4	.000
Likelihood Ratio	109.259	4	.000
Linear-by-Linear Association	54.477	1	.000
N of Valid Cases	396		

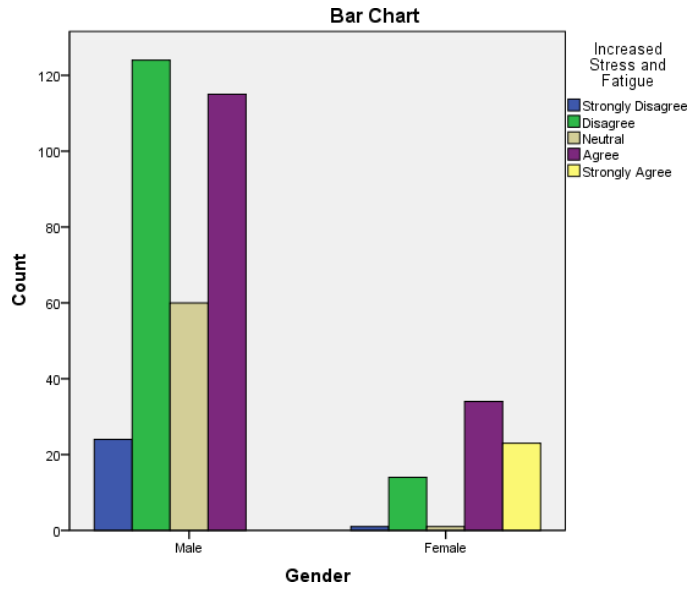


Figure no 4.4.13 Association of Gender and Increased Stress and Fatigue

Interpretation:

The p-value is less than the significant value 0.05, we can conclude that gender and increase in stress and fatigue are dependent on each other. Hence we can observe that both the genders equally feel the same. And that a relationship exists between the two categorical variables.

4.4.14 Association of Gender and Low Morale

		Low Morale					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
Gender	Male	37	61	82	52	91	323
	Female	0	9	9	27	28	73
Total		37	70	91	79	119	396

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	92.525 ^a	4	.000
Likelihood Ratio	87.823	4	.000
Linear-by-Linear Association	80.616	1	.000
N of Valid Cases	396		

Table no 4.4.14 Association of Gender and Low Morale

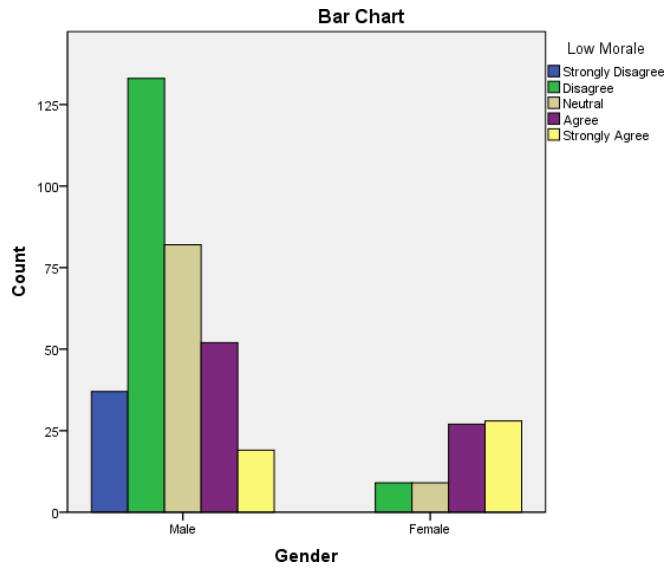


Table no 4.4.14 Association of Gender and Low Morale

Interpretation:

55 females strongly agree that their morale has gone down due to downsizing. 198 males also feel the same. So in all 198 out of 396 strongly feel that downsizing significantly affects morale. Since the p-value of Pearson’s chi square test is below the significance level ie 0.050, we can interpret that both the variables gender and low morale have a significant relationship between them.

4.5 Hypotheses Testing

- 1. “There is no significant relationship between survivor’s morale and HR intervention post downsizing”**

Correlations						
		Morale				
		I am skeptical about future.	Increase in work load	Post the change adverse emotions affect the deliverables	Survivors will feel stagnated	Increased Health issues due to stress
HR Intervention						
Recruitment	Pearson Correlation	.358	.219	.742	.752	.306
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	396	396	396	396	396
Training	Pearson Correlation	.682	.074	.791	.183	.219
	Sig. (2-tailed)	.000	.014	.017	.000	.000
	N	396	396	396	396	396
Compensation	Pearson Correlation	.724	.673	.509	.059	.274
	Sig. (2-tailed)	.013	.032	.000	.002	.000
	N	396	396	396	396	396
Performance Appraisal	Pearson Correlation	.570	.690	.323	.659	.615
	Sig. (2-tailed)	.001	.000	.000	.000	.023
	N	396	396	396	396	396

Table No 4.5.1 Sub Hypothesis 1

Interpretation:

Morale and HR Intervention of the survivors was correlated by using Pearson's Correlation test. Considering four parameters of HR Intervention, five factors of Morale were correlated individually. Result shows that sub factor of Morale i.e. "I am skeptical about my future" was positively correlated with training (0.682), Compensation (0.724) and moderately correlated with Performance appraisal (0.570). The correlation result was tested with p-values as all the p-values are less than 0.05 hence it supports the result.

Second sub factor of morale "Increase in work load" was weakly correlated with recruitment (0.219) and positively correlated with Performance Appraisal (0.690) with p-values for both was less than 0.05. It infers that proper recruitment does lower the workload. The feeling that the organization is adequately staffed helps to reduce workload. As well as proper performance appraisal helps the employees to cope up with the increase in workload.

Third sub factor of Morale of the survivors was "Post the change adverse emotions affect the deliverables" found positively correlated with Recruitment (0.742) and Training (0.791) and moderately correlated with compensation (0.509) with significant p-values. Inadequate manpower and no recruitment or improper recruitment, lack of training opportunity, increase in workload but no change in salary affected on the deliverables of the employees.

Fourth sub factor of Morale i.e. "Survivors will feel stagnated" was observed positively correlated with Recruitment (0.752) and moderately associated with Compensation (0.059) with significant p-values. After downsizing recruitment was done, which might have created the competition among the newly recruited and survivors, as well as compensation was not enough. This may have resulted in feeling of stagnated.

Fifth sub factor "Increased Health issues due to stress" was moderately associated with Performance appraisal (0.615) with the support of significant p-value. As the performance appraisal system got changed in few companies with modern techniques, but many of the companies were following the traditional methods hence that have created some psychological health effects.

From above correlation it has been observed that all the parameters of Morale and HR intervention were associated with each other at different extent. P-values support to the results as it was less than 0.05. Hence this results in to rejection of null hypothesis and acceptance of alternative hypothesis.

Therefore, ***“There is significant relationship between survivor’s morale and HR intervention post downsizing”.***

2. ***“There is no significant relationship between decrease in safety incidents and HR intervention post downsizing”***

Correlations		
HR Intervention		Factory accidents are decreased after downsizing
Recruitment	Pearson Correlation	.572
	Sig. (2-tailed)	.000
	N	396
Training	Pearson Correlation	.702
	Sig. (2-tailed)	.047
	N	396
Compensation	Pearson Correlation	.538
	Sig. (2-tailed)	.006
	N	396
Performance Appraisal	Pearson Correlation	.415
	Sig. (2-tailed)	.022
	N	396

Table No 4.5.2 Sub Hypothesis 2

Interpretation:

In the above table two factors were taken in to consideration. First was HR intervention and another was Decrease in factory accidents. For HR intervention, sub factors like recruitment, training, compensation and performance appraisal were considered. Each sub factor was correlated with decrease in factory accidents to check the existence of any relation between them by using Pearson’s correlation test.

From the result it has been observed that there was a correlation between recruitment and decrease in factory accidents with Pearson correlation value 0.572. This correlation was supported by p-value as it is reflected in the table as 0.000 which is less than 0.05.

Training had positive correlation with decrease in factory accidents as the Pearson correlation value was observed as 0.702 with p-value 0.047. When Correlation value is equal or greater than 0.7 then it infers positive correlation. As well as p-value supports this result as it is less than 0.05. Hence it can be inferred that a good training given to survivors helps to reduce factory accidents.

Compensation and Factory accidents were moderately correlated. Result shows that Pearson value was 0.538 and p-value was 0.006. This moderate correlation was confirmed with p value.

Performance appraisal and Decrease in factory accidents were weakly correlated. Pearson correlation value was observed as 0.415 and p-value was 0.022. Performance appraisal may have a slight psychological effect on decrease in factory accidents.

Above all the four sub factors of HR intervention reveal that except one factor other three factors had a positive correlation with decrease in factory accidents. Since right person for right job makes a huge difference, appropriate / right training imparted to the employees does make a change in the work environment. Satisfactory compensation helps in reduction of stress, fatigue that arises due to overtime and excess work and thus brings stability. Recruitment of potential people, right training given to them and good compensation given to them helps in decrease of factory accidents. As well as p-value for all the factors was significant.

Hence it rejects the null hypothesis and supports the alternative hypothesis. Therefore ***“There is significant relationship between decrease in safety incidents and HR intervention post downsizing”***.

3 “There is no significant relationship between quality of work and HR intervention post downsizing”

		Correlations				
		I am not able to achieve target work	Errors in task/work have increased	Gap in expected result and actual result has increased	Doing extra work apart from my regular work.	Rejection percentage decreased during Mfg /Production
Recruitment	Pearson Correlation	.743	.139	.697	.690	.294
	Sig. (2-tailed)	.006	.000	.043	.000	.000
	N	396	396	396	396	396
Training	Pearson Correlation	.563	.059	.036	.161	.172
	Sig. (2-tailed)	.008	.039	.045	.001	.004
	N	396	396	396	396	396
Compensation	Pearson Correlation	.682	.149	.033	.711	.011
	Sig. (2-tailed)	.020	.003	.007	.027	.017
	N	396	396	396	396	396
Performance Appraisal	Pearson Correlation	.625	.719	.343	.413	.730
	Sig. (2-tailed)	.013	.012	.004	.000	.005
	N	396	396	396	396	396

Table No 4.5.3 Sub Hypothesis 3

Interpretation:

Quality of work and HR Intervention were correlated with four factors of HR intervention and five factors of quality of work. “I am not able to achieve target work” was moderately associated with training, compensation and performance appraisal with the correlation values 0.563, 0.682 and 0.625 respectively and positively correlated with recruitment (0.743). This correlation was supported by significant p-value which is less than 0.05.

“Errors in task/work have increased” was positively correlated with performance appraisal with 0.719 and weakly correlated with recruitment (0.139) and very weak correlation with training (0.059) with significant p-values less than 0.05. This weak correlation infers that training helps to reduce errors in task. Intervention in the form of targeted training helps reduce errors, improves quality of results generated, and contributes better towards the outcomes.

“Gap in expected result and actual result has increased” was observed strongly and moderately correlated with recruitment and performance appraisal with correlation values 0.697, and 0.543 respectively. As well as weak correlation was observed with training with correlation value 0.036. This infers that newly recruited employees lagging behind in achieving the actual target. Weak correlation with training explores that training helps to reduce the gap between expected and actual results.

“Doing extra work apart from my regular work.” was strongly correlated with recruitment and compensation where as “Rejection percentage decreased during Manufacturing/Production” was found strongly correlated with training (0.172) and Performance Appraisal (0.730).

From above all the values it has been observed that quality work was positively correlated with the HR intervention with significant p-values. Hence, alternative hypothesis will be accepted by rejecting null hypothesis. Therefore, ***“There is significant relationship between quality of work and HR intervention post downsizing”***.

4 ***“There is no significant relationship between delivery performance of work and HR intervention post downsizing”***

Correlations					
		Time-I am completing my task within time	Time-There is a gap between expected time to complete the task and actual time required	Time-Increase in overtime due to excess work load	Optimization of time is achieved in delivery
Recruitment	Pearson Correlation	.045	.581	.301	.083
	Sig. (2-tailed)	.017	.000	.000	.100
	N	396	396	396	396
Training	Pearson Correlation	.898	.022	.081	.194
	Sig. (2-tailed)	.000	.027	.009	.000
	N	396	396	396	396
Compensation	Pearson Correlation	.662	.059	.730	.273
	Sig. (2-tailed)	.000	.024	.009	.000
	N	396	396	396	396
Performance Appraisal	Pearson Correlation	.048	.032	-.120	.668
	Sig. (2-tailed)	.034	.031	.017	.000
	N	396	396	396	396

Table No 4.5.4 Sub Hypothesis 4

Interpretation:

Delivery of work and HR Intervention were correlated with Pearson’s Correlation test. Result found that factor “I am completing my task within time” was strongly correlated with training and compensation, factor “There is a gap between expected time to complete the task and actual time required” was moderately correlated with recruitment and weak correlation with training (0.022), factor “Increase in overtime due to excess work load” was strongly correlated with compensation (0.730) and weak correlation was observed with training (0.81).

Factor “Optimization of time is achieved in delivery” was strongly correlated with performance appraisal (0.668).

Hence above correlation values tell us that training helps the employees to complete the task within time so they are able to deliver the assignments in time, training helps the employees to reduce the gap between expected and actual time for the task.

Overtime was weak in association with training but had a positive and strong association with compensation 73%, whereas optimization of timely delivery was directly associated with performance appraisal with 66.8%. All the p-values are less than the significant value 0.05.

Above correlation values were found positively correlated with each other. p-value for these correlations was found significant. Therefore, it can be inferred that alternative hypothesis is accepted and null hypothesis is rejected. Therefore, ***“There is significant relationship between delivery performance of work and HR intervention post downsizing”***.

5 ***“There is no significant relationship between resources deployed and HR intervention post downsizing”***

Correlations			
		Use of Resource - Completing the task in available limited resources	Use of Resource - Extra resources required
Recruitment	Pearson Correlation	.231	.342
	Sig. (2-tailed)	.000	.000
	N	396	396
Training	Pearson Correlation	.650	.192
	Sig. (2-tailed)	.003	.000
	N	396	396
Compensation	Pearson Correlation	.051	.075
	Sig. (2-tailed)	.014	.000
	N	396	396
Performance Appraisal	Pearson Correlation	.503	.233
	Sig. (2-tailed)	.000	.000
	N	396	396

Table No 4.5.5 Sub Hypothesis 5

Interpretation:

From the table shown above it has been observed that Resources deployed and HR Intervention was correlated with each other and the result was as follows. Resources here means automation, skills, robotics, artificial intelligence, technology, data resources, human resources etc.

“Completing the task in available limited resources” was found positively associated with training (0.650) performance appraisal (0.503) and positive but weak correlation in compensation (0.51). But the significant level is less than 0.05 which helps us to reject the null hypothesis.

“Extra resources required” was correlated with recruitment with correlation value 0.342 and weak correlation was observed with 0.192. It says that when employees were recruited they were not in state to complete the task in available resources. But after having enough training they were using

resources at optimum level with maximum output. Weak correlation of extra resources with performance appraisal was observed with correlation value 0.233. Since the significant level is less than 0.05, we have an evidence to accept the alternative hypothesis.

From the above values it has been observed that resources deployment factors were positively associated with HR intervention with all the p-values less than significance level i.e. 0.05. Hence, it supports the alternative hypothesis and rejects the null hypothesis. Therefore, ***“There is significant relationship between resources deployed and HR intervention post downsizing”***.

4.6 Conclusion

The data collected from the main survey / questionnaire has been analyzed, interpreted and presented systematically. Use of Mean, Chi square test and Pearson's Correlation was used for analysis of data. Based on these interpretations the findings and suggestions are presented in the next chapter.

Chapter 5

Findings / Suggestions / Conclusion

5.1 Findings

5.1.1 Findings from Demographic analysis (Part I)

5.1.2 Findings from various attributes (Part II)

5.1.3 Findings from Hypothesis testing

5.2 Recommendations

5.3 Future Research Scope

5.4 Conclusion

5.1 Findings

In India from the last few years downsizing is one of the most preferred strategies used by the organizations for coming out of the problems. Especially in Pune city many of the automobile manufacturing and Industrial companies have adopted this strategy irrespective of the situation. Employees working in industries situated in Pune city belt have experienced this many times in the last decades. Recently in 2018-19 also because of economic slowdown many organizations have reduced the size of the employees.

An attempt was made through this research to understand and present the situation of the employees after downsizing. For this data was collected through a survey. Data analysis was done on the basis of the feedback given by the employees.

Following are the findings and inferences drawn on the basis of data analysis.

5.1.1 Findings from Part I Analysis

1) Demographic data and inferences:

- To understand demographic factors of the population their age, gender, education, profile in the organization, Annual income, year of experience and their skill set they possess were considered.
- From the first demographic factor **Gender**- male and female, majority was of males with 82% and females were only 12%. There might be a probability that the female number is less. But at the time of actual data collection it has been observed that in manufacturing and industrial engineering mostly males were seen in more numbers than females. Hence we can infer from the data analysis that manufacturing and industrial engineering companies are mostly dominated by male as compared to females. Therefore, the impact of downsizing is going directly on the shoulders of male members of the family. In India still males are considered as the main source of income generators and hence a complete family may suffer with his loss of job. As well as survivors overall physical and psychological condition may get affected due to effects of downsizing.

- Age as a demographic factor states that survivors in the company after the downsizing process were found mostly from the age group of 30 to 40 which was around 53%. Fresher's or youngsters were up to 8% from the age category of 20 to 30. As well as from the age group of 50 & above only 18% of the respondents were observed. It reveals that the age group of 30 to 40 is considered the safest age category as these employees are neither too young nor very senior. So maximum adjustment can be expected from this age group. So downsizing mostly impacted on these employees on the basis of their performance and very senior employees on the basis of their experience in the organization.
- Educational Qualification of the respondents carries vital importance. Data reflects that graduates and postgraduates among the respondents were 58% and 32%. There were only 10% from diploma and other qualifications. As the respondents are from managerial positions hence graduate and postgraduate were observed more. But in manufacturing and industrial engineering companies experience and expertise carries more importance than education. Hence many of the employees at the managerial positions were promoted on the basis of their experience even though their education was only diploma in a particular trade, as validated by the HR of the company.
- Profile of the survivor employees was one of the demographic factors of the study. The researcher only wanted to find out which profile was mostly found in this field. As the research industry was automobile and engineering companies hence genuinely it was dominated by operation and production department's managerial employees with around 30% of the sample size. Sales and marketing employees were observed as one fifth, followed by finance employees, product design and Materials and Purchase department with 16%, 12% and 14% respectively.
- Income of the respondents varied on the basis of the experience, position, responsibility and productivity. In terms of higher salary there were 34 respondents belonging to the category of more than 45 lakhs annually, 39 employees were from 35 to 45 lakhs and 67 employees belonged to 25 to 35 lakhs income. Approximately 25% of the respondents had the salary between 10 to 15 lakhs. During the general discussion at the

time of data collection, it was found that most of the employees who lost their job because of downsizing were from the highest paid salary slab. As the usual motive behind downsizing is to reduce costs, employees with high salaries are targeted first.

- Even though organizations adopted downsizing, data reveals that they have given importance to experienced resources. According to data 48% of the employees were from 5 to 10 years of experience with the highest percentage. This slab of experience carries a lot of importance as these people are well acquainted with the system of the organizations and ready to adopt the change and be flexible. There were enough employees having high experience. Number was around 25% of the total who had 10 to 15 years of experience. Data observes that during downsizing, companies do not prefer highly experienced or just freshers. By observing the Experience of the survivors it can be inferred that organizations had balanced the employees according to the requirements of the organizations.
- Current survey had the scope to conduct the study among the automobile and engineering companies. As “chakan”, “Talegaon”, “Mahalunge”, “Hinjewadi,” “Bhosari”, “Pimpri”, “Chinchwad” and “Ranjangaon” areas are crowded with automobile and industrial engineering companies; an attempt has been made to balance the type of industry. 47% of respondents were approached from the automobile manufacturing companies. It was followed by the 9% of the respondents belonging to auto component organizations. Second major portion of the respondents was observed from industrial engineering company’s i.e.44 percent of the respondents.
- The companies were shortlisted by the number of employees working with them. Such companies were selected whose employee number was 1000 employees and more. Companies having employees from 1000 to 2000 in number, the respondents from such companies were 162. There were 27% of the respondents belonging to companies having the strength 4k and above. Only 12% respondents were observed from the companies having the strength 3000 to 4000 employees. The reason behind choosing such companies was that downsizing as a strategic decision can only be seen with such big companies. Small and medium scale companies downsizing impact may not affect the survivors as expected. During discussion with the managerial professionals it was

observed that downsizing is considered as a strategic decision to come out of the financial problem as they think that even 10% - 15% of downsized employees come to a good number and can be a part of cost saving decision.

- Turnover was another criterion chosen for selection of the companies for the study. For the current study, turnover of the employees was considered from rupees 1000 crore to 4000 crores and more. From the collected data it can be observed that maximum i.e. 154 respondents belonged to companies having turnover rupees 3 to 4 thousand Crore. There were 105 responses which show that they belong to the companies having turnover up to rupees 1000 to 2000 crore. From the large turnover cap, it has been observed that there were 94 employees coming from the companies whose turnover was above 4 thousand crores and 43 responses belonged to 2k to 3k respectively. All the highest turnover companies (4k to 5k) were from automobile companies and very few were from industrial engineering companies. It was found that these companies have undergone the downsizing process during the last 5-7 years.

5.1.2 FINDINGS FROM PART-II

- According to feedback given by survivors, 46% experienced the downsizing process in that particular organization for the first time. 124 (32%) of the respondents experienced it twice. 89 responses were recorded as 3 times to witness downsizing. The organizations which adopted downsizing for more than two times reflects the ups and downs they have experienced in the market. Frequency of 2 and more than 2 times of downsizing decision reveals that job security in this industry is very uncertain.
- During the downsizing process it has been observed that the people who lost their job from each individual department tells that 44% of the respondents replied that 10% employees were downsized, 30% of the respondent answered that up to 20% employees became the victim of downsizing. Around 26% of the respondents expressed that more than 20% colleagues had lost their employment due to downsizing implemented in the organization, as per data received verbally from the HR. These 26% of the people were mostly from the operation and production department who were highly paid or whose performance and productivity was low. Since the total number of downsized employees could not be confirmed, this question was asked department wise. It is easier for an

individual to disclose the number department or section wise. The companies were reluctant to disclose the exact number of employees downsized.

- Reasons for downsizing may vary from company to company. But several reasons were found common. Reasons varied from economical and financial issues, product related problems, automation and employee related problems. From the data analysis it has been observed that Economic recession was the main reason for the downsizing as 27% of the respondents responded in favor of this. Around 22% respondents replied that over-employment was one of the reasons for downsizing. Financial crisis was the reason considered by around 18% of the employees. Other reasons mentioned by the respondents were product obsolescence, merger and acquisition, to reduce the average age of employee & Automation in company etc to be 19%. This clearly states that the employees did not know the exact reason for downsizing.
- Various opinions were collected during the survey from the respondents. **Trust** was one of the first factors revealing that 57% of the respondents feel that their organization shares good and bad news with the employees. But in the next statement regarding information received about downsizing process by the employees, around 49% were dissatisfied as they didn't receive complete information of downsizing before its implementation. The reason for not sharing the news about downsizing was only to lower the chances of miscommunication and spread of incorrect information. But employees feel that this is a life changing decision, which should be discussed with them. Lack of communication is one of the factors of change process which the human resource department should facilitate.
- Trust in terms of recruitment and selection procedure has been observed that around 66% of the respondents agreed that they received all the clarity regarding recruitment and selection formalities. They knew that their existence was a result of rightsizing strategy adopted by the company. The company has gained the trust of its employees with respect to sharing knowledge about recruitment and selection.

- Even for employees transfer too, 29% of the respondents were dissatisfied and agreed that management had not taken them in confidence before they took downsizing as a strategic decision in the organization. They even stated that the reason for such transfer was also not disclosed. 25% were neutral. 46% respondents replied that they were informed about the transfer and the reason for such transfer. After further discussion with the HR it was found that even if management tries to take a decision the employees might not take it in a positive way. There are chances that people misunderstand management's decision. In many cases, management did feel to disclose their decision at the right time or may be one day prior also, just to avoid further misunderstanding or outbreak of wrong information.
- When asked whether the employees were a part of decision making process with respect to downsizing, 55 percent responded negatively. Even though being at managerial level their opinion was not considered. And this number is more than 50 percent. This clearly states low-trust between the management and the employees.
- Overall it can be inferred that the company partially succeeds to earn the trust from employees but when it comes to downsizing and its complete process, it was not informed and employees did not get any clarity hence there was a gap observed in Trust factor.
- Respondents were asked regarding their **Commitment towards Organization** with few factors. Regarding extra efforts for commitment, around 46% of the respondents have shown their willingness to put extra efforts after downsizing. The reason could be to save their job in the organization, or to prove their productivity. But there were few employees around 106 in number who were not willing to put in extra efforts as they might have felt that they are retained by the company only because of their productive work.

- Around 64% of the respondents were ready to put their 100 percent to achieve organizational goals even after the downsizing process. The reason could be further threat to their jobs. Since they want to have job security, they will perform well and put in those extra efforts to be seen outstanding in their performance. But this may not last for long. They might lose their commitment as time passes by. 31% of employees also seemed to be neutral, as either they might not want to comment or they are not sure what their reaction will be further.
- The question was asked regarding their affinity, only 22% respondents replied that affinity towards organization got increased after downsizing. Whereas exactly the opposite reply was received from 43% of the respondents. This shows that the employees are working just to earn their daily bread and butter. They do not have any sense of belonging towards the organization. They have lost all trust towards the organization. They are completely aware that the situation is worse in the external environment.
- After downsizing whether employees have the same positive attitude or not was identified and it has been observed that only 24% of the respondents agreed that they had a positive attitude towards organization whereas 44% did not feel positive. Hence in terms of affinity and positive attitude employees were not happy with the downsizing decision. They feel positive about the company because few of them might have taken this as an opportunity to prove themselves in such a situation. But most of them do not feel so as they must have been quite positive before too. And post downsizing their morale has also impacted.
- Around 74% of the respondents replied that they are ready to adopt new skills by upgrading their knowledge and skill set. In order to do a multitasking job, the employees might be ready for up gradation. The neutral replies can be interpreted that either their up gradation is not required or they are not willing to comment on anything.
- 66% of the respondents were ready to show their interest for self-learning of new skills by themselves. Self-development is the need of an hour in such a situation. Hence it can be inferred that employees were ready for all the work related commitment but in some psychological aspects like affinity, positive attitude etc are the areas where

employees were not at all happy and their commitment is not matching to other aspects of commitment. A good learning curve here indicates that they are ready to do whatever is needed to safeguard their jobs. They do not want to risk their families and career in such a situation. The survivors have mixed reactions towards organizational commitment. They are ready to contribute more for the organization as their jobs are at risk. So it's a forced organizational commitment.

- **Career Advancement** factor was checked with few sub questions. First sub question was regarding whether survivor should try to adopt new skill sets for career advancements, surprisingly 94% of the respondents replied positively that there is a need to upgrade the knowledge by adopting new skill set for career advancement. The reason for downsizing is an important aspect here. If it has been because of automation or change in technology, then definitely the survivors must adopt new skills required according to the necessity. And therefore barring a few, almost everybody agreed that they are ready to improve their skill-sets.
- 61% of the respondents shared their opinion that post downsizing training opportunities have increased. Company expects multitasking employees hence maximum respondents experienced the increase in training after downsizing to the newly allotted responsibility. The company now expects cross functional roles to be performed as the number of manpower has reduced, thereby an increase in the workload. Hence cross functional roles will help suffice the need.
- Promotion chances are better after the downsizing process was the statement of almost 35% of the survivors. But around 48% of employees chose to be silent. These silent respondents were not able to judge the situation properly. After downsizing the vacant positions were filled by the survivors and hence promotions took place.
- When asked about achieving their goals in the same company, respondents have given very neutral reply of 45% being neutral, and 42% of the respondents replied positively. This shows that the employees are not sure how long they will survive in the company. So achievement of personal goals was a far off question for them. Most of them were not thinking of personal goals then, as the situation of the company was not so good.
- In the Communication factor, four sub questions were asked and respondents replied on each sub question. 42% of the respondents agreed that they were communicated well

- regarding the expectation of the organization. 27 percent of respondents choose to be silent and not to comment. But 32 percent of employees still feel that the company is not sharing its expectations with them. So the clarity of work is not clear yet.
- 59% of the respondents said that absence of sharing complete information between employee and employer created a communication gap. Whispering behind the closed doors was observed amongst the employees which created rumors between them.
 - Question was asked whether their organization had honest, open and straightforward communication, only 18% of the respondents had given a response in favor of the statement. Almost 56% remained neutral. Overall it gives the negative status of communication between employee and employer. A neutral opinion often means to run away from the problem. The employees were skeptical about the behavior of their management towards having an open and straightforward communication.
 - Regarding availability of multiple channels for communication with various hierarchies, 59% of the respondents replied positively and they agreed to the statement. This shows that system for communication does exist in the organization but proper implementation was not found. People can communicate via emails, messaging etc across hierarchy when in doubt.
 - **Morale** factor was tested with few sub questions and following results were received. 38% of the respondents replied that they were not sure about their future while working after downsizing in the company. Even if the percentage is less than 40 still the number cannot be neglected. Even though their jobs are secure, they have a feeling of betrayal and insecurity. They are very low on moral factor.
 - 65% of the respondents replied that their work has increased after downsizing. At managerial level employees are expected to work 24x7. Rather they do work more than their regular working hours, but in case of downsizing they are expected to work unwillingly more than earlier. In such a case if there is no remuneration but increase in roles and responsibilities, then the motivation level goes down. When remuneration is the same but there is an increase in workload and working hours, then this has to impact the morale of the employees.
 - 60% of the respondents have replied that post the change adverse emotions have

- affected the deliverables. The employees are not able to concentrate on their work. The feeling that 'I might be the next to be downsized' is continuously at the back of their mind. This affects their work and ultimately their productivity.
- After downsizing 40% respondents opined that they feel stagnated. This stagnation is in terms of productivity, promotion, incentives, rewards, extra work load etc. There is no future in the company at least for next few years. This was not the feeling earlier. There were various engagement activities conducted, regular salaries, attractive incentives etc.
 - 54% of the respondents replied that this downsizing has increased their health issues. There is an increase in the stress level, anger levels, anxiety levels too. Every individual has a different capacity for handling stress. This stress can be mental or physical. It can affect the emotions, behavior, mental ability to work efficiently etc. Some chronic stress symptoms were also observed like increase in blood pressure, diabetes, asthma etc. The survivors responded that they were in stress as well as had health issues. This means that they were not mentally strong and physically fit for that extra work.
 - **Effectiveness and efficiency** was observed from the respondents. It has been observed that rejection percentage during production had increased after downsizing as 51% of the respondents were in favor of this opinion. Rejection here at managerial level means poor decision-making, leadership etc. The number of correct and logical decisions taken at right time and at right place was being affected negatively due to increase in workload and stress. Around fifty-seven percent of the respondents agreed that the cost of production had decreased after downsizing. So downsizing has definitely helped the organization to reduce their production cost.
 - After the downsizing, whether optimization of time has been achieved or not was asked to respondents. Forty-eight percent replied that after downsizing hardly any optimization of time has been achieved. Due to the increase in workload, the employees were supposed to do their own tasks first and then that extra work of the laid off employees too. So optimization of time was not possible.
 - Regarding factory accidents 52% of the respondents agreed that there was a decrease in factory accidents. One positive thing was noticed that the frequency of accidents had

decreased. The employees are taking due care while working even when they are under constant stress.

- **Employee Productivity** is the main concern in downsizing process. In this survey to measure employee productivity three factors were considered. Those were work related productivity; Time related Productivity and use of resources related productivity.
- **Work related productivity** was assessed with four sub-questions. The first question was regarding whether employees were able to achieve or complete their target work. 46% of the respondents were not able to achieve their target work whereas 48% of the respondents were able to complete it. So the percentage is almost equal of completing the work on time and vice versa. After talking one to one with the respondents it was found that they were able to achieve the target on-time, but that was not for a long period. They had started losing confidence. The young survivors were able to achieve the target, but the elder ones failed at times. The targets were achieved only to prove themselves fit for work. We can infer that the productivity was achieved in the young generation whereas the older generation lacked in productivity. This was shared verbally by the HR.
- Further, errors during regular work related question was asked in which 46% of the respondents said that errors did not increase whereas around forty percent replied that errors have increased after downsizing. Here errors mean inappropriate decisions, lack of foresight, unfit to lead. So considering a huge number of errors, an increased response is a cause of worry. Here looking at the responses for both questions it can be inferred that work pressure may be the reason along with fear of loss of job, extra work, overtime etc. would be the possible reasons.
- 43% of the respondents agreed that there was an increase in gap between expected and actual result achieved after downsizing. This happens because of extra work allotted to survivors. The data in further analysis reflects that the survivors were loaded with extra work. Around 60% of responses indicated that they were being allotted with extra work. So overall in work related productivity and efficiency, there was a negative impact. The employees were expected to work more with the same remuneration. They were not rewarded or recognized for the same too. This automatically brought their motivation and morale down. So instead of being happy to be one of the survivors, they regretted

- being there.
- Second parameter used to assess productivity of the employees was **Time related productivity**. 26% of the respondents disagreed and said that it took them time for completion of their task. These respondents were unable to optimize their work within the given time. Out of the total respondents 102 of them are unable to complete their work on time. This again says that they are overloaded with work and are lacking time management skills.
 - 56% of the respondents said that there was an increase in time to completion of the task given. It has been inferred that time allotted to them was not sufficient to accomplish the task. Plus, the management should not forget that they are overburdened with work. So time constraint is an important aspect to be considered.
 - Data shows 60% of the respondents were allotted extra work with their routine work. Study shows that this was the reason for the gap between the expected time and actual time to accomplish the task. Many times it may happen that the supervisors may take in advance the expected time required for completion of a specific work. The employees may not fulfill this expectation as they lack in time management skills.
 - Productivity of the employees was assessed with the parameter of **Use of Resources** during working after downsizing. Fifty-eight percent of the respondents replied that it was difficult to complete the task with available resources. Resources here mean digitalization of the process, training required for the same etc.
 - 56% of the respondents agree that they used an extra resource that increases the cost and time to complete the work. The management should have given training to the employees on the usage of resources. There is a shortage of resources because the company is intending to lower the costs. So the onus is on the management to train the survivors regarding the usage of resources.
 - Overall productivity of the employees on the basis of work, time and resources required, it has been observed that employee's productivity after downsizing has reduced.
 - Impact of downsizing on HR practices was assessed on several parameters. Parameters like recruitment, selection, compensation, and training and performance appraisal were

- taken into consideration.
- Mean value for increased cost of recruitment was observed as 2.78 which depict “Disagree”. According to responses, it can be inferred that after downsizing, companies recruited less people and hence the cost was decreased.
 - Another sub question in recruitment was **Increase in Recruitment through Internal sources**. From statistics it has been observed that mean value 3.77 depicts that respondents agreed with the statement and hence internal source i.e. using references from internal employees, recruitment was done by the organization after applying downsizing. Reason behind that was that known people from authentic source and reliable employees will be recruited in short time with minimum recruitment cost.
 - Regarding **multi-skilling & employee’s recruitment**, mean value of the statement indicates that organizations after downsizing were mostly recruiting people with multi skill set. The management usually hires people with multi skill sets as cross functional roles need to be performed due to scarcity of human resources. Respondents reveal that **Recruitment of top management was held back** after downsizing like advisors of the company, chief financial officer, chief operating officer etc.
 - So considering recruitment as a practice it can be inferred that most of the companies were reducing their recruitment and training cost by recruiting through internal sources, referrals and multi skilled employees rather than recruiting highly experienced people with high salary.
 - **Training** as an impact of downsizing. Parameters in training were considered as increase in On-job training, focus of training on developing skill set and Increase in frequencies of training.
 - Almost in all the above mentioned parameters respondents agreed to the statements regarding training. On-Job training was mostly preferred by the companies As it was the need of the time for optimizing the resources and to bring the convenience. As number of the employees was reduced after the downsizing process hence focus of the training was to fill up the gap of skills occurred after downsizing. Hence most of the respondents replied that companies had focused on skill enhancement training. Frequency of training also found moderately increased as developing multi skill and allotment of extra tasks to the employees was the concern. The companies were taking

- efforts to increase the work related efficiency by providing training at regular intervals.
- **Compensation** was another HR practice that was taken into consideration. Three parameters were considered for the compensation assessment after downsizing. These three parameters were related with change in compensation, senior manager's compensation, and increase in monetary incentives.
 - First parameters were related with any change in compensation after downsizing. From the analysis it has been observed that mean for the responses were 3.36 that depict that most of the responses were observed without any change in compensation after downsizing. Since the objective of downsizing is to reduce cost, so rise in compensation will never be expected. But a decrease in compensation was expected but it did not happen. There was no cut in the payment of the existing employees. Neither it increased nor has it decreased. But under the next parameter, particularly to senior manager's compensation, mean value obtained was 3.06 that depicts that 50% of the respondents feel that there is a marginal increase in senior manager's compensation as they were allotted additional duties and responsibilities. Third parameter was regarding increase in monetary incentives, respondents reply states that mean value was 2.40. This mean value explores that there was no increase in monetary incentives. Here the management could have thought of giving some incentives to the employees for their extra workload as a motivation to work hard. As the cost could have been compensated with the reduction of manpower.
 - So from the compensation point of view companies were taking much studied steps as they were focusing on maintaining the compensation policies without much increase with allotting some additional duties that too without any additional monetary benefits.
 - **Performance Appraisal** is one of the important parts of HR practices. Hence it carries lot of importance specially to give rewards to committed employees and to boost their morale. It was tested with five parameters like frequency of performance appraisal, modern techniques in performance appraisal, reward scheme, innovation award and best performer award.
 - First parameter was increase in frequency of performance appraisal. Mean value for this parameter was 2.49. This depicts that employees did not agree with the statement and hence can be said that there was no increase in performance appraisal. Second

parameter was related to modern techniques of performance appraisal's inclusion. Mean value for this statement was 3.30. This reveals that most of the respondents were agreed that though frequency of performance appraisal was not increased but organizations had bought the change in system by adopting modern techniques of performance appraisal, this ensures that all the employees will get justice and bias will be minimized.

- From the data analysis it has been observed that there was no as such increase in reward system as mean value was below 3. But most of the respondents replied with the mean value of 3.11 and 3.34 for starting of Innovation Award and best performer award. These two awards were introduced by most of the organization to appreciate their innovative ideas and best performance they achieved in the year. This carries lots of importance for the survivors which helps the organization to motivate them and reducing dissatisfaction and low morale of the employees.
- Some **personal attributes** were taken into study how downsizing impacts on survivor's psychology. These attributes were Anger, depression, fear, motivation, unfairness, stress and fatigue, low morale etc.
- Personal attribute like anger was studied. Respondents were asked whether there was any level of increase in anger during working after downsizing. Mean value obtained was 2.63 which depicts that respondents did not agree with the statement. It reveals that employee's anger was not affected by downsizing. People do not like to reveal their depression. And in most of the cases they do not even understand whether they are going through depression or anxiety.
- Fear factor was assessed on five Likert scale and mean value obtained was 3.84 which is very high and it depicts that there was an increase in fear after downsizing. That fear might be due to fear of loss of job, fear of performance, fear of compensation, fear of extra work allotted, fear of not getting job elsewhere etc.
- Unfairness was assessed and mean value obtained was 3.07 which depicts that half of the survivors feels some sort of unfairness after downsizing. Certain factors were responsible for that unfairness feeling like non participation in decision making, no employee engagement activities etc.
- Motivation is one such attribute that any organization wants their employees to have in

them. When survivors were asked about motivation, 50% of the respondents replied that there was a reduction in motivation. That would be the major impact on personal characteristics of the survivors.

- Personal attributes like stress, fatigue and Morale, it has been observed from the data that there was increase in stress and fatigue of the survivors as well as there was a considerable reduction in morale of survivors.
- From the above mentioned personal attributes it can be inferred that except for anger and depression all other attributes were negatively affected due to downsizing. From the above findings we can judge the reactions of survivors towards downsizing.
- Respondents were opinionated on general statements like whether downsizing helps to fix the problems? Respondents answered with mean value of 2.72 which is in itself negative and survivors don't feel that the problem of recession, economic downfall was solved by just reducing the people. Other strategies like reducing the working hours, reduction in pay, etc could have helped well.
- After discussion with various human resource managers, it was observed that survivors feel that downsizing was not carried out with fairness and equity. As the parameters of downsizing were not conveyed properly to the respondents as well as criteria's applied for downsizing were not communicated in advance to survivors. So they understood that the company randomly downsized its employees.
- According to the feedback from the HR, employee's performance in the organization observed moderate improvement but it was not as it was expected after downsizing.
- **Individual employee performance** was assessed through a few factors like employee performance after downsize, effect on absenteeism, employee assignment, employee accountability, loyalty and discipline. Following results were obtained.
- Individuals assessed their own performance and replied with the mean value 2.88 i.e. towards neutral state. It explores that employees didn't feel that there was any increase in their performance after downsizing.
- Loss of colleague's job had an adverse effect on survivors and they accepted that they panicked due to this experience, hence absenteeism decreased with that fear. Calculated mean value was 3.52. Hence it can be inferred from the above statistics that absenteeism was decreased after downsizing.

- Employee strength of the organization after downsizing found reduced. That results in to survivors' work load increase. Even the mean value calculated on the responses shows that it was 3.76. It reflects that there was an increase in assignment given to employees after downsizing.
- As the employee number got reduced it was possible to monitor the performance of the remaining survivors closely. Data shows that mean is 3.37. It reflects that respondents agreed on their increase in employee accountability. They started taking responsibility on their own.
- Loyalty of the employees was observed in reduced state. Mean value was 2.34. This value lies at middle but slightly near to the "Disagree" response as it is less than 2.50. Hence it can be inferred that downsizing had negative effect and loyalty from employee side got affected by it due to decrease in ownership feeling.
- There was an increase in discipline post downsizing. Since the performance was monitored closely, the managers had taken the ownership of the responsibility, discipline in overall performance and work culture was observed. The productivity and cost were also to be controlled so the employees might have felt that there was a close observation with regards to discipline.

After studying individual employee performance with different angles, organization performance was assessed from the point of view of cost of production, market share, business, increase in profit and overall performance. Results were obtained as follows.

- After downsizing cost cutting practices were applied and burdened employees were reduced hence respondents replied that enough decline was observed in cost of production. 41% of the respondents had replied in favor of this statement. Since the burden of most employees was reduced, there was an automatic reduction in the cost of production.
- Impact of downsizing was tested on market share of the organizations. It revealed that market share of the organizations got hampered negatively as half of the respondents observed the adverse effect on market share. It was observed that there was a decline after the downsizing process. Employees are the face of the company. Downscaling

also affected the performance of the sales and marketing people who were in direct contact with the customers, as per the information given by the HR managers. The news spreads like a virus. If any company is not doing well it has a direct impact on its market share.

- Impact of downsizing on sale, as sale being the source of revenue for any organization, the question related to this was asked to the respondent's. 40% of the employees revealed that there was a decrease in sales after downsizing. The customer relationship management, improper delegation of work, poor people management skills, unhealthy work culture all these factors affected the sale of the organization.

- Due to downsizing overall performance of businesses in terms of sales, market share declined. 54% of respondents felt a negative impact on business after downsizing. Hence no growth observed in most of the company's overall business. Loss of knowledge resources is the key element in loss of business. The employer is not just reducing its workforce but also reducing its knowledge base. And this ultimately plays an important role in shaping up a business.
- From the feedback it can be found that there was a decrease in market share and overall performance of the business was also low. This was confirmed from the balance sheets and annual reports of the companies.

Organization productivity was assessed on four parameters and opinions were collected from the respondents as follows. Every organization tries for improvement in productivity through their available resources. Especially after downsizing it could be a great concern.

- According to the feedback given by the respondents Automation was the reason for productivity enhancement. As in many places employees were replaced with machines. And such machines do not stop, they do not get tired, if they get worn out they can be easily replaced. Therefore, there was a rise in productivity due to automation. There were many software's introduced for various departments. For example- Payroll software for the HR department etc. Hence the need for manpower was reduced and it was taken over by automation. Automation enables businesses to improve performance by reducing errors and improving quality and speed. It tries to achieve outcome beyond human capabilities.
- As survivors were feeling unfair, fearful, low-morale, low loyalty and less motivated, a question was asked to survivors whether they would like to continue with the same organization. From the responses very few employees could see their future with the same organization. That number was only 30% of the overall sample size. Forty-six percent of employees were not sure whether they could save their job and could find their existence in the same company. There were total twenty-four percent of the respondents who said that in the coming future certainly they will not be a part of this organization. This decision is affected by all the factors of trust,

loyalty, morale, affinity, dependability etc.

- Survivors were asked about the job security in the current organization, as downsizing always creates job uncertainty. One fifth of the respondents felt the same and were uncertain and insecure about their job after the implementation of downsizing. Around half of the employee's response reflected that their job is insecure.
- Overall satisfaction of survivors was assessed for the downsizing process. 46% were found fully dissatisfied, twenty-five percent of the survivors were dissatisfied and 15% were fully satisfied whereas 9% were satisfied. Downsizing is a very disheartening process. People are never happy with this process. The satisfaction of employees will never reach the desired level. Hence we can see that the majority of the survivors were not satisfied with the implementation of the downsizing process.
- Association of Age with anger, depression, increased stress and fatigue, reduced motivation, feeling of unfairness was observed. And it was found that people in the age group of 31-40 and 41-50 were more prone to such attributes of fear, anger, and anxiety. The main reason is that the people in this age group are trying to settle down with their families or are at the peak of their career. So such ups and downs in career will definitely alarm them and their family. Hence it was observed that they were under a lot of stress, depression and fatigue.
- Association of Gender with Increased Anger, low morale, fatigue and stress, depression was studied using chi square test. It was observed that females are more prone to depression, low morale, and stress than males. Although males were found to be in stress, depression and low on morale, but the reason of females could be the comfort level achieved by them. Due to these Lay-offs women are now facing problems of workload and time management. Whereas males are seen ready to take up new challenges and believe that there are other reasons for low morale and motivation

5.1.3 Findings from Hypothesis testing

There were total six hypotheses that included one major hypothesis and later five were sub hypothesis. In order to prove the main hypothesis, these five sub-hypothesis were generated.

- First hypothesis was related with low morale of the employees and HR intervention. Since all the p-values of factors affecting morale and HR intervention are less than the significant value 0.05, we can conclude that there is significant relationship between survivors morale and HR intervention post downsizing. Had the HR interventions been positive like satisfactory compensation as per standards, proper training, performance appraisal etc then the morale of the survivors would have improved. It was inferred from the result that low morale impacts productivity. Low morale of the employees at work place acts as a silent killer on performance and productivity. The employees start feeling left out from the known crowd. They start questioning about their existence with the company. They fall short of new ideas and also lack innovation. Low morale is difficult to identify and spreads like a virus. Hence alternative hypothesis i.e. *“There is significant relationship between survivor’s morale and HR intervention post downsizing”* is accepted.
- Second hypothesis was related with Survivors Productivity and safety incidents through HR intervention. To study this hypothesis various factors related to survivor’s productivity were considered like working time, use of resources etc. Safety incidents were studied with the statement like “number of accidents decreased in the factory”. Downsizing increased the workload of many employees. They were also required to finish that work load within the given time. So the employees were under stress, the resources were also limited. There was a lacuna on the part of management in imparting training related to safety. Even the behavior based safety program was missing where unsafe behavior of the employees could have been identified to foster a safe behavior at workplace. Had there been HR intervention, safety incidents would not have taken place. Hence according to them they were more prone to factory incidents.

- In hypothesis three, there were two factors i.e. quality of work and Human Resource intervention. The p value was observed less than 0.05. Hence this result supports alternative hypotheses. Therefore, null hypothesis is rejected and alternative hypothesis i.e. “Effectiveness of survivor’s productivity and HR intervention is demonstrated by Quality of work” is accepted. If the human resource department tries to impart good training programs based on automation learning, technical skills, time management etc, then the quality of work of the employees will definitely increase. Since the staff members are under stress and high work pressure, such interventions will definitely improve their productivity.
- Fourth hypothesis was related to Survivor’s productivity with reference to delivery of work and HR intervention. Since the employees were burdened with excessive workload and the manpower was also reduced, it was observed that the same employees were performing many tasks at the same time; this was affecting their delivery of work. This made them take time away from their own duties thereby increasing overtime of work. They were unable to give justice to the work they were performing and assigned with. A positive correlation was observed between Training and timely delivery of work hence null hypothesis is rejected and alternate hypothesis is accepted.
- The fifth hypothesis was regarding deployment of resources and HR intervention. It was observed that before training most employees were not able to complete their tasks on time and also within the available resources. But after apt training they were able to achieve time management and effective use of resources (automation). Automation makes things faster. For employees, the mix of their work is changing to be less repetitive and more judgment-intensive with the use of automation. They were also rewarded in their performance appraisal system later for this. Hence it can be inferred that there is a significant correlation between deployment of resources and HR intervention.

Facilitation means making things easier. Overall it was found that most organizations did not make effective use of Human Resource facilitation, and hence survivor’s productivity or efficiency was affected negatively.

5.2 Suggestions and Recommendations

Today there are many challenges in front of private organizations. Generally, it is assumed that a great challenge in front of private organizations is to create the jobs that will help the organization as well as nation, society for economic growth. But at the same time equal challenge in front of these organizations is to maintain and sustain the existing employees with their jobs without compromising the benefit of any party.

Employee downsizing is a routine course of action that companies follow. Especially in manufacturing and IT industry this was experienced mostly. It has multiple consequences on all the stakeholders like the employee himself, employer, society as well as nation. Hence employee downsizing should be looked at from multiple angles. During the interaction at the time of data collection with survivors and the data analysis following are some suggestions and recommendations for the automobile companies, and industrial engineering companies before they further follow any downsizing process.

1. Downsizing is the common practice that automobile and Industrial organizations adopt if they face any big crisis. But as it has multiple consequences on all the stakeholders hence it can be suggested that companies should consider downsizing as the last option as a strategic decision on any problem situation.
2. From the analysis it has been observed that many of the organizations adopt downsizing due to economic recession and financial problems. These financial problems do not arise overnight. The company gets an idea of such a situation well in time. So if corrective action is taken at that time itself, downsizing may not take place. Few alternatives to be thought of could be negotiating with vendors, partial stoppage of amenities / resources / benefits, reduction in administrative and selling costs, reduction in wastage, recruit well qualified and deserving candidates, reduction in working hours etc.

3. The study suggests that organizations communicate every good and bad thing with survivors. But it has been understood from the survivors that companies were reluctant to give details of the process of downsizing, and criteria for downsizing. The process should have a proper written document and that should be shared with everyone. An advance notice of at least three months to be given to the would-be downsized employees, so they can plan for their future, and get mentally prepared for the consequences.
4. If skilled and qualified employees are left back as survivors, then quality initiatives are supported. Continuous commitment can be achieved through continuous investments on human capital. Soliciting cost-reduction ideas from such employees can be possible. Such employees can also be a part of the decision making process in future.
5. The employees demonstrated their trust and commitment towards the organization but at the same time these survivors were found to have stress, fatigue and fear in mind. Such stressed minds of survivors are not a good sign of a working environment. Training the survivors, making them understand the reason for downsizing might help them to come out of stress and build confidence. Engagement activities like team building, team dynamics, involvement in decision making of the employees will also help. Taking time to address the issue with each individual or team will definitely help to build back the trust.
6. Survivors were found eager to adopt new techniques and skills. So the employer may facilitate them by arranging training programs for skill development. In house training sessions by in house trainers can be a good option.
7. Employees are more likely to accept difficult decisions if they understand the ‘why’ behind them. Cascade the message from your company’s inner circle out—making sure employees get the news before the public does will help. Truth-telling ultimately is essential to building trust. People will accept difficult news more easily

than they will forgive untruths. Regular updates will work even if the company doesn't have any big news to communicate. Delivering a message does not guarantee that it was received. Repetition ensures that all employees hear the message and remember it. Use of audio-video as part of your communication mix might help. Communication that is passed on verbally migrates messages. But video preserves the message exactly as one wants it.

8. Many of the Survivors felt that their personal Goals were not achieved in the organization during their work tenure. Hence if possible companies can discuss the career path along with the employees and also mentor them to accept the new responsibilities. Companies should offer opportunities for professional growth to the existing employees. This might help to build a positive organizational family where the employer will be able to retain its organizational trust, employee's loyalty, and improvement in productivity and work culture. Companies can assure the employees that new responsibilities will not skew their work-life balance.
9. After downsizing work related productivity of the survivors was moderately decreased. Errors during work have increased. The rejection percentage was on a higher side. New roles and responsibilities were allocated. While allocating the extra responsibilities the past experience and the learning ability of the survivor should be mapped to the new responsibility to minimize the work related errors.
10. It was observed that after downsizing HR department gave extra importance for internal survivor's referrals to save on recruitment cost. It is advised that company maintains right balance between internal and external recruitment to have employees with right skills sets who can help company deliver its new goals.
11. Companies should take some proactive initiation to motivate them as survivors mentioned that they are ready to take all the efforts and give commitments. But lack of affinity, morale and motivation was observed amongst survivors. The management to take cognizance of their efforts. So companies can take some corrective actions and motivate them using monetary and non-monetary rewards, appreciation like employee of the month, performer of the year etc. Such engagement activities will help the survivors to come out of stress and mental

fatigue. They will be more motivated to work.

12. Company can take care of its employees with respect to anger, depression, fear, motivation, unfairness, stress and fatigue, low morale as the survivors were found suffering in many of the above mentioned attributes. Personal counseling sessions by a professional counselor can be arranged together with yoga sessions, meditation, games, cultural programs and other various activities. Managers can be trained to be their coach. Resiliency training will help them to take note of their employees and offer appropriate support wherever needed.
13. Companies should take good care of the downsized employees. They should be compensated well for their services rendered so far for the organization. Counseling sessions for the downsized employees can also be arranged. The feeling that the outgoing employees were treated well by the company develops a positive attitude amongst the survivors. And they tend to take the further process very positively.
14. Organizations can also think of flexible work arrangements as a way to motivate, engage, and retain employees. Permitting employees to help plan their own work schedules may help to improve their morale in the workplace, boost productivity. This might defeat the problem of overtime work and thereby help to reduce cost.
15. The employers should be ethical on their part while terminating the employees. The employees should never feel that their inefficiency or low productivity was the only reason for their termination. The employer should take care that the process of economizing does not hurt the employees. The process to be conducted at ease.
16. Experienced people who were previously associated with the company can be invited as consultants or advisors.

5.3 Future Research Scope

Every research starts with identifying earlier research gaps. Hence current study also ends with some conclusions along with some limitations. Hence throughout this research journey experience following would be the scope drawn for the future research.

- Building theoretical formulation of determinants of downsizing and sociological, political and psychological attributes of downsizing.
- Legal, economical issues to be considered in future studies that were missed out in the study.
- Employee's comeback strategies were not considered in the study hence that also gives a scope for future studies.
- This study has been conducted from a survivor point of view. So future research can be conducted from the point of view of employers to understand their feedback on the situations after downsizing.
- Pune city is surrounded by various industries. Hence the result can be tested with other industries like IT industry, chemical industry, educational industry, tourism and hospitality industry etc.

5.4 Conclusion

Employee downsizing is a common strategy observed in India after paradigms shift in Indian industry. The study critically examines the downsizing process, its impact on employees, survivors, employers etc. Majority time cost efficiency is the major reason observed for downsizing. The study concludes that downsizing or reduction in Manpower strategies always impacts on all the stakeholders. Employers lose their valuable asset in the form of experienced and committed employees as well as individual employees also get affected through loss of job. In between there is another stakeholder i.e. survivor who remains in the company after this extreme experience, they also get affected mentally, physically, psychologically and financially.

After extensive literature review and understanding the gap, objectives and hypotheses were formulated. Data analysis concludes that all the formulated hypotheses were found to be significant, hence accepted with the above mentioned results.

Downsizing is caused by various reasons like economic situation, recession, low demand of product, competition, cost consideration, foreign collaboration, automation, government regulations etc. Some of above mentioned reasons can be considered as an opportunity like competition, up gradation of the old technology.

If companies take prior precautions and if they are able to anticipate future changes then they can come up with some alternative choices in advance. Survivors were found with low morale and dissatisfied attitude which is not a good sign for any industry hence utmost care should be taken by implementing various engagement activities to avoid any consequences.

In view of the fact that survivors aren't losing their jobs, some managers and HR leaders have a tendency to assume that the retained employees will feel relieved and will be able to adjust to this transition. It is easier said than to watch close friends and colleagues lose their jobs, creating an environment of anxiety over the likelihood of losing your own someday.

So if the companies are considering downsizing as a last alternative to implement then definitely there are multiple solutions and strategic ways to come out of such a situation. The productivity of employees is impacted by multiple factors like low morale, stress, feeling left out etc. But when business leaders act with complete transparency and honesty with an open mind then these

problems can be overcome.

Depending upon the findings, suitable suggestions have been given by the researcher. Overall this research has helped in gaining satisfactory insights to effectively attract and cater to the needs and expectations of the downsized employees (survivors).

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Dear Respondents,

I am Prof. Sneha Joshi conducting doctoral research on the topic “*To study the impact of downsizing on survivor’s productivity*” from Tilak Maharashtra Vidyapeeth, Pune. This research is based on the survivors that stay back with the company after the downsizing process. So you are requested to fill this questionnaire from the view point of a survivor of the downsizing process. Thank you for agreeing to take part in this survey. The researcher realises how precious your time is. This survey should not take more than 4-5 minutes. Be assured that all your responses will be kept in the strictest confidentiality and only used for research purpose.

Thanking you in advance.

Part-I (Demographic Information)

1) Name of the Respondent: -

- 2) Gender: - 1) Male
2) Female

- 3) Age: - 1) 20 to 30
2) 31 to 40
3) 41 to 50
4) More than 50

4) Highest Qualification: -

- 1) Graduate
2) Post Graduate
3) If any other (eg-Diploma etc)

5) Profile in the current company: -

1. Sales &Marketing
2. Finance
3. Materials & Purchase
4. Operation/Production
5. Administration
6. Design & Products

6) Annual Income

- a) 10 to 15 Lakhs
- b) 16 to 25 Lakhs
- c) 26 to 35 Lakhs
- d) 36 to 45 Lakhs
- e) More than 45 Lakhs

7) Year of Experience

- a) Up to 5 Years
- b) 5 to 10 Years
- c) 10 to 15 Years
- d) More than 15 Years

8) Type of Company

- a) Automobile
- b) Auto Component
- c) Industrial Engineering

9) Company Name: - (Optional).....

10) No. of Employees in the organization: -

- 1. 1000 to 2000
- 2. 2001 to 3000
- 3. 3001 to 4000
- 4. 4001 & above

11) Turnover of the company

- 1. Rs.1000 to Rs.2000 Cr.
- 2. Rs.2000 to Rs.3000 Cr.
- 3. Rs.3000 to Rs.4000 Cr.
- 4. Rs.400 Cr & above

12) Your Skill Set is/are (Tick mark)

- 1. Technical Skill Set
- 2. Soft skill set
- 3. Hard skill set
- 4. Adaptability
- 5. Patience
- 6. Problem Solving
- 7. Communication
- 8. Time management
- 9. Relationship building
- 10. If Other, please specify

Part-II

1. Number of times your organization experienced downsizing between year 2013-2018 (Rightsizing)

- a) Once
- b) Twice
- c) Thrice

2. Number of employees who were downsized from your department

- a) 10%
- b) 20%
- c) More than 20%

3. Major Reasons for downsizing

Sr. No.	Reasons for Downsizing	Tick Mark
1	Financial Crisis	
2	Product Obsolescence	
3	Over Employment	
4	Economic Recession	
5	To minimize average age of employees	
6	Automation	
7	Due to Merger/Acquisition process	

Q.4) State your level of agreement to the below mentioned reasons under each factor

Mark (√) to the following statements under each factor with your utmost response.

FACTOR 1 – TRUST

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Organization shared good and bad news with employees					
2	Employees received adequate information about the process of downsizing before implementation					
3	Organization gives clarity on the recruitment and selection process to the candidates before hiring					
4	Employees were clear with management's decision for employee transfers					
5	Management had taken employees in confidence before implementing downsizing					

FACTOR 2 – EMPLOYEE COMMITMENT AND LOYALTY

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Even after downsizing, the survivors are willing to put in extra effort than earlier.					
2	Survivors were committed towards the organizational goals even after the downsizing process.					
3	Affinity towards the organization increased after downsizing					
4	Post downsizing, survivors have positive attitude towards the company					
5	Adopted the new skill set by upgrading hands on knowledge					
6	Efforts are taken for self learning by individual employees					

FACTOR 3 – CAREER ADVANCEMENT OPPORTUNITIES

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Survivors need to try new skill sets for career advancement					
2	Career advancement training opportunities post downsizing are encouraged					
3	The chances of promotion are better than before					
4	I can achieve my personal goals in this company					

FACTOR 4 – COMMUNICATION

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Company clarified its expectations from survivors					
2	Incomplete communication between management and employees created a gap amongst them					
3	I believe that my company has an honest, open and straight forward communication.					
4	Company has multiple and open channels for communication across the hierarchy					

FACTOR 5 – MORALE

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am skeptical about future.					
2	Increase in work load					
3	Post the change adverse emotions affect the deliverables					
4	Survivors will feel stagnated					
5	Increased Health issues due to stress					

FACTOR 6 – OPERATIONAL

Sr. No	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Rejection percentage decreased during Manufacturing/Production					
2	Cost of Production Decreased after Downsizing					
3	Optimization of time is achieved in delivery					
4	Factory accidents have decreased after downsizing					

Q.5) (√) mark your opinion in terms of employee productivity after downsizing.

Productivity Factors	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Work related Productivity	I am not able to achieve target work					
	Errors in task/work have increased					
	Gap in expected result and actual result has increased					
	Doing extra work apart from my regular work.					
Time	I am completing my task within time					
	There is a gap between expected time to complete the task and actual time required					
	Increase in overtime due to excess work load					
Use of Resources	Completing the task in available limited resources					
	Extra resources required					

Q.6) (√) mark the Impact of downsizing on following factors

Productivity Factors	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Recruitment	Cost of recruitment has increased					
	Increase in recruitment through internal sources					
	Candidates with multi skill sets are preferred					
	Top level management recruitment has stopped					
Training	Increase in On-job training					
	There is more emphasis to increase the skill set					
	Training frequency has increased after downsizing					
Compensation	There is no change in compensation after downsizing					
	Compensation of senior managers has increased.					
	There is an increase in monetary incentives after downsizing					
Performance Appraisal	Frequency of performance appraisal increased after downsizing.					
	Modern methods of appraisal introduced in the organisation.					
	Reward scheme introduced after downsizing.					
	Any Innovation Award received by you so far					
	Receiver of 'Best Performer Award' post restructuring					

Q.7) Following are the impact of Downsizing on personal attributes. Rate them appropriately.

Sr. No.	Personal Attributes (Psychological)	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Increased Anger					
2	Depression					
3	Increased Fear					
4	Feeling Unfairness					
5	Reduced Motivation					
6	Level of Stress and Fatigue has increased					
7	Low Morale					

Q.8) (✓) mark your opinion on following statements about downsizing.

Sr. No	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Downsizing helped to fix the organisations problems.					
2	Downsizing was implemented with fairness and equity.					
3	Performance of the organisation has significantly improved after downsizing.					

Q.9) (✓) mark the following as an effect of downsizing on individual employee performance.

Sr. No	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Downsizing helped to improve employee performance					
2	Decreased absenteeism					
3	Increased employee assignment					
4	Improved employee accountability					
5	Improved loyalty towards organization					
6	Improvement in discipline					

Q.10) (✓) mark your opinion regarding improvement in organisational performance due to downsizing.

Sr. No	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Decrease in cost of production per unit					
2	Increase in market share					
3	Increase in sale					
4	Increase in overall business					
5	Increase in profit					

Q.11) After the downsizing do you see any productivity enhancement due to automation?

- 1) Yes, Potential productivity enhancement observed
- 2) To some extent it has been observed
- 3) Not yet, but may reflect in coming time
- 4) No productivity enhancement observed at all
- 5) Zero chances of any further productivity enhancement

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Q.12) Do you see yourself in the same organisation for next five years?

Yes

Not Sure

No

Q.13) Kindly rate your job security in the organisation after downsizing.

Very insecure

Somewhat insecure

Not Sure

Secure

Fully Secure

Q.14) Your overall satisfaction towards downsizing process implemented by your organisation.

- Fully Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Fully Satisfied

Q.15) Express your opinion about the downsizing in your company with probable solutions.

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“The researcher personally would like to thank you for your every second invested in our research”
