THE EFFECTS OF WORKPLACE RESTRUCTURING ON JOB

SATISFACTION

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MINI THESIS

SUBMITTED AS PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS OF ADMINISTRATION IN THE FACULTY OF ECONOMIC AND MANAGEMENT SCIENCES OF THE
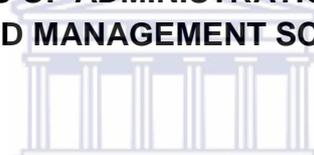
UNIVERSITY OF THE WESTERN CAPE

NOVEMBER 2014

SUPERVISOR: DR. LEON BOSMAN

DECLARATION

I declare that "The effects of workplace restructuring on job satisfaction" is my own work, and has not been submitted before for any degree or any other examination at any other university, and that all the sources I have used or quoted have been indicated and acknowledged as complete references. It is submitted for the degree of Magister of Administration at the University of the Western Cape.

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Date: November 2014

Signed…………………………………………………

ABSTRACT

This study has been conducted before when the company in question underwent a restructuring (name change) but did not threaten the loss of jobs. This study is being conducted again because another restructuring has taken place over the period of 2011/2012 and involved the retrenchment of employees nationally. The company represented in the study is one of the largest cleaning companies in South Africa and has a very broad and influential client base. They are in high demand in the cleaning industry and have positively impacted many companies and organisations over their many years of existence. Because of the magnitude of the workplace restructuring this time around, more people have been affected (both those who were retrenched as well as those who were left behind).
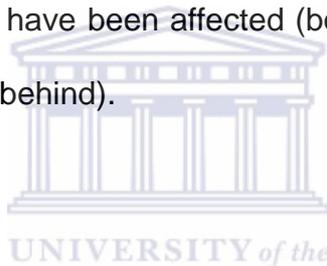
According to Vermeulen, 2002, "Downsizing" is a term that emerged in managerial circles and was used in the business press, but no precise theoretical formulation underpins any clear definition of the term. When hearing the term downsizing, one often will use this together with the term "laying-off" interchangeably. However, some authors will focus on different elements of downsizing for example in reporting on a comprehensive study of downsizing in American industry, Cameron, Freeman and Mishra (1993) limited the term's use to a programme which is an intentional process. This process involves an overall reduction in personnel with a view to improving the efficiency of the organisation. The process wittingly or unwittingly affects work processes at the organisation concerned.

According to Hellgren, et al (2005), the attitudinal constructs investigated in this study were job satisfaction, job involvement, organisational commitment, and turnover intention. Job satisfaction represents a general affective response to the overall job situation. Following Locke (1976, p. 1300), we define job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience".

...employees who survived downsizing were likely to experience high levels of stress and decreased levels of organizational commitment and motivation. These individuals are often known as the "victims" of downsizing due to research that documents the devastation of job loss, focusing on negative consequences in terms of psychological and physical well-being (Bennett, Martin, Bies, & Brockner, 1995; Cappeili, 1992; Fallick, 1996; Leana & Feldman, 1992).
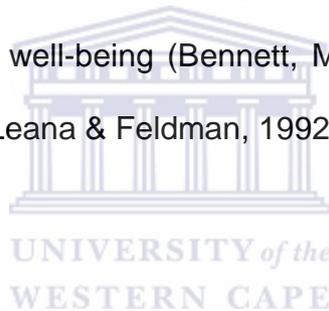
This study inevitably aimed to prove that workplace restructuring very well has an effect or impact on an employee's job satisfaction, whether these effects were positive or negative. The findings of the study highlighted significant positive correlations between the two variables and highlights strong relationships between employees' career advancement opportunities and job satisfaction; trust and job satisfaction, communication and job satisfaction, as well as employee commitment and loyalty and job satisfaction whereas trust (2) or employee morale seem to have no significant relationship with job satisfaction.

KEY WORDS

Downsizing, communication, job satisfaction, change management, participation, workplace restructuring, managing resistance to change, organisational change.

ACKNOWLEDGEMENTS

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

Firstly, I would like to thank my Lord and Saviour Jesus Christ for giving me the strength, endurance and perseverance to keep pushing through until the very end and completion of this thesis. I could not have done this without Him.

To my husband Jovahn Parenzee who stood by me and gave his unconditional love and support throughout this season of my life. Thank you for always believing in me, you've been my rock.

To my parents Ivor and Ruth Nober for constantly pushing me and encouraging me to continue believing in myself and my abilities to finish off strong. You believed in me when I had given up already and for this I thank you.
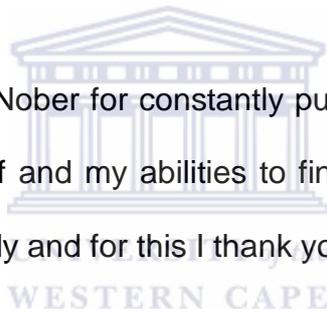
To all my extended family for the words of encouragement during my studies and for keeping me in your prayers.

To my mentors, colleagues and friends, for their continued support and encouragement that kept me grounded.

To my supervisor, Dr Leon Bosman, for his support, guidance and patience during the journey I've been on in completing my thesis. I have learned so much from you.

To Dr Bright Mahembe, thank you for your statistical support, assistance and encouragement. You are truly inspiring and your selfless nature has impacted me in a huge way.

To Desiree Hamman-Fisher, thank you for the support given at the beginning and the end of writing this thesis. I do appreciate you so much.

To Sedicka Cassiem, you have been nothing sure of amazing in your support and the assistance you gave me to ensure that I graduate. I'm grateful to you more than words can say.

To the management and staff of my previous organisation where I conducted my study, thank you for your participation and support.

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Contents

List of Tables

List of Appendices

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CHAPTER 1

PROBLEM STATEMENT AND AIM OF THE RESEARCH

1. 1 Introduction

The increasingly competitive and changing business environment has provided it imperative for organisations to continually search for strategies that could ensure their survival. Zupan and Ugrojensek (2004) state that phenomena such as globalisation, economic instability and changes in information technology have presented significant challenges in organisations; hence, the pressing need for organisations to constantly reinvent ways to ensure their sustained ability to compete. Vermeulen (2002) surmises that a few of the main reasons for an organisation's decision to downsize are increases in labour costs changes in technology and government policy.
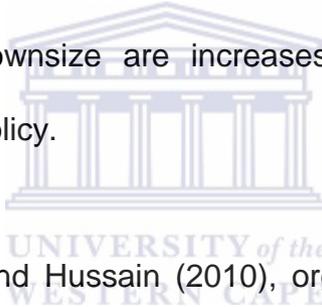
According to Malik, Ahmad and Hussain (2010), organisations have used various management tools and interventions – including reengineering, mergers, acquisitions and outsourcing – to cope with this increased instability in their operating environment. Organisational downsizing – as one of the interventions – has been used in organisations to decrease costs and increase competitiveness. Ndlovu and Brijball (2005) state that organisations are shifting boundaries and have to align themselves with the ever changing global environment on a constant basis. As a result, organisations need different strategies to achieve their goals. In this regard, many organisations implemented some processes of restructuring in order to streamline their operations and to achieve required cost savings to ensure their continued competitiveness (Ngirande, Terera & Mutodi, 2014). Downsizing – as a form of organisational restructuring – has become one of the favoured strategies; the

main aim being, to decrease operational costs and to increase an organisation's overall competitiveness (Vermeulen, 2002).

According to Chew and Horwitz (2002), organisations have increasingly adopted cost competitiveness measures to increase performance as a result of globalisation. Budros (1999) refers to "downsizing" as "an organisation's conscious use of permanent personal reductions in an attempt to improve its efficiency and/or effectiveness". Mirabal and De Young (2005) refer to organisational downsizing as a set of activities, undertaken on the part of management of an organisation, to improve organisational efficiency, productivity and/or competitiveness, and thus, an improvement in an organisation's overall performance. However, some research results (Lewin & Johnston, 2000; Macky, 2004; Madrick, 1995) suggest that attempts to downsizing an organisation have not always generated the desired outcome as originally expected. In such an event extra pressure is automatically then placed on the employees who remain with the organisation to make sure that productivity continues to prevail in a downsizing situation (Drummond, 2000).

Chambers (1999) refers to the so-called "iron rice bowl". This is a Chinese term used to refer to an occupation with guaranteed job security as well as steady income and benefits. However, in South Africa – because of a constantly changing working environment – the "iron rice bowl" can no longer be offered by multinational firms. Numerous researchers (Matawtsakul & Kleiner, 2004; Yu & Park, 2006) have commented on the negative side of downsizing. According to Yu and Park (2006) downsizing has a disruptive effect on existing social networks in the organisation. On the contrary, those employees who are unaffected by downsizing (i.e. "survivors")

have to adapt to new forms of the organisation, and new patterns of work (Guiniven, 2001).

South African organisations have also been affected by the downsizing phenomenon and they too had experienced both economic and political instability. These changes have subsequently led to restructuring or downsizing exercises in order to remain competitive (Ngambi, 2001). According to Ngambi (2001) the term restructuring has become synonymous with the term retrenchment in organisations in South Africa. Longe (2013) states that – although organisational downsizing's main aim is to reinvent and revitalize an organisation – it often has a negative impact on the existing work attitudes of employees in organisations. According to Baruch and Hind (2000) survivors of an organisational downsizing process often display negative work-related behaviours and attitudes such as demotivation, cynicism, insecurity, and demoralisation and significantly lower levels of commitment. Ogundele (2005) states that workplace attitudes in organisations are interrelated beliefs of individuals around a common focus and predisposition to respond in certain ways to work situations. This implies that it would be almost impossible to implement any form of workplace restructuring - of which downsizing has become a favoured option – without impacting (either negatively or positively) on employee's attitudes within the organisation.

In view of the aforesaid, it would be therefore be appropriate to investigate the effects of workplace restructuring – and more specifically downsizing on employees' perceived levels of job satisfaction.

1.2 Problem Statement

On the international front – and more specifically South Africa - industries struggle to remain competitive because of - amoungst others – issues such as fluctuating inflation rates, unstable interest rates, globalisation.

The cleaning industry is an industry which is extremely competitive with cleaning companies competing for the same clients. To add to the pressure, the industry is quite labour intensive and therefore also demands a competitive edge. This has resulted in the organisation participating in this study, facing many severe financial challenges in the recent past. Due to their financial challenges the participating organisation experienced a restructuring in 2010, following a merger. However, this restructuring process did not result in any job losses. A second restructuring took place in 2012 which resulted in the downsizing of staff and reduction of employees in the Company on a National level.
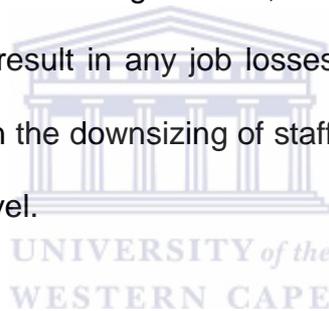
This resulted in "survivors" either having to be moved to other departments and doing something completely different to what they were used to or having to take on additional roles which was once occupied by their colleagues who had been "laid-off".

1.3 Rationale for this study

In the ever changing global economy, organisations – whether big or small – experience downsizing, workplace restructuring, merging and the like. This could be due to a whole host of reasons ranging from times of recession to competitiveness. The Company under investigation was forced to restructure by using downsizing as

method to do so. This was so they could remain competitive in the market. This study is aimed at investigating whether the workplace restructuring which took place had any effect on the employees' perceived job satisfaction.

1.4 A Brief Overview of the Company

Burke and Cooper (2000) (cited in Hellgren, Naswall & Sverke, 2005), state that there has been a dramatic increase in the number of companies choosing to down size, restructure their company, close down or merge with other companies. One of the most common strategies used by organisations to improve their competitive edge and effectiveness would have to be permanent redundancies and proposals of early retirement in terms of organisational restructuring (Cameron, et al, 1991; Kalimo, Taris, & Schaufeli, 2003).

Because of the magnitude of the workplace restructuring this time around, more people were affected (both as employees being retrenched as well as the survivors, that is, those who remained with the organisation. As a result of this workplace restructuring, the question was: what would be the effect of the workplace restructuring on the job satisfaction as perceived by the staff. Hellgren, Naswall and Sverke (2005) suggest that employees who are left behind within the organisation after downsizing are usually referred to as so-called "survivors". A review of existing literature on downsizing by Kozlowski, Chao, Smith, and Hedlund (1993) indicated that - in order for any downsizing strategy to be effective - the "survivors" thereof should still react positively to the process. It further indicated that the behaviour and attitudes of the survivors should remain healthy and constructive at all times.

5

In observing a few of the workplace behaviours common to that of a retrenchment process, one can detect immediately the cynicism, distrust and discomfort in the working environment. This could be attributed to many things including the uncertainty of whether the transformation process has been concluded, whether or not people's positions and job roles would change and if things would ever be the same again. One thing for certain, which was undeniable, is the fact that there was definitely a "change".

This study therefore aims to determine whether workplace restructuring has had an effect on the perceived job satisfaction of surviving employees in this organisation operating in the cleaning industry. Dimensions measured included employee commitment, employee loyalty and trust, communication and career development opportunities as well as job satisfaction on the whole. This study would subsequently assist in determining whether these dimensions have been affected and to what degree.

1.5 Aims and Objectives of the study

With reference to the above, the overall aim of the study is to investigate the effects of workplace restructuring on job satisfaction of employees who survived such an intervention. More specifically, the objective of this research was to determine whether differences existed in the job satisfaction experienced by those employees who remained in the organisation.

Based on the research conducted by Ndlovu and Brijball Parasumar (2005), this particular study also aims to: Assess survivors' perceptions of the impact of the

workplace restructuring on the key dimensions of the study (communication, trust, employee commitment and loyalty, employee morale and career advancement opportunities) respectively.

The study further aims to determine the extent to which the dimensions of the study (communication, trust, employee commitment and loyalty, employee morale and career advancement opportunities) interrelate with each other. Furthermore, it also aims to evaluate whether the biographical profiles of survivors influence their perceptions of the impact of the workplace restructuring on the key dimensions of the study, that is, communication, trust, employee commitment and loyalty, employee morale and career advancement opportunities respectively.

1.6 Sub-Objectives

1.6.1 To conduct a comprehensive literature review on workplace restructuring

1.6.2 To conduct a comprehensive literature review on job satisfaction

1.7 Hypotheses

In the present study, the following hypotheses are tested:

1.7.1 Hypothesis 1

There exists significant positive relationship between the dimension trust (restructuring) and job satisfaction.

1.7.2 Hypothesis 2

There is a significant positive relationship between the dimension employee commitment and loyalty (restructuring) and job satisfaction.

1.7.3 Hypothesis 3

There will be a significant positive relationship between the dimension career advancement opportunities (restructuring) and job satisfaction.

1.7.4 Hypothesis 4

There exists a significant positive relationship between the dimension communication (restructuring) and job satisfaction.

1.7.5 Hypothesis 5

There is a significant positive relationship between the dimension trust (2) (restructuring) and job satisfaction.

1.8 Definition of key constructs

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

1.8.1 Downsizing refers to a set of activities undertaken by management of an organisation in order to improve the overall efficiency, productivity and/or competitiveness (Chew & Horwitz, 2002)

1.8.2 Survivors: - Hellgren, Naswall and Sverke (2005) suggest that employees who are left behind within the organisation after downsizing has taken place are usually known as "survivors".

1.8.3 Workplace Restructuring: - Nahavandi and Malekzadeh (1999) define restructuring as the changing way in which the human resources of an organisation is organised. In other words, organisations can close old offices and add new divisions, resulting in the reshuffling of people and the tasks they perform.

1.8.4 Job Satisfaction is perceived as an attitudinal variable measuring the degree to which employees like their jobs and the various aspects of their jobs (Spector, 1996; Stamps, 1997)

1.9 Potential contribution of the study

Workplace restructuring has become a familiar phenomenon in the business world today. Due to a pressing need to reduce operating costs and ensure effective and efficient operations, organisations have to restructure and reduce the number of people in their employ. This is typically achieved through a process of downsizing. However, only a limited number of studies have focused on the impact/effect of such drastic interventions from the perspective of those employed who remain in such an organisation. According to Appelbaum, Delage, Labib and Gault (1997) many studies have confirmed that surviving employees (i.e. employees who remain in the organisation after downsizing) are often ignored before, during and after such a drastic intervention.

The organisation where this research was conducted had gone through a number of restructuring exercises and downsizing processes with a result of a significant reduction in the number of people/employees. However, a direct need existed to obtain more information on the levels of job satisfaction of those employees who remained in the organisation after these downsizing processes.

The empirical finding of this study could be of great value in highlighting the possible negative effects the restructuring processes could have had on employees who survived. At an individual level, the results of the study could assist the management of this organisation to implement appropriate actions to improve employees' levels of job satisfaction. The results of this study could also highlight the need for organisations to take heed of employees who have survived the downsizing process. Lastly, the results of this study could also assist other organisations to plan their restructuring and downsizing processes properly so as to ensure that the emotions and feelings of survivors are taken into consideration.

1.10 Summary of the Chapter

Chapter 1 provides an introduction to the variables that will form the basis of this study and be explored. An overview is also provided of the rationale for conducting the research and highlights the key objectives to be obtained from the study. The research hypotheses are delineated and important constructs are defined.

1.11 Overview of the Chapters

Chapter 1 captures the core of the research focus for this study with particular reference to the motivation for this study, its research objectives, hypotheses and limitations. Some key terms to the study are highlighted and defined to assist in creating a common understanding for when these terms are discussed in the research study.

Chapter 2 provides a review of available and relevant literature on the research topic, that is, the effects of workplace restructuring on job satisfaction. It provides definitions and discussions related concepts such as downsizing and restructuring, job satisfaction and survivors.

Chapter 3 provides an overview of the research methodology used in the study, with specific reference to how the research problem was investigated. In this chapter, detail regarding the research design is also provided with specific reference to the population of the study, sample in this case being random sampling, procedure for carrying out the research and the measuring instrument used to gather the relevant data. Relevant statistical techniques are discussed and the hypothesis is presented.

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

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

1.12 Conclusion

Chapter one provided an indication of the research problem under examination. Furthermore, the chapter provided a description of the importance of the research in this area and an outline of the study on a whole. The terms workplace restructuring and downsizing are used interchangeably throughout the various chapters as the workplace restructuring which occurred led to the downsizing or "laying-off" of staff. The following chapter will present a review of the literature associated with the constructs under investigation.

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CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

In the previous chapter, the introduction, problem statement and outline of this study were provided. In this chapter, the concept of workplace restructuring and job satisfaction will be reviewed in detail. Various definitions of workplace restructuring and/or downsizing and its related terms will be discussed. Following this, a review of the literature on job satisfaction will be discussed. The terms workplace restructuring and downsizing are used interchangeably throughout the various chapters as the workplace restructuring which occurred led to the downsizing or "laying-off" of staff. The effects of workplace restructuring on employee's job satisfaction will also be reflected upon.
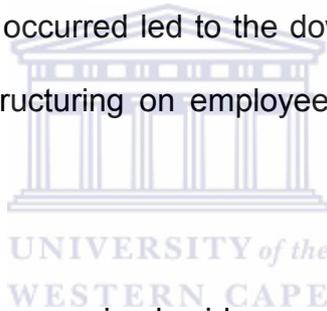
Organisational downsizing has received widespread attention from researchers, including organisational psychologists, sociologists and human resource professionals. This has helped to explain the volume of research about its effects on organisations. One of the challenges of downsizing as reported in studies (Vermeulen, 2002) is how to manage its effect on the employees who remain in the organisation subsequent to the downsizing process, i.e. the so-called "survivors". In this regard, Shah (2000) expresses the view that the success of an organisation after the restructuring/downsizing depends on the reactions of the remaining employees, as the intended benefit cannot be achieved if the remaining employees react negatively to the downsizing exercise – during and also after the fact.

13

Shah (2000) further contends that the downsizing process should be managed properly and in such a way that it does not generate negative psychological states such as anger and perceptions of job insecurity. This could quite easily result in lack of employee motivation, job dissatisfaction and lower levels of organisational commitment.

The concept of job satisfaction together with the nature of workplace restructuring and downsizing is discussed below:

2.2 Definition of Workplace Restructuring, Downsizing and related terms

2.2.1 Change Management

Meyer and Botha (2000) cited in Lumadi and Mampuru (2010) defines change management as a process of mobilising resources through the planning, coordination and implementation of initiatives and activities to bring about the desired change. Head (1997) defines transformation as a step-by-step process of restructuring an existing organisation, removing what does not work, keeping that which does, and implementing new systems, structures, or cultural values where appropriate. While there are many terms used to refer to change, Head (1997) states that whether you label the change effort an organisational transformation, organisational development, reengineering, right-sizing, or a quality building effort, a common language should be established within the organisation, and the focus should be on the principles or values behind the change effort. When employees become aware of what the process that is to follow is referred to and why this needs

to take place, they understand what they're apart of and the role they'll be playing during the process.

2.2.1.1 Defining Workplace Restructuring and Downsizing

Over the years, numerous researchers have attempted to conclude what downsizing encapsulates, but none has been found (Kurebwa, 2011). Cameron (1994) postulates that the term downsizing is more often times than not, utilised interchangeably with other terms such as "de-recruiting", "de-massing", "re-engineering", "re-sizing", "restructuring, "reorganisation" and "rightsizing".

Downsizing is a conscious decision made by an organisation to shrink the workforce (Cascio, 1993; Kumar & Pranjal, 2009; Kozlowski, 1993 cited in Kurebwa, 2011). According to Noer (2001) downsizing is a deliberate action undertaken by the organisation to decrease the workforce in order to increase the productivity of the organisation. According to Robbins (1999) has a similar view, in that downsizing is an activity whereby the organisation reduces its workforce making human capital redundant aiming to cut costs and improve efficiency.

According to Shaw and Barrett-Power (1997 cited in Appelbaum et al., 1999) suggest the key characteristics of downsizing to be:

- Intentional – it involves but is not restricted to personnel reduction
- Is ascribed to enhance efficiency of the organisation and
- Has an influence on work processes knowingly or unknowingly

According to Mentzer (1996 cited in Bhattacharyya & Chatterjee, 2005) various definitions of the term downsizing have been concluded by several researchers and

all of them share the same sentiments that downsizing simply involves a reduction in the workforce.

Downsizing is known to be defined as a company attempting to increase its competitiveness, efficiency and productivity by decreasing the number of employees within the organisation (Tzafrir et al. 2006). Venter, Levy, Conradie and Holtzhausen (2010) propose that the difference between downsizing and layoffs or retrenchments is the fact that the latter is the dismissal of employees for reasons relating to economic, structural or similar requirements. Furthermore, Nahavandi and Malekzadeh (1999) define restructuring as the changing manner in which the human resources of an organisation is organised. This is generally done by organisations breaking up several departments and creating new ones.

2.2.1.2 Reasons for Workplace Restructuring and Downsizing

According to Drake, Beam and Morin (1994); Hitt, Keats, Harback and Nixon (1994); Littler, Bramble and Mc Donald (1994); Matthews (1995); Thomas (1996) (all cited in Vermeulen, 2002) organisations embark on varying downsizing exercises. A few of the reasons for downsizing include aspects such as acquisitions and mergers, technological innovations, international competition, slow economic growth and rapidly changing markets (Appelbaum et al., 1999). This view is supported by Bhattacharyya and Chatterjee (2005) who surmise that the rationale for downsizing can be considered from an economic, institutional, strategic, ideological and rational perspective. Greengard (1993 cited in Vermeulen, 2002) is also of the opinion that some of the underlying causes of downsizing could possibly be due to the organisation wanting to manage overhead costs, recessionary economic conditions, increasing global competition and the roll out of new technologies. Researchers such

as Appelbaum et al., (1997); Budros (2002 cited in Chipunza & Berry 2010) also surmise that the decision to downsize can be triggered by economic decline, mergers and market regulations.

Cascio (2002) purports that organisations embark on downsizing in the hope that economic benefits will be achieved. Downsizing has detrimental consequences for everyone in an organisation no matter how it is viewed (Luthans & Sommer, 1999 cited in Hopkin & Weathington, 2006).

According to Vermeulen (2002), "Downsizing" is a word that developed in management circles and was used in businesses and business conversations but there was never a concrete definition of what downsizing really means. The word downsizing would generally be used interchangeably with the word "laying-off", however, certain authors will focus on different aspects of downsizing. An example of this would be when Cameron, Freeman and Mishra (1993), reported on a comprehensive study of downsizing in an American industry. They argued that downsizing was more an "intentional process" involving an overall reduction in staff aiming to improve the efficiency of the organisation. It has indicated that - downsizing intentionally or unintentionally - affects work processes at the organisation concerned (Cameron, Freeman & Mishra, 1993). Vermeulen (2002) goes on to explain that these authors defined the concept in more detail than Cascio (1994 also cited in Vermeulen, 2002), who's definition of downsizing is said to be the intentional eradication of positions or jobs.

Downsizing literally means that people will lose their jobs. Cameron (1994, cited in Chew and Horwitz, 2002) defines downsizing as a set of activities undertaken by the management of an organisation designed to improve efficiency, productivity and/or competitiveness. Similarly, Labib and Appelbaum (1993), defines downsizing to be the reduction of the workforce.

While the terms "workplace restructuring" and "downsizing" are used interchangeably, the former may not necessarily lead to job losses where employees are retrained and re-deployed, or where other measures such as non-replacement of staff that leave the organisation, occur. Vermeulen (2002) elaborates that downsizing not only aims at modifying the state of an organisation but very well to re-position or recreate the organisation. There is much more to downsizing than just the retrenchment of employees. According to Cascio (1994), cited in Vermeulen (2002), downsizing may have various objectives:

- Geographic location, for example countries, regions, specific sites;
- Organisational functions, for example production, marketing, research and development;
- Specific job positions, for example retrenching employees with competencies and skills;
- Reduction targets, for example a 10% cut across the board; and
- Reduction of administrative or managerial levels.

Plans to restructure the workplace may involve many different aspects and approaches but they all involve methods of personnel reduction. Other researchers have also defined downsizing as the intentional eradication of positions or jobs (Cascio, 1994 cited in Vermeulen 2002). They've emphasised that it is an intentional

process with the aim to systematically reduce the workforce using specific mechanisms to achieve the improvement of the organisation's productivity and performance (Appelbaum, Simpson & Shapiro, 1987; Cameron et al., 1991).

According to McKinley, Zhao and Rust (2000), three views on downsizing have been identified, namely the economic, institutional and socio-cognitive view. Under the first view, firms downsize in accordance with the employee relations and organisational components which include a complete communication programme, the restructuring of jobs, compensation packages, an employee development programme and changes in operating standards (This model emphasises the importance of setting objectives, establishing a new structure, implementation processes, evaluation and review of progress and particular human resource practices discussed below) (Chew & Horwitz, 2002). Whether this is followed adequately or partially, it's not guaranteed that the process will be carried out effectively. Some organisations, for the sake of time saving, may skip vital steps of the process for the sake of the completion of the process.

Despite the fact that there has been critical success factors in the realm of effective downsizing (Appelbaum et al 1999a & b & Cascio, 2001), there is a need to further develop this model to provide a conceptual framework for research, managerial policy formulation and human resource planning. Regarding human resource planning, organisations or companies may have strategies in place and may plan to carry these out correctly and effectively but not all of them will be able to follow through without making up their own rules to amend the process. Proposed amendments to section 189(2) of the Labour Relations Act in South Africa incorporate several aspects of effective planning, for example, the seeking of

consensus through consultation on matters such as measures to avoid dismissal, alter the timing of dismissals, mitigate the negative effects of dismissals, and ensure fair selection criteria and severance pay (cited in Chew & Horwitz, 2002). Not all organisations will have these in place, especially with regard to seeking consensus. Very few occasions present the opportunity to consult – organisations may have already made up their mind that a downsizing or restructuring exercise will take place, already decided how it will take place and who it will affect. They will then choose to inform the parties concerned after the fact. Effective and sufficient communication with employees may not be the order of the day and hence the restructuring process may fall through the cracks and be unsuccessful in terms of the human capital side of things.

Burke and Cooper (2000, cited in Hellgren, Naswall and Sverke, 2005), state that there has been a dramatic increase in the number of companies choosing to down size, restructure their company, close down or merge with other companies. One of the most common strategies used by organisations to improve their competitive edge and effectiveness would have to be permanent redundancies and proposals of early retirement in terms of organisational restructuring (Cameron, et al, 1991; Kalimo, Taris, & Schaufeli, 2003).

Workplace restructuring in the form of "downsizing" is often opted for, as well as other methods of organisational development, by organisations who hope to become more effective in their quest for lower overhead costs, decreased bureaucracy, faster decision making processes, smoother communication, increased productivity, and better salaries (Kets de Vries & Balazs, 1997). When one stops to face the facts and

way up options, it is discovered that only but a few, if any of these objectives will be achieved. Yes, there are success stories but in some cases, the objectives that organisations aim to achieve through downsizing and restructuring are not achieved.

2.3 Approaches to workplace restructuring

2.3.1 Implications of Workplace Restructuring or Downsizing

Downsizing is often opted for, as well as other methods of organisational development, by organisations who hope to become more effective in their quest for lower overhead costs, decreased bureaucracy, faster decision making processes, smoother communication, increased productivity, and better salaries (Kets de Vries & Balazs, 1997). When one stops to face the facts and way up options, it is discovered that only but a few, if any of these objectives will be achieved.

Yes, there are success stories but in some cases, the objectives that organisations aim to achieve through downsizing and restructuring are not achieved. In fact, organisations may find themselves being worse off – staff reduction inevitably leads to the increase in workloads and unobtainable objectives for those left behind. This leads to employees being over worked and under paid all because the organisation aimed to cut costs to be more profitable. The benefits of workplace restructuring or downsizing are often just an illusion according to most researchers and instead of success consequences often negative, is left as a real experience (Beylerian & Kleiner, 2003; Burke & Nelson, 1998; Cascio, 1995, 1998; Devine, Reay, Stainton, & Collins-Nakai, 2003; Kets de Vries & Balazs, 1997; Pfeffer, 1998). In fact, organisations may find themselves being worse off – staff reduction inevitably leads

to the increase in workloads and unobtainable objectives for those left behind. This leads to employees being over worked and under paid all because the organisation aimed to cut costs to be more profitable.

This being said, organisations will either have some of their essential functions outsourced and more temporary staff will be hired to perform the tasks of permanent staff in order to keep costs to a minimum (Pfeffer, 1997). Three characteristics were identified by Covin (1993), illustrating the downsizing process and sets it apart from other change initiatives: Firstly, the top management – with little or no employee participation – usually directs the downsizing process. Secondly, the profitability of the organisation after the restructuring has taken place, takes preference over the organisations human capital. Thirdly, people will unavoidably be hurt; there is no win-win situation in a downsizing process.
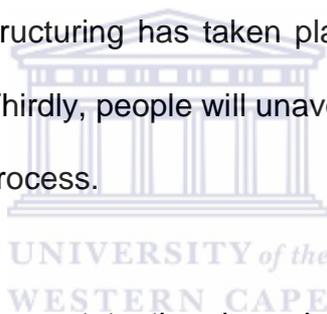
Then there is the "survivor" aspect to the downsizing or workplace restructuring process. Hellgren, Naswall and Sverke (2005) suggest that employees who are left behind within the organisation after downsizing has taken place are usually known as "survivors". As they reviewed the downsizing research, it was concluded by Kozlowski, Chao, Smith, and Hedlund (1993), that in order for any downsizing strategy to be effective, the survivors there of should react positively to the process. Therefore, it is of utmost importance that the behaviour and attitude of the survivors remain healthy and constructive. The changes in the behaviours of employees are not only brought about due to the changes in the newly adjusted system of the organisation, but are also prejudiced by changes in the mental and perceptual positioning of the individuals (Allen, Freeman, Russel, Reizenstein, & Rentz, 2001;

Chin and Benne, 1994). This is an important characteristic of the downsizing and restructuring process to note the disposition of the survivor, as their opinion of their own position and prominence in a newly designed organisation is experienced.

According to Hellgren, et al (2005) the downsizing process may be considerably different from company to company and so too the meaning of a "survivor". Unfortunately, research in terms of how different types of survivors are affected by downsizing is limited (Hellgren et al, 2005). It can be said, however, that survivors who have a change in their job role and responsibilities and environment, or who may have been relocated or retrained; would perhaps respond differently to the restructuring or downsizing process compared to the survivor who's job role and responsibilities have not been as dramatically impacted and looks no different than prior to the process. Individuals who have experienced the anxiety of possible retrenchments or who may have had their job specifications and role profiles altered may have had to go through increased stress compared to survivors who have had no change in their positions (Hellgren, et al, 2005).

Research conducted previously proves that job insecurity and decreased levels of control in their work environment is the cause of increased stress and tension and negative attitudes towards work for most employees (Ashford, 1988; Theorell, 2003). This brings us to the point of decreased job performance as well as decreased job satisfaction. How then could a downsizing or restructuring process be successful in terms of cutting costs and becoming more efficient?

People need to be made aware of but at the same time need to understand the reason for needing to merge, restructure or downsize, before they'll feel at ease or confident that it's necessary. Even then, employees would battle with "restructuring anxiety".

When companies endeavour to restructure the workplace or downsize; this exercise has very real human resource implications (Papadakis, 2005). When these human resource issues are overlooked and ignored, they result in a range of responses causing a ripple effect across departments and even the company as a whole. Responses typical to mergers, restructuring and downsizing are stress; fear; anxiety; depleted productivity levels; increased absenteeism; declining job satisfaction; resistance to change and feelings of defeatism (Eriksson & Sundgren, 2004; Van Tonder, 2005; Wenburg, 2001). All of the above highlights the crucial role of the human factor and the extensive damage of mergers on people, regardless of whether they are considered successful or not.
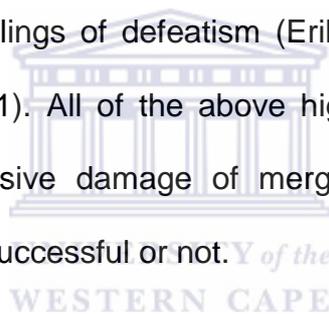
2.3.2 Why workplace restructuring exercises fail

Authors have argued that communication and participation are the vital building blocks of the foundation of a change process in any organisation. Any change initiative that is launched without the knowledge and participation of those concerned have individuals resisting the change. If managers fail to utilise or draw on the input and contribution from their employees; they will have limited information and will not be able to make an informed decision with regards to the change process. Consequently, there will be staff demoralisation, lack of innovation, and labour turnover (Humphreys & Hogue, 2007). If stakeholders in employee affairs are not

involved in taking major decisions that affect them, it may lead to resistance that may be characterised by dissatisfaction, go-slows and strikes.

2.3.3 Why they succeed

Communication is vital during the restructuring process. Researchers have found that as soon as the survivors are explained the reason for the merger, downsizing or restructuring and the organisation displays regret for the decision made, they then feel comfortable with the idea their of (Brockner, De Witt, Grover & Reed, 1990). For this very reason, it is imperative that there is effective communication and participation in order to facilitate the effective and even successful process of workplace restructuring.

Employees need to be coerced and bought over in terms of the necessity for the restructuring, they need to be consulted and be given the opportunity to comment and make their own proposals. Researchers argue that communication and participation should not be an exercise towards the end of the change process but should rather be mechanisms used throughout the entire change process thus preventing hiccups. Employees should be involved in the process from the word go minimising conflict and resistance. Lumby (2001) stresses the importance of this by emphasising that in order to bring about motivation and commitment to all affected by the change, communication and participation becomes a crucial factor. Humphreys and Hogue (2007) confirm that these factors have the potential to play a positive role in the success of the change initiative.

a) Employee morale

Many employees, who have the "privilege" of not being retrenched and/or remain with the organisation, that is "survivors", would naturally feel remorseful having kept their jobs while their colleagues had the misfortune of losing theirs (Ndlovu & Brijball Parumasur, 2005). The downsizing process would obviously negatively affect those left behind as they would have to deal with more than simply feelings of guilt: the fear of not being sure whether retrenchments are complete would still be looming in the air as well as being swamped with extra work or even having to take on new responsibilities they've never been exposed to before (Ndlovu & Brijball Parumasur, 2005).
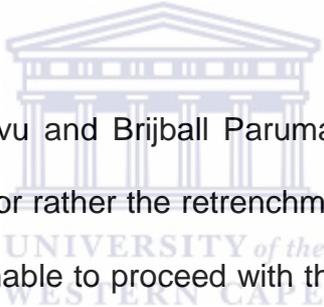
The study conducted by Ndlovu and Brijball Parumasur (2005), indicated that the change management process or rather the retrenchment process took such a toll on the survivors that they were unable to proceed with their usual job duties. Results of a similar magnitude were found by Taylor (1996) who established that downsizing causes emotions within a company that range from bitterness to relief to paranoia. In this particular study it was observed that employees would be at the edge of their seats, constantly questioning whether or not the restructuring had come to a close or whether their jobs would be the next on the line. However, a contrasting view was held by Kaye (1998) cited in Ndlovu and Brijball Parumasur, (2005). Kaye (1998) believes that employees who managed to resist being influenced by the highs and lows of downsizing would inevitably open themselves up to understanding the true dynamics of the employee-employer relationship. In essence, they would pick themselves up and move along swiftly.

According to Taylor (1996), survivor guilt, low morale and fatigue is a result of being inundated with extra work load and having fewer people to perform tasks which the victims had left behind. Furthermore, survivors experience the sadness, anger, mistrust, and psychological separation from their organisation. Kaye (1998) surmises that because survivors of retrenchment find themselves so overwhelmed with emotion, they're unable to function at their optimal peak, expressing passion; ability and enjoyment.

Kaye (1998) also discovered on the other hand that - contrary to popular belief – "survivors" would take on a new lease on life; really throwing themselves into their work with new insight and fresh commitment after the transformation process had taken place. Clark and Koonce (1995) discovered the opposite to be true – Companies who actually engaged in the downsizing exercise for profitability's sake, had increased turnover, high absenteeism and decreased productivity. Frazee (1997) is in support of this view as he discovered that of the 1 441 Human Resources managers from companies that cut jobs between 1990 and July 1996, 72 percent reported an immediate and negative impact on employee morale (cited in Ndlovu and Brijball Parumasur, 2005). Paige (2001) detected that employees experiencing an environment affected by the retrenchment process, lose trust in management and their company, their morale decreases, they're fear stricken and lose confidence in what used to be. This is due largely to the fact that many of the victims are not only colleagues but also close friends (Ndlovu and Brijball Parumasur, 2005).

David Noer (2009) developed a high-level model called the Four Level Intervention Model which is included in his book *Healing the Wounds: Overcoming the Trauma of Layoffs and Revitalizing Downsized Organizations.* He is an expert in helping organizations confront the effects of restructuring. Noer's interventions capture the key ways in which the human resources function may handle survivor sickness in the wake of layoffs, which is defined as, "a set of attitudes, feelings, and perceptions that occur in employees who remain in organisational systems following involuntary employee reductions" (Noer, 2009). It can therefore be concluded that lay-offs or retrenchments leave employees feeling traumatised and confused having an undesirable impact on their morale.

b) Employee commitment

Employee commitment is basically linked to how devoted employees remain after a retrenchment exercise has taken place. According to the study conducted by Ndlovu and Brijball Parumasur (2005) they needed to further evaluate whether there is a relationship between the employee's commitment to the organisation as well as its visions, goals and objectives even after there has been casualties due to a change management process. It would naturally be difficult for employees to remain committed to an organisation where they feel unsure and unsafe.

Their study indicates that survivors are still committed to the organisational goals, even after the transformation process has taken place (Ndlovu and Brijball Parumasur, 2005). According to Coudron (1996), however, employees who have survived a retrenchment process hardly experience feelings of relief. Newell and Dopson (1996) surmise that continuous restructuring resulted in survivors'

commitment being based on fear and insecurity rather than out of commitment. This was discovered after performing a similar study. Employees are in need of reassurance that in their commitment to their organisation, their organisation will be committed to them.

Research conducted by Scase and Goffee's (1989), however, unveiled other impediments impacting commitment to the organisation negatively. These included greater work demands and increased accountability. According to Meyer and Allen (1997), commitment is largely dampened when a close relationship existed between the survivors and the victims of downsizing.

Downsizing is perceived as unfair if selection for redundancy reflects office politics rather than operational need, or if victims received inadequate redundancy pay and help in finding another job (Meyer & Allen, 1997). According to Caulkin (1995) the most committed employees are usually disappointed during and after a downsizing exercise has taken place. However, Caulkin (1995) maintains that the effects of transformation has resulted in a new breed of employees, who are taking charge of their own destinies. Employees who have managed to retain their jobs, whether new or old positions after the retrenchment process has taken place, often than not will experience feelings of remorse because they're still employed while their colleagues have been laid off (Kaye, 1998).

Ndlovu and Brijball Parumasur (2005) discovered that more than one third of the survivors indicated that they were not confident that they could achieve their personal goals in the company. According to findings made by Westerly (1990), the

drivers of downsizing (amongst others, increasing competitiveness and customer responsiveness) require an innovative, flexible and committed workforce, with vision and creativity, not one paralysed by fear (cited in Ndlovu and Brijball Parumasur, 2005).

c) Employee trust and loyalty

This dimension focuses on whether the survivors of a retrenchment process will remain loyal and display the same trust as shown prior to the downsizing exercise has taken place (Ndlovu & Brijball Parumasur, 2005)

Ndlovu and Brijball Parumasur (2005) discovered through their study that there exists a low level of trust in the company they researched. This was due to the fact that survivors were fearful that there could be more job losses. Thomas and Dunkerley (1999) surmises that the survivors faced with this sought of stress are fearful of further redundancies and as a result, have little to no confidence in management after a retrenchment process has occurred. According to Paige (2001) a sense of unsettling unfaithfulness is experienced by survivors who have perceived that they would always work for the same organisation many of them had dedicated their lives to only to have the rug pulled out from under them. Many of them had to witness the departure of colleagues and friends and wait anxiously for their own turn to be retrenched (Ndlovu & Brijball Parumasur, 2005). Coudron (1996) indicates that executives from Texaco Trading and Transportation in Denver still have to deal with the agony caused by its downsizing process almost two years ago. These feelings include fear, depression, betrayal, mistrust, pain, guilt, loneliness and job insecurity (Coudron, 1996). It becomes a cumbersome task to scrape together trust that has

been shattered by events caused by a retrenchment. The question is, can the organisation commit to giving employee assistance to cope and maybe in so doing win their trust back through efforts of reconciliation?

According to Ndlovu and Brijball Parumasur (2005) certain questions asked by survivors include whether or not things will ever be the same again and whether or not they will be occupying their same positions. Ghoshal and Bartlett (1996) states that the level of trust experienced by a survivor after coming out of a retrenchment process would be minimal.

d) Career development opportunities

This dimension focuses on evaluating whether survivors of a retrenchment process are offered opportunities to develop themselves further within the company, in so doing, aligning their own goals with those of the organisation (Ndlovu & Brijball Parumasur, 2005).

According to the study conducted by Ndlovu and Brijball Parumasur (2005), promotions in the particular company are conducted and awarded fairly. Ghoshal and Bartlett (1996) deduce that because employees perceived the process to be fair, this promoted trust and faith in the organisation once more despite the decisions to lay people off. According to conclusions made by Thornhill and Saunders (1998), downsizing undoubtedly reduces opportunities for career progression. Ndlovu and Brijball Parumasur (2005) discovered in their study, that the process of downsizing resulted in survivors being unsure of whether or not they'd still be able to achieve their personal goals in the company.

Thomas and Dunkerley (1999) established the reason why survivors are left demotivated, insecure and lacking commitment was due to the fact that they had lost a traditional career as a result of the retrenchment process. Brockner, Tyler and Cooper-Schneider (1992) surmised that the breaking of the psychological contract was just one of the many problems arising from survivor syndrome, especially in cases where managers were made to believe that they would have job security as well as the opportunity to advance their careers within the organisation in exchange for their commitment and loyalty. Based on research done by Scase and Goffee (1989), they concluded that employees are mainly perturbed that gaps in promotion on all levels exist. According to Ndlovu and Brijball Parumasur (2005), in the study conducted by them shows a positive response with regards to career advancement opportunities. However, it also shows that due to the restructuring process, many promotion opportunities have declined (Ndlovu & Brijball Parumasur, 2005). Ebadan and Winstanley (1997) discovered that over 50% of respondents in privatised institutions commented that career prospects have decreased experiencing a retrenchment process. Evidence suggests that enforced downsizing decreases career security. Doherty and Horsted (1995) maintains that even though there might be an escalation in the confidence in the organisation's future, there is a decline in confidence in the future of the individual.

e) Communication

The study conducted by Ndlovu and Brijball Parumasur (2005) shows that the majority of subjects perceived the communication channels in the organisation to be stifling. Their study also proves that employees have never received adequate information about the transformation before, during and after it was implemented

(Ndlovu & Brijball Parumasur, 2005). According to Frazee (1997) when employees are unsure of their future within the organisation after a retrenchment process has taken place due to a lack of communication on plans and strategies for the business going forward, it can cause lack of trust between employee and employer.

Survivors will always need to be communicated with about what changes will be taking place and how it will affect them in their current positions. It becomes important to survivors to obtain this information especially since they won't be as concerned about losing their jobs as much as they would be apprehensive about what new job role they will have to fulfil after the transformation has taken place (Thornhill & Saunders, 1998). The staff compliment left in the debris of a transformation process will always need the reassurance that the change is now complete and they can focus on picking up the pieces and moving forward. Communication is therefore key in order to keep fears at bay and give survivors the reassurance that the "dust has settled".

2.4 Communication and Participation

Communication and participation are the vital building blocks of the foundation of a change process in any organisation. Any change initiative that is launched without the knowledge and participation of those concerned have individuals resisting the change. Kotter and Schlesinger (1979) cited in Lumadi and Mampuru (2010) have identified six types of change strategies that can be applied to bring about successful change. Two of the six strategies identified are communication and then participation and involvement – these can be used as change management strategies or as an approach to change management. This view is confirmed by a study which was

33

performed on change implementation (Daft, 2002 cited in Lumadi and Mampuru 2010) and revealed that there was a smoother implementation process at the company that introduced the change using a participatory approach.

Communication and participation should not be an exercise towards the end of the change process but should rather be mechanisms used throughout the entire change process thus preventing glitches. Employees should be involved in the change process from the initial stages minimising conflict and resistance. Lumby (2001) stresses the importance of this by emphasising that - in order to bring about motivation and commitment to all affected by the change - communication and participation becomes a crucial factor. Humphreys and Hogue (2007) confirm that these factors have the potential to play a positive role in the success of the change initiative.
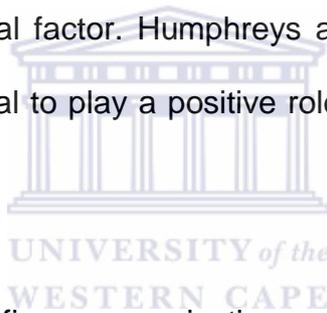
Aldag and Kuzuhara (2002) define communication as the transfer of information from one person to another, while Daft (2002, cited in Lumadi and Mampuru 2010) defines organisational communication as the process by which information is exchanged and understood by two or more people, usually with the intent to motivate or influence behaviour. Effective communication in an organisation is the common thread that ties people, plans and strategies together. It ensures employees trust, cooperation and commitment. Communication will indicate to an employee the level of their performance, what's expected of them in terms of their role and what measure should be in place in order to improve their output – this in turn motivates employees (Robbins, 2001). It encourages commitment to organisational goals

(Aldag & Kuzuhara, 2002) and informs employees about the need for change and consequences of an envisaged change (Daft, 2002).

Communication provides information which employees need for the purposes of decision making. In saying this, if relevant information is shared with employees undergoing a change process, they're able to make a better informed decision allowing for the smooth flowing and successful change process. Daft (2002), claims that the change agents must communicate the change at least ten times more than they think necessary. This means that they should make use of all forms and means of communication possible in the form of meetings, team building, newsletters, posters, e-mails and informal exchanges as actions to explain the intended changes, why they're needed and what it will mean. Suggestion schemes and attitude surveys encourage stakeholders to express their views about the change that is taking place (Marchington & Wilkinson, 2005). Organisations with effective communication systems have a competitive edge.

Communication by way of a communication strategy to get across change activities and outcomes should be developed in order to develop change resilient personnel to take responsibility in the change process (Jackson, 2000). The communication strategy should flow in four directions: downwards, upwards, horizontally and laterally (Smit; Cronje; Brevis & Vrba, 2007).

Kinicki and Kreitner (2003) cited in Lumadi and Mampuru (2010) defines participative management as the process whereby employees play a direct role in setting goals, making decisions, solving problems and making changes in the organisation.

Participative management is popular because it plays between the perceived extremes of autocratic and laissez-faire managers (Nowicki & Summers, 2008). It involves what Marchington and Wilkinson (2005) refer to as "online" participation (face-to-face or written communication between managers and subordinates), and also "off-line" participation (where workers make suggestions through a formal scheme). Participative managers allow employee involvement from the beginning of the process in order for them to add value and give input (Nowicki & Summers, 2008, cited in Lumadi and Mampuru 2010).

Kinicki and Kreitner (2003) cited in Lumadi and Mampuru (2010), caution that participative management entails more than simply asking employees for their ideas and opinions. It is more about involving the employee in every aspect of the decision making process, especially since it affects them. According to Kinicki and Kreitner (2003) cited in Lumadi and Mampuru (2010), participation has the potential to increase employees' feelings of motivation, acceptance, commitment, security, challenge and satisfaction. Their participation during the change will ensure ownership of the change program and a sense of belonging in the institution. Decisions taken during any change process will become more meaningful and important to employees, if they're afforded the opportunity to get involved and participate (Boxall & Purcell, 2003). This will enrich their creativity and personal control which will improve their job satisfaction as well as have an impact on their job performance.

The opposite is also true, if managers fail to utilise or draw on the input and contribution from their employees; they will have limited information and will not be

able to make an informed decision with regards to the change process. Consequently, there will be staff demoralisation, lack of innovation, and labour turnover (Humphreys & Hogue, 2007). If stakeholders in employee affairs are not involved in taking major decisions that affect them, it may lead to resistance that may be characterised by dissatisfaction, go-slows and strikes.

2.5 Managing Resistance to Change

Schermerhorn, Hunt and Osborn (2000), defines resistance to change as an attitude or behaviour that shows unwillingness to make or support a change. Communication and participation are two of those key elements that are used to overcome resistance to change. When communication is clear and transparent, there is little room for misunderstandings or people experiencing confusion in terms of what is happening and where they fit in before, during and after the change process. Further to this, educating and communicating with individuals, groups and the entire organisation about the nature and logic of change can also reduce resistance to change (Aldag & Kuzuhara, 2002). If employees are given all the facts and misunderstandings are dealt with, resistance will subside.

Research proves that individuals are more committed to a change process and its outcomes if they're involved in making informed decisions compared to those individuals who don't get involved at all (Smit et al., 2007). When employees are involved in the change process rather than being forced into accepting an already established decision, there will be less resistance. Individuals' participation in employee affairs at every stage of the change process is more likely to motivate them to support the change. It is required of the unions to get involved if they are to

support a change program. Resistance to change may be reduced or eliminated when potential resisters are drawn into the planning and implementation process (Brown & Harvey, 2006).

2.6 Job Satisfaction

In the previous section of this chapter, we addressed workplace restructuring and downsizing and its meanings, results and implications. This section of the chapter looks at the motivational theories and its connection to workplace restructuring but also how it links to job satisfaction. This section also addresses the dimensions and antecedents of job satisfaction.

Job satisfaction is one of the most researched areas of organisational behaviour. It is perceived as an attitudinal variable measuring the degree to which employees like their jobs and the various aspects of their jobs (Spector, 1996; Stamps, 1997). This is an important area of research, because job satisfaction is correlated to enhanced job performance, positive work values, high levels of employee motivation and lower levels of absenteeism, turnover and burnout (Begleys & Czajka, 1993).

However, job satisfaction is also an association of attitudes held by an organisation's members (Mc Cormick & Ilgeu, 1985). The manner in which an employee responds towards his/her work indicates their commitment towards their employers. Many employees are of the view that processes such as organisational restructuring, reengineering and /downsizing provide employers with an opportunity to dispose of more workers who have become a liability to the organisation.

A great deal of problems is known to exist after a restructuring or downsizing process has taken place (Chipunza & Berry, 2010). According to West (2000) "survivors" is a term used to describe anyone in an organisation involved in a lay-off but does not lose their jobs as a result thereof. Noer (1993) surmise that "Survivor Sickness" is the term used by numerous researchers to explain the host of reactions by survivors in an organisation after a restructuring or downsizing process has occurred.

Job satisfaction represents a general emotional response to the overall job situation. It could be a determinant of many aspects of an individual employee's life that is, it could have negative consequences which would include tardiness, absenteeism and turnover as well as have negative effects on health and performance. On the contrary, if a high measure of job satisfaction exists, it could have a positive impact on an employee's life including a good bill of health.
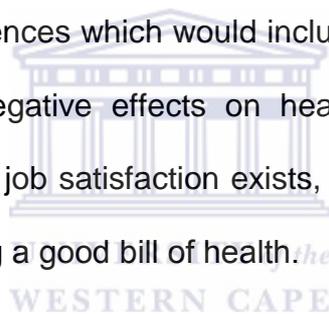
Employees who survived a workplace restructuring or downsizing process are likely to experience high levels of stress and decreased levels of commitment and motivation. This is due in part to the fact that they need to cope with more and even new loads of work and the negative feelings left behind after having witnessed colleagues and even friends leave the company. Employees who have suffered job loss as a result of mergers, restructuring and downsizing are better known as the "victims" and have to deal with the negative consequences in terms of their psychological and physical well-being (Bennett, Martin, Bies, & Brockner, 1995; Cappeili, 1992; Fallick, 1996; Leana & Feldman, 1992). There are relatively few

studies of victims, since it is difficult to collect data from terminated employees (Clarke & Patrickson, 2001).

Job satisfaction is that element of an employee's job, which when threatened or reduced, can have detrimental effects not only on the person but also on productivity. This reduction can be regarded as a job stressor (Jackson & Schuler, 1985; Jex & Beehr, 1991; Spector, 1998).

On the other hand, organisational structure can also be the source of dissatisfaction (Spector, 1997). If we were to discuss the effects of workplace restructuring on job satisfaction, it would be safe to say that the organisational structure would change as well as many other aspects of work and the job detail itself as a result of workplace restructuring, mergers and/downsizing. This in turn would have a negative effect on job satisfaction as previously stated.
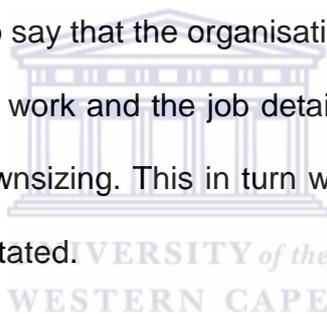
As reported by Locke and Schweiger (1976) job satisfaction can also be defined as something enjoyable resulting in the ultimate joy and satisfaction that one receives in one's job (as previously stated) and in saying this, job satisfaction is not just merely a univariate concept, but it is rather theorised as being multi-dimensional. Overall, job satisfaction, which is the focus of the current study has been conceptualised as a true accumulation of satisfaction with various aspects of the job (Weiss, Dawis, England & Lofquist, 1967). A number of variables have been identified as possible predictors of job satisfaction. These include job or task characteristics i.e. skills variety, complexity, and role ambiguity (Glisson & Durick, 1988; Bedeian & Armenakis, 1981), worker characteristics i.e. personality, length of tenure, and

marital status (Naumann, 1993), and then of course, the organisational characteristics of the organisation that is, increased participation in decision-making, the opportunity for training and development and career advancement within the workplace (Locke & Schweiger, 1979; Glisson & Durick, 1988; Naumann, 1993).

A few researchers investigated the relationship between perceived fairness, work attitudes and intent to turnover and discovered job satisfaction to be fairly sensitive to fairness perceptions (Kirk & Dailey, 1992). This generally means that fair outcomes, procedures and treatment of employees by the organisation are a sign of respect and concern for their welfare. Thus employees are more likely to be satisfied in an environment that promotes respect and concern for its members. Leigh et al. (1988) suggest that when researching job satisfaction in the future, employee perceptions of their organisation should be the focal point. It's been argued that when employees weigh up what about the job makes them happy and satisfied, they tend to consider their organisational environment first (Leigh et al, 1988). Therefore, employees need to be coerced and bought over in terms of the necessity for the restructuring, they need to be consulted and be given the opportunity to comment and make their own proposals. Decisions affecting their livelihood should be discussed with them as a matter of priority even if a potential decision has already been made. In this way, employees will feel more valued and considered in terms of organisational decisions – this minimises the risk of potential unhappiness and a hostile environment being created due to the fact that employees have not been consulted first or them being excluded from the decision making process. This is the reason why researchers argue that the organisational environment and the

employee's perception of fairness should be researched in depth when researching job satisfaction (Kirk & Dailey, 1992).

Researchers have found that as soon as the survivors are explained the reason for the merger, downsizing or restructuring and the organisation displays regret for the decision made, they then feel comfortable with the idea their of (Brockner, De Witt, Grover & Reed, 1990). For this very reason, it is imperative that there is effective communication and participation in order to facilitate the effective and even successful process of workplace restructuring.

Kerego and Mthupha (1997, cited in Sempane, Rieger & Roodt, 2002) on the other hand viewed working conditions like clear staffing policy, clear channels of communication, worker participation in decision making, security and good governance as having conflicting effects on job satisfaction. Job satisfaction has a great impact on the lives of individuals as it involves their affective or emotional feelings.

Locke (1976) described the most common consequences of job satisfaction on employees as the effects on the physical health and longevity; mental health and an impact on the employees' social life in general. He further maintains that there is an interaction between the employees' feelings about his job and his social life. Coster (1992) also supports the fact that work can have an important effect on the employee's quality of life. He explains that if employees are not satisfied in their jobs, this could lead to behavioural implications such as absenteeism, complaints and

grievances, frequent labour unrest and termination of employment (Locke, 1976; Visser, Breed & Van Breda, 1997).

2.6.1 Job Satisfaction Defined

Locke (1976, p. 1300), defined job satisfaction as something enjoyable resulting in the ultimate joy and satisfaction that one receives in one's job. In saying this, mergers, restructuring or downsizing of organisations could result in the job satisfaction of employees being left in a negative state. According to Lancero and Gerber (1995, cited in Renate Bellingan – Timmer, 2004), work satisfaction can be defined as an affective or emotional response towards various facets of an employee's work. The probable causes of this work satisfaction include status, supervision, peer relationships, job content, wages and other extrinsic rewards, promotion and physical conditions of work, and possibly organisational structure. Schneider and Snyder (1975) defined job satisfaction as one's own assessment of the job environment and the rewards experienced from being employed. Based on this perception of job satisfaction, it can be noted that job satisfaction depends on an individual's experiences and view of their work environment and whether their needs are being met. If certain aspects of their job or job environment are important to them, it will be measured on that basis in terms of their job satisfaction. Locke (1976) explains that for researchers to understand the job attitudes, they need to understand job dimensions, which are complicated and consistent in nature. He goes further to argue that the common dimensions of job satisfaction is work, pay, promotions, recognition, benefits, working conditions, supervision, co-workers, company and management.

2.6.2 Theories of Job Satisfaction

In order to understand job satisfaction, it is important to understand what motivates people at work. Over the years researchers have devised a number of theoretical approaches to explain the causes and effects of job satisfaction. The theories attempting to explain job satisfaction are numerous and are generally concerned with motivation (Saal & Knight, 1988).

The following motivational theories impact on an employee's job satisfaction in that if not met, employees will not be motivated to perform their respective job duties:

a) Maslow's Needs Hierarchy

Based on the fact that people have different needs which need to be satisfied, Maslow (1954) designed a hierarchy of needs. We can come to the conclusion then, that these same needs can impact either positively or negatively on an employee's job satisfaction if not met. According to Nel, Werner, Haasbroek, Poisat, Sono and Schultz (2008), the lowest level contains the most basic human needs that must be satisfied before higher-order needs emerge and become motivators of behaviour. The levels in the hierarchy of needs are as follows:

- *Physiological needs*

These are the most prominent needs i.e. need for food, water and warmth. If these are not met, it could have negative consequences for the individual as these are vital for the individual's functioning and survival (Robbins, 2003).

- *Safety needs*

This is the next level of needs to be satisfied namely: security and protection from physical and emotional harm (Robbins, 2003).

- *Social needs*

These include the need for affection, belongingness, acceptance and friendship (Robbins, 2003). These needs are also quite imperative in achievement of job satisfaction.

- *Esteem/Ego needs*

These can be divided into internal esteem factors including self-respect, autonomy and achievement as well as external esteem factors such as status, recognition and attention (Robbins, 2003).

- *Self-actualisation*

One can surmise that this level focuses on becoming everything and more than you can become. According to Maslow (1954:92, cited in Nel, Werner, Haasbroek, Poisat, Sono and Schultz, 2008), this can be explained as a desire to become more than you are and everything that you're capable of becoming. If these are not met, employees will not be driven to do their work.

Grobler et al (2006) postulates that Maslow's theory is based on two assumptions; that is: people always want more and people arranged their needs in order of importance. Grobler et al (2006), Smith and Cronje (1992) further surmises that according to Maslow, any need that is not fulfilled will motivate the employee to continually strive to fulfil that need, and that need will become a motivational factor. Saal and Knight (1988), however, point out that because the fulfilment of one level of needs activates the next level, the employee will always have an active need, making long term job satisfaction unlikely in terms of this theory.

b) Mc Clelland's Achievement Theory

This theory focuses on three needs:

- Need for achievement – the drive to excel, to achieve in relation to a set of standards, to strive to succeed (Robbins, 2003).

- Need for power – the need to make others behave in a way that they would not have behaved otherwise (Robbins, 2003).

- Need for affiliation – the desire for friendly and close interpersonal relationships (Robbins, 2003).

According to McClelland (1961), fulfilment of these needs will result in job satisfaction.
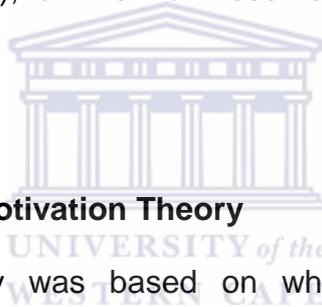
c) Hertzberg's Two-Factor Motivation Theory

Hertzberg's two-factor theory was based on what made people satisfied or dissatisfied in their job. According to Robbins (2003), two factors were identified by Hertzberg to have an impact on people in their place of work and he categorised them into hygiene factors and motivators. Factors which could be associated with the work environment would include equipment, supervision, salary, status, etc. According to Nel, Werner, Haasbroek, Poisat, Sono and Schultz (2010); Hygiene factors do not motivate, however, if they are not met sufficiently it could lead to dissatisfaction. Motivators are also known as growth factors and are related to the job done. These include achievement, recognition, the job itself, progress of growth, responsibility and feedback (Robbins, 2003).

Herzberg applied his theory specifically to the workplace and job design. According to Grobler et al. (2006), Herzberg (1966) proposes that job satisfaction is dependent upon a certain set of conditions while job dissatisfaction results from an entirely different set of conditions. The theory therefore implies that job satisfaction and dissatisfaction do not exist on a continuum extending from satisfaction to dissatisfaction. Rather, two independent continua exist, one running from satisfaction to neutral and another that that runs from neutral to dissatisfaction (Herzberg, 1966; Staw, 1995).

d) ERG Theory

According to Robbins (2003), Clayton Alderfer (1969) cited in Robbins (2003) revised Maslow's need hierarchy theory to align it more with practical research. His research is called the ERG theory. He proposed that there are three groups of core needs – existence, relatedness and growth.

Robbins (2003) reckons that Alderfer's ERG Theory differs from Maslow in that (1) it is possible that more than one need may be operative at the same time, and (2) if the gratification of a higher-level need is stifled, the desire to satisfy a lower level need increases.

e) Goal Setting Theory

Edwin Locke (1960) surmised that striving to achieve a certain goal could lead to motivation. There is a notion that goal specificity, challenge and feedback have an effect on performance. He also proposed self-efficacy which basically makes reference to an individual's belief that he or she is capable of performing a task

(Robbins, 2003). One will be more confident in your ability to perform a task if self-efficacy is high.

Goal setting is a cognitive approach suggesting that that which an individual is devoted to will determine their actions. When employees believe that they will not succeed they will feel dissatisfied and will work harder to attain goals that are possible to achieve. When employees succeed, they feel competent and successful (Greenberg & Baron, 2008).

f) Equity Theory

Adams (1963) supposes that an individual will compare his/her job inputs and outcomes with those of others following which they will respond by eliminating any inequities. According to Robbins (2003), there are four referent comparisons that an employee can use:

1. **Self-inside**: An employee's experiences in a different position inside his or her current organisation

2. **Self-outside**: An employee's experiences in a situation or position outside his or her current organisation

3. **Other-inside**: Another individual or group of individual's inside the employee's organisation

4. **Other-outside**: Another individual or group of individual's outside the employee's organisation.

According to Greenberg and Baron (2008), the equity theory has three important implications for managers namely to avoid underpayment, avoid overpayment and be open and honest with employees.

Grobler et al (2006) surmises that because equity deals with perceptions of fairness or unfairness, it is reasonable to expect that inequitable states may be redressed by merely altering one's thinking about circumstances. This in turn has a bearing on the job satisfaction of employees.

g) Expectancy Theory

Vroom (1932) cited in Robbins (2003), suggested the expectancy theory. He proposed that the strength of the tendency to act in a certain way depends on how strong the expectation is that the action will be followed by a given outcome on the attractiveness of that outcome to the individual. This theory focuses on three relationships:

1. **Effort performance relationship** – The probability perceived by the individual that exerting a given amount of effort will lead to performance.

2. **Performance-reward relationship** – The degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.

3. **Reward-personal goals relationship** – The degree to which organisational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individual (Robbins, 2003).

Higher levels of motivation will be the result when expectancy, instrumentality and valence are all high than when they are low. This also implies that if any one of these three components is zero, it can be expected that the overall level of motivation will be zero. For example, if an employee believes that their effort will result in

performance, which will result in reward, motivation will be zero if the valence of the reward the employee expects to receive is zero (Greenberg & Baron, 2008).

2.6.3 Dimensions of Job Satisfaction

Organisations can only increase job satisfaction and reap the subsequent benefits thereof if the factors causing and influencing this attitude can be identified (Staw, 1995). According to Buitendach and De Witte (2005) and Vecchio (1998) satisfaction is a function of both the person and the environment in which the individual operates. Vecchio (1988) surmised that extrinsic sources of satisfaction originate from outside the individual, implying that they originate from the environment. The rate and level of extrinsic sources of satisfaction are predominantly determined by conditions and forces that are beyond the control of the employee. Smith et al. (1969) further identified five facets that represent the most important characteristics of a job which people experience affective responses:

2.6.3.1 The work itself

The work itself makes reference to the extent to which the job provides the employee with opportunities for learning, challenging tasks, and responsibility. According to Landy (1989); Larwood (1984); Luthans (1992); Moorhead and Griffen (1992) the nature of the work performed by employees, has a significant impact on their job satisfaction. Luthans (1992) surmises that work which is both challenging but at the same time interesting, as well as providing a level of status, would greatly satisfy employees. Aamodt (1999) agrees that an employee's job satisfaction is influenced by opportunities for challenge and growth as well as by the opportunity to be

accountable for his/her own work. When employees are left to "own" their work and take responsibility in making their own decisions concerning their work, they seem to experience a deeper sense of satisfaction.

According to Landy (1989) an employee would be more satisfied in engaging in work that was achievable and was mentally challenging or stimulating. Employee's would also experience job satisfaction where they are afforded the opportunity to engage in work which provided them the opportunity to utilise their skills and abilities and which puts on offer a variety of tasks, freedom, and feedback regarding performance (Larwood, 1984; Luthans,1992; Robbins, 1998; Tziner & Latham, 1989). This notion is supported by Robbins (1998, p. 152) who argues that job characteristics of this nature would make work mentally challenging, and that "Under conditions of moderate challenge, most employees will experience pleasure and satisfaction."

A predictor of job satisfaction, that is, job challenge, has previously been extensively researched. A study conducted by Jinnett and Alexander (1999) suggests that the more challenging the work, the more satisfied the employees. This finding has also been reinforced by Gunter and Furnham (1996) maintaining that challenge is likely to be a more important determinant of job satisfaction than are gender, age, salary, or work history. According to Landy (1989) job satisfaction can also be spurred on by work which personally interests an employee. Aamodt (1999), who is also in favour of this view, states that employees are increasingly satisfied and feel more motivated when their work is interesting compared to employees experiencing their work to be unexciting.

2.6.3.2 Pay

Pay refers to the amount of financial compensation that an individual receives as well as the extent to which such compensation is perceived to be equitable.

Larwood (1984); Luthans (1992); Moorhead and Griffen (1992), agree that pay is another factor likely to play an important role in the satisfaction of employees. Past research have supported the notion that there seems to be a positive correlation between pay and job satisfaction on the whole. This can also be seen in the research which Cramer (1993) and Money and Graham (1999) conducted which basically shows the weight that salary bears on job satisfaction. Ting (1997) who conducted a study concerning federal government employees discovered that employees who were satisfied with what they earned for a living gave rise to higher levels of job satisfaction. He went further on to predict that being satisfied with one's salary is one of the most important predictors of job satisfaction.
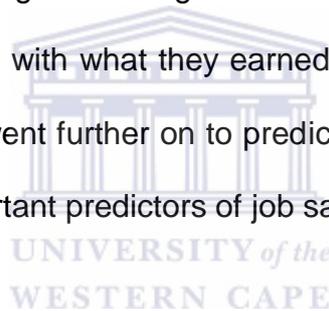
Financial rewards have also been discovered to have a significant impact on an employee's job satisfaction (Lambert et al., 2001). Lambert et al. (2001) goes on to surmise that employees are fascinated by the idea of having money, benefits and security because this concept is entertained by society if one wants to belong and "fit in" – this would increase one's status in society and therefore establish one's worth. The more an employee earns, the less worried they would be about their financial state, in turn demonstrating their self-worth to the organisation (Lambert et al., 2001).

According to Aamodt (1999), Landy (1989) and Robbins (1998) the perception of fairness bears heavier than the amount paid to an employee. Robbins (1998) surmises unprejudiced and clear pay systems, is in actual fact sought after by

individual employees, especially if it meets their expectations. Job satisfaction is inevitable when an employee's pay is perceived to be equitable, based on job demands, individual skill level, and community pay standards.

2.6.3.3 Supervision

Supervision encompasses the subordinate's Superior to provide him with support both practically as well as emotionally. According to Aamodt (1999); Kinicki and Vecchio (1994), Luthans (1992); Moorhead and Griffen (1992) and Robbins (1998) the authenticity of the relationship between supervisor and subordinate has a positive impact on an employee's job satisfaction. Ting (1997) agrees by stating that if Superiors assist subordinates by providing them with support and co-operation in completing job tasks, subordinates will experience an increased level of job satisfaction.
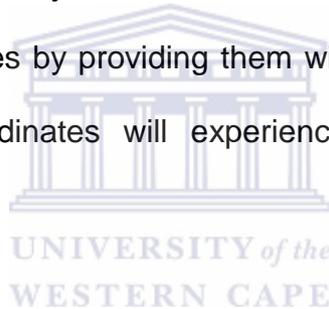
Billingsley and Cross (1992) as well as Cramer (1993) has conducted research yielding similar results. The above-mentioned researchers all seem to hold the same view in that job dissatisfaction will arise as a result of a subordinate's discontentment with management's supervision. Staudt (1997) supports this view in a study he conducted incorporating social workers who surmise that their job satisfaction rests on how satisfied they are with the supervision they experience from their Superiors.

According to Boshoff and Mels (1995) and McCormick and Ilgen (1985) numerous supervisory experiences have been discovered to a have a significant impact on job satisfaction. Leadership style, technical adequacy, consideration, initiating structure,

participation in decision-making, autonomy, performance feedback and communication are included in the said experiences.

Furthermore, supervisory consideration refers to leader behaviours that are concerned with promoting the comfort and well-being of subordinates. Boshoff and Mels (1995) is of the opinion that supervisory consideration also concerns the degree to which managers are supportive, friendly, considerate, consult with employees and recognise their contributions.

Previous studies have made a strong case for the use of supportive behaviours by Supervisors (Chieffo, 1991; Packard & Kauppi,1999). Generally, democratic leadership styles have been consistently associated with high levels of employee satisfaction as it focuses on high levels of consideration. Packard and Kauppi (1999) found that the more autocratic a supervisor compared to those supervisors who are democratic, the lower the level of job satisfaction experienced by subordinates. According to Boshoff and Mels (1995) consideration is positively associated with job satisfaction. Pool (1997), who's study yielded similar results, agrees with this view.

2.6.3.4 Co-workers

According to Luthans (1992) and Smith et al (1969) co-workers encompasses the extent to which fellow employees are technically competent and socially supportive. In support of this view, Cranny et al. (1992) looks at job satisfaction in a manner that takes the above-mentioned dimensions of this attitude into account. According to Cranny et al. (1992), job satisfaction is a combination of emotional and intellectual reactions to the differential perceptions of what employees want to receive compared with what they actually receive

Co-worker relations include all interpersonal relations, both positive and negative, that occur within the work situation. According to McCormick and Ilgen (1985) co-worker relations may include among others, the competence, friendliness, helpfulness, and co-operation of fellow employees, but to name a few. Hodson (1997) postulates that the relationship co-workers share plays an important role in establishing the social climate within an organisation and allows employees to experience a sense of meaningfulness and identity. One of the views held by Luthans (1992) is the fact that the work group serves as a source of support, comfort, advice and assistance. Based on this premise, it is easy to surmise why most employees find that work fulfils their need for social interaction.

It is therefore no surprise that research continuously insinuates that a sense of job satisfaction leans towards having friendly and supportive colleagues (Aamodt, 1999; Larwood, 1984; Moorhead & Griffen, 1992; Robbins, 1998). Landy (1989) on the other hand suggests that employees find their satisfaction in colleagues who share the same opinions and views such as themselves.

In the opinion of Jinnett and Alexander (1999) co-workers play a crucial role in either aiding or hindering job satisfaction in the workplace. In a similar study conducted by Hodson (1997) results proved that conflict between co-workers had a negative bearing on job satisfaction in comparison to unity amoungst colleagues which brought on high levels of job satisfaction.

Ting (1997) supports this view by maintaining that this relationship will gain much significance as tasks performed by co-workers become increasingly unified.

2.6.3.5 Working Conditions

According to Luthans (1992) and Moorhead and Griffen (1992) this is another factor which has an impact on the job satisfaction of employees. Temperature, ventilation, lighting and noise are just a few of the characteristics affecting working conditions within the workplace (Robbins, 1998). Landy (1989) suggests that a large part of an employee's job satisfaction rests on the working conditions and physical needs of an employee and how these two aspects of the job match up. Robbins (1998) surmises that employees are concerned with their work environment for both personal comfort and for facilitating good job performance. Based on this view, certain studies have also demonstrated that employees prefer physical surroundings that are not uncomfortable or dangerous.
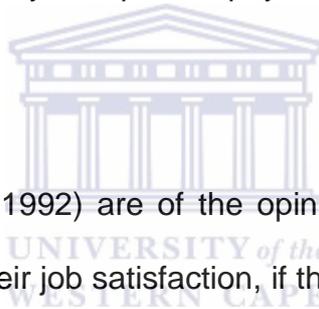
 Luthans (1992) and Vorster (1992) are of the opinion that working conditions will have a significant impact on their job satisfaction, if they are either extremely good or extremely poor. Vorster (1992) also postulates that an employee's job satisfaction will be negatively affected when they have a frame of reference or set of standards which they can compare to their current surroundings. According to Visser (1990), these standards may become apparent when the employee's working conditions changes over time, like when the employee moves from one building to another or they change jobs.

2.7 Conclusion

Workplace restructuring always ends with a loss – if not the loss of the job itself, it's the loss of trust and faith in the organisation. This in turn impacts negatively on the job satisfaction of the individuals who are left in the aftermath of said process.

56

Sometimes a restructuring process can be for the benefit of the company but often it leaves its employees destitute and fragile. In this chapter, we looked at both what downsizing and restructuring is and the components namely: communication and participation, job satisfaction, change management and managing resistance to change.

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CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter defines the research design and framework of the methodology that was used in the investigation of the impact of workplace restructuring on the job satisfaction of employees who survived such an intervention in a cleaning company in South Africa. It provides an explanation of the sampling methods, data gathering and the statistical techniques that were utilised during the data analysis conducted. The ethical considerations during this research are also reflected upon.

3.2 Population

Sekaran (2000) defines a population as a group of people, events or interests that is population as a specific pool of cases, individuals or groups of individuals which a researcher wishes to investigate.

The population group for this study included all employees of the participating organisation who had experienced a workplace restructuring exercise conducted within the organisation. It included employees at all levels of the organisation, but also employees who had been affected by this intervention. The population size that was used in this study consisted of 111 employees on different levels.

3.3 Sample and Research Design

A sample size of 130 was extrapolated. A non-probability sample technique was used by means of a convenience sampling technique to ensure appropriate gathering of data. This sample method was selected due to ease of accessibility and availability of respondents. According to Sekaran (2003, p.420), non-probability sampling is a sampling design in which the elements in the population do not have a known or predetermined chance of being selected as sample subjects. Unfortunately, a negative result of this sampling method is the non-generalizability of the findings of the study (Sekaran, 2003).

A total number of 130 (sample size) questionnaires were circulated. A total number of 111(population) completed questionnaires were received, achieving an overall response rate of 85%. Sekaran (2003) maintains that any sample that is larger than thirty (30), but less than five hundred (500) can be considered appropriate for most research projects. Based on the nature of the research problem, a quantitative research design was used.

3.4 Data Collection Method

As stated by Huysamen (1993, p.26) the survey method is generally used when the researcher wishes to elicit opinions. Since the objective of the research was to measure the effects of workplace restructuring on job satisfaction, the survey method was deemed to be most appropriate.

Permission was requested from the Company by way of a meeting with the Human Resources Director who then granted the request to use the Company in this research project. Further permission was requested from each of the respondents by distributing a letter explaining the project and its purpose and guaranteeing anonymity.

For purposes of gathering information from the respondents, a composite questionnaire - comprising a biographical questionnaire, a restructuring questionnaire and a job satisfaction questionnaire – was compiled. The questionnaires were distributed by hand and I was present to assist if the respondents had any questions or concerns.
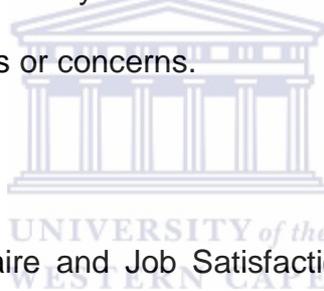
The Restructuring Questionnaire and Job Satisfaction Survey were distributed by hand (after receiving permission from the company) to those employees affected by the workplace restructuring experienced by the organisation in question and were self-administered. The cover letter attached to each questionnaire explained the reason for the study and guaranteed confidentiality. The rationale for providing clear instructions and assuring confidentiality of information is based on the fact that this significantly reduces the likelihood of obtaining biased responses (Sekaran, 2003). Participants were then allowed to drop their completed questionnaires in a box which was then collected on the due date. Further, to that, each questionnaire was then administered by recording the data in an excel spread sheet, which was later recorded in a computer program, SPSS, to analyse the data.

As previously indicated, a composite questionnaire was utilised for purposes of data gathering. In the following section, more information is provided on each of the questionnaires utilised.

Two questionnaires were distributed - A self-developed questionnaire, created by Ndlovu and Brijball Parumasur (2005) and consisting of 34 questions and 23 items, focusing on Workplace Restructuring - was used. It consists of 3 sections and includes the biographical information making up the first section of the questionnaire. The dimensions of the biographical questionnaire include gender, age, tenure, qualifications and ethnic group. The second part of the questionnaire addresses the dimensions Trust, Employee Commitment and Loyalty, Communication, Career Advancement Opportunities and Employee Morale. The third section allows the respondent to add any further comments if they had any. The Job Satisfaction Survey was the second questionnaire distributed which has 36 items and a nine facet scale. The nine facets include Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance based rewards), Operating Procedures (required rules and procedures), Coworkers, Nature of Work, and Communication.

Table 3.1 is a representation of the results of the biographical questionnaire and is depicted below:

Table 3.1: Demographic Profile

Variable	Frequency	Percentage (%)
Gender		
Male	30	27%
Female	79	71.2
Age of participants		
20 – 25	2	1.8
26 – 30	18	16.2
31 – 40	34	30.6
41 – 50	36	32.4
51 – 60	21	18.9
Older than 60	2	1.8
Ethnic group		
Black	26	23.4
Coloured	59	53.2
Indian	1	.9
White	25	22.5
Education		
Secondary Education	19	17.1
Grade 12	48	43.2
Diploma	33	29.7
Degree	7	6.3
Honours	3	2.7
Masters	1	.9
Tenure		
0 – 3	21	18.9
4 – 7 years	47	42.3
8 – 10 years	14	12.6
11 – 15 years	11	9.9
Above 16 years	18	37.3
Job Category		
Top Management	6	5.4
Middle Management	55	49.5
Lower Level	32	28.8
Non-Management	17	15.3

3.5 Workplace Restructuring Questionnaire

The questionnaire used is a self-developed questionnaire, produced by Ndlovu and Brijball Parumasur (2005) consisting of 34 questions and 23 items. It consists of 3 sections. This is the only workplace restructuring questionnaire found suitable to apply to the study in question. The questionnaire was specifically designed to capture survivors' cognitive, affective and behavioural responses to a series of downsizing exercises adopted by the organisation. However, the questionnaire is significant and relevant to the current study as well, as it focuses on workplace restructuring. The questionnaire is comprised of three sections. The first section focuses on the biographical data of the subjects which includes age, highest educational qualification, tenure, job category, race, gender and is measured on a nominal scale. The second section contains questions based on the key dimensions of the study, namely employee morale, employee commitment, employee trust and loyalty and career development opportunities. The third section allows the participants to make any additional comments if they chose to do so.

3.6 Reliability of the Restructuring Questionnaire

The reliability of the questionnaire was statistically determined by using Cronbach's Coefficient Alpha– 0.7167. This indicates that the questionnaire has a high degree of reliability with measuring the dimensions of the study (communication, trust, employee morale, employee commitment and loyalty and career advancement opportunity) respectively (Ndlovu & Brijball Parusumar, 2005).

3.7 Validity of the Restructuring Questionnaire

The validity of the questionnaire was statistically determined by using Factor Analysis, (Ndlovu & Brijball Parusumar, 2005).

- Seven items load significantly on Factor 1 and account for 15.695% of the total variance.

- Five items load significantly on Factor 2 and account for 14.272% of the total variance.

- Five items load significantly on Factor 3 and account for 14.120% of the total variance.

- Five Items load significantly on Factor 4 and account for 13.328% of the total variance.

- Four items load significantly on Factor 5 and account for 11.973% of the total variance

3.8 Rationale for inclusion of the Restructuring Questionnaire

The rationale for inclusion of the self-developed restructuring questionnaire (Ndlovu & Brijaball Parumasur, 2005) was that it is valid and reliable for measuring workplace restructuring.

This was the only questionnaire available/known on workplace restructuring and therefore the only one that could be used in this study. It is made up of three dimensions.

3.9 Job Satisfaction Questionnaire

There are various job satisfaction questionnaires.

3.9.1 Job Satisfaction Survey

Spector (1985) developed the Job Satisfaction Survey which uses 36 items to describe nine facets of an employee's work environment and solicits an individual's reaction with regards to pay, promotion, supervision, benefits, contingent rewards, operating procedures, co-workers, nature of work, and communication. It was originally developed to assess job satisfaction in human service, non-profit and public organisations.

For the purposes of this study, the **Job Satisfaction Survey** was utilised to determine what impact, if any, the workplace restructuring had on job satisfaction. A summated rating scale format was used, with six choices per item ranging from "strongly disagree" to "strongly agree". Items are written in both directions, so about half must be reverse scored.

3.10 Psychometric properties of the Job Satisfaction Survey

3.10.1. Validity

Welman (2005, p. 142), describes validity as "the extent to which the research findings accurately represent what is really happening in the situation. An effect or test is valid if it demonstrates or measures what the researcher claims it does".

There are three validity tests that can be used to determine the authenticity of the measures namely:

1. **Content Validity**: Sekaran (2003, p. 415) purposes that this test of validity "establishes the representative sampling of a complete set of items that measures a concept, and reflects how well the dimensions and elements thereof is defined". Content validity of a measuring instrument represents the extent to which the items measure the content they were intended to measure (Cooper & Schindler, 2003). It should therefore provide adequate coverage of the questions guiding the research. The Job Satisfaction Survey measures job satisfaction, using different subscales, it therefore is considered to have content validity.
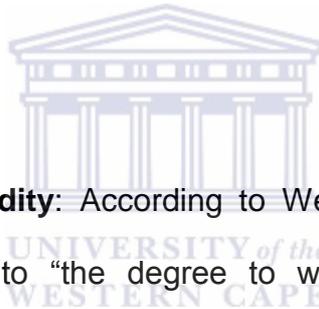
2. **Criterion Related Validity**: According to Welman (2005, p. 144), criterion related validity refers to "the degree to which diagnostic and selection measurement/tests correctly predict the relevant criterion." Concurrent or predictive validity can be used in order to establish whether the criterion exists at the time of testing or whether it will only become available after completion of the test. Spector (1997, p. 12), reports that "the JSS subscales of pay, promotion, supervision, co-workers and the nature of work correlate well with corresponding subscales of the JDI." These correlations ranged from .61 for co-workers to .80 for supervision.

3.10.2 Reliability

According to Sekaran (2003, p. 203), the reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the authenticity of a measure. Sekaran (2003) goes on to explain that the reliability of measures can be verified by using Cronbach's Coefficient Alpha, indicating how well the items in a set are positively correlated to one another.

Internal consistency implies to whether items are consistent across different constructs (Cresswell, 2003; Welman et al., 2005). It considers how well items of a scale relate to one another. The Job Satisfaction Survey has been tested for internal consistency reliability and coefficient alphas ranging from .60 for the co-worker subscales to .91 for the total scale have been reported. According to Spector (1997, p.12), "the widely accepted minimum standard for internal consistency is .70."
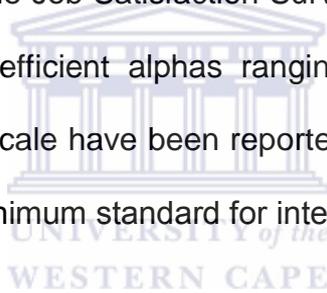
The reliability of the Job Satisfaction Survey has statistically been determined by using Cronbach's Coefficient Alpha– 0.91 which is the total of all facets.

3.11 Rationale for inclusion of the Job Satisfaction Survey

The rationale for inclusion of the Job Satisfaction Survey is that it is valid and reliable for measuring Job Satisfaction.

It was also the most appropriate to use in the study out of all the other instruments measuring job satisfaction as it guaranteed confidentiality and anonymity and

allowed participants to comfortably voice their opinions without the fear of being marginalised because of it .

3.12 Statistical Methods

3.12.1 Descriptive statistics

The Statistical Program for Social Sciences (SPSS), version twenty one (21) was used to analyse the research data. The data analysis included the descriptive as well as the inferential statistics.

According to Sekaran (2003), descriptive statistics involves the conversion of raw data into reliable information that provides information relating to a set of factors in a particular situation. It involves statistics such as frequencies, the mean, and the standard deviation, which provide descriptive information about a set of data.
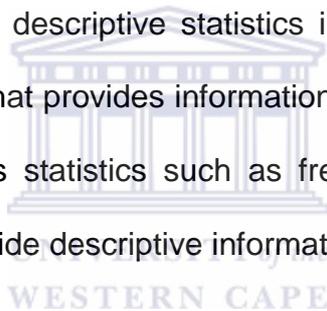
Saunders et al. (2000) purposes, that when attempting to describe data from both samples and populations quantitatively it is required to provide some general impression of values that could be viewed as common, middling or average. These terms are known as measures of central tendency and the most common value is called the mode. The middle value is known as the median and can be sited by arranging values in ascending or descending order and then locating the midpoint in the distribution. The mean is the average value that's obtained from all the data values in its calculation (Saunders et al., 2000).

Descriptive statistics was used to describe and summarise the data that was collected for this research study. This enabled the researcher to present numerical data in a structured, accurate and summarised manner.

3.12.2 Inferential statistics

According to Sekaran (2003, p. 418), inferential statistics can be defined as "statistics that help to establish relationships amoung variables and draw inferences there from." There are many types of inferential statistics but for the purposes of this study, the following two will be discussed:

a) The Pearson Correlation Matrix

Correlation is normally used when a researcher is interested in determining how one variable is related to another, in terms of the nature, direction and significance of the relationship between the two variables (Sekaran, 2003)

According to Welman (2005), the Pearson Correlation matrix is used to reflect the direction, strength and significance of the bivariate relationship amoung variables in a study and can only be used when two intervals or ratio variables are being studied.

In this study, the Pearson Correlation was used to determine whether there is a significant relationship between workplace restructuring and job satisfaction.

b) ANOVA

Sekaran (2003) describes a moderating variable to be a third variable that generally affects the correlation of two variables. He goes further to surmise that most of the moderating variables measure casual relationships using the

regression coefficient. In ANOVA, the moderating variable effect is represented by the infraction effect between the dependent variable and the factor variable (Sekaran, 2003).

This statistical method was used to establish whether significant differences exist in an employee's job satisfaction based on them experiencing a workplace restructuring or downsizing exercise.

3.13 Exploratory Factor Analysis

According to Cudeck (2000) factor analysis is a collection of methods used to explain the relationships amoung variables in terms of more essential entities known as factors. Fabrigar and Wegener (2012) further postulates that factor analysis is used to determine the number of distinct theories assessed by a set of measures.
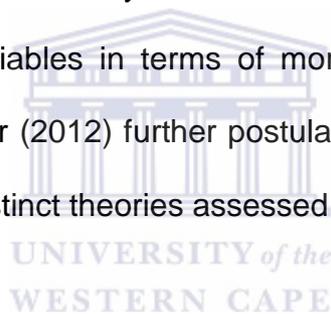
3.14 Research Hypothesis

The research problem can be formulated as follows:

Hypothesis 1

There exists significant positive relationship between the dimension trust (restructuring) and job satisfaction.

Hypothesis 2

There is a significant positive relationship between the dimension employee commitment and loyalty (restructuring) and job satisfaction.

Hypothesis 3

There will be a significant positive relationship between the dimension career advancement opportunities (restructuring) and job satisfaction.

Hypothesis 4

There exists a significant positive relationship between the dimension communication (restructuring) and job satisfaction.

Hypothesis 5

There is a significant positive relationship between the dimension trust (2) (restructuring) and job satisfaction.

3.15 Ethical Considerations

It was of paramount importance for the researcher to ensure that the respondents' participation in this project was of a voluntary nature. In addition, informed consent was obtained from all participants. The measuring instrument was carefully constructed and its validity and reliability was investigated. Confidentiality of all respondents' responses and their anonymity remained a priority throughout the study. The researcher was satisfied that the research was conducted strictly according to the Ethical Code of Psychologists as stipulated by the South African Board of Psychology.

3.16 Conclusion

This chapter described and reflected on the research design used in this study. It included information on the research instrument and the procedure used to obtain the data. Furthermore, this chapter also provided detailed information on the statistical analyses (i.e. both descriptive and inferential) and presented an overview of the overall research methodology that was used in this study. Information was provided on the population and the sample.

In the following chapter, more information is provided on the results of the study.

CHAPTER 4

PRESENTATION OF RESULTS

4.1 Introduction

The current chapter provides a detailed presentation of these results. The chapter starts off by presenting the results of the reliability and exploratory factor analyses of the measurements used in the study followed by the output from the correlational and regressional analyses output.

4.2 Item Analysis

Item analysis using the SPSS Reliability procedure (SPSS Inc., 2013) was performed on the items of the scales used to measure the latent variables under investigation. The purpose of conducting item analysis was to identify and eliminate items not contributing to an internally consistent description of the latent variables measured by these scales.
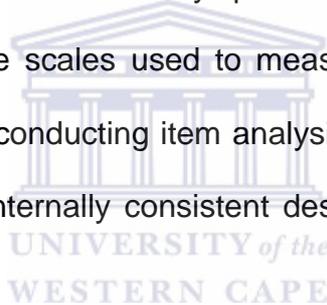
4.2.1 Item analysis of the Restructuring Questionnaire

Item analysis was performed on the subscales of the Restructuring Questionnaire developed by Ndlovu and Brijball Parumasur (2005). The output is presented and discussed in this section.

4.2.1.1 Trust Subscale

A Cronbach alpha of .934 was obtained for the Trust subscale. This indicates a good internal consistency for the trust subscale. According to Nunnally and Bernstein (1994) acceptable Cronbach alpha values should be above 0.70. The corrected item-total correlation values shown in the Item-Total Statistics table give an indication of

73

the degree to which each item correlates with the total score. Low values (less than .3) indicate that the item is measuring something different from the scale as a whole (Pallant, 2010). The mean for this subscale is 17.8 and the standard deviation is 6.7. As indicated in Table 4.1, all the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.1

The reliability analysis output for the Trust subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.934	.934	6

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
TRST1	14.68	31.654	.781	.632	.925
TRST2	14.83	31.652	.821	.693	.920
TRST3	14.86	32.015	.778	.629	.925
TRST4	14.78	30.826	.887	.787	.911
TRST5	14.71	30.752	.838	.720	.917
TRST6	15.19	33.500	.726	.585	.931

4.2.1.2 Employee Commitment and Loyalty Subscale

A Cronbach alpha of .777 was obtained for Employee Commitment and Loyalty subscale. The corrected item-total correlation values shown in the Item-Total Statistics column in Table 4.2 gives an indication of the degree to which each item correlates with the total score. Low values (less than .3) indicate that the item is measuring something different from the scale as a whole (Pallant, 2010). The mean

for this subscale is 15.47 and standard deviation 4.5. As indicated in Table 4.2, all

the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.2

The reliability analysis output for the Employee Commitment and Loyalty subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.777	.779	5

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
COMM1	12.20	12.815	.651	.525	.701
COMM3	12.64	15.396	.511	.317	.751
COMM4	12.30	12.247	.747	.668	.665
COMM5	12.41	13.643	.533	.419	.743
RCOMM2	12.33	15.352	.351	.205	.803

4.2.1.3 Career Advancement Opportunities Subscale

A Cronbach alpha of .784 was obtained for Career Advancement Opportunities

subscale. The corrected item-total correlations were larger than .30 (see Table 4.3)

(Pallant, 2010). The mean for this subscale is 10.6 and the standard deviation is 4.6.

if RCAREE1 is to be included the mean would be 13.6 and standard deviation 4.8.

The item-total statistics indicated that the reliability coefficient would increase

significantly if the item RCAREE1 is to be deleted, to α = .864. The item was

subsequently excluded from further analysis.

Table 4.2

The reliability analysis output for the Career Advancement Opportunities subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.784	.770	5

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
CAREE2	10.9640	14.326	.699	.563	.695
CAREE3	11.3243	14.748	.698	.589	.698
CAREE4	10.5405	14.160	.635	.427	.716
CAREE5	10.9820	13.963	.710	.549	.689
RCAREE1	10.6396	20.887	.095	.020	.864

4.2.1.4 Communication Subscale

A Cronbach alpha of .756 was obtained for Communication subscale. As indicated in Table 4.4, all the corrected item-total correlations were larger than .30 (Pallant, 2010). The mean for this subscale is 11.1 and standard deviation 4.6. If RCOMUN2 is to be included the mean would be 13.8 and standard deviation 4.6. The item-total statistics indicated that the reliability coefficient would increase significantly if the item RCOMUN2 is to be deleted, to α = .884. The item was therefore excluded from further analysis.

Table 4.3

The reliability analysis output for the Communication subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.756	.743	5

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
COMUN1	10.55	14.195	.559	.369	.699
COMUN3	11.13	12.620	.693	.676	.645
COMUN4	11.18	12.295	.794	.749	.606
COMUN5	11.27	12.526	.775	.647	.616
RCOMMUN2	11.08	20.821	-.083	.056	.884

4.2.1.5 Trust

A Cronbach alpha of .651 was obtained for the second Trust subscale. The mean for this subscale is 10.6 and standard deviation 3.0. As indicated in Table 4.5 all the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.4

The reliability analysis output for the Trust subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.651	.664	3

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
F5.1	6.93	5.340	.309	.176	.754
F5.2	7.16	4.355	.670	.471	.290
F5.3	7.01	4.445	.450	.385	.575

4.3.2 ITEM ANALYSIS OF THE JOB SATISFACTION SURVEY

The Job Satisfaction Survey (Spector, 1985), JSS is a 36 item, nine facet scale to assess employee attitudes about the job and aspects of the job. The nine facets are Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance based rewards), Operating Procedures (required rules and procedures), Coworkers, Nature of Work, and Communication. The item analysis was done for each of the 5 subscales separately.

4.3.2.1 The Pay Subscale

A Cronbach alpha of .934 was obtained for the Pay subscale. The mean for this subscale is 12.54 and standard deviation 4.9. As indicated in Table 4.6 all the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.5

The reliability analysis output for the Pay subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.934	.934	6

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JS1	9.29	15.371	.415	.211	.605
RJS10	9.73	16.835	.389	.178	.620
RJS19	9.41	15.952	.438	.201	.588
JS28	9.20	14.342	.508	.269	.537
JS1	9.29	15.371	.415	.211	.605
RJS10	9.73	16.835	.389	.178	.620
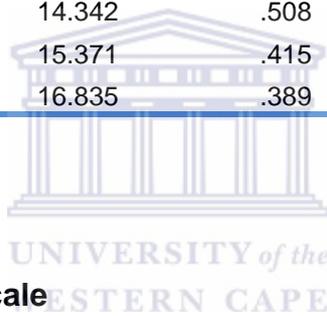
4.3.2.2 The Promotion Subscale

A Cronbach alpha of .636 was obtained for the Promotion subscale. The mean for this subscale is 12.9 and standard deviation 4.8. As indicated in Table 4.6 all the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.6

The reliability analysis output for the Promotion subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.636	.624	4

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RJS2	10.14	16.136	.328	.248	.624
JS11	9.36	13.124	.433	.275	.556
JS20	9.94	16.841	.259	.123	.665
JS33	9.30	10.847	.675	.470	.346

4.3.2.3 The Supervision Subscale

A Cronbach alpha of .471 was obtained for Supervision subscale. Table 4.7 indicates that all the corrected item-total correlations were larger than .30 (Pallant, 2010). The mean for this subscale is 18.6 and standard deviation 3.6. The item-total statistics indicated that the reliability coefficient would increase slightly if the item RJS21 is to be deleted, to α = .577. The item was subsequently deleted.

Table 4.7

The reliability analysis output for the Supervision subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.471	.500	4

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JS3	13.71	8.207	.333	.232	.341
RJS12	13.96	6.853	.376	.151	.281
RJS21	14.55	9.123	.100	.033	.577
JS30	13.48	9.488	.341	.192	.367

## 4.3.2.4 The Fringe Benefits Subscale

A Cronbach alpha of .684 was obtained for Fringe Benefits subscale. The mean for this subscale is 11.3 and standard deviation 4.9. As indicated in Table 4.8 all the corrected item-total correlations were larger than .30 (Pallant, 2010).

Table 4.8

The reliability analysis output for the Fringe Benefits subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.684	.686	4

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RJS4	8.35	15.666	.357	.143	.695
RJS29	9.05	17.425	.353	.147	.684
JS13	8.56	13.449	.652	.473	.495
JS22	8.05	14.062	.534	.400	.573

4.3.2.5 The Contingent Rewards Subscale

A Cronbach alpha of .522 was obtained for Contingent Rewards subscale. As indicated in Table 4.10 all the corrected item-total correlations were larger than .30 except for item RJS23 (Pallant, 2010). The mean for this subscale is 12.7 and standard deviation 4.3. The item was not removed since it decreases the Cronbach alpha coefficient of the scale.

Table 4.9

The reliability analysis output for the Contingent Rewards subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.522	.524	4

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JS5	9.09	12.519	.253	.086	.501
RJS14	9.08	11.512	.380	.190	.387
RJS23	9.98	12.600	.255	.082	.499
RJS32	9.93	11.977	.364	.183	.405
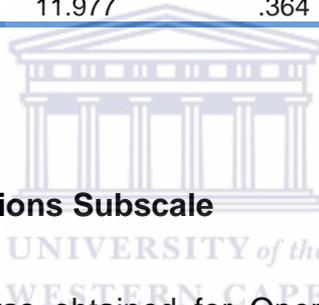
4.3.2.6 The Operating Conditions Subscale

A Cronbach alpha of .311 was obtained for Operating Conditions subscale. As indicated in Table 4.10 all the corrected item-total correlations were larger than .30 (Pallant, 2010). The mean for this subscale is 12.9 and standard deviation 3.7. If JS15 is to be deleted the mean would be 9.5 and standard deviation 3.5. The item-total statistics indicated that the reliability coefficient would increase slightly if the item JS15 is to be deleted, to α = .511. The item was deleted since the magnitude of the change in cronbach alpha is substantial.

Table 4.10

The reliability analysis output for the Operating Conditions subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.311	.298	4

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RJS6	9.42	10.355	.081	.114	.342
JS15	9.50	12.034	-.084	.090	.511
RJS24	9.64	8.487	.307	.180	.074
RJS31	10.16	6.828	.402	.187	-.114[a]

4.3.2.7 The Co-workers Subscale

A Cronbach alpha of .550 was obtained for Co-workers subscale. Table 4.11 indicates that all the corrected item-total correlations were larger than .30 (Pallant, 2010) with the exception of JS25. The mean for this subscale is 17.2 and standard deviation 3.6. The item was, however, not excluded from the study since it reduces the reliability coefficient.

Table 4.11

The reliability analysis output for the Coworkers subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.550	.580	4

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JS7	11.87	9.402	.433	.259	.438
RJS16	14.21	7.475	.337	.153	.483
JS25	12.18	9.495	.290	.207	.514
RJS34	13.33	7.206	.345	.127	.479

4.3.2.8 The Nature of Work Subscale

A Cronbach alpha of .496 was obtained for Nature of Work subscale. As indicated in Table 4.12 all the corrected item-total correlations were larger than .30 (Pallant, 2010) with the exception of RJS8 and JS27. The mean for this subscale is 19.6 and standard deviation 3.2. Only item RJS8 was excluded since its exclusion improved the internal consistency of the subscale.

Table 4.12

The reliability analysis output for the Nature of Work subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.496	.555	4

Item-Total Statistics					
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RJS8	15.72	5.367	.218	.064	.570
JS17	14.26	7.431	.413	.193	.360
JS27	14.28	7.367	.287	.117	.430
JS35	14.58	6.937	.354	.194	.374

4.3.2.9 Communication

A Cronbach alpha of .625 was obtained for Communication subscale. The mean for this subscale is 14.3 and standard deviation 4.6. As indicated in Table 4.13 all the corrected item-total correlations were larger than .30 (Pallant, 2010) except for item JS9.

Table 4.13

The reliability analysis output for the Communication subscale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.625	.627	4

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
JS9	10.84	14.483	.253	.145	.664
RJS18	10.54	12.142	.504	.278	.481
RJS26	11.19	11.482	.584	.345	.417
RJS36	10.27	14.363	.310	.188	.621

4.3.3 Dimensional Analysis of the Restructuring Questionnaire

4.3.3.1 The dimensionality analysis of the Trust subscale

Exploratory factor analysis shows that the *Trust subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .917 and 524.924 (df =15; p = .000) respectively. According to Kaiser (as cited in Field, 2005), these values are satisfactory and indicate the analysability of the correlation matrix of the *Trust subscale*. The *Trust subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 70.548 percent of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.14

Table 4.14

Factor analysis for the *Trust subscale*

	Factor 1
TRST1	.812
TRST2	.854
TRST3	.808
TRST4	.928
TRST5	.873
TRST6	.754

4.3.3.2 The dimensionality analysis of the Employee Commitment and Loyalty subscale

Exploratory factor analysis shows that the *Employee Commitment and Loyalty subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .697 and 185.573 (df =10; p = .000) respectively. The *Employee Commitment and Loyalty* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 45.359 percent of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.15

Table 4.15

Factor analysis for the *Employee Commitment and Loyalty subscale*

	Factor 1
COMM1	.720
COMM3	.583
COMM4	.934
COMM5	.628
RCOMM2	.378

4.3.3.3 The dimensionality analysis of the Career Advancement Opportunities subscale

Exploratory factor analysis shows that the *Career Advancement Opportunities subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .808 and 208.743 (df =10; p = .000) respectively. The *Career Advancement Opportunities subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 49.84 percent of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.16

Table 4.16

Factor analysis for the *Career Advancement Opportunities subscale*

	Factor 1
CAREE2	.815
CAREE3	.824
CAREE4	.698
CAREE5	.808

4.3.3.4 The dimensionality analysis of the Communication subscale

Exploratory factor analysis shows that the *Communication subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .797 and 272.817 (df =10; p = .000) respectively. The *Communication subscale* was found to be uni-dimensional. The dominant factors accounted for 67029 percent of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.17

Table 4.17

Factor analysis for the *Communication subscale*
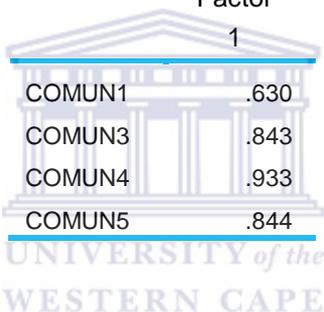
	Factor 1
COMUN1	.630
COMUN3	.843
COMUN4	.933
COMUN5	.844

4.3.4 Dimensional Analysis of the Job Satisfaction Survey

4.3.4.1 The dimensionality analysis of the Pay subscale

Exploratory factor analysis shows that the *Pay subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .683 and 59.270 (df = 6; p = .000) respectively. The *Pay subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 32.929 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.18

90

Table 4.18

Factor analysis for the *Pay subscale*

	Factor
	1
JS1	.541
JS28	.684
RJS10	.496
RJS19	.557

4.3.4.2 The dimensionality analysis of the Promotion subscale

Exploratory factor analysis shows that the *Promotion subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .573 and 46.241 (df =3; p = .000) respectively. The *Promotion subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 49.840 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.19

Table 4.19

Factor analysis for the *Promotion subscale*

|	Factor
	1
JS11	.581
JS20	.362
JS33	.889

4.3.4.3 The dimensionality analysis of the Supervision subscale

Exploratory factor analysis shows that the *Supervision subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .615 and 35.212 (df =3; p = .000) respectively. The *Supervision subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 35.419 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.20

Table 4.20

Factor analysis for the *Supervision subscale*
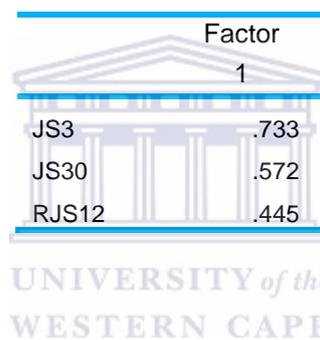
	Factor 1
JS3	.733
JS30	.572
RJS12	.445

4.3.4.4 The dimensionality analysis of the Fringe Benefits subscale

Exploratory factor analysis shows that the *Fringe Benefits subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .662 and 87.891 (df = 6; p = .000) respectively. The *Fringe Benefits subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 41.052 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.21

Table 4.21

Factor analysis for the *Fringe Benefits subscale*

	Factor 1
RJS4	.412
RJS29	.414
JS13	.913
JS22	.684

4.3.4.5 The dimensionality analysis of the Contingent Rewards subscale

Exploratory factor analysis shows that the *Contingent Rewards subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .574 and 33.361 (df = 6; p = .000) respectively. The *Contingent Rewards subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 23.775 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.22

Table 4.22

Factor analysis for the *Contingent Rewards subscale*

	Factor 1
JS5	.339
RJS14	.620
RJS23	.339
RJS32	.581

4.3.4.6 The dimensionality analysis of the Operating Conditions subscale

Exploratory factor analysis shows that the *Operating Conditions subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .573 and 23.779 (df = 3 ; p = .000) respectively. The *Operating Conditions subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 29.529 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.23

Table 4.23

Factor analysis for the *Operating Conditions subscale*
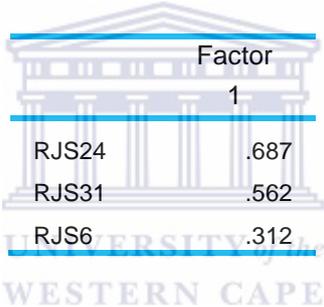
	Factor 1
RJS24	.687
RJS31	.562
RJS6	.312

4.3.4.7 The dimensionality analysis of the Co-Workers subscale

Exploratory factor analysis shows that the *Co-Workers subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .583 and 47.523 (df = 6; p = .000) respectively. The *Co-Workers subscale* was found to be two-dimensional. Two factors with an eigenvalue greater than 1 was obtained and this factor accounted for 30.680 and 12.442 percent of the variance. An examination of the identity of the factors shows that the factors loaded according to whether they were positively or negatively worded therefore a higher order coworker factor was used and the items were regarded as reflecting a single factor. The factor loadings

were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.24

Table 4.24

Factor analysis for the *Co-Workers subscale*

|	Factor 1	Factor 2
JS7	.546	.202
RJS16	-.088	.787
JS25	.762	-.087
RJS34	.113	.380

4.3.4.8 The dimensionality analysis of the Nature of Work subscale

Exploratory factor analysis shows that the *Nature of Work subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .643 and 36.839 (df = 6; p = .000) respectively. The *Nature of Work subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 26.223 of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.25

Table 4.25

Factor analysis for the *Nature of Work subscale*

	Factor 1
RJS8	.299
JS17	.621
JS27	.442
JS35	.616

4.3.4.9 The dimensionality analysis of the Communication subscale

Exploratory factor analysis shows that the *Communication subscale* is factor analysable as indicated by KMO index and the Bartlett's test of sphericity values of .636 and 65.773 (df = 6; p = .000) respectively. The *Communication subscale* was found to be uni-dimensional. Only one factor with an eigenvalue greater than 1 was obtained and this factor accounted for 34.629 percent of the variance. The factor loadings were above .3 suggesting that the factor solution provided a valid explanation of the observed inter-item correlation matrix. The results are shown in Table 4.26

Table 4.26

Factor analysis for the *Communication subscale*

	Factor 1
JS9	.342
RJS18	.645
RJS26	.816
RJS36	.432

4.4 Presenting the results from Correlation

4.4.1 Trust

The relationship between Trust (as measured by the Restructuring Questionnaire) and Job Satisfaction (as measured by the Job Satisfaction Survey) was investigated using Pearson product-moment correlation coefficient. Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a strong, positive correlation between the job satisfaction and trust (Hypothesis 1), $r = .310$, $n = 111$, $p < .001$, with high levels of job satisfaction associated with high levels of trust. There was a strong, positive correlation between the job satisfaction and commitment (Hypothesis 2), $r = .250$, $n = 111$, $p < .001$, with high levels of job satisfaction associated with high levels of commitment. A significant positive correlation also exists between the job satisfaction and career (Hypothesis 3), $r = .464$, $n = 111$, $p < .001$, with high levels of job satisfaction associated with high levels of career. Finally, a strong, positive correlation also exists between job satisfaction and communication (Hypothesis 4), $r = .384$, $n = 111$, $p < .001$, with high levels of job satisfaction associated with high levels of trust. No, correlation was found between job satisfaction and trust (2) (Hypothesis 5), $r = -.034$.
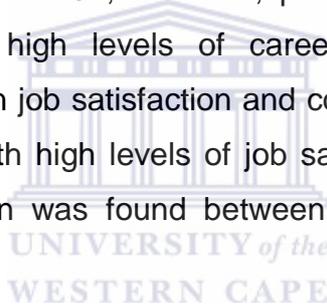
Table 4.27: Correlations between job satisfaction and the restructuring dimensions

		TJOB	TTRUST	TCOMMIT	TCAREER	TCOMMUN	TTRUST2
TJOB	Pearson Correlation	1	.310**	.250**	.464**	.384**	-.034
	Sig. (2-tailed)		.001	.008	.000	.000	.727
	N	111	111	111	111	111	111
TTRUST	Pearson Correlation	.310**	1	.509**	.644**	.731**	-.187*
	Sig. (2-tailed)	.001		.000	.000	.000	.049
	N	111	111	111	111	111	111
TCOMMIT	Pearson Correlation	.250**	.509**	1	.640**	.538**	-.316**
	Sig. (2-tailed)	.008	.000		.000	.000	.001
	N	111	111	111	111	111	111
TCAREER	Pearson Correlation	.464**	.644**	.640**	1	.796**	-.339**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	111	111	111	111	111	111
TCOMMUN	Pearson Correlation	.384**	.731**	.538**	.796**	1	-.256**
	Sig. (2-tailed)	.000	.000	.000	.000		.007
	N	111	111	111	111	111	111
TTRUST2	Pearson Correlation	-.034	-.187*	-.316**	-.339**	-.256**	1
	Sig. (2-tailed)	.727	.049	.001	.000	.007	
	N	111	111	111	111	111	111

4.5 STANDARD MULTIPLE REGRESSION

A standard multiple regression analysis was performed to determine if restructuring predicts job satisfaction. The total scores of the dimensions of the restructuring questionnaire were used as the independent variables with the total scores of job satisfaction as the dependent variable. Standard multiple regression analysis showed that career is the only significant predictor of job satisfaction ($t = 3.26$, $p < 0.05$) (see Table 28). The regression analysis results also showed low possibility of multicollinearity (tolerance value > 0.10) (Pallant, 2010). Both the tolerance and Variance Inflation Factor were inspected to determine if the variables correlated too high, above 0.70 in order to determine multi-collinearity (Pallant, 2010). Tolerance is an indicator of how much of the variability of the specified independent variable is not

explained by the other independent variables in the model. Acceptable values for the Tolerance should be greater than .10 and less than 10 for the Variance Inflation Factor. In this case the values were within the acceptable correlation ranges. Therefore the multi-collinearity was not a problem.

4.6 Conclusion

This chapter presented the descriptive and inferential statistics which emerged from the data analysis. The various hypotheses which were developed were tested and the most salient sample characteristics were presented. In the following chapter, the data is compared to previous research findings, conclusions are drawn and recommendations are made to improve the restructuring process within the workplace for future reference.

CHAPTER 5

DISCUSSION OF RESULTS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The purpose of the present study was to prove that workplace restructuring indeed affects job satisfaction. The hypotheses presented in chapter three were tested using the correlational method and the results were presented in the previous chapter. In this chapter the results are discussed, the weaknesses of the study and the direction of future studies are outlined. The information provided and discussed in the previous chapters will serve as a background against which the contents of this chapter will be presented and interpreted.
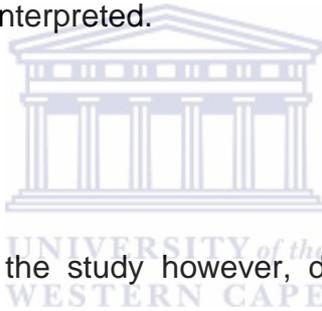
5.2 Sample

130 participants took part in the study however, due to the problem of missing values, only 111 cases/employees drawn from a nationally based Cleaning Company were used. The majority of the respondents in the sample were in the age category of 41 – 50 years constituting 32.4% of the sample. In terms of gender, females constituted 71.2% while the majority of the respondents were Coloured (53.2%). Most of the respondents (42.3%) have been in the service of the organisation between 4 – 7 years. The majority of the respondents in the sample had completed Grade twelve (43.2%) while the majority of the respondents comprised of Middle Management (49.5%).

Section three of the Restructuring Questionnaire allowed participants to share additional comments about the restructuring process they had experienced if they had any. Thirteen percent (13%) of participants had positive things to say about the

process, while twenty percent (20%) were negative view points and sixty-seven percent (67%) of participants had no comments.

5.3 Discussion of results

Five hypotheses were postulated and tested in this study. These are discussed below and linked to preview research findings:

Hypothesis 1

There exists a significant positive relationship between the dimension trust (restructuring) and job satisfaction.

Results of the present study show that there was a direct positive relationship between Trust and Job Satisfaction (r = .310, p < .001). However, this contradicts other study findings reported that trust after a restructuring process has taken place would be low in certain organisations. According to the study conducted by Ndlovu and Brijball Parumasur (2005) a lower level of trust existed in the company they researched because the survivors feared that they would lose their jobs next. Thomas and Dunkerley (1999) found that the employees who were left behind were so fearful that they may lose their jobs that they lacked any faith in management after the company had undergone retrenchments. Paige (2001) states that survivors would experience faithlessness after such a process due to the fact that many employees plan to work at the same organisation until retirement and dedicate and devote their lives to their organisations and the next they know they are left out in the cold.

Ndlovu and Brijball Parumasur (2005) surmise that some survivors had to experience the retrenchment of their friends and colleagues and then wait in anticipation for the worst to happen to them too. Coudron (1996) indicates that executives from Texaco Trading and Transportation in Denver still have to deal with the agony caused by its downsizing process more than two years ago. These feelings include fear, depression, betrayal, mistrust, pain, guilt, loneliness and job insecurity (Coudron, 1996). Ghoshal and Bartlett (1996) states that the level of trust experienced by a survivor after coming out of a retrenchment process would be unsurprisingly minimal. One can then conclude that all of these adverse emotions and feelings of distrust would affect an employee's job satisfaction before, during and after a restructuring event has taken place.

Hypothesis 2

There is a significant positive relationship between the dimension employee commitment and loyalty (restructuring) and job satisfaction.

The findings of the current research exhibit a statistically significant relationship between Employee Commitment and Loyalty and Job satisfaction (r = .250, p < .001).

Although the current study shows a low correlation between employee commitment and loyalty and job satisfaction, the study conducted by Ndlovu and Brijball Parumasur (2005) found that survivors are still committed to the organisational goals, even after the transformation process has taken place. Coudron (1996), on the other hand surmises that employees who have survived a retrenchment process

hardly experience feelings of relief. In a similar study conducted by Newell and Dopson (1996) they found that continuous restructuring resulted in survivors' commitment being based on fear and insecurity rather than out of commitment.

Research conducted by Scase and Goffee's (1989) also unveiled that greater work demands and increased accountability impacted commitment to the organisation negatively. According to Meyer and Allen (1997), commitment is largely dampened when a close relationship existed between the survivors and the victims of downsizing.

Downsizing would be perceived as unfair if selection for redundancy reflects office politics rather than operational need, or if victims received inadequate redundancy pay and help in finding another job (Meyer & Allen, 1997). According to Caulkin (1995) the most committed employees are usually disappointed during and after a downsizing exercise has taken place.

According to findings made by Westerly (1990), the drivers of downsizing such as increasing competitiveness and customer responsiveness, require an innovative, flexible and committed workforce, with vision and creativity, not one paralysed by fear (cited in Ndlovu and Brijball Parumasur, 2005). Based on this research it is safe to say that job satisfaction has not been drastically affected with regards to the dimension of employee commitment and loyalty.

Hypothesis 3

There will be a significant positive relationship between the dimension career advancement opportunities (restructuring) and job satisfaction.

The results of the current study indicate that the strongest relationship emerged between Career Advancement Opportunities and Job satisfaction (r = .464, p < .001).

This study indicates that workplace restructuring indeed impacts positively on job satisfaction with regards to the chances of career advancement opportunities. The study conducted by Ndlovu and Brijball Parusumar (2005), clearly highlight that promotions in the particular company they researched are conducted and awarded fairly. Ghoshal and Bartlett (1996) deduce that because employees perceived the process to be fair, this promoted trust and faith in the organisation once more despite the decisions to lay people off.

However, according to conclusions made by Thornhill and Saunders (1998), they discovered that downsizing undoubtedly reduces opportunities for career progression. Ndlovu and Brijball Parusumar (2005) also made the discovery in the study conducted by them that the process of downsizing resulted in survivors being unsure of whether or not they'd still be able to achieve their personal goals in the company.

Thomas and Dunkerley (1999) established the reason why survivors are left demotivated, insecure and lacking commitment was due to the fact that they had lost a traditional career as a result of the retrenchment process. Brockner, Tyler and Cooper-Schneider (1992) surmised that the breaking of the psychological contract was just one of the many problems arising from survivor syndrome, especially in cases where managers were made to believe that they would have job security as well as the opportunity to advance their careers within the organisation in exchange for their commitment and loyalty. Based on research done by Scase and Goffee (1989), they concluded that employees are mainly perturbed that gaps in promotion on all levels exist.

In the study conducted by Ndlovu and Brijball Parumasur (2005), despite employees being unsure about their career advancement, the study still confirms a positive response with regards to career advancement opportunities. However, it also shows that due to the restructuring process, many promotion opportunities have declined (Ndlovu & Brijball Parumasur, 2005). This is demonstrated in the study conducted by Ebadan and Winstanley (1997) who discovered that over 50% of respondents in privatised institutions commented that career prospects have decreased experiencing a retrenchment process. Evidence suggests that enforced downsizing decreases career security. Doherty and Horsted (1995) maintains that even though there might be an escalation in the confidence in the organisation's future, there is a decline in confidence in the future of the individual.

Hypothesis 4

There exists a significant positive relationship between the dimension communication (restructuring) and job satisfaction.

The findings of the present research demonstrates that there exists a significant positive relationship between Communication and Job Satisfaction ($r = .384$, $p < .001$). This presented the second highest correlation in the present study.

The study conducted by Ndlovu and Brijball Parumasur (2005) indicates that the majority of subjects felt that there were no open channels of communication in the organisation. In addition, their study proves that employees have never received adequate information about the transformation process before, during and after it was implemented. Similarly, in a study conducted by Frazee (1997), proved that uncertainties in the work environment after a transformation process, coupled with little information about business strategy, have created a trust gap between managers and employees in many corporations as well as in the organisation where the present study was conducted. Some sort of information sharing needs to take place during a transformation process so that employees are kept informed. According to Thornhill and Saunders (1998) this information becomes important to those left behind, not so much because they're concerned about the future of their livelihood but more because of certain changes to the aspects of their job roles which was the reason for them enjoying what they do in the first place. We can then surmise that job satisfaction is strongly affected as a result of restructuring.

Hypothesis 5

There is a significant positive relationship between the dimension trust (2) (restructuring) and job satisfaction.

Results however confirmed that there is no significant relationship between the dimension trust (2) (restructuring) and job satisfaction. Despite this fact, research conducted by other researchers, have found the opposite to be true that is that trust (2) or employee morale does have either a positive or negative effect on job satisfaction.

This dimension also makes reference to employee morale. In Ndlovu and Brijball Parumasur's (2005) study they discovered that some hostile emotions were experienced by survivors during the transformation process and this prevented them from proceeding with their job duties. Taylor (1996) discovered something similar in the study he conducted where downsizing caused emotions within a company that range from bitterness to relief to paranoia. However, Kaye (1998) believes that employees who managed to avoid the waves of downsizing move past the devastation and learn valuable lessons about the reality of the present employee-employer relationship. Taylor's (1996) study indicates that survivor guilt, low morale and fatigue are consequences of doing more with less. Furthermore, survivors experience the sadness, anger, mistrust, and psychological separation from their organisation. Kaye (1998) believes that since survivors cannot move beyond those emotions, they feel trapped in jobs that no longer engage their full energy, interest, or talent.

The study indicates that employees are willing to try new things even though things are uncertain (Ndlovu & Brijball Parumasur, 2005). Kaye (1998), in agreement, has researched that survivor's network, learn, take on new assignments, assess their capabilities and contribute to their organisations by approaching their current positions with motivation and energy after the transformation process. This dimension clearly demonstrates a survivor's lack of job satisfaction which range from being stuck in a dead end job now that the restructuring has come and gone or having adverse emotions about their current jobs because of the restructuring.

Clark and Koonce (1995) found that despite organisations and companies' efforts to become more profitable and efficient, hence the restructuring, they never really achieve these outcomes. Instead, they have experienced tremendous fallout especially in the areas of drastically reduced employee productivity and morale, and largely increased levels of absenteeism, cynicism, and turnover. This is supported by Frazee (1997) who found that of the 1 441 Human Resources managers from companies that cut jobs between 1990 and July 1996, 72 percent reported an immediate and negative impact on employee morale. Paige (2001) observed that employees in a post-retrenchment corporate culture experience an erosion of trust, a degeneration of morale and a general feeling of fear and paranoia. There is a sudden loss of colleagues, many of them long standing colleagues, and some of them close friends. Many aspects presented here have a negative effect on an employee's job satisfaction and they all range from morale, negative emotions and fatigue due to the process of restructuring.

5.4 Regression Analysis Output

An attempt was made to further analyse the data to identify the variables that predict job satisfaction.

Future change initiatives or downsizing endeavours should ensure that they include the career development of employees after the downsizing or change.

5.5 Limitations of the Study

A primary limitation to this study was the confinement of using one organisation in the cleaning industry. Due to this, the results cannot be concluded to the general population in the cleaning industry.

There have been many challenges while going about this research project. Firstly, even though the sample size was quite small but representative, the response rate was rather poor. Participants were simply not keen to complete the survey questionnaires and having them returned was challenging in itself. There were also language barriers – participants often didn't understand the manner in which the questionnaire was written especially the reversed questions and as a result would misinterpret the question. This in turn would give rise to invalid answers if the answer to a question did not reflect what the question meant.

The sample size, although big enough for the sake of representivity, may have been too small. This in turn would have a bearing on the generalizability of the population.

The study also indicated that career advancement opportunities increased since the restructuring process took place.

Another weakness in the study is that collecting research data at a single point in time (by making use of a single-point-in-time survey measurement) rather than long-term and continued measurement (e.g. longitudinally over a period of time), may have intensified same-source or common method biases.

Furthermore, respondents made use of questionnaires in their participation in this study. In addition to this, the researcher was not present when it was completed – the respondent may have needed some guidance or clarity on what was expected.

Due to the use of convenience sampling as a sampling technique, future studies should attempt to draw probability samples from larger, more general populations in order to increase the generalizability of the results.
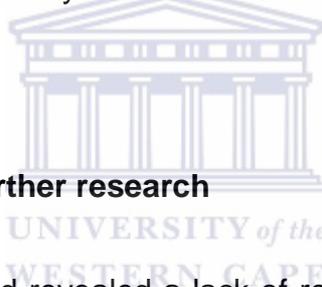
5.5 Recommendations for further research

The literature review conducted revealed a lack of research into the job satisfaction of surviving employees in a cleaning industry. The study should also be extended to include the merger and 'company takeover' syndrome in order to determine the prevalence of these within the organisation and to ensure that these are addressed appropriately. Downsizing/transformation has a number of effects in the working environment, such as, high turnover, low productivity, high wastage, role ambiguity, absenteeism and low motivation. Future studies may assess the significance of the aforementioned correlates.

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

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

Furthermore, companies should continue to ensure thorough and sufficient communication in times of a restructuring process in order for employees to be emotionally and mentally prepared for the change. If need be, as far as possible, information about possible career advancement opportunities or upcoming vacancies or change in job roles should also be communicated to instil a sense of faith that all is not completely lost in the midst of a change process.

5.6 Conclusion

This chapter provides an overall view or argument of the current study. The points of discussion within this chapter ranged from the statistical findings which is linked to the literature review to ascertaining whether the study met the research objectives outlined in Chapter one. The limitations as well as the recommendations for future research has also been outlined and explored within this chapter.

This study inevitably aimed to prove that workplace restructuring very well has an effect or impact on an employee's job satisfaction, whether these effects were

111

positive or negative. The research does however present significant positive correlations between the two variables and highlights strong relationships between employees' career advancement opportunities and job satisfaction; trust and job satisfaction, communication and job satisfaction, as well as employee commitment and loyalty and job satisfaction whereas trust (2) or employee morale seem to have no significant relationship with job satisfaction. What this basically implies is that the employees involved in the workplace restructuring within the company in question still felt that there were career advancement opportunities despite the restructuring process and this then positively contributed to their level of job satisfaction. It also suggests that there was sufficient communication about the process and because of this fact their job satisfaction was positively impacted.

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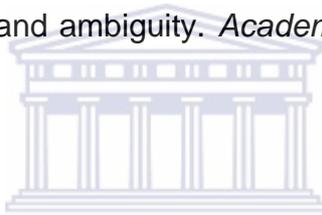
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114

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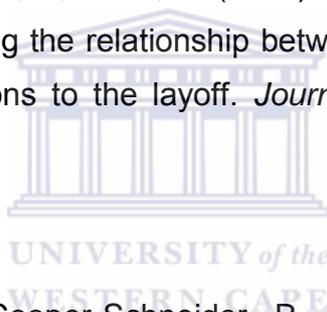
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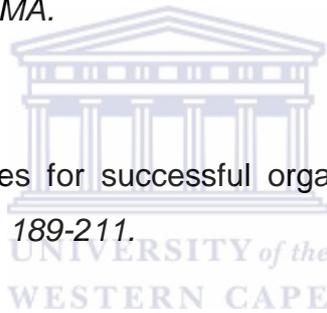
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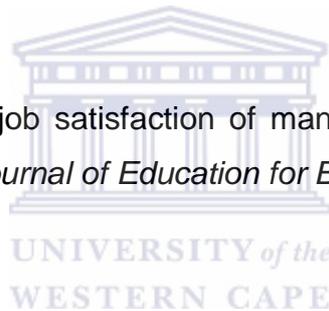
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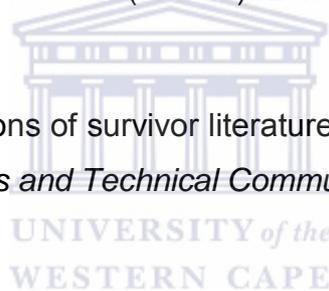
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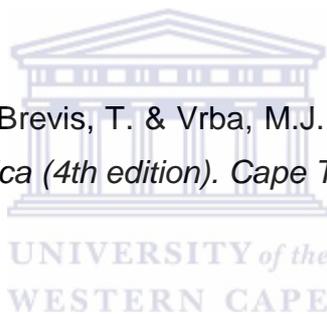
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APPENDICES

APPENDIX A

Letter to participants

To whom it may concern

Dear Sir/Madam

I am a Masters Industrial Psychology student attending the University of the Western Cape and I am conducting a research study based on whether workplace restructuring has an effect on job satisfaction. I have decided on your organisation as a recent workplace restructuring has taken place and it would be insightful to observe changes in the attitudes of your employees towards their work since the restructuring.

This is a quantitative study involving the completion of a questionnaire by random individuals in your organisation. The results of the questionnaire will then be examined in order to determine whether a relationship exists between these two variables.

You will be able to examine the questionnaire before distributed amongst individual employees and all results and interpretations will be at your disposal on request. There also exists a confidentiality agreement between yourself and the University of the Western Cape, preventing any confidential information based on your company to be shared with the public.

I look forward to working with you

Kind regards

Michelle Parenzee

APPENDIX B

Restructuring Questionnaire

QUESTIONNAIRE

This questionnaire is based on a research study determining whether workplace restructuring affects job satisfaction. It consists of 3 sections and each question is measured on a 5 point scale, ranging from strongly disagree (1) to strongly agree (5).

Section 1 can be answered directly in the space provided

Please circle your answer, e.g. I have had to reapply for my job since the restructuring took place:

1   2   3   4   5

Section 3 can also be answered in the space provided.

Section 1

a) age –

20-25	26-30	31-40	41-50	51-60

b) highest educational qualification –

Grade 12	Diploma	Degree	Honours	Masters

c) tenure –

0-3 years	4-7 years	8-10 years	11-15 years	16 years +

d) job category –

Top Management	Middle Management	Lower level	Non-management

e) race –

African	Coloured	Indian	White

f) gender-

Male	Female

Section 2

FACTOR 1 – TRUST

I believe that management has been at least honest with bad and good news about changes in the organisation.

          1   2   3   4   5

I received adequate information about the transformation before it was implemented.

          1   2   3   4   5

Management provides a clear set of direction regarding recruitment and selection of staff.

          1   2   3   4   5

I received adequate information about the transformation process during and after it was implemented.

          1   2   3   4   5

I was very clear about management's intentions when it came to employee transfers.

          1   2   3   4   5

Morale increased among employees after the introduction of double shifting in the company.

          1   2   3   4   5

FACTOR 2 – EMPLOYEE COMMITMENT AND LOYALTY

Despite the process of transformation, employees are willing to put in extra effort beyond what is normally expect of them in order to ensure the success of the organisation.

          1   2   3   4   5

Employees are not willing to put an extra effort to what is required of them.

          1   2   3   4   5

Employees are very committed to the organisational goals after the transformation process.

Employees are still committed to the organisational goals after the transformational process.

          1   2   3   4   5

Employees are willing to own and solve problems rather than to blame others for the problem.

          1   2   3   4   5

FACTOR 3 – CAREER ADVANCEMENT OPPORTUNITIES

Employees are no longer committed to the organisational goals after the transformation process.

          1   2   3   4   5

The career advancement opportunities in this company are good.

          1   2   3   4   5

Due to transformation, many chances of being promoted have increased

          1   2   3   4   5

I am confident I can achieve my personal goals in this company

          1   2   3   4   5

Promotions in this company are conducted and awarded fairly

          1   2   3   4   5

FACTOR 4 – COMMUNICATION

I feel that management has done all they can to help me understand exactly what is expected of me following the changes to the organisation.

          1   2   3   4   5

Little information about business strategy in this organisation has created a trust gap between managers and employees.

          1   2   3   4   5

I believe that communication in this company is generally honest, open and candid.

          1   2   3   4   5

There are open channels of communication in this organisation

          1   2   3   4   5

Employees trust management after the transformation process.

          1   2   3   4   5

FACTOR 5 – TRUST

I was fearful that there could be more job losses.

          1   2   3   4   5

The transformation resulted in some adverse emotions which prevented employees from getting on with their jobs.

          1   2   3   4   5

Due to the transformation, many chances of being promoted have decreased.

          1   2   3   4   5

FACTOR 6 – JOB SATISFACTION

I far better enjoy my current work environment than that which I experienced before the restructuring

            1   2   3   4   5

I have been employed with this company for a minimum of 2 years already

            1   2   3   4   5

I see myself applying for new employment opportunities in the next year or two

            1   2   3   4   5

Section 3

Further comments on how workplace restructuring affected my attitude towards my work

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APPENDIX C

Job Satisfaction Survey

JOB SATISFACTION SURVEY

Paul E. Spector

Department of Psychology

University of South Florida

	PLEASE CIRCLE THE ONE NUMBER FOR EACH QUESTION THAT COMES CLOSEST TO REFLECTING YOUR OPINION ABOUT IT.	Disagree very much	Disagree moderately	Disagree slightly	Agree slightly	Agree moderately	Agree very much
1	I feel I am being paid a fair amount for the work I do.	1	2	3	4	5	6
2	There is really too little chance for promotion on my job.	1	2	3	4	5	6
3	My supervisor is quite competent in doing his/her job.	1	2	3	4	5	6
4	I am not satisfied with the benefits I receive.	1	2	3	4	5	6
5	When I do a good job, I receive the recognition for it that I should receive.	1	2	3	4	5	6
6	Many of our rules and procedures make doing a good job difficult.	1	2	3	4	5	6
7	I like the people I work with.	1	2	3	4	5	6
8	I sometimes feel my job is meaningless.	1	2	3	4	5	6
9	Communications seem good within this organization.	1	2	3	4	5	6
10	Raises are too few and far between.	1	2	3	4	5	6
11	Those who do well on the job stand a fair chance of being promoted.	1	2	3	4	5	6
12	My supervisor is unfair to me.	1	2	3	4	5	6
13	The benefits we receive are as good as most other organizations offer.	1	2	3	4	5	6
14	I do not feel that the work I do is appreciated.	1	2	3	4	5	6
15	My efforts to do a good job are seldom blocked by red tape.	1	2	3	4	5	6
16	I find I have to work harder at my job because of the incompetence of people I work with.	1	2	3	4	5	6
17	I like doing the things I do at work.	1	2	3	4	5	6
18	The goals of this organization are not clear to me.	1	2	3	4	5	6

		Disagree very much	Disagree moderately	Disagree slightly	Agree slightly	Agree moderately	Agree very much
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19	I feel unappreciated by the organization when I think about what they pay me.	1	2	3	4	5	6
20	People get ahead as fast here as they do in other places.	1	2	3	4	5	6
21	My supervisor shows too little interest in the feelings of subordinates.	1	2	3	4	5	6
22	The benefit package we have is equitable.	1	2	3	4	5	6
23	There are few rewards for those who work here.	1	2	3	4	5	6
24	I have too much to do at work.	1	2	3	4	5	6
25	I enjoy my co-workers.	1	2	3	4	5	6
26	I often feel that I do not know what is going on with the organization.	1	2	3	4	5	6
27	I feel a sense of pride in doing my job.	1	2	3	4	5	6
28	I feel satisfied with my chances for salary increases.	1	2	3	4	5	6
29	There are benefits we do not have which we should have.	1	2	3	4	5	6
30	I like my supervisor.	1	2	3	4	5	6
31	I have too much paperwork.	1	2	3	4	5	6
32	I don't feel my efforts are rewarded the way they should be.	1	2	3	4	5	6
33	I am satisfied with my chances for promotion.	1	2	3	4	5	6
34	There is too much bickering and fighting at work.	1	2	3	4	5	6
35	My job is enjoyable.	1	2	3	4	5	6
36	Work assignments are not fully explained.	1	2	3	4	5	6