A Study on Behavioral Responses of Survivors As A Result Of Downsizing and Its Coping Strategies

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Abstract: *While downsizing, understanding behavioral responses of the survivors are as important as the financial implications for the organization's future competitiveness. The purpose of this article is to understand the survivor syndrome and the recommendations needed to follow while downsizing i.e. before , at the time of downsizing and after downsizing practice implemented to manage the survivor insecurity and performance. This article explains the survivor coping strategies i.e. problem focused coping strategy and emotion focused coping strategy and their predictors like training, job stability, work overload, perception of fairness, attitude, participation decision making etc.*

I.   Introduction

Research on the effects of downsizing has focused on several levels including the global, organization, and the individual. However, this research, at the individual level, focused specifically on the effects of downsizing on the survivors of the organization. Downsizing refers to activities undertaken by management to improve the efficiency, productivity, and competitiveness of the organization by reducing the workforce size. Many researchers explain the types of response we can expect from survivors of a corporate downsizing. The possible attitudes and behaviors due to downsizing are of particular interest to managers, because managers will inevitably face a workforce at least partially staffed with survivors of downsizing activities.

II.   Literature Review

The number of organizations and jobs affected by downsizing has been stagger/ing. More than 85 percent of the Fortune 500 firms had downsized by 1994(Cameron,1994).In this scenario, the survivors who are left with the organization are expected to be highly committed and productive, but the organization can not assure job security. The survivor consider it as a breaking of the psychological contarct (robbinson and Rousseau,1994: and Morison and Robbinson ,1997).

Working life of today is characterized by continuous, and often extensive, changes. This restructuring process is due to different factors such as global competition, economic recession, new technology and transition from manufacturing to service production. In order to handle the situation, organizations are keen on minimizing their costs, and this has often resulted in organizational downsizing (Sverke & Hellgren, 2002). The consequences of downsizing are manifold, some employees lose their jobs, and those who keep their jobs (survivors) are expected to work harder/effectively and to cope with uncertainty about their future employment. Several studies indicate that downsizing can influence employees' health and well-being in a negative way (Hertting & Theorell, 2002; Isaksson & Johansson, 2000; Torkelson & Muhonen, 2003b). Stressful working conditions are considered as one of the underlying causes for the dramatic increase regarding long-term sickness absence in Sweden during the last five years. Several researchers have also suggested that women suffer more from work related health problems than men (Alexanderson & Östlin, 2001; Bildt, 2001; Davidson & Fielden, 1999). Women are also confronted with additional stressors such as conflicts between work and family responsibilities. survival might be even worse (Devine et al,2003)

III. What Is The "Survivor Syndrome"?

• "A set of attitudes, feelings and perceptions that occur in employees who remain in organizational systems following involuntary employee reductions." • Survivor "sickness" arises because employees feel violated by the layoffs of co-workers. From: Noer, D.M. Healing the Wounds: Overcoming the Trauma of Layoffs and Revitalizing Downsized Organizations (1993)
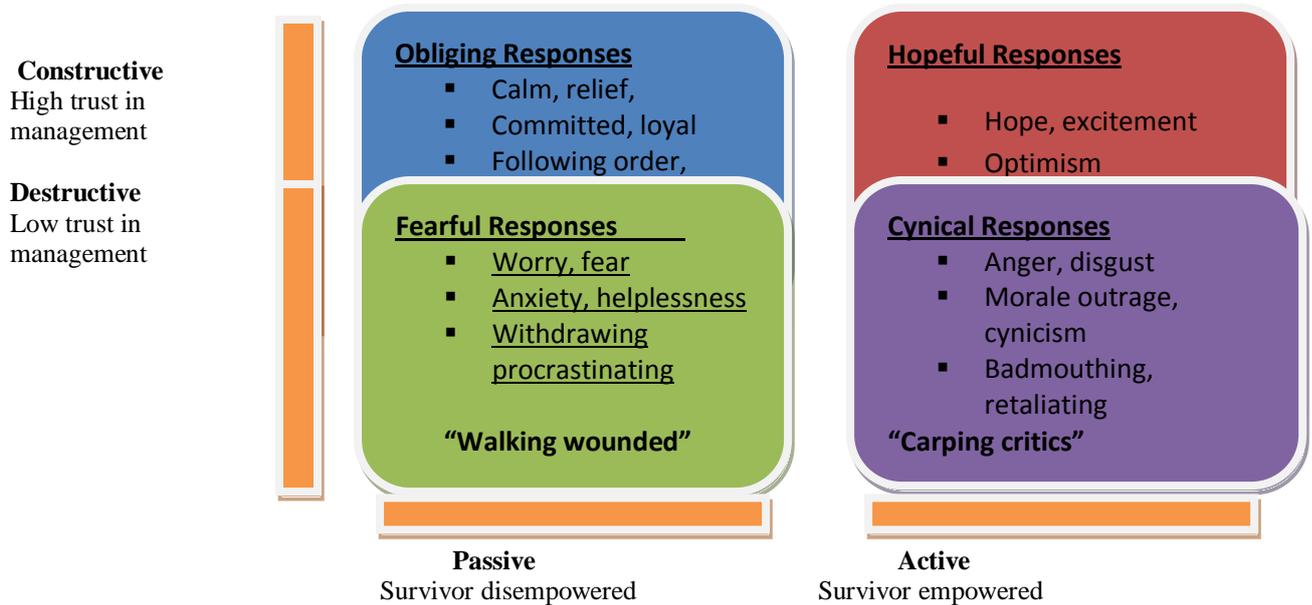
Typical Symptoms of the "Survivor Syndrome"
• Anger   • Guilt   • Reduced risk-taking
• Depression   • Job Insecurity   • Reduced motivation
• Fear   • Unfairness   • Resentment

• Distrust   • Stress & fatigue   • Health problems
• Helplessness   • Low morale

Survivor responses to downsizing

We identified four archetypes of survivor responses to downsizing. Survivors who have a low degree of trust in their managers and who feel disempowered will exhibit fearful responses, withdrawing from work because of worry and a sense of helplessness. If survivors have a high degree of trust in management but aren't emplowered, they will obligingly go along with whatever they're told to do but refrain from taking any initiative on their on their own. If survivors hav a high degree of empowerment but a low degree of trust in management, they will be cynical, angry and even outraged and exhibit retaliatory behaviors. We have found that only if survivors have high degree of both trust and empowerment are they opt to be hopeful, optimistic and willing to engage actively in solutions to improve the organization

Constructive
High trust in management

Destructive
Low trust in management

Obliging Responses
- Calm, relief,
- Committed, loyal
- Following order,

Hopeful Responses
- Hope, excitement
- Optimism

Fearful Responses
- Worry, fear
- Anxiety, helplessness
- Withdrawing procrastinating

"Walking wounded"

Cynical Responses
- Anger, disgust
- Morale outrage, cynicism
- Badmouthing, retaliating

"Carping critics"

Passive
Survivor disempowered

Active
Survivor empowered

Six major reactions to downsizing that can have significant negative impact on the organization
- **Reduced risk-taking:** This usually takes the form of reluctance to take on new challenges or introduce new products or ideas, and fear of proposing changes.
- **Lowered productivity:** Survivors tend to become consumed by seeking information and reassurance rather than productivity.
- **Thirst for information:** Noer describes an unquenchable need for any type of information, whether formal communications or through the company grapevine.
- **Blaming others, usually management:** Everyone is looking for someone else to blame. It is the opposite reaction from a sense of empowerment, i.e., someone else is in control, someone else is to blame. Typically, everyone looks "up" in the organization for fault-finding.
- **Justifying the need for a layoff:** In order to live with themselves, typically a group of survivors tries to justify the layoff decision. These are generally the people who took part in the decision-making process- managers and human resource people.
- **Denial:** A common response is to deny the feelings of layoff survivors. It is particularly common among upper managers to deny the feelings of fear, insecurity, sadness, frustration, etc. typical of the survivor syndrome.

The specific recommendations below flesh out these ideas.
Before the Downsizing
- Over communicate- about plans, about the competitive environment, about the need for change
- Prepare supervisors and managers for the layoffs
- Enlist managers who will remain – let them know how important they are to success
- Ask them for ideas in dealing with survivors – even their peers
- Train them to handle communication with their people. Although they will need to dramatically increase communication, studies show that they often decrease communication before, during, and after downsizings

because of discomfort and guilt. Help them see the advantage of being straightforward and supportive. Model this behavior.

During the Downsizing
- Do it quickly. Get it over with, and, if possible, don't go through repeated downsizings.
- Do it fairly. There is often an inherent contradiction between these first two recommendations that creates more problems. Fair procedures (ratings, etc.) are often lengthy, dragging out the process and dragging the organization down. Also, procedures that are seen as most fair (e.g., early retirement) may take away just the key players you need to keep.
- Find ways to deal with rumors. Some organizations have used bulletin boards and E-mail to deal with rumors. Let people post any rumor they hear. Respond to it immediately.
- Again, over communicate. Give full information throughout the process. Information gives a feeling of control, and control reduces anxiety and insecurity. Remember that there is an almost insatiable need for information, and that information unsupplied will be invented. Further, the information invented is usually negative: management is seen as guilty until proven innocent.

After Downsizing
- Assess the survivors – have a clear knowledge at all times of mood, morale, energy, commitment, etc. Such knowledge is essential for planning interventions that will generate the culture you want.
- Work to increase security, not by promising a job, but by:
- providing information
- Increasing involvement
- Helping people become responsible for themselves, in charge of their own career.
- Over communicate. Provide information about:
- Vision and strategy for the company – keep it simple and very focused
- What is being done for layoff victims
- Business realities (do this daily)
- Business results (do this daily)
- Increase involvement and control – give survivors an active role in creating the new workplace
- Ask constantly for ideas, both about dealing with the downsizing and about ways to run the business. Involve everyone possible in re-engineering efforts, and keep everyone apprised of what's being done.
- Get ideas from everyone on ways to build the new culture. Make the transition exciting.
- Where feasible, practice open book management.
- Decrease paternalism, entitlement thinking, and hierarchy
- Get rid of hierarchical language, perks, and displays. Avoid "surface only" changes (e.g., using the word associates while keeping the executive dining room).
- Look at everything with fresh eyes. For example, change the way benefits are discussed. Make them a tangible, clear portion of compensation.
- Real resolution of survivor issues requires culture change. Make the desired culture clear and exciting. To do this:
- Focus on a few changes and use clear measures to give the workforce feedback about how they're doing.
- Eliminate low value work (a daunting task for a bureaucracy – you'll face plenty of unconscious resistance, even personal resistance).
- Tell success stories in conversation, in public forums, and in internal publications.
- Cross-pollinate: bring in executives and other managers from other divisions or from totally different industries.

Coping Strategies
Besides a sense of empowerment, intrinsic job satisfaction, organization loyalty, and counteracting the negative effects of intent to quit, research indicates that effective coping strategies have a positive influence on survivors of downsizing. Armstrong-Stassen conducted a longitudinal panel study on survivors' coping strategies during downsizing (2006). She examined coping strategies used by managers in two Canadian federal government departments that underwent a large-scale organizational downsizing (2006). The Canadian federal government announced in 1995 that they were planning to eliminate 45,000 civil service jobs over the next three years. The two departments targeted by the Treasury Board of Canada were actually reducing 20 % of their workforce. The downsizing eliminated approximately 39% of all executive positions, and in one department alone, the company eliminated 52 executive-level positions.

Control-oriented / problem - focused Coping strategies

The Armstrong-Stassen study focused on two types of coping strategies, control-oriented coping and escape coping. For the purposes of her study, Armstrong describes control oriented coping as "represented by positive thinking coping, direct action coping, and support seeking." Support seeking means that the employee tries to get informational or emotional support from others (2006). Usually, support seeking involves the employee receiving support from immediate supervisors. Employees who practice control oriented coping tend to focus more on their present job, and they spend more time in dealing with issues associated with that job rather than attempting to escape. Direct action coping means the person directs more attention to solving one's problems on the job, thus giving more attention to the current job.

One should notice that direct action coping strategies can apply to stress in many areas of life, not just work-related stresses. For example, stress in one's relationships is dealt with more effectively if one gives attention to the current relationship(s), rather than seeking new relationships or avoiding the problem at hand, especially if the relationship involves a spouse or family member.

Escape / emotion focused coping strategies.

On the other hand, escape coping comprises avoidance of the problem at hand. Armstrong-Stassen defines avoidance coping as "putting one's attention on other things and avoiding thinking about the problem at hand." Escape coping "comprises avoidance coping, disengagement, and job seeking coping" (2006). She defines disengagement as withdrawing and putting less effort into one's job. Job seeking coping means actively looking for a job elsewhere, thus one takes his or her attention off the situation at the current place of employment (2006). In other words, employees who practice escape coping tend to focus less time on their jobs. Her findings are similar to those of Ugboro (2006) who describes the intent to quit perspective that many survivors adopt when they begin to think of quitting and looking elsewhere for a job. Armstrong-Stassen refers to this mindset as job seeking.

The escape coping strategies apply to other stress related situations, not just those involving one's job. Just as direct action coping strategies help the stressed employee deal with the current situation, escape coping strategies can interfere with effective handling of stressors in other areas of one's life, not just job related situations. For example, stressful relationships can improve if the parties involved apply direct action coping strategies in handling the problems in the relationship. Escape coping strategies tend to hinder any possible resolutions because the parties involved do not put effort directly into resolving the problems.

Coping strategies also categorized into four other categories. They are
1. Avoidance / Resignation Coping Strategy
2. Direct Action Coping strategy
3. Help Seeking Coping Strategy
4. Positive thinking Strategy

Effects of Coping Strategies

Of the two types of coping strategies, control-oriented coping appears to yield the most productive results for employees. Earlier research tends to bear this idea out. Escape coping appears to be associated with negative results similar to the intent to quit and voluntary turnover described by Ugboro (2006). Positive results are more often associated with control-oriented coping (Armstrong-Stassen & Cameron, 2003b; Armstrong-Stassen et al., 2001; Tyson, Pongruengphant, & Aggarwal, 2002). As the downsizing process unfolded, those employees who did not use escape coping, but used control-oriented coping strategies, used the most effective strategies for dealing with the downsizing and resorted to the less effective escape coping. From the results of this study, Armstrong-Stassen determined that HR managers who promote control-oriented coping strategies, tend to help employees avoid escape coping, have a sense of empowerment, and deal with the trauma of downsizing more effectively. Therefore, HR managers can help survivors adjust to downsizing if they create an environment that helps them develop control-oriented coping strategies (2006).

Organizational Coping Resources

Although the purpose of writing this hub is to provide information on coping strategies for life's stresses, especially those that are job related, those who have leadership positions in an organization have a great deal of power to help employees deal with stress, particularly stress related to downsizing. If administrators, especially human resource managers, will consider the research related to downsizing, they can not only help employees through stressful times, but these managers can also make the company stronger. Strong, productive employees are the result working with managers who allow the employees to feel a sense of empowerment in their jobs.

The success of implementing coping strategies depends to some extent on the organization's coping resources. Some of these organizational resources include perceived support from one's immediate superior, perceived organizational support, and affective commitment to the organization. The Armstrong-Stassen study measured these perceived organizational forms of support in her research. Researchers measured survivors' perceived lack of potential for future job success and survivors' level of escape coping. The findings indicate that helping employees adjust to downsizing includes helping them develop control oriented coping strategies by seeking help from their superior and other departments in the organization. Employees who sought help and saw the organization as a source of support engaged less in escape coping and invest more energy and time into the job (Armstrong-Stassen, 2006).

Real Life Applications

If you are going through stress in a situation that is not job related, consider the principles presented here. They apply in most of life's situations. First, do whatever you can to have some control over your situation, and if you work with others and have the ability to give others a sense of empowerment, do so----the result will be a better relationship, whether work related or personal. Next, determine to use direct oriented coping strategies. It's true that we all need to spend time away from stressful situations for a time---escape coping. However, the "escape" should be minimal and should not interfere with dealing with the situation at hand and finding a way to work through the current problems. These principles apply in most of life's situations with most people

IV. Conclusion:

In the present IT scenario almost all the companies are implementing downsizing practice to reduce manpower cost. But when they removed some employees from the company the survivors who are left with the company will faced so many behavioral changes like stress, health problems, job insecurity, anger, anxiety and so on. Due to the fear of job loss. The survivors who are left with the organization are expected to be highly committed and productive. Based on their reactions to layoff strategy, survivors will cope up with the organization either by escaping or avoiding the situation or by focusing on the problem. It is very important for every organization to make the survivor understand the reasons for downsizing practice, to create the trust in management and think for the strategies to motivate the survivors towards committed job performance.

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