Downsizing: Causes, Effect, and Strategies, A Conceptual Approach

Dr Anekwe Rita Ifeoma[1], Dr. Nwanah Chizoba Patience[2]
[1]Nnamdi Azikiwe University, Nigeria
[2]University of Nigeria

ABSTRACT: Downsizing has recently become an increasingly important issue that needs to be addressed toensure fair employment practices. Companiesworldwide have used downsizing to improve organizational competitiveness, profitability, effectiveness, efficiency as well as to reduce the size of their workforce.Downsizing as a strategic managerial tool has become an increasingly common phenomenon in the business world today. Downsizing is a systematic reduction of the workforce through a set of activities by which an organization aims to improve the efficiency and performance of the organization. Human relation theory by Elton Mayo was adopted. The study is conceptual in nature which seeks to examine the factors affecting downsizing, strategies for successful downsizing, consequences of downsizing, and method of downsizing. It was recommended that organisation should ensure that they provide more information to employees regarding the implementation of downsizing in their organisation so as to provide a sense of transparency to employees

KEYWORDS: Downsizing, Organizational Performance, Competitiveness.

1.1 BACKGROUND OF THE STUDY

Downsizing represents a strategy implemented by managers that affects the size of the firm's workforce and its work processes. Downsizing is done to cope with the increased competitive pressure of globalization and demand for efficiency (Ugboro, 2006). Downsizing involves a deliberate reduction of the workforce via staff layoffs, attrition, early retirement, etc. Although almost inevitably linked with cost control, downsizing is not necessarily linked with business decline. An organization that is growing may choose to 'rightsize'. It can reduce the amount of work, as well as the number of employees doing it, by closing units, delayering levels of hierarchy, or removing functions (Guest and Pecci 2006). Downsizing as a strategic managerial tool has become an increasingly common phenomenon in the business world today. Downsizing is a systematic reduction of workforce through a set of activities by which an organization aims to improve the efficiency and performance of the organization (Heinze 2010).

The trend toward employee reductions for reasons other than job performance (i.e., downsizing) began in earnest during the early 1980s, when many firms found themselves in the throes of a significant economic downturn often in the context of declining revenues, downsizing during this period was driven primarily by managers' beliefs and expectations that downsizing could preserve profitability by enhancing organizational efficiency and reducing costs. Downsizing during this era was prompted by dramatic slowdowns in business, it was thought to be temporary in nature even after economic recovery; however, the ensuing years witnessed continued and significant job loss. This trend has, however, become a strategic weapon of mass cleaning adopted by most troubled organizations (DeWitt 1998, Freeman 1994). Since the 1980s, many organizations have downsized for different reasons such as global conditions, financial crisis, mismanagement, bankruptcy, high levels of competition, more organizations were known to have gone under before and after the recession, all increased the recourse to massive layoffs.

Downsizing has been in existence for a while now however, its effect on employee or organizational performance has brought mixed reactions in both developed and developing countries. This quagmire has led to uncertainty while considering downsizing as a tool for enhancing employee performance. Downsizing is one of the defensive strategies an organization can adopt to cut costs or to make the organization more productive and profitable. But the perceived outcomes might not be achieved in all organizations, which attempted to downsize their workforce because of disruptions in the workplace, which may result in stress, frustration, anxiety, and anger in survived employees' (Burne, 1994). Therefore, the study seeks to examine the factors affecting downsizing,consequences of downsizing,strategies for successful downsizing and method of downsizing.

Downsizing: Causes, Effect, And Strategies, A Conceptual Approach

2.1 THEORETICAL FRAMEWORK

Human Relation Theory: The theory was developed by Elton Mayo(1920).The human relations management theory belief that people desire to be part of a supportive team that facilitates development and growth. Therefore, if employees receive special attention and are encouraged to participate, they perceive their work has significance, and they are motivated to be more productive, resulting in high-quality work. The human relations theory emphasized the need for a clear understanding of the importance of human attitudes, capacity, and abilities in terms of organizational effectiveness. The theory enlightened the management based on the idea that employees are motivated not only by financial reward but also by a range of social factors (e.g. praise, a sense of belonging, feelings of achievement, and pride in one's work). The theory holds that attitudes, relationships, and leadership styles play a key role in the performance of an organization. Elton Mayo's Hawthorne studies proved that the factor most influencing productivity is relationships. It was realized that productivity increased due to relationships and being part of a supportive group where each employee's work had a significant effect on the team output. As a side result, the researchers noticed that the increased attention the workers received by the researchers increased motivation and productivity, which resulted in what is the Hawthorne Effect. The result of the studies regarding human relations in the workplace shows that people want to have a sense of belonging and significance while being treated with value and respect. Treat an employee with respect and value, and their productivity and quality increase to support the organizational team. The belief that human relations are the best approach for improving productivity persists in many organizations today. Human relations theory is also known by various names like Humanistic Theory, Neoclassical theory. The theory is relevant to the studybecause it gives new insight into the human aspect at the workplace and thus, helps retain the best employees as well as motivate them to dedicate all their effort to acquire the organizational goals. Downsizing eliminates redundancies and reduces employment costs, many executives believe that this practice helps firms to compete efficiently and improve profitability the objective of human relations is to ensure positive relationships among staff within an organization and between the organization and the working environment.

2.2 FACTORS AFFECTING DOWNSIZING

Downsizing as a phenomenon is attributed to various factors. These factors were explained by many researchers like (Budros, 1999; Dewitt, 1993) who had many perspectives on reasons which forced companies to dismiss their employees. A more detailed review of these factors is presented below:

Some authors believed that technological advancements and innovations were the driving factors causing downsizing to occur; Budros (1999) perceived downsizing as a form of organizational innovation which refers to new internally integrated systems, policies, or programs that can be procured or created within the organization which firstly implement them. As downsizing includes radical changes in organizational structures and hierarchical processes, so it could be considered an innovation system. It is a strategy adopted by many firms which believe it is the best way to improve their productivity, efficiency, profitability, and productivity (Budros, 1999; Carbery and Garavan, 2005). The same aspect was mentioned by Appelbaum 1999 who stated that technological advancement and innovations are major factors that affect firms' tendency to cut off their personnel due to increased global competition.

However, the impact of technological advancements and organizational innovation nowadays is different from how it was years ago. Years ago, technology led to an increased tendency to hire new workers, but nowadays it leads to laying-off employees. This contradiction is not driven by the technology developed but is rather driven by the fact that some tasks which were previously done by employees who used to gather, analyze, and share information are now done mainly by new communication technological means, therefore those workers are no longer needed. Meanwhile, Cross and Travaglione (2004) stated that "Downsizing has become one of the inevitable outcomes of operating in a global fierce economy where continuous adjustments to products, services, and labor prices are needed to maintain a current existing competitive advantage by companies which have the desire to survive in a changing business environment, adapt to up-to-date technologies, and realize economies of scale. They stated that neither organizational decline nor declining profits were the only driving factors for downsizing. It was mentioned that organizations try to meet environmental conditions through outsourcing, temporary workforce employment, mergers and acquisitions, business process reengineering. These factors increased the reputation of downsizing as a strategic action (Tsai and Yen, 2008). Vermeulen (2002), states that organizations plan the elimination of positions or jobs for a specific reason or to attain a particular outcome. For instance, an organization would downsize its workforce due to deregulation with the objective of improved labour flexibility in the organization. According to Zakira (2013), environmental and organizational factors are the basis for organizations downsizing their personnel. The environmental factors include;

Economic slowdown/ recession:A recession is a general slowdown in economic activity in a country over a sustained period of time, or a business cycle contraction. The most prominent ground for downsizing in organizations is an economic downturn. Burden and Roodt (2015) explain that clients decrease their expenditure as a result of changes in market demands due to recessions.

Downsizing: Causes, Effect, And Strategies, A Conceptual Approach

Increased organization expenditure: When organizations experience increased costs of production downsizing of personnel may be done to meet cost requirements. Organizations could additionally allocate a reduced budget for salary or wages, subsequently offering current permanent staff new part-time permanent contracts with fewer benefits.

Technological advances: Downsizing of employees in many organizations are influenced by technological advances which may result in employee lay-offs due to redundancy of certain positions (Datta et al., 2010).

The organizational reasons for layingoff employees could include financial concerns of shareholders on their investments or the redesign of the organization to be consistent with charters, relevant to the organization, supporting black empowerment forces, forcing the organization to ensure better black representation (Burden & Roodt, 2015). Inefficient and ineffective processes in the organization that need to be addressed through redesigning the organization could result in employees being dismissed. Lastly, when a business is faced with budget constraints that prevent the organization from expanding or carrying the prevailing cost structure it forces the organization to cut costs and reduce the number of employees. Other several additional organization factors could influence downsizing including; poor performance of a financial business unit/s within the organization, management decision with regards to strategy on how to grow the organization through amalgamating with other organizations or expanding into new markets, merging departments due to duplication of functions, and a lack of profitability in the organization (Zakira 2013).

2.3 CONSEQUENCES OF DOWNSIZING ON ORGANIZATION AND SURVIVED EMPLOYEES

Researchers have come out with both positive and negative effects on organizational performance following a downsizing (Krishnan and Park, 1998), and "the promised payoffs of downsizing have been mixed at best". Cascio (1993) has found that, in many organizations, the anticipated economic benefits like lower expense ratios, higher profits, increased return-on-investment, and boosted stock prices fail to materialize. Similarly, other anticipated organizational benefits like lower overheads, smoother communication, greater entrepreneurship, and an increase in productivity do not develop. Hence, along with headcount reductions, the organization also ends up losing valuable organizational memory, knowledge base, and experience of the middle managers. De Meuse, Vanderheiden, and Bergmann (1994) concluded that firms that engaged in layoffs continued to fare worse in terms of financial performance than organizations that did not. In fact, after showing slight improvement in performance in the year immediately following layoffs, all the firms started showing progressively decreasing performance results and to a larger degree than firms that did not initiate layoffs. Sanghamitra and Leena (2015) have concluded that the financial costs associated with downsizing in the form of severance pay, rehiring laid-off employees as consultants as well as other non-financial costs like the loss of key talent, disappearance of crucial skills, disruption of organizational memory, loss of morale and trust of survivors along with reduced organizational commitment may be partly responsible for the unmet expectations from downsizing. With reduced hierarchies and decreased managerial headcount, downsized organizations are coming to depend more on trust and empowerment.

Scholars have found several negative responses exhibited by survivors of downsizing. The main problems that have been identified are lowered morale (Henkoff, 1990; Kets, Vries, and et al., 1997), an initial upsurge in productivity followed by depression and lethargy, a perceived violation of the 'psychological contract' (Turnley and Feldman, 1998), increased stress as a result of an increased level of uncertainty and ambiguity, the threat of job loss, denial or psychological distancing from the perceived threat, 'survivor guilt', lower commitment, increased absenteeism, turnover (Burack and Singh, 1995), decreased loyalty to an organization, fear of future cutbacks, stressed, demotivated, and unproductive workforce and diminishing expectations regarding prospects in the organization (Cascio, 1993). Labib and Applebaum (1993) have found that most downsizing exercises fail to effectively address the 'people factor' whereby the needs of the surviving employees are paid due attention. Managers in firms undergoing downsizing and corporate restructuring are much more likely to perceive a violation of their psychological contract by the organization. Perceived violation of psychological contract might lead to a decrease in the employees' commitment and enhance their intention to quit their jobs and to look for alternative employment. According to Kets, Vries and et al., (1997), top managers have been found to display various types of psychological responses including detachment, hostility, depression, absenteeism, feelings of guilt, increased stress associated with having to personally handle the laying off of previous colleagues and subordinates, and rationalization of their action by devaluing and blaming those they have laid off. Noer (1993) has found that survivors experience 12 different types of negative feelings (job insecurity, unfairness, depression, anxiety or fatigue, reduced risk-taking and motivation, distrust and betrayal, lack of reciprocal commitment, dissatisfaction with planning and communication, lack of strategic direction, lack of management credibility, short-term profit orientation, and sense of permanent change. Some other known consequences of downsizing on survivors are the impact it has on the social relationship of the employee both at work and at home (Farewell 2007). Determinants of downsizing usually link with job insecurity (Armstrong-Stassen 2002), role ambiguity (Shannon et al. 2001), role overload, added responsibilities (Johnson 2000; Buhler 2003), shifted positions, realign and demographic information. Empirical studies demonstrate that the effects of downsizing on survivors are more negative than positive (Grunberg et al., 2001).

Downsizing: Causes, Effect, And Strategies, A Conceptual Approach

Mostly survivor syndrome has become the most known effects of downsizing (Bashford 2004) which refersto the emotional and attitudinal characteristics of those who have survived a downsizing while survivor syndrome is the increased workload for remaining workers in the aftermath of downsizing. Some of the reactions are the survivors expressed grief for those who had been laid off, felt resentment and anger at employers for not giving them adequate time to say goodbye or acknowledge the loss. Moreover, Grunberg et al., (2001) reported that survivors with coworkers who were laid-off reported significantly more health problems and incidences of depression than those with no experience with layoffs. This agreed by Shah (2000), survivors had a profound impact watching how those laid off were treated. However, there are empirical findings that there does not exist such a survivor syndrome has presented an interesting view particularly for management (Baruch and Hind 2000).

2.4 STRATEGIES FOR SUCCESSFUL DOWNSIZING

Downsizing strategy selection is mainly rigid and is oriented toward reducing the effects of downsizing on terminated personnel. Downsizing strategies refer to the methods utilized to achieve the reduction. With regards to downsizing strategies, Cameron, et al., (1994) outlines three approaches. First, employee reduction strategies are intended to reduce headcount usually through redundancy. The workforce reduction strategy often referred to as the layoff strategy (Ryan & Macky, 1998), concentrates primarily upon the elimination of headcount and the reduction of the overall number of employees. It encompasses activities, such as layoffs, retrenchments, natural attritions, early retirements, hiring freezes, golden parachutes, and buyout packages. This strategy is frequently implemented reactively as a cost-cutting measure and may serve as a short-term response to declining profit. The workforce reduction is considered the most common downsizing strategy. The most well-known tactics for workforce reduction are push and pull strategies (Appelbaum et al., 2003). The same tactics were mentioned by Budros (2002) but with different terms; voluntary turnover referred to pull strategy, and involuntary turnover referred to push strategy. Voluntary turnover/ pull strategy occurs when employees voluntarily quit their jobs, it means there are no economic pressures but the social frame poses this action which occurs through offering some early retirement programs, and attrition opportunities, employees sometimes prefer voluntary turnover because it does not have those negative effects associated with involuntary lay-offs. On the other hand, involuntary turnover/ push strategy is about directly laying off employees because of their poor abilities or being faced by some pressures related to economic or social matters, these pressures make it more likely for the firm to engage in involuntary downsizing which is usually achieved through personnel layoffs, these companies are willing to maintain and keep their competitiveness in the market or realize cost reductions (Budros, 2002). Although work reduction strategies have some sought benefits like higher flexibility, and open communications, they are short-term benefits related to daily operations which might realize some cost savings.

Second, work redesigns strategies which include redesigning roles, hours, and organizational structures. Work redesign includes eliminating functions, hierarchical levels, divisions, or products, consolidating and merging units, and reducing the working hours, it encompasses activities, such as abolishing functions, eliminating hierarchical levels (de-layering), groups, divisions, products, redesigning tasks, consolidating and merging units, and reducing overall work hours. Organization redesign strategies are commonly regarded as being difficult to implement quickly as this requires some advanced analysis of the areas concerned (Cameron, 1994). Firms redesign their processes, procedures, and achieve flatter hierarchies through coordinating their departments and removing all extra uncritical divisions to improve operational efficiency and effectiveness. This simplifies the work structure within the firm. The changes undertaken by management are aiming at increasing the efficiency and effectiveness of the organization through improving its competitiveness and production.

Systematic strategies entail changing the organization's internal and external systems such as values, communication, production chains in terms of suppliers and customers. Systemic change strategies involve redefining downsizing as 'an ongoing process, as a basis for continuous improvement; rather than as a programme or target' (Cameron, et al., 1994).The systemic strategy is fundamentally different from the former two strategies in the sense that it appears to embrace a more holistic view of organizational change. Thus, downsizing ought to embrace all dimensions and aspects of the organization, including suppliers, customer relations, production methods, design processes, and inventories. The systemic strategy focuses primarily upon changing the organization's intrinsic culture and the attitudes and values of its employees (Luthans & Sommer, 1999). Hence, downsizing is viewed as a way of life and an ongoing, continuous, and incremental process. This strategy helps firms realize their desired benefits in terms of improved procedures and efficiency through eliminating redundancy within the firm. The organizational system is divided into internal and external operating systems through redesigning processes and procedures; the internal side is about employees and internal operation, while the external side is related to supply chain and the firm's external relations (Makawatsakul and Kleiner, 2003). It was mentioned by Appelbaum et al., (2003) that this strategy aims to create a new organizational culture including its employees' values and norms, integrating the firm as a whole system. Mishra and Mishra (1994) argue that the reliance on employee reduction as a strategy has a detrimental impact on organizational cost and quality, whilst the use of a work redesign and/or systemic change strategies has a positive impact on organizational cost and quality. Downsizing using the workforce reduction strategy has been regarded as the harshest way of improving efficiency, productivity,

and worker competencies because of its impact on both the leavers and survivors (Makawatsakuland Kleiner, 2003).The effectiveness of downsizing strategies is ultimately dependent on the reactions of both the survivors and leavers of the process. Thus, the survivors' behaviour is critical for the slimmed organization's effectiveness (Jeffrey 2011).

2.5 METHOD OF DOWNSIZING
There are several methods by which an organization can reduce the size of its workforce (Redman, 2001): this method includes;

Ill-health retirement: Since the 1990"s there has been a major increase in the level of ill-health retirement. It is argued that this is a consequence of the intensification of work and may also be associated with the increase of stress levels, resulting in a more long-term sickness.

Voluntary redundancy: This method of downsizing is increasingly being used by employers, even though it is expensive. Employees find this method attractive as the best employees leave because of the demand for their skills, whilst poorer employees stay because they are less marketable. Voluntary redundancy gives the employee a choice and this helps to deal with job loss. Voluntary redundancy is when an employer asks a member of staff to agree to terminate their contract, in return for a financial incentive. It is usually offered to more senior or long-term employees, although other employees can apply if they want to be considered.

Natural wastage: This method is seen as the most positive and human method of workforce reduction as it gives the employee a free choice in whether to leave or stay and thus it reduces the potential for conflict and employees feel powerlessness. Evidence suggests that this method could depress the workforce morale more than the short sudden approach of dismissal. This form of job loss is also much more complicated for employees and unions to resist because of its incremental nature (Redman, 2001).

Early retirement: Employees opting for early retirement are less likely to re-enter the workforce. There are several advantages of early retirement, as it is more socially acceptable to be retired than redundant. Last in first out (LIFO) redundancy selection criteria protects older employees by seniority, leaving them disproportionately vulnerable to enforced early retirement under employers' labour shedding policies.

Compulsory redundancy: This method is known as the last resort strategy for employers, as it leaves the employee with no choice of their dismissal. Decisions are made by the manager based on the needs of the business. Redundancy can also be held to occur in a lay-off or short-time situation. Lay-off is where an employee's employment ceases because the employer is unable to provide him with work and it is reasonable in the circumstances for the employer to believe that the cessation of employment will not be permanent and the employer gives such notice to the employee before the cessation. Short-time arises where there is a decrease in the employee's work so that the employee's pay is less than 50% of his normal weekly pay. if an employee has been laid-off or kept on short-time for four or more consecutive weeks or for a series of six or more weeks (of which not more than three are consecutive) within thirteen weeks, then the employee may be entitled to a redundancy payment (Richard, 2006).Redundancy is a form of dismissal from your job because the job itself is no longer needed. It happens when an employer needs fewer employees to run its business or services. This can be because there is less need for a certain type of work so the employer needs fewer staff and after a reorganization of work some jobs are no longer needed. Compulsory redundancy covers all cases including redundancy for employees past normal pension age. The notice period is set at six months.

CONCLUSION AND RECOMMENDATIONS
Downsizing improves performance in the shortrun because dismissals decrease expenses and thus improve profitability and liquidity indices, enabling industry dominance chiefly through a cost leadership strategy. In the short run, downsizing allows for creating the desired impression of the company's robustness, rapid response, and adaptability, irrespective of long-term financial results. Organizations worldwide have used downsizing to improve employee competitiveness, profitability, organizational effectiveness, efficiency as well as to reduce the size of their workforce. It was recommended that the use of a work redesign and/or systemic change strategies has a positive impact on organizational cost and quality therefore, an organization should use a workforce reduction strategy to improve efficiency, productivity, and worker competencies because of its impact on both the leavers and survivors.The human resources policies of the organizations should be based on careful forecasting, planning, auditing, and implementation. By doing this, it assumed that the actual number of required staff, within the limit of resources of the organization will be employed by the organization at different points in times thereby eliminating or reducing the incidence of arbitrary layoff. The organisation should ensure that they provide more information to employees regarding the implementation of downsizing in their organisation so as to provide a sense of transparency to employees. This will allow the employee to establish whether or not they need to find other employment and give them a sense of where they stand in the organization.Also the elements of downsizing need to be managed with sensitivity to ensure positive psychological outcomes for the survivors and positive economic outcomes for the organisation.

Downsizing: Causes, Effect, And Strategies, A Conceptual Approach

REFERENCES

1) Applebaum, S H; Simpson, R & Shapiro, B T (2003). "The Tough Test of Downsizing," Organizational Dynamics, 16(2), 68-79.

2) Armstrong, S. J., Mahmud, A . (2002). Experimental Learning and the Acquisition of Managerial Tacit Knowledge. Academy of Management Learning & Education,
Vol7(2): 189–208. Available online: http://amle.aom.org/content/7/2/189.full. [Accessed 2018, May 2]

3) Baruch, M.A & Hall, A (2000). Factors affecting employee's turnover intentions", the international journal of culture, knowledge and change management, 9(8), 53-64

4) Bashford, T.(2004).Performance of operational policy rules in organisational structure. Working paper. Carnegie mellon university: Tepper school of business. Buhler, K. (2003).Impact of employee commitment on organizational performance. Arabian journal of business and management review. 1 (3): 74-87.

5) Burack, E H & Singh, R (1995). "The new employment relations compact," human resource planning, 18(1): 12-19.

6) Burne J.A (1994). The pain of downsizing. business week: 60-69.

7) Budros, A. (2002). A conceptual framework for analyzing why organizations downsize. Organization Science, 10:69-82.

8) Bushra A.K & Roodt M.O (2015). Impact of downsizing on employee attitude and performance. Journal of independent studies and research 8,(1):157-165

9) Cascio, W. F. (1993). Downsizing: what do we know? what have we learnedacademy of management executive, 7: 95-104

10) Cameron, K. S. (1994). Strategies for successful organizational downsizing. humanresource management, 33: 189-211

11) De Meuse, Kenneth P; Vanderheiden, P & Bergmann, T (1994). "Announced layoffs: their effect on corporate financial performance," human resource managementjournal , 33(4), 509-530.

12) De Witte, H. (2005). Job insecurity: review of the international literature on definitions, prevalence, antecedents and consequences, south african journal of industrial psychology, 31(4): 1–6.

13) Freeman,S.J. & Cameron,K.S.(1993).Organizational downsizing: a convergence and reorientation framework. organization science, 4: 10-29

14) Farwell, R.M. (2007). The effects of globalization and corporate downsizing on employee health. Lakehead University (Canada): ProQuest LLCGuest D, Pecci R. (2006). Employee involvement: redundancy as a critical case', human resource management journal, 2(3): 34-59

15) Henkoff, R (1990). Cost cutting: how to do it right. Fortune, 121(8), 40-49

16) Heinze, D (2010).Context of consistency in absenteeism: studying social and dispositional influences across multiple settings. Human Resource Management Review, 12: 203-225

17) Jeffrey K. (2011). Organisational downsizing and its impact on leavers and survivors: the case of the reserve bank of Zimbabwe. Journal of emerging trends in economics and management sciences. 2(4):264-26

18) Johnson, P. (2000). Employee commitment and well-being: a critical review, theoretical. Journal of Vocational Behavior. 12(8):12 -16

19) Kets de Vries, M .F & Balazs, K (1997)."The downside of downsizing," human relations, 50(1), 11-50.

20) Makawatsakul, N. & Kleiner, B. H. (2003). The effect of downsizing on morale and attrition. Management Research News, 26 (2) 52 – 62

21) Mishra A.K, Mishra K.E. (1994). The role of mutual trust in effective downsizing strategies. Human Resource Management 33: 261–279.

22) Noer DM (1993). Healing the wounds – overcoming the trauma of layoffs and revitalizing downsized organizations. SanFrancisco: Jossey Bass Richard W. (2006). An overview of redundancy law in ireland. head of the employment law and benefits unit mason hayes curran Shah, F. (2000).''The Effect of Job Security on the Perception of External Motivational Tools: A study in Hotel Business''. Journal of Economic and Social Studies,1(2), 33-67.

23) Shannon, S. & Sinha, A.(2001). ''Employee turnover in banking sector: empirical evidence''. Journal of Humanities and Social Science, 11(5), 57-61.

24) Tsal, W H & Yen, D C (2008). "Psychological contract violations during corporate restructuring, "human resource management,37(1), 71-83.

25) Ugboro, J. T. (2006).Competency-based approach to human resources management. Journal of operational management, 30: 221–236.

26) Vermeulen A.H.(2000). "Assessing Psychological Contracts: Issues, Alternatives and Measures," Journal of Organizational Behavior, 19, 679-695.

27) Zakira S. (2013). The impact of downsizing on the remaining employees in the organization. world applied sciences journal 25 (6): 564-670,