THE EFFECT OF CORPORATE DOWNSIZING ON THE COMMITMENT, RETENTION AND TRUST OF MIDDLE MANAGEMENT

KARL EVAN LYON
ADARM, B. AppSc(Biol), MBA(TechMgt)

Submitted in partial fulfillment of the requirement for the award

DOCTOR OF BUSINESS ADMINISTRATION

UNIVERSITY OF NEWCASTLE
NEWCASTLE GRADUATE SCHOOL OF BUSINESS

JANUARY 2014
DECLARATION

I declare that the work undertaken in this dissertation is my own original work and, to the best of my knowledge, unless individually cited, contains no work previously produced by any other author, published or unpublished.

I declare that this thesis, or parts thereof, have not been submitted to any other institution for any other award or course.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying subject to the provisions of the Copyright Act 1968.

Signature of Candidate

Karl Evan Lyon
ADARM (CIAE),
B. AppSc(Biol) (CQU),
MBA(TechMgt) (La Trobe)

Signature of Supervisor

Prof Timothy Bartram
B.Com (Melb),
M.Com (Hons) (Melb),
PhD (La Trobe)

January 2014
ACKNOWLEDGEMENTS

This research would not have existed without the help, advice and assistance from a number of select persons.

Firstly, to my supervisor, Professor Timothy Bartram, whose wealth of knowledge, expertise and guidance without which I could not have survived. Although personally I have faded in and out of the research, depending on my work and family commitments and sometimes sheer lack of motivation, Timothy waited patiently and did not push or coerce me into moving things along quicker or attempting to meet any deadlines and just let me enjoy the journey at my own pace. When I needed help Timothy was always there to guide me in the right direction.

To all those who donated their time and experiences as a participant in the research, I extend my heartfelt gratitude. Although, due to the nature of the research, I cannot identify individual names, please accept my sincerest appreciation for your selfless contribution.

Finally I would like to thank my wife Jian and my two lovely daughters, Alice and Heidi, for their constant interruptions to reinforce the awareness that there is a life to be enjoyed outside of work and study.
LIST OF FIGURES

CHAPTER THREE

Figure 3.1 Research Design .......................... Page 66

Figure 3.2 The Four Paradigms ....................... Page 73
LIST OF TABLES

CHAPTER THREE

Table 3.1 Subjective-Objective Dimension …………… Page 70

Table 3.2 Regulation-Social Change Dimension …….. Page 70

Table 3.3 Types of Research Designs ………………… Page 83

CHAPTER FOUR

Table 4.1 Participant Industry …………………………… Page 119

Table 4.2 Participant Job Role ………………………….. Page 119

Table 4.3 Participant Occupation ……………………….. Page 120

Table 4.4 Participant Organisation Characteristics … Page 121

Table 4.5 Summary of Overall Participant ……………... Page 122 Experience

CHAPTER FIVE

Table 5.1 Summary of Contribution to Knowledge …..Page 163
TABLE OF CONTENTS

DECLARATION .................................................................................................................. ii
ACKNOWLEDGEMENTS ................................................................................................. iii
LIST OF FIGURES ........................................................................................................... iv
LIST OF TABLES .............................................................................................................. v
TABLE OF CONTENTS .................................................................................................... vi
SYNOPSIS .................................................................................................................... xii

1. INTRODUCTION ........................................................................................................ 1
   1.1. Research Background ...................................................................................... 2
   1.2. The Research Question ................................................................................... 6
   1.3. Research Justification ....................................................................................... 9
   1.4. Contribution to Knowledge ............................................................................. 11
   1.5. Methodology ................................................................................................... 12
   1.6. Thesis Outline .................................................................................................. 14
   1.7. Summary .......................................................................................................... 16

2. LITERATURE REVIEW ............................................................................................. 17
   2.1. Introduction ....................................................................................................... 18
   2.1.1. Objective ..................................................................................................... 18
   2.2. Downsizing ....................................................................................................... 19
   2.3. Parent Discipline Literature ........................................................................... 24
   2.4. Commitment .................................................................................................... 30
   2.5. Retention ......................................................................................................... 34
   2.6. Trust .................................................................................................................. 37
   2.7. Downsizing and Middle Management ............................................................. 41
   2.8. Research Topic ................................................................................................ 45
5.3. Discussion ........................................................................................................... 167
5.3.1. Sub-Question a (General Observations) ....................................................... 168
5.3.2. Sub-Question b (Commitment) ..................................................................... 171
5.3.3. Sub-Question c (Retention) .......................................................................... 173
5.3.4. Sub-Question d (Trust) ............................................................................... 175
5.3.5. Summary (Research Problem) ..................................................................... 177
5.3.5.1. Perceptions towards Organisation ......................................................... 178
5.3.5.2. Perception towards Senior Management .................................................. 179
5.3.5.3. Perception towards Subordinates .............................................................. 180
5.3.5.4. Consequences for Commitment .............................................................. 181
5.3.5.5. Consequences for Retention ................................................................. 182
5.3.5.6. Consequences for Trust in Senior Management ..................................... 183
5.4. Implications ........................................................................................................ 184
5.4.1. Implications for Methodology ................................................................. 184
5.4.2. Implications for Theory ............................................................................ 184
5.4.3. Implications for Future Research .............................................................. 186
5.4.4. Implications for Middle Management ....................................................... 189
5.4.5. Implications for Senior Management ....................................................... 190
5.5. Limitations ........................................................................................................ 191
5.5.1. Research Method ....................................................................................... 192
5.5.2. Research Environment ............................................................................. 192
5.5.3. Interview Participants ............................................................................... 193
5.5.4. Researcher ................................................................................................. 194
5.5.5. Research Reliability .................................................................................. 195
5.5.6. Research Validity ....................................................................................... 195
5.5.7. Other Limitations ...................................................................................... 196
5.6. Conclusions ...................................................................................................... 197
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.6.1. General Observations</td>
<td>197</td>
</tr>
<tr>
<td>5.6.2. Commitment</td>
<td>199</td>
</tr>
<tr>
<td>5.6.3. Retention</td>
<td>199</td>
</tr>
<tr>
<td>5.6.4. Trust</td>
<td>199</td>
</tr>
<tr>
<td>5.6.5. Summary</td>
<td>201</td>
</tr>
<tr>
<td>REFERENCES</td>
<td>202</td>
</tr>
<tr>
<td>APPENDIX A</td>
<td>227</td>
</tr>
<tr>
<td>APPENDIX B</td>
<td>231</td>
</tr>
<tr>
<td>APPENDIX C</td>
<td>236</td>
</tr>
</tbody>
</table>
SYNOPSIS

The practice of organisational downsizing has become commonplace in the corporate world. Downsizing has become particularly public following the Global Financial Crisis in which large scale redundancies were made to staff over a range of organisations, industries and countries.

The process of downsizing itself, with the concomitant reduction of the staffing headcount, poses the problem of how the remaining staff can operate to make the organisation successful. This is of particular importance given that remaining staff have not only experienced a major change event which impacts their career and possible future employment, they also have to make sense of the new organisational structure and continue to perform. Common outcomes experienced by employees as a result of downsizing include increased workload, lower morale, decreased motivation and job insecurity (Kelley 2008, Doe 1994).

The effect this process has on the middle management layers of the organisation is of particular importance as it has been identified that middle management are uniquely positioned to act as change agents (Raman 2009). That is, middle management are capable of converting senior management strategy into operational outcomes as they are attune to both the senior management initiatives as well as the operational level employee capabilities (Currie and Procter 2005). It is therefore imperative that, during a downsizing process, middle
management have full involvement in the planning and implementation of such a change initiative (Huy 2002).

This research investigates the effect corporate downsizing has on the remaining middle management within an organisation. The research focuses on the change in the views of middle management towards senior management and the organisation following a downsizing. The research also investigates the effects a downsizing event has on the commitment of middle management, their trust in senior management and intention to remain with the organisation.

Qualitative semi-structured interviews were adopted for the data collection method and a total of 16 middle managers were interviewed.

The key findings from this research indicate that there is a shift from affective commitment to continuance commitment of middle managers following a downsizing. This is particularly evident when senior management do not include middle management in the downsizing decision making process. The research also found that downsizing increased the middle managers intention to leave the organisation. This is particularly evident in cases where the workload of the middle manager increased following downsizing. The type of trust relationship between the middle manager and their supervisor in the pre-downsized environment dictated the propensity for change in the trust relationship in the post-downsized environment. The research found that the existence of a strong mature relationship pre-
downsizing did not impact the trust relationship post-downsizing. Likewise if the relationship was developing or had poor communication then there was a direct impact on the trust relationship.
1. INTRODUCTION
1.1. Research Background

Organisations continuously respond to the environment within which they operate and at times may be required to expand or contract their staffing levels. Since the occurrence of the global financial crisis a number of organisations have responded to their changing environment by dramatically reducing their staffing headcount in the way of downsizing (Burgess and Connell 2013, Lee and Nam 2013). In Australia organisations such as ANZ Bank, Ford and Telstra have added to the long list of companies which have publicly announced staffing cuts in response to their changing organisational environment. According to Thornhill and Saunders (1998) downsizing and is the deliberate and strategic process of reducing the staff headcount in order to adapt to changes in an organisation’s economic environment. Organisations may undertake a downsizing initiative purely as a cost cutting exercise (Cameron 1994) or alternatively aim to reduce organisational complexity and improve efficiencies (Millman 1996, Thornhill and Saunders 1998). Tsai et al (2006) indicated that downsizing may result from external factors such as changes in government policy, merger and acquisition, global competition and technological development and from internal factors such as poor management, organisational restructure, financial constraints and seasonal adjustments.
Middle management is positioned between senior management and the operational level employees. The primary role of middle management is to convert strategic initiatives from senior management into operational outcomes via the motivation of operational staff (Balogun 2003). The positioning of middle management in the organisational hierarchy, according to Raman (2009), places them in a unique position to act as change agents. Being attune to the operational complexities of the organisation, as well as understanding the strategic objectives from senior management affords middle management the ability to influence both upwards and downwards in the organisation and therefore they are critical when change is introduced (Roleau 2005).

When an organisation decides to undertake a radical change initiative such as a downsizing, support is afforded to those staff members being made redundant and leaving the organisation with programs such as outplacement facilities, career counseling and networking opportunities (Kinnie et al 1998). However, organisations often fail to offer any type of support to those staff members remaining, the very ones required to make the organisation succeed in the new environment (Noer 1994). According to Kinnie et al (1998) this is one of the main reasons why downsizing initiatives often fail to achieve set objectives.
With middle management being strategically positioned to act as change agents within the organisation then it is obvious that any downsizing initiative have full involvement from middle management (Huy 2002). This action will maximize the possibility that the downsizing will achieve set objectives.

Downsizing can impact the staff remaining in an organisation in a number of ways. According to Kelley (2008) a reduction in employee morale is the first symptom to appear from downsizing. Thornhill and Saunders (1998) identified a range of psychological conditions which appear as a result of downsizing. These include anger, anxiety, insecurity and uncertainty. This is supported by Chipunza and Berry (2010) who found that the psychological impact of downsizing amongst remaining staff leaves them feeling that the organisation is no longer supportive.

Literature has identified that organisational downsizing directly impacts the commitment of employees, their trust in senior management and their intention to remain with the organisation. According to Dopson and Neumann (1998) organisational change directly impacts the informal psychological contract between employee and employer and Ford et al (2008) identified that this perceived breach of the psychological contract has a direct relationship to changes in employee commitment. This is further
supported by Frenkel and Orlitzky (2005) who found that the perceived breach in psychological contract also impacts the trust relationship between employee and employer. Research by Scott-Ladd (2000) further found that a perceived breach of the psychological contract results in a feeling that the organisation has not acted fairly and as such impels employees to seek alternative employment.

Research has identified that those employees in the position of middle management, directly below senior or executive management, are uniquely positioned as they are the link to converting organisational strategy into action (Floyd and Lane 2000). According to Huy (2002) middle management are attune to both the senior management strategic objectives as well as operational and employee capabilities and as such are perfectly positioned to ensure organisational strategy is delivered. During times of organisational change Balogun (2003) identified that middle management are perfectly positioned as change intermediaries to assist employees through the change process.

Research conducted by O'Neill and Lenn (1995) has identified that downsizing has a direct impact on the role of the middle manager. This includes an increase in workload and stagnation of career path and a resultant perceived breach of the psychological contract.
(Thomas and Dunkerley 1999). With this change job dissatisfaction appears as well as resentment towards senior management and the organisation (Staehle and Schirmer (1992).

With middle management being positioned to link organisational strategy with reality and also in a position to act as a change agent during times of organisational downsizing it is in senior managements, and the organisations, best interests to ensure that the commitment, retention and trust of middle management are maintained. This statement relates directly with the purpose and focus of this research.

This research focuses on the impact downsizing has on middle management remaining within an organisation. Particular emphasis is placed on changes to commitment, retention and trust relationship.

1.2. The Research Question

The research question to be addressed by this research was generated by identifying gaps in the current literature and is shown as follows:

*What are the perceptions of middle managers that have survived downsizing towards their organisation, senior management and their subordinates?*
This question is of particular interest to organisations as the position of the middle manager is viewed as the link between senior management and employees. This link affords middle management the ability to convert senior management strategy into realised outcomes by motivating and driving operational level employees. Their position also affords middle management the role of change agent. During times of change middle managers are positioned to realign operational processes and bring along lower level employees. Any changes in the views of middle management resulting from a downsizing process would ultimately impact the ability to deliver on strategic outcomes.

*What are the consequences for their commitment, trust in senior management and retention?*

This question adds a further level of detail to the initial question. Changes in the level of commitment of middle management, their trust in senior management and their intention to seek alternative employment can directly impact an organisation. Loss of affective commitment can result in a loss in motivation and productivity (Corbett 2006). A change in the trust relationship can directly impact communication, productivity and innovation (Perry and Mankin 2007, Mone 1997). The ability to retain staff directly impacts the
organisation’s effectiveness and efficiency (Colleran et al 2010) as staff turnover can be costly for an organisation both directly with the cost of staff replacement and training and also indirectly in terms of lost knowledge and expertise (Nyberg 2010).

In order to answer the above research question(s) four research sub-questions were identified. These focus on specific issues relating to the research question. The research sub-questions developed for this research are as follows:

Sub-Question a). How did middle managers perceive the decision by the organisation to downsize? How did senior management communicate the reasoning behind the decision to downsize? How did middle managers feel about their role in the downsizing process?

Sub-Question b). What is the middle manager’s commitment to the organisation like in the post-downsized organisation? How do middle managers feel towards doing a good job and having a sense of achievement following a downsizing?

Sub-Question c). What is the view of middle managers with regards to their intention to leave the organisation following a downsizing? How do middle managers feel about their continued tenure with their organisation following a downsizing?
Sub-Question d). What is the trust relationship like between middle managers and senior managers following a downsizing? How trusting does the middle manager feel towards the organisation following a downsizing?

1.3. Research Justification

The literature review conducted identified gaps in the current literature. The first gap relates to the changing role of the middle manager in the post-downsized organisation and how this change affects the commitment and intention to remain with the organisation. Parris et al (2008) identified that the change in role experienced by middle management post-downsizing typically results in increased stress, increased hours of work, increased pressure, increased workload and career stagnation. According to Morgan and Zeffane (2003) and Thomas and Dunkerley (1999) this leads to dissatisfaction of the middle manager which has a direct impact on organisational commitment. As the middle manager perceives their position to be worse off than prior to downsizing the psychological contract breach which accompanies this change has been found in research to attribute to the intention of the middle manager to seek alternative employment (Ebadan and Winstanley 1997).
The second gap relates to changes in the feelings and views of the middle manager post-downsizing and the effect this has on the trust relationship between the middle manager, senior management and the organisation. Perry and Mankin (2007) found that high levels of trust between senior management and employees has a direct relationship with increased job satisfaction on the part of the employee and increased productivity and innovation on the part of the organisation. According to Mone (1997) effective communication between senior management and employees is the key to maintaining the trust relationship. This is particularly important during the downsizing process where there is a period of instability and insecurity (Hopkins and Weathington 2006). By not effectively maintaining an open and transparent communication channel during times of organisational change senior management are distancing themselves from the remainder of company employees and in effect jeopardizing the success of the change initiative (McKinley and Scherer 2000).

Conducting research aimed specifically at investigating these gaps endeavours to advance academic knowledge in an area of research which has previously held little attention. The outcomes of the research also has practical implications as organisations learn lessons from the experiences of the participants in the research and
develop a best practices model, specifically when deciding to initiate a corporate downsizing event.

1.4. Contribution to Knowledge

This research aims to contribute to current knowledge in two specific areas. The first relates to the importance of middle management in the implementation of change, particularly downsizing. As middle management are uniquely positioned to act as change agents by being able to convert senior management strategy into a operational outcomes it has been found in research that their contribution is critical to the success of change initiatives (Balogen and Johnson 2004). As such maintaining the commitment and trust of the middle manager during the downsizing process is imperative for senior management to remain attune to the state of the organisation (Wai-Koong et al 2001). The maintenance of open transparent communication channels between middle and senior management facilitates change initiative success as information flows between the two organisational levels allows senior management to remain attune to the actual state of affairs in the lower ranks of the organisation. This also assists middle management to remain attune to the future intentions of senior management.
The second relates to the initiatives senior management undertake in order to maintain the commitment, retention and trust of middle management. According to Wai-Kwong et al (2001) the involvement of middle management in the strategy development process has a direct impact on commitment, retention and trust. As such involving middle management in the decision to downsize secures ‘buy-in’ from the middle manager and aims to ensure success of the downsizing initiative (Currie and Procter 2005).

1.5. Methodology

To determine which type of research method to adopt for this research an examination of research paradigms is presented. I argue that this research viewed society as undergoing radical change and that the nature of knowledge as subjective. According to Aguero (2007) such a viewpoint identifies that the radical humanist paradigm is best fit for this research.

Analysis of research techniques identified that a qualitative research strategy is best fit for the purpose of this research as it allows the collection of data relating to participant’s perceptions and feelings. This approach is supported by Hewitt (2007) who found that qualitative research is best suited for gathering information on sensitive topics. Detailed examination of qualitative research
methods indicated that semi-structured interviews were best suited for the collection of data. According to Minichello et al (2008) and Bryman and Bell (2011) this method allows the researcher to adjust or change the line of questioning to suit the flow of discussion between the researcher and interviewee and as such enables the interview discussion to flow smoothly and to maintain focus on specific topics without interruption during the interview. This approach also allows the research to probe further into any issues in order to elicit detailed accounts of participant’s experiences. According to Minichello et al (2008) this process allows the research to gain detailed insight into the feeling and perceptions of participants.

A set of standard questions was developed to use as a guide when conducting the interviews. These questions were specifically developed to allow collection of the data as it pertains to the research question.

Handling and analysis of the data comprised a six step process:

1. Transcription of the recorded interviews verbatim.
2. Dispatch of transcriptions to participants for feedback and/or amendment.
3. Initial coding of the data according to the major research themes (commitment, retention and trust).
4. Detailed coding of each research theme identified in step 3. At this point the researcher identified commonalities between participant experiences.

5. Grouping of the data identified in step 4. This process will aid in data interpretation.

6. Analysis of the data.

1.6. Thesis Outline

This research is separated into five distinct chapters.

Chapter 1 introduces the research topic and discusses background information relating to the research topic. The research questions to be investigated by this research are introduced and the justification of the research discussed. The contribution to knowledge which this research provides is discussed and the research methodology and data collection introduced.

Chapter 2 provides a detailed analysis of the current available literature in relation to the research topic and questions. Gaps in the literature are identified and a theoretical framework is formulated. The research questions are then developed and limitations of the research as they pertain to the research questions are discussed. The chapter concludes with a discussion on the contribution to knowledge that this research will provide.
Chapter 3 investigates the research design which will be adopted for conducting the research. The available research paradigms are discussed and selection and justification of the appropriate paradigm for this research is presented. Research designs are then discussed and justification for the selected data collection method is presented. The chapter then investigates the issues of research reliability and validity as it relates to this research and the data collection method. The data collection and data analysis processes are then described in detail. The chapter concludes with a discussion on the limitations and ethical considerations of this research.

Chapter 4 provides an analysis of the results from the data collected. The chapter commences by highlighting the data collection environment and the data handling processes used by the researcher. Participant demographics and their organisational circumstances are then presented. An analysis of the data follows and is conducted according to the research questions generated in chapter 2.

Chapter 5 discusses the findings of the research. The chapter commences by discussing the contribution to knowledge which resulted from this research. A discussion of the research findings is then presented according to the research questions generated in chapter 2. The implications this research has for methodology, theory, future research and management is then presented. The limitations
of the research are then discussed. The chapter concludes with a summary of findings as they relate to the research questions.

### 1.7. Summary

This research focuses on the effects organisational downsizing has on the commitment, retention and trust of middle management. By examining the changes in feelings and the role of the middle manager in the post-downsized organisation the research aims to provide insight into the effects such change has on middle management and ultimately the organisation as a whole. The research aims to provide senior management with insight into the importance of middle management in the change process, the effect such change has on middle management and the development of practices which senior management can adopt to facilitate the success of organisational change.
2. LITERATURE REVIEW
2.1. Introduction

Chapter 1 outlined the scope of the research and provided a brief overview of the research topic.

The purpose of chapter 2 is to conduct a detailed analysis of the current available literature pertaining to the effect of downsizing on the commitment, retention and trust of middle management. The identification of gaps in the current literature allow for the development of questions on which to base the research.

For the purposes of this research a middle manager is defined as one who reports directly to a senior manager or executive manager and manages a team of subordinates.

2.1.1. Objective

This chapter commences by providing definitions and information relating to downsizing, commitment, retention and trust in relation to the organisational setting. The effects of downsizing on middle management are then introduced and the research topic and research problems are then generated from the literature. Detailed examination of the literature is then conducted, in chronological order of time, in order to obtain an understanding of the literature as it evolved over time. From the detailed analysis gaps in the current
literature are identified. Based on the identified gaps in the literature and the proposed research methodology, a basic theoretical framework is defined. From this research questions are developed. The chapter concludes by providing information relating to key assumptions and the overall contribution to knowledge of the research.

2.2. Downsizing

Downsizing is the deliberate and strategic business process of reducing the staff headcount of an organisation in order to adapt to changes in the operating environment (Thornhill and Saunders 1998). The main objective of downsizing is to reduce organisational complexity and improve organisational performance by becoming more efficient, productive and competitive (Millman 1996, Thornhill and Saunders 1998). In cases or organisational decline (unintentional loss of market share and hence revenue) organisations may undertake downsizing purely as a cost cutting mechanism. According to Cameron (1994) this strategy is due to an organisation’s failure to achieve set objectives. Organisations have also been known to undergo a downsizing initiative due to other factors such as changes in government policy, global competition, technological development, merger and acquisitions, poor managerial performance
and decision making, seasonal adjustments, organisational restructure or financial constraints (Tsai et al 2006).

There are a number of ways organisations can reduce their workforce headcount. These include:

- Natural attrition.
- Early retirement.
- Voluntary redundancy.
- Redeployment and retraining.
- Forced redundancy.

Thornhill and Saunders (1998) identified three types of downsizing initiatives an organisation may adopt. These include:

- Workforce reduction strategy. This type purely focuses on reducing the number of staff in the organisation whilst still maintaining the same workload.
- Organisational redesign strategy. This involves processes of delayering and job redesign reducing the number of staff as well as the workload.
- Systemic change strategy. This strategy focuses on changes in the corporate culture and strives for employee involvement in
continuous improvement, total quality management and just-in-time processes.

It has been noted in literature that organisational redesign strategy and systemic change strategy have been positively associated with improved organisational performance whilst the workforce reduction strategy often fails to achieve set objectives.

The employees remaining after a downsizing may react either positively or negatively to the change depending on whether they gain or lose any positive attributes of their pre-downsizing employment (Susskind 2007) as well as how the organisation treated those who were made redundant (Arshad and Sparrow 2010).

Research conducted by Thornhill and Saunders (1998) identified that an organisation’s quality of strategic planning and communication will effectively dictate the success or failure of a downsizing initiative. According to Clark and Koonce (1995) nearly 68% of all downsizings fail to achieve set objectives. Kinnie et al (1998) identified three reasons as to why downsizing fails to achieve set objectives. These are:

- The downsizing process is purely a cost cutting mechanism and does not align to the organisation’s broader strategic plan.
- Organisations cut too far into the human resource capability and lose key competencies.

- Staff view the downsizing process as being unfair when the lower levels of the organisation are forced to make cuts and at the same time no change is initiated at the executive management level.

In the cases where downsizing has failed, organisations have experienced fallout from those staff remaining, the very ones the organisations need on side to deliver on strategic goals. Common repercussions from staff include lower productivity and morale, increased absenteeism, cynicism and voluntary turnover (Clark and Koonce 1995).

One of the main reasons for this occurrence is that organisations focus their support on those staff who are leaving with programs such as outplacement facilities, career counselling and networking opportunities, and fail to provide any form of support to those who remain (Kinnie et al 1998, Noer 1994). As a result, those who remain show symptoms of what is termed “survivor syndrome” which can lead to internal productivity and staffing problems.

It has been identified by Kelley (2008) that one of the first symptoms of “survivor syndrome” is lower employee morale. This is supported by research conducted by Doe (1994) who found that staff who...
survive a downsizing initiative are fearful for their jobs and this related directly to productivity and motivation. Further research has identified that a significant change in feelings amongst staff after a downsizing initiative negatively impacts on the organisation’s ability to achieve set objectives, and this also has a direct effect on the survivors’ mental health (Kim 2003). Susskind (2007) indicates that this further relates to feelings of distrust with management and increased job tension. Research conducted by Thornhill and Saunders (1998) found that survivors experienced a wide range of psychological conditions following a downsizing, depending on how transparently the organisation conducted the downsizing. These included anger, anxiety, job insecurity, lower morale, guilt, remorse and uncertainty. In the majority of cases this leads to increased absenteeism, intention to leave and reduced work performance. Chipunza and Berry (2010) found that the success of the organisation post-downsizing depends entirely upon the well-being of the survivors, and if senior management fail to take into account the psychological well-being of the staff remaining after a downsizing, then they are jeopardising the anticipated benefits of the initiative. One of the main issues relating to this problem is that senior management place increased pressure on the survivors to achieve set objectives leading to burnout (Half 1995).
As Chipunza and Berry (2010) indicate, management often overlook the psychological effect of downsizing which leaves the survivors in a state of insecurity and turmoil and feeling as though the organisation is no longer supportive of their role in the organisation. As perceived organisational support diminishes a condition known as psychological contract breach appears. According to Arshad and Sparrow (2010) a psychological contract is the perception of the contribution that an employee feels they are obliged to provide to the organisation, and the benefits that they believe the organisation is to provide in return. When an employee feels that there has been a breach of the psychological contract this can in turn lead to negative behaviours towards the organisation.

2.3. Parent Discipline Literature

Earlier studies on organisational restructuring focussed primarily on the reasons for change whilst ignoring the effects of such change. Biggart (1977) identified the existence of this gap in literature and it was not until the mid-1980s when this was further researched. Schweiger and Ivancevich (1985) in their studies on organisational change found that very little attention was paid to the human side of change initiatives and they identified a range of human emotions, such as stress, motivation and self esteem, involved in the change
process which directly impacts on the organisation. Sing et al (1986) identified that such emotions can be directly related to the type and severity of change undertaken by the organisation. This research was further supported by Callan (1993) who related worker morale with the degree of change within the organisation.

Ford and Ford (1995) identified that successful implementation of organisational change ultimately stems from senior management’s commitment to the change initiative, and clear and transparent communication throughout the organisation to all levels. Scarbrough and Burrel (1996) advanced on this research by identifying how middle managers can either facilitate or hinder the communication efforts by senior management in the change process, and as a result senior management need to involve middle management in the change process from the outset in order to win over their commitment to the change strategy. This finding was further supported by Fenton-O’Creevy (1998) who identified that the failure of such initiatives can be directly linked to resistance from an organisation’s middle management. Thakur (1998) and later Carnety (2004) identified that successful implementation of organisational change extends beyond management levels to all employees in the organisation thereby promoting a sense of strategic unity.
Research conducted by Newell and Dopson (1996) and later by Dopson and Neumann (1998) found that organisational change results in a break in the informal contract which regulates the role of the middle manager. Thomas and Dunkerley (1999) and Ford et al (2008) concluded that a break in this psychological contract has a direct relationship to loss of middle manager commitment and motivation. The breach of the psychological contract acts to corrode the trust relationship between employee and employer. Frenkel and Orlitzky (2005) found that trust is directly linked to motivation and has a direct relationship with productivity. This is supported by Morgan and Zeffane (2003) who found that trust is critical to organisational performance and once the trust relationship is violated it is difficult to repair. With the consistent stream of organisational change and as job insecurity increases, employees are becoming less trusting of their employers. Research has identified that involving middle management in the strategy planning process that underlies a structural change within an organisation fosters an environment which retains a higher level of trust between and employees and senior management (Wai-Kong et al 2001).

McKinley and Scherer (2000) identified that senior management are often too remote from their subordinates and do not consider those below them in the organisation when formulating any change initiative. Munoz-Bullon and Sanchez-Bueno (2011) found that senior
management have become too preoccupied with the financial bottom line and fail to consider the interests of their employees when undertaking an organisational restructure initiative, and as such the change initiative does not produce the expected outcomes. Research conducted by Giangreco and Peccei (2005) found that when a change initiative fails senior management often place the blame on middle management. This research is supported by Meyer (2006) who found that middle management often take the blame for failure to successfully implement strategic change. Again this brings us back to the research conducted by Ford and Ford (1995) indicating that successful change implementation is entirely in the hands of senior management and is dependent on the formulation and implementation strategies adopted and the involvement of middle management in the process. As Meyer (2006) pointed out, the main issue hindering successful change implementation is senior management’s failure to listen to their subordinates and involve them in the process.

Bower (1970) was one of the first to identify the contribution middle management can bring to the strategic table. This research was further supported by Burgelman (1983) who purported that involving middle management in strategy formulation increases the likelihood that middle management initiatives will align with senior management’s strategy. Guth and MacMillan (1986), however, found
that middle management self interest often influences strategy implementation and therefore needs to be closely monitored by senior management. This was further supported by Westley (1990) who found that middle management can impede strategic implementation if it is not perceived as being in their best interests. This in turn indicates that senior management has failed to successfully manage and align the strategic needs of the organisation and win over middle management commitment to the strategy. Denham et al (1997) indicate that implementation of strategy is a middle management issue and senior management remains clear of blame for any failures. As indicated by Floyd and Wooldridge (1994), involvement of middle management in the formulation of strategic decision making and thereby giving them ownership of the strategy was directly associated with superior organisational performance. O’Neill and Lenn (1995) developed further on these findings with their research into the contribution of middle management in corporate downsizing and restructuring. Their findings indicate that middle management play a crucial role in this process, however, they need clear communication as to the reason for downsizing, their role in the process and the desired outcome. This research is supported by Huy (2001) and Huy (2002) who found that middle management make a valuable contribution to the radical change process as they are attuned to employees emotional status and are able to effectively manage
tensions between continuity and change. Currie and Procter (2001) identified in their research that it is in an organisation’s best interests to allow middle managers input into strategy formulation as they are important ‘linking pins’ in the realisation of strategy.

Klagge (1998) and Floyd and Lane (2000) identified the link between middle management involvement in strategy formulation with their physical position in the organisation, the hub through which most information flows. They indicate that downsizing concentrates this role into a smaller group of middle managers and thus adds significant stress to the role. This view is supported by the research conducted by Beatty and Lee (1992), Dutton and Ashford (1993) and later Raman (2009) who found that middle management are in a unique position to act as a critical actor of change. Research conducted by Balogun (2003) found that middle managers are perfectly positioned as change intermediaries as they can assist subordinates through the change process, monitor and act on any deviations from the strategic agenda, as well as smooth the political relationship with senior management. Currie and Procter (2005) added further to their earlier findings by identifying that due to their position in the organisation, middle managers can exert influence both upward and downwards and therefore have the potential to both influence and shape strategic decision making. Therefore, as change agents in the radical change process, middle managers are in a
unique position to influence both upwards and downwards in the process (Schilit 1987, Mangaliso 1995, Currie 1999, Roleau 2005).

From the literature a number of unanswered questions arise:

1. If middle managers are capable of achieving outcomes then why do so many organisations choose to remove middle management layers from their organisation?

2. Are senior management too preoccupied with financial bottom-line imperatives and thus fail to realise and harness the potential they have in their middle management to champion the change process and achieve desired outcomes?

3. Why do organisations have in place support mechanisms for the staff being made redundant yet fail to provide support for those who remain?

4. What real psychological effect does downsizing have on the surviving middle managers?

2.4. Commitment

Research has shown that organisations who understand and address the underlying factors which motivate their employees are more likely to experience greater commitment by their employees, lower voluntary staff turnover and increased performance all relating positively to the organisation’s financial bottom line (Herman 2012,
Knudsen et al (2003, Savery et al 1998). According to Herman (2012) one of the easiest ways in which organisations can motivate their employees is by merely recognising their efforts and contribution. Tobias and Taylor (2012) expanded on this notion and identified that having clear goals, a supportive supervisor and transparency across the organisation all combine to improve employee motivation and commitment.

Commitment involves the notion of loyalty and association by an individual and develops through social experiences (Thornhill et al 1997, Savery et al 1998). Individuals committed to an organisation attach to that organisation’s attributes, values and goals and associate their own characteristics with that of the organisation. Individuals exhibiting organisational commitment have a strong desire to continue as an employee of the organisation and possess a psychological attachment to the organisation (Chang 1999, Thornhill et al 1997).

Chipunza and Berry (2010) identified three types of organisational commitment:

- Affective commitment. This describes how emotionally attached a person is to an organisation. Employees showing this type of commitment remain with the organisation because they believe in the organisation’s values, goals and mission (Cross and
Travaglione 2004) and their psychological attachment in terms of feeling of belonging (Chang 1999). In this case employees remain with the organisation because they want to.

- Continuance commitment. Employees exhibiting this type of commitment remain with the organisation because they have investments which make it costly to leave. The perceived cost associated with leaving the organisation makes it unattractive to do so (Savery et al 1998) and the longer the employee remains with the organisation the higher the accrued benefits associated with remaining (Chang 1999). In this case employees remain with the organisation because they need to.

- Normative commitment. This type describes those employees who are committed to the organisation because they believe they have a moral obligation to do so. Employees feel as though they have a responsibility to remain with the organisation (Chipunza and berry 2010). In this case employees remain with the organisation because they feel they ought to.

When employees feel that the organisation is fulfilling its obligations then they will reciprocate by showing increased commitment to the organisation. Likewise when employees perceive that an organisation has not fulfilled its obligations then employees will show a decreased commitment to the organisation and increased
absenteeism (Chang 1999). Psychologically, downsizing demonstrates a violation of the organisations obligation to its employees as it breaks the traditional social contract between employer and employee, and downsized organisations struggle to maintain the commitment of their employees to the organisation (Knudsen et al 2003). As a result Lee and Corbett (2006) found substantial dysfunctional consequences from downsizing in terms of organisational commitment including effects on innovation, quality, productivity and staffing related behavioural issues.

Research by Knudsen et al (2003) identified that survivors of a downsizing have a tendency to withdraw their commitment to the organisation and the degree of commitment withdrawal depends on the severity of the downsizing and the perceived effect on the individual. This, according to Cross and Travaglione (2004), is due to the surviving employees being confronted with a new psychological contract whereby employee loyalty to the organisation has been removed.

As organisations rely on the survivors to achieve strategic goals and do what is needed for the organisation to succeed, in the new downsized organisation management need to be fully aware of the need to strategically maintain employee commitment. Failure to do so
ultimately results in the failure of the organisation to achieve post-
downsizing goals (Chipunza and Berry 2010).

2.5. Retention

A primary factor which facilitates organisational success is to retain
top performing staff and knowledge (Hausknecht et al 2009, Scott-
Ladd et al 2000). High levels of staff turnover can be costly for an
organisation, not only in terms of recruitment and training costs, but
also in terms of lost knowledge and expertise (Ovadje 2010, Nyberg
to attract and retain staff has a direct impact on the organisation's
effectiveness and efficiency (Colleran et al 2010). Fhelli (2007)
conducted research into employee turnover and found that successful
organisations shared a fundamental philosophy of both valuing and
investing in their employees. Employees who feel that the
organisation has acted fairly and positively towards them have been
found to be more committed to the organisation and more likely to
remain with the organisation (Scott-Ladd 2000). Conversely if an
employee feels that the organisation has not acted fairly and positive
towards them then they are less likely to be committed and less likely
to want to remain (Scott-Ladd 2000).
Employees have particular expectations of their employer and view the relationship as one of mutual exchange. Social exchange theory has a direct role to play in the employee-employer relationship, and this indicates that people respond positively to those who bring benefit to them (Scott-Ladd et al 2000). The perceived support an organisation provides to its employees has a strong influence on commitment and trust, and ultimately intention to remain with the organisation.

Colleran et al (2000) found that a number of basic motivators influence employee turnover and these include job satisfaction, flexible working arrangements, career development and remuneration and benefits. If the basic motivators are insufficient this can result in absenteeism, lowered productivity and ultimately voluntary turnover by employees.

Organisations can engage in strategic activities which are designed specifically to mitigate staff turnover. Ng and Butts (2009) identified a number of strategies organisations can adopt to improve employee retention. Firstly, organisations can elicit psychological attachment to the organisation and improve perceived organisational support by effectively communicating and sharing information and by reinforcing job significance. Secondly organisations can demonstrate care and support for employees by providing career development opportunities
and recognition and reward for performance. North (2011) adds that organisations can allow their employees independence to do their job without micromanaging and pressuring staff, and trust that employees will endeavour to do the right thing to support organisational goals. As Hausknecht (2009) indicates, an effective approach to employee retention involves understanding what motivates employees and why they would want to stay with a particular organisation. As each country, industry and even employee level within the organisation possess differing motivators which drive employee attachment, unlocking these specific motivators are key to developing a successful retention strategy. As Rappaport et al (2003) indicate, organisations who fail to retain staff will be left with an unqualified understaffed workforce which has a direct impact on the organisations' ability to remain competitive.

Fhelli (2007) found that the cause of employee turnover can be summarised as follows:

- Lack of interest in job (no challenge).
- Absence of effective communication within the organisation.
- Lack of opportunities for career development and advancement.
- Perception of inequity within the organisation.
Research conducted by Schachter (2009) indicates that the primary reasons for staff turnover include lack of advancement, unhappiness with management and lack of recognition. This research is supported by Ovadje (2010) who found that the style of management and perceived organisation support was the strongest indicator of employee turnover intentions. Organisations which undergo downsizing are known to experience staff turnover particularly when the survivors perceive that they are worse off than prior to the downsizing (Schachter 2009). In order to prevent the defection of the surviving staff in the post-downsized organisation, strategies are to be put in place to provide appropriate support in a time when employees are trying to make sense of the new organisational structure.

2.6. Trust

Trust has been identified as being an important component of social capital and is a core characteristic of social relationships (Feldheim 2007, Atkinson and Butcher 2003). As human beings are considered to be social in nature, societal functioning would not be possible without some level of trust (Cole and Cole 1999, Perry and Mankin 2007). Trust holds people together and provides security and a feeling of belonging (Gilbert and Tang 1998). Personal integrity, honesty and consistency combine to develop trust in relationships.
and gaps between words and actions can result in distrust (Feldheim 2007, Mone 1997, Brockner et al 1997). Although trust develops at a slow pace it can be destroyed in an instant (Gilbert and Tang 1998).

According to Dirks and Ferrin (2001) there exists a clear relationship between trust and interpersonal behaviour. The interpersonal interactions affect how each party in the relationship behaves and this in turn affects the individual's beliefs and trust about the other party to the relationship. Trust can be both forward looking and backward looking in nature (Dirks and Ferrin 2001, Pugh et al 2003, Hopkins and Weathington 2006). Trust is not only dictated by current and past actions, one's future expectations and assumptions regarding another also affects the level of trust bestowed.

Within an organisational context trust is the confidence and support an employer and employee have for each other (Perry and Mankin 2007, Gilbert and Tang 1998). Trust has been described by Atkinson and Butcher (2003) as the social glue which holds organisations together. Within an organisation four basic factors have been identified by Gilbert and Tang (1998) as generating trust between employee and employer:

- Open communication.

- Sharing of critical information.
- Sharing of feelings and perceptions.

- Giving employees greater share of decision making.

According to Atkinson and Butcher (2003) two types of trust can be identified to exist in an organisational context.

- Impersonal trust. This type is based on the roles, systems, processes or reputation from which inferences are concluded. From an organisational perspective this involves the trust an employee has in their organisation (Perry and Mankin 2007).

- Personal trust. This type is based on the interpersonal interaction between individuals within a relationship. At the organisational level this type of trust typically involves interaction between manager and employee.

An employee’s trust in management has a direct effect on their cognitions relating to job security and commitment to the organisation (Mone 1997). Employee trust relies heavily on actual management behaviour in relation to planned and actual behaviours. If a gap exists between planned management behaviour then employee distrust will emerge (Mone 1997). According to Lee (1997) there are three basic attributes which management must exhibit in order to foster employee trust:

- Credibility.
- Respect.

- Fairness.

Positive organisational outcomes have been associated with employee and managerial trust in an organisation. Employees who hold a high level of trust in their manager experience greater job satisfaction and there is a direct impact on organisational effectiveness, productivity and innovation (Perry and Mankin 2007, Mone 1997). Research conducted by Wulandari and Burgess (2011) found that the communication between employee and management increased when employees trust management and this has a direct impact on job and organisational performance. Dirks and Ferrin (2001) found that higher levels of trust were directly associated with increased levels of risk taking which in turn lead to higher levels of performance and innovation.

Alternatively organisations which struggle to maintain the trust of their employees observe employee behavioural and performance problems (Lee 1997). According to Lee and Teo (2005) this is particularly evident in times of organisational change. If employees perceive that management have betrayed their trust then destructive organisational behaviours such as neglect and sabotage can prevail (Gilbert and Tang 1998). Lee (1997) also identified that mistrust can lead to increased employee absenteeism and turnover and decreased
commitment and performance. Lee (1997) also identified that mistrust of management resulted in lower risk taking by employees and this in turn negatively impacted organisational innovation.

When organisations undertake a downsizing initiative, the perceived response from employees is a breach of the psychological contract. According to Mone (1997) it is the degree to which organisations effectively communicate and justify to employees their downsizing plan which impacts the degree to which the trust relationship is affected. During the downsizing process the perceptions of the outcomes communicated by the organisation will influence trust. When employees perceive that the organisation has not acted fairly or responsibly or has deliberately withheld information, both with those who were made redundant and those who remain, then it is more likely that trust will be impacted negatively (Hopkins and Weathington 2006). As Lee (1997 page 35) stated:

“trust is betrayed when you stop telling the truth, not when you start laying people off”.

2.7. Downsizing and Middle Management

In response to a rapidly changing environment, organisations frequently undergo change initiatives in order to align the organisation’s strategic objectives with the changing external
environment. These change initiatives can be initiated as small frequent incremental changes or large changes which result in a massive shift in the organisation’s structure and workforce. Often driven by bottom line financial imperatives, such change often impacts on the workforce composition and structure within the organisation and frequently results in a decline in the number of staff in the form of redundancies (Holden and Roberts, 2004).

Research conducted by Johnson and Frohman (1989) identified that redundancies at the middle manager level of the organisation have been proportionally greater than any other level. Further research conducted by Doherty and Bowman (1995) found that between 1989 and 1991 the middle management level contributed 17% of redundancies, although they compose only 5-8% of the workforce. This research was further supported by Thomas and Dunkerley (1999) who found that between 1987 and 1991, 85% of the fortune 1000 companies downsized their workforce affecting a total of 2 million jobs of which middle management redundancies account for 19%. Although the above statistics are somewhat outdated, after extensive searches of published literature as well as government bureau of statistics, the author was unable to find any information more recent than above. This indicates that organisations are actively engaging in reducing the layers of management (in particular middle management)
in the organisation, a process commonly referred to as delayering (Tida and Morris 2008).

The delayering of organisations is seen as a strategic move by senior management attempting to decentralise the organisational structure, reduce company payroll, and improve communications between the top and the bottom by removing a layer, or potential barrier, thereby bringing senior management closer to the operational level (Callan, 1993). It has been suggested by Cameron et al (1991) that delayering also eliminates functions and redesigns systems leading to greater efficiencies. Improvements in information technology have been identified by senior management as a major facilitator to this strategy as communication flows between levels in the organisation becomes easier and faster (Dopson and Stewart 1993, Blumentritt and Hardie 2000, Long 2004). Contrary to this philosophy, McKinley and Scherer (2000) indicate that restructuring results in a gap between cognitions of top managers and those of lower levels, therefore driving a wedge in the gap where the middle manage once resided.

As a result of the delayering strategies adopted by organisations, it has been identified that middle managers who remain with the organisation following such a restructure have seen a major transformation of their role. One of the major findings is that middle
managers remaining with the organisation indicate that their role expanded to absorb the responsibilities of the middle managers who were made redundant and left the organisation (Dopson and Stewart 1993, Hallier and Lyon 1996, Bramble et al 1996, McConville and Holden 1999, Thomas and Linstead 2002, Holden and Roberts 2004, Gettler 2008). Research conducted by Brockner et. al. (1987) found that this transformation was often accompanied with a negative change in manner and behaviour as the change often resulted in a psychological contract breach, a feeling that the organisation has failed to deliver expectations which were prevalent under the original employment conditions (Chao et al 2011, Westwood et al 2001). Research has identified that this change in manner and behaviour often emanated from feelings of disempowerment, insecurity and uncertainty by the remaining middle managers as they feel that they may be the target of further redundancies at any time (Cascio 1993, Kane 2000, Mellahi and Wilkinson 2011, Wai-Kwong et al 2001). Further research has found that surviving middle managers feel resentment towards the organisation on the one hand, and on the other are compelled to justify their place in the organisation by working longer hours in order to retain their position (Thomas and Dunkerley 1999, Thomas and Linstead 2002, Davis and Fisher 2002). Furthermore, researchers and media commentators have identified that the delayering process has resulted in stagnation of the middle
manager’s career path within the organisation as there is no longer available incremental hierarchical steps in the corporate ladder and by removing layers within the organisation the distance between middle management and senior management is far greater (O’Neill and Lenn 1995, Bramble et. al. 1996, Gettler 2008). This is further supported by research conducted by Dopson and Stewart (1990) who identified career disillusionment as a major reason for middle manager dissatisfaction. As stated by Thomas and Dunkerley (1999; page 157):

“Downsized, delayered and demoralized, the image of the middle manager is one of low morale, stress and motivated by the fear of further redundancies – symptoms collectively termed ‘survivor syndrome’.”

2.8. Research Topic

The major aim of this research is to provide an account of the effect of downsizing on the commitment of an organisation’s middle management. This provides senior management greater insight into the effect of such a change initiative and enables them to consider the human impact of such change and the resultant flow-on effects with regards to corporate performance and ultimately the effect on the financial bottom line.
This research investigates the effects of corporate downsizing on the trust of middle management within an Australian corporate environment. The research examines the changes in middle manager commitment towards the organisation following a corporate downsizing, and identified specific elements which have both a positive and negative effect on individual staff motivation. As shifts in motivational forces can have a direct impact on innovation and productivity the research examines in detail the reasoning behind changes in behaviour towards the organisation.

With the assumed breach of psychological contract and concomitant loss of trust in senior management which normally accompanies the transformation of the middle manager’s role following a corporate downsizing, the research also examines the middle manager’s intention to resign and seek alternative employment. Detailed analysis of how (and to what extent) the middle manager’s role has changed and the resultant shift in opinions and views accompanying this change was examined.

2.9. Research Problem

A major controversy exists in relation to the role of the middle manager and the way they are perceived by senior management. On the one hand it has been identified that the middle manager is the one
person in the organisation who is in a position to link senior management strategy to operational outcomes (Burgelman 1983, Wilcox et al 1993, Dutton et al 1997, Balogun 2003, Mair 2005). As a result middle managers have been identified as operating at an important organisational level and may act as change agents as they are uniquely positioned to win employee commitment (Huy 2002, Floyd and Wooldridge 1997, Fenton-O’Creevy 1998, Balogun and Johnson 2004, Holden and Roberts 2004). Moreover, several researchers have identified that if middle managers are actively involved in the formulation of company strategy alongside senior management, then there is greater commitment from the middle manager to enact the strategy as they have an owning stake in its formulation and as such the success of strategy implementation is far greater (Guth and MacMillan 1986, Hambrick and D’Aveni 1988, Wooldridge and Floyd 1990, Dutton and Ashford 1993, Floyd and Wooldridge 1994, Wilcox-King et al 2001, Meyer 2006, Cole 2007, Pappas and Wooldridge 1997, Raman 2009).

On the other hand, literature has revealed that senior management often view middle management as an obstacle, slowing down decision making and preventing the organisation from achieving strategic objectives (Kanter 1983, Johnson and Frohman 1989, Fenton O’Creevy 1996, Simpson 2009). As some researchers have identified, this is particularly the case when the middle managers are
not actively involved in the strategy formulation process (Whyte and Gardner 1945, Guth and Macmillan 1986, Fenton-O’Creery 2001, Wetlaufer 2001). Therefore, when a decision is made to reduce the company’s workforce, shrinking the number of middle managers is an obvious decision for the senior manager as they are effectively removing a blockage to organisational productivity and profitability (Farrell and Mavondo 2005, Guthrie and Datta 2008).

The remaining middle managers following a downsizing initiative are left to both make sense of the new structure as well as absorb the workload and responsibilities of those who were the target of redundancy. Due to their pivotal role, they are under increased pressure to achieve outcomes within a more intensified working regime resulting in longer hours worked and increased stress (Thomas and Dunkerley 1999, Parris et al 2008). This obviously comes at the expense to the middle manager’s family and personal life and many middle managers feel they have been unfairly dealt with which contributes to dissatisfaction (Balogun 2003, Kuratko and Goldsby 2004, Sommer 2009). Dissatisfaction of the middle manager results in lower commitment, resentment, low morale, lowered trust in senior management and a feeling of career stagnation (Collinson and Collinson 1995, Jackson et al 1996, Dopson and Neumann 1998, Snizek and Kestel 1999, Young 2000, Morgan and Zeffane 2003). As Wysocki (1995) and later Huy (1999) discovered this can turn into a
vicious cycle spiralling downwards as the reduction in commitment and performance directly relate to company profitability, and as such further redundancies may transpire.

By identifying the effects a downsizing initiative has on the middle manager, senior management are in a better position to both understand and introduce strategies to maintain middle management commitment and prevent any further negative effects on the organisation. By examining the effects of change initiatives on middle managers in relation to workload and changes in perceptions, this paper sets out to provide senior management with knowledge on the effects of downsizing on the retention, motivation and trust of middle management and thus enable senior management the opportunity to proactively engage in positively managing the process.

2.10. Immediate Discipline Literature

Klein (1984) conducted research into the effects of downsizing on the role of the middle manager. The findings indicates that the surviving middle managers experienced work overload, loss of status and as such became resistant to senior management initiatives. Brockner et al (1987) built on these findings and concluded that the negativity associated with middle manager resentment following downsizing stemmed from feelings that the layoff victims were inadequately
compensated. When the layoff victims were adequately compensated the work behaviours of the surviving middle managers were less negative regardless of the increased workload and intensified working regime.

Of the surviving middle managers Scase and Goffee (1989) found that they became less motivated as their workload increased and career path dwindled, and as such became estranged from senior management. Guest and Pecci (1992) found that organisations pay little attention to the survivors of a downsizing initiative and this in itself poses problems for staff morale, turnover and ultimately productivity. The survivors, therefore, have to look outside the organisation for other social support mechanisms. Callan (1993) identified that surviving middle managers who have good family support cope with the stress of downsizing better than those without this support.

With downsizing comes the loss of knowledge and valuable skills of the layoff victims (Cascio 1993, Floyd and Wooldridge 1994, Reige 2005). The surviving middle managers are placed in a position whereby they are forced to learn new roles and take on increased responsibility at a time when the reward system is blocked (O’Neill and Lenn 1995). Bramble et al (1996) found that this resulted in decreased job satisfaction and as such the surviving middle
managers were less willing to voluntarily take on extra projects. Research conducted by Redman et al (1997) and later Thomas and Dunkerley (1999) identified that this breached the psychological contract between the middle manager and their employee as the unexpected increase in workload and stagnation of career development had a severe negative impact on the middle manager’s commitment to the organisation. Ebadan and Winstanley (1997) found a breach of psychological contract resulted in middle managers becoming resentful to the organisation and in some cases resignation.

It has been documented that the increased workload and intensified working regimes experienced by middle managers following a downsizing has a direct impact on the middle manager’s family and personal life outside the organisation (Hall and Richter 1988, Thomas and Dunkerley 1999, Thomas and Linstead 2002, Parris et al 2004). Thomas and Linstead (2002) further identified that as a result of increased workload and demand on the middle manager, companies will no longer tolerate family influences. Therefore, in order for middle managers to meet both the demands of the organisation and family Parris et al (2008) found that friends outside the organisation were the first to be sacrificed. In the research conducted by Parris et al (2008) it was found that friends were identified as a therapeutic sounding board to relieve stress and the loss of such psychological support has a direct impact on productivity and motivation.
The widening of the middle manager’s role and increasing workload has resulted in a major transformation of the middle manager’s feelings and behaviour to the company and senior management. Staehle and Schirmer (1992) found that middle managers lacked support from senior management following the delayering process, and little incentive was provided for the middle manager to achieve strategic objectives. Dopson and Stewart (1993) identified that surviving middle managers felt more insecure and were in fear of further redundancies, and as a result worked longer hours in order to protect their role and job, a term Jackson et al (1996) termed ‘career defence’. This view was further supported by Thomas and Linstead (2002) who identified that the surviving middle managers work longer hours to prove their worth and value to the organisation, whilst at the same time living in constant fear of further redundancies. As Holden and Roberts (2004) found, surviving middle managers attempt to conform and perform following a downsizing initiative in order to retain their job. As a result of this transformation Gettler (2008) identified that middle managers consider their job to be more like a set of handcuffs with little reward. This supports the research conducted by Sommer (2009) who found that middle management are on the one hand experiencing a heavy workload with little reward and on the other hand feel that they have become a disposable commodity. Smith (2009) identified that as a result of the reduction of middle
management numbers there emerged a number of distinct obstacles for the middle manager, namely lack of support from senior management, abolition of career path within the organisation and an inability to balance the work-family demands. As Meynhardt and Metelmann (2009) found, the middle manager’s focus shifted from one of long term planning to that of satisfying immediate demands in an attempt to retain their position within the organisation, a term referred to by Thomas and Linstead (2002) as ‘chasing the herring’.

Therefore, if the impact of a downsizing initiative on middle management has such a detrimental effect on both their working and personal life, and given that they are deemed pivotal in enacting company strategy, what incentives do organisations offer to motivate and retain their middle managers? Research by Wilcox-King et al (2001) found that the defection of middle managers has a severe impact on operations and seriously undermines the organisation’s survivability. As Marginson (2002) identified, organisations are critically dependent on the commitment and innovation of their middle managers to secure organisational survival. Why then are the middle managers often the target of layoffs in a restructuring and downsizing initiative given that their contribution is pivotal to the organisation? Donaldson (2009) states that this is due to senior management’s poor understanding of the contribution middle management bring to the
corporate table. Uchitelle (2006; Page 31) sums up the point by stating:

“Companies should recognise the commercial damage from layoffs.”

2.11. Gaps in the Current Literature

There are two main gaps identified in the current literature. The first relates to the changes in the working role following a downsizing initiative, and the other relates to changes in the psyche of the middle manager as a result of changes in the working role.

How have the changes in the working role of middle managers following a downsizing initiative impacted the middle manager’s commitment to the organisation? Has this change impacted on the middle manager’s potential to seek employment elsewhere? This thesis sets out to answer these questions by examining the relationship between the changing role of the middle manager and their change in views towards the organisation, specifically in relation to the middle manager’s propensity to seek alternative employment and their commitment to the organisation and its strategic goals.

Another gap identified in the literature relates to the change in behaviour of the middle manager following a downsizing initiative. To
what extent has a change in the middle manager’s role affect the behaviour of the middle manager towards the organisation and senior management? How has the trust relationship between the middle manager and senior management been affected? What coping mechanisms do the surviving middle managers adopt in order to manage the changing role? The research conducted in this thesis aims to answer these questions by examining the change in the trust relationship between the middle manager and senior management as a result of change in the middle manager’s role.

2.12. Theoretical Framework

The research focuses on the personal impact of organisational downsizing on survivor middle managers. Special attention is paid to increased propensity to leave the organisation, commitment to operate in the new environment and the change in the trust relationship with senior management.

The aim of the research is to provide knowledge on how middle managers adjust psychologically to a downsizing initiative and to changes in the role and responsibility of the middle manager which influence the middle manager’s performance and commitment in the organisation. The research aims to expand on previous research conducted by Thomas and Dunkerley (1999) and Thomas and
Linstead (2002) who identified that downsizing has a direct and influential impact on the organisation via changes in performance and affective commitment of the middle manager, as well as the psychological impact on middle manager themselves.

A qualitative research methodology was adopted for the research via the use of semi-structured interviews. This allowed the interview to follow a set guideline of questioning as well as allowing for further probing and discussion should it be required.

The research adopted a radical humanist paradigm which is indicative of a qualitative research methodology. Within this paradigm it is emphasised that society is undergoing radical change and social conflict and places emphasis on human consciousness and human interaction (Burrell and Morgan 1982). The underlying notion of the radical humanist paradigm is that human consciousness is shaped by social standards and this can often contradict with true conscious feelings (Easterby-Smith et al 2010). This creates a human predicament around constraints from individual perceptions with that of existing social norms. This in turn creates a false consciousness which inhibits reality. Within the radical humanist paradigm social meaning is constructed by people. It assumes that the social world is nominalist in ontology and anti-positivist in epistemology.
A nominalist ontology is characteristic of the radical humanist paradigm. This follows the ideology that facts are human creations and truth depends on who establishes it (Easterby-Smith 2010). It follows that human experiences and events are crucial, and it is the labels and names we attach to such events which dictate and influence human consciousness and actions.

An anti-positivist (or social constructionist) epistemology assumes that learning and knowledge creation takes place via conversations and human interaction. It emphasises that human understanding occurs via individual sense making and experiences (Easterby-Smith 2010).

2.13. Research Questions

The research questions answered by this thesis focused on the changes faced by middle managers who have survived a corporate restructure, specifically in relation to their intention to leave the organisation, their motivation to commit to the organisation and their loyalty to the organisation in terms of commitment to achieving organisational goals.

The main research question investigated by this research is:
Chapter 2 – Literature Review

What are the perceptions of middle managers that have survived downsizing towards their organisation, senior management and their subordinates?

What are the consequences for their commitment, trust in senior management and retention?

Sub-Question a). How did middle managers perceive the decision by the organisation to downsize? How did senior management communicate the reasoning behind the decision to downsize? How did middle managers feel about their role in the downsizing process? This question investigates the actual downsizing process itself and the role of the middle manager in the process. Did senior management elicit support from middle management in the downsizing? Was their reasoning behind the downsizing perceived as being rational and acceptable? Did middle managers play an active or passive role in the downsizing process?

Sub-Question b). What is the middle manager’s commitment to the organisation like in the post-downsized organisation? How do middle managers feel towards doing a good job and having a sense of achievement following a downsizing?

This question explores the motivation levels and type of motivation exhibited by middle managers in the post-downsized organisation.
This question also explores the feeling of middle management towards their sense of commitment to their job. That is, are they just going through the motions and doing what is required of their role or are they actively seeking satisfaction in their work? Do middle managers feel as though the downsizing process has affected their level of performance in the organisation?

*Sub-Question c). What is the view of middle managers with regards to their intention to leave the organisation following a downsizing? How do middle managers feel about their continued tenure with their organisation following a downsizing?*

This question investigates the view of middle managers in relation to their sense of job security in the post-downsized organisation and the middle managers feeling of whether they have a stable and continued employment with the organisation. How has the downsizing changed their feeling of job security? Are middle managers feeling as though they have been let down by the organisation and, as a result, are seeking alternative employment?

*Sub-Question d). What is the trust relationship like between middle managers and senior managers following a downsizing? How trusting does the middle manager feel towards the organisation following a downsizing?*
The aim of this question is to investigate the trust relationship between middle managers and senior managers and the overall trust of middle managers towards the organisation as a whole following a downsizing. Middle managers may remain committed to the job and task, however, their trust to the company overall (impersonal trust) and to senior management (personal trust) may have been affected by the downsizing process and the way in which the downsizing was executed.

2.14. Contribution to Knowledge
The research contributes and expands on the current knowledge surrounding the effects of downsizing on middle management. As it has been recognised in literature and research that middle management can make a significant contribution to strategic decision making by linking change initiatives with successful strategic outcomes, the importance of middle management as a facilitator and actor of change is seen by many researchers as critical to the success of change initiatives (Huy 2002, Balogen and Johnson 2004). The middle manager is in a unique position within the organisation, attune to the capabilities of the organisation at the lower functional levels, as well as being able to enact the strategic goals of senior management. Therefore the importance of the contribution of middle management in connecting the operational and strategic levels of the
organisation is critical to organisational success (Balogen 2003, Raman 2009). As senior management are often isolated from the ‘day-to-day’ operation of the organisation, the involvement of middle management in the change process improves communication and commitment to organisational goals, and middle managers act as motivators to bring along those who struggle to come to terms with the change initiative (Quinn 1985, Burgelman 1983). As the middle manager can provide insightful information into the state of the organisation at the operational level, maintaining the trust and commitment of the middle manager is critical to the senior manager in being able to receive communication on the state of the organisation (Wai-Kwong et al 2001, Wilcox-King et al 2001, Huy 2002). The outcome of the research provides senior management with further insight into the mechanisms which influence the commitment and trust of middle management in the organisation, and therefore enable senior management to successfully utilise middle management as a critical actor of the change process.

The research also identifies that there are specific initiatives which senior management can undertake to maintain the commitment, retention and trust of their middle management in the post-downsized organisation. Research conducted by Wilcox-King et al (1993) have identified that the defection of middle management can have serious consequences on the continuity of the organisation. By involving
middle management in the strategy formulation process senior management can secure middle management ‘buy-in’ from the outset and therefore commitment to organisational goals, as the middle manager has a vested interest in the strategy by virtue of ownership (Currie and Procter 2005). As indicated by Wai-Kwong et al (2001), the involvement of middle management in the strategic development process leads to improved commitment, communication and trust. In contrast, top down directives from senior management, in which the contribution of middle management are ignored, erodes motivation, commitment and trust and has a direct relationship with intention to leave the organisation.
3. RESEARCH DESIGN
3.1. **Introduction**

In chapter 2 a detailed analysis of the literature was conducted and gaps in the literature were identified. The literature gaps identified a lack of knowledge and research pertaining to the effect of downsizing on the commitment, retention and trust of middle management. Research of the literature ascertained that when undergoing a downsizing organisations commit energy, resources and support to those staff who are made redundant and yet fail to recognize and support those who remain, the very staff the organisation needs to succeed post-downsizing. Pressure is placed on the middle manager to achieve organisational outcomes in the new work environment, often with an increased workload and reduced staffing capacity (Holden and Roberts 2004, Gettler 2008). The psychological impact on the middle manager, coming to terms with the new working environment and achieving organisational outcomes in an intensified working regime, are often overlooked by senior management. As a result there is a flow on effect on the commitment, retention and trust of middle management.
3.1.1. Objective

In this chapter we identify the paradigm on which to base the research and determine the research methodology to adopt for conducting the research. Research methods are examined and discussed and a justified conclusion drawn to the selection of the research method to be adopted for this research. The reliability and validity of the research method are then discussed. An examination of the data collection and data analysis methods are then presented. The chapter concludes with a discussion of the limitations and ethical considerations of the selected research method.
3.2. Research Design

The structure of the research design for this dissertation can be seen in Figure 3.1.

Figure 3.1 Research Design (adapted from Bryman and Bell 2011 page 406)
Following the examination of the literature, identification of gaps in the literature and development of research question, the method of research commences with a detailed analysis of the paradigm to be adopted for the research. The epistemological and ontological assumptions pertaining to the selected paradigm are discussed in detail and justification as to the type of paradigm adopted put forward. A broad analysis of quantitative, qualitative and mixed method research methods are then developed with justification of the type adopted for this research. Detailed analysis of the exact type of research method for this research is then discussed. Research reliability and validity, as it applies to this research, is discussed in detail and issues surrounding the research methodology adopted made known. The method of collecting and analysing the data and the tools used to perform this function are identified as are the details pertaining to the research environment and participant demographics. The research methods chapter concludes with a discussion of the limitations of the research method adopted and the ethical considerations which need to be taken into account when conducting the research.

Following the research methods and approval of ethics clearance, the research is conducted on pre-qualified participants. The analysis of the data is then initiated with transcription of the recorded interviews. The transcriptions are then coded into first level categories.
level categories and then coded into second level categories and associated with the research questions. The results from the research are then presented.

Following the analysis of the data, the findings of the research are then presented and supported with current literature. The research concludes with the development of an introduction which aims to provide a brief account of the research and the research topic.

3.3. Research Paradigm

3.3.1. Introduction

The radical humanist paradigm was been adopted for this research. The researcher identified that this paradigm is the best fit to examine the research questions put forward as the research focused on organisations which underwent radical change and adopted a qualitative methodology of data collection. This is concomitant with the radical humanist paradigm. In order to justify this decision, the researcher examined all other available alternatives. These will now be discussed.

A paradigm represents a world view. It is a means of experiencing the world in terms of perceiving, understanding and interpreting (Collins 1996). A paradigm describes a set of commonly accepted theories, models and assumptions about knowledge and how to

Ontological assumptions regard the fundamental nature of the phenomenon under investigation (Ardalan 2009, Hassard 1991). Epistemological assumptions concern the nature of knowledge regarding the understanding of the world and communicating that knowledge to others (Ardalan 2001). Assumptions about human nature are concerned with the relationships between individuals and their environment (Ardalan 2009). The way in which the attainment of knowledge is gathered and obtained concerns assumptions about methodology (Ardalan 2001, Hassard 1991). The epistemological and ontological assumptions combine to yield two dimensions, one of which identifies the subjectivity-objectivity of the paradigm and the other dimension identifies the nature of society as being either stable and regulated or under change and conflict (White 1983, Willmott 1993). Table 3.1 lists the assumptions pertaining to the subjective-objective dimension and Table 3.2 lists the assumptions pertaining to the regulation-social change dimensions.
Table 3.1 Subjective-Objective Dimension

<table>
<thead>
<tr>
<th>Assumption</th>
<th>Subjective Dimension</th>
<th>Objective Dimension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontology</td>
<td>Nominalism</td>
<td>Realism</td>
</tr>
<tr>
<td>Epistemology</td>
<td>Idealist</td>
<td>Positivism</td>
</tr>
<tr>
<td>Human Nature</td>
<td>Voluntarism</td>
<td>Determinism</td>
</tr>
<tr>
<td>Methodology</td>
<td>Qualitative</td>
<td>Quantitative</td>
</tr>
</tbody>
</table>

(Modified from Aguero 2007 page 20)

Table 3.2 Regulation-Social Change Dimension

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Social Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status quo</td>
<td>Radical change</td>
</tr>
<tr>
<td>Social order</td>
<td>Structural conflict</td>
</tr>
<tr>
<td>Consensus</td>
<td>Dominance</td>
</tr>
<tr>
<td>Integration</td>
<td>Contradiction</td>
</tr>
<tr>
<td>Solidarity</td>
<td>Emancipation</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>Deprivation</td>
</tr>
<tr>
<td>Present time</td>
<td>Potentiality</td>
</tr>
</tbody>
</table>

(Modified from Aguero 2007 page 20)

According to Hirschheim et al (1989) the objectivist position applies to models and methods commonly used to study human affairs and treats the social world as if it were the natural world. The objectivist position embraces a realist ontology, a positivist epistemology and concrete reality as the basis of all knowledge (Goldspink 2000, Aguero 2007). The objectivist position symbolises a focus on structural matters and as such adopts quantitative methods for the attainment of knowledge (Collins 1996). Within an objectivist position
organisations are viewed as concrete entities and can be seen, felt and touched (Collins 1996).

The subjectivist position seeks to understand the basis of human affairs by acquiring knowledge on the experiences of individuals (Hirschheim et al 1989). The subjectivist position adopts a nominalist ontology and an idealist epistemology (Goldspink 2000, Aguero 2007). Organisations are viewed as personal constructs which act and learn differently by the individuals who make up the organisation (Collins 1996). In this respect knowledge is viewed as being socially constructed and correlates with reality (Goldspink 2000). The subjective position adopts qualitative methods for the attainment of knowledge. The researcher identified that the subjective approach to research was best fit to examine the research questions as the research was directed towards examining the feelings and experiences of people who have undergone a radical change process in the organisational environment.

The regulatory-social change dimension is concerned with social development and whether societies tend towards stability or conflict and change (Goldspink 2000). The regulation position characterises the social world as being ordered, stable, integrated, consensual and functional (Hirschheim et al 1989). According to Ardalan (2009) the regulation position provides an explanation of society on the
assumption of unity and cohesiveness and focuses on the need to understand why society tends towards stabilisation.

The position of social change is dominated by conflict or coercion and views society as undergoing constant conflict and disintegration (Hirschheim et al 1989). This position assumes that society is undergoing structural conflict and structural contradiction (Ardalan 2009). If focuses on human deprivation and attempts to seek alternatives to the status quo. As the research is centred on the effects of radical change in the organisational context, the researcher identifies that the social change dimension is best fit to examine the research questions.

Putting the two dimensions together a two-by-two matrix is constructed which identifies four mutually exclusive paradigms as is shown in Figure 3.2.
3.3.2. The Functionalist Paradigm

The focus of functionalism is on explaining ‘what is’ rather than ‘what could be’ (Goldspink 2000). Functionalism aims to identify and measure reality as it exists and views the world as systematic (Porporato 2011, Yan and Yan 2010). Being a derivative of a Newtonian scientific approach, functionalism embraces a realist ontology and a positivist epistemology and adopts the view that phenomena can be isolated for study and understood at the micro level (Goldspink 2000, Porporato 2011). Functionalism strives to explain social affairs via rational explanation and emphasises the importance of understanding order, stability and equilibrium in society and is concerned with the regulation and control of social affairs (Ardalan 2001, Hirschheim et al 1989). As such functionalism
represents an empirical approach to understanding society and views the social world as comprising concrete entities which can be measured and studied (Collins 1996, Goldspink 2000, White 1983).

The role of the researcher in the functionalism paradigm is one of a neutral expert or rational observer who remains distanced from the participants of the research and does not interfere in any way (Levinsen and Madsen 2007, Goldspink 2000, Ardalan 2001). This aims to justify the research in terms of a realist ontology and the findings of the research can be assumed to be free from researcher influence.

Functionalism has been found to be unsuitable when researching human affairs since it concentrates on stability and equilibrium and is therefore weak when dealing with conflict in organisations (Goldspink 2000, Wolf 1973). Since it also adopts a positivist viewpoint, functionalism has also been found to be unsuitable when dealing with the dynamics of human affairs (Yan and Yan 2010).
3.3.3. The Interpretive Paradigm

The interpretive paradigm views reality as being subjective and that social reality is the result of subjective interpretations and shared meanings of individuals (Ardalan 2003, Porporato 2011). The interpretive paradigm is concerned with understanding the world as it exists and seeks explanations from the realm of individual consciousness and experience (Ardalan 2003). Interpretivism, unlike functionalism, does not assume that the social world is systematic and the social world does not comprise concrete entities, but rather the social world is comprised from shared meanings and experiences of individuals (Goldspink 2000, Yan and Yan 2010, Hassard 1991).

Interpretivism embraces a nominalist ontology and an idealist epistemology and adopts the view that phenomena are the product of intersubjective experience and social reality does not possess any concrete form. The Interpretivist paradigm involves a life-world of interrelated human relationships and that cultural phenomena are subject to continuous evolution and enactment (Hassard 1991).

The role of the researcher within an interpretive paradigm is that of facilitator (Levinsen and Madsen 2007). Interpretive researchers seek to understand the source of social reality and their goal is to determine the orders that exist within the social setting under investigation (Ardalan 2001). In order to achieve this qualitative
methods are adopted to undertake research within the interpretive paradigm.

As the basis for interpretivism is to self-regulate and maintain the status quo, the paradigm is unsuitable for social entities experiencing radical change (Goldspink 2000). To add further, since the researcher adopts the role of facilitator within the social setting when conducting the research, the chance of researcher influence on the social setting appears as a possibility and as a result scientific methods cannot be used in these circumstances.

### 3.3.4. The Radical Structuralist Paradigm

The radical structuralist paradigm emphasises the need to understand the social world as a totality and assumes that reality is objective and concrete (Ardalan 2001). The radical structuralist paradigm focuses on the structure and analysis of economic power relationships and emphasises the need to transcend social norms (Hirschheim et al 1989, Porporato 2011). Radical structuralism, like functionalism, possesses a realist ontology and a positivist epistemology. However, the difference lies in the views and perceptions of the social world. Within the radical structuralist paradigm the social world is constantly undergoing conflict, tension and change and this paradigm adopts the view that society is a dominating force (Ardalan 2001).
Ontologically, the social reality within this paradigm is considered a fact and epistemologically the social world comprises concrete realities which can be measured using empirical approaches (White 1983, Goldspink 2000, Hassard 1991). As such radical structuralism adopts the use of quantitative research methods.

The role of the researcher in the radical structuralist paradigm is that of partisan and researchers are committed to radical change, emancipation and class struggle (Levinsen and Madsen 2007, Ardalan 2009). The researchers in this case believe that knowledge is determined by one’s relation to the perceived social reality.

3.3.5. The Radical Humanist Paradigm

According to the radical humanist paradigm, everyday reality is socially constructed and this social construction is linked to a situation in which people become a prisoner of the social world they created (Hassard 1991). This leads humanity to experience alienation and constrains social action and thus humanity becomes dominated by its own structures (Goldspink 2000). As such the social world becomes anti-human and prevents human fulfilment resulting in a false consciousness (Ardalan 2001). The social world, therefore, is viewed as being in conflict and dissent (Collins 1996).
The radical humanist paradigm, like the interpretive paradigm, adopts a nominalist ontology and an idealist epistemology. This indicates that the social world does not possess any concrete form and that phenomena are socially constructed. Reality is viewed as a collection of perceptions and experiences by the people who interact with the social world. Linking the research topic with the research methodology, the radical humanist paradigm was identified by the researcher as the best fit for this research as the research topic focuses on the effects of radical change and is interested in the personal experiences of middle management going through such change.

The role of the researcher in the radical humanist paradigm is that of an emancipator (Levinsen and Madsen 2007). The role of the researcher is to examine competing realities and to reveal ideological elements (Ardalan 2000). The function of the radical humanist researcher is to influence the consciousness of the human participants in order to create a true picture of the social world (Ardalan 2001).
3.3.6. Summary

The interpretive and functionalist paradigms were unsuitable for this research as they both assume that the social world is ordered and stable. In this research, however, the social world under investigation has undergone a radical change and is in a state of flux, confusion and disarray. The radical structuralist paradigm was also unsuitable for this research as the ontology assumes that the social world is factual and the epistemology assumes that the social world comprises a reality which can be empirically measured. In this research, however, the social world is viewed as being a non-concrete conscious social construction which is derived by the perceptions of those who interact with it. The radical humanist paradigm fits the research methodology for this research as it assumes that the social world is in conflict and radical change and phenomena are socially constructed from the consciousness and experiences of those who interact with it. The researcher believes that this paradigm was best suited to examine the research questions as it allowed the researcher to gather rich qualitative data surrounding the feelings and perceptions of individuals in relation to a radical change event.
3.4. Research Methodology

3.4.1. Introduction

The researcher selected the use of qualitative methods for data collection, specifically the use of semi-structured interviews, as this approach allowed for the collection of data which was best suited to examine the research questions. This method allowed participants to describe their feelings and experiences surrounding a downsizing initiative and how this relates to changes in their commitment, intention to remain within the organisation and trust in senior management. Semi-structured interviews gave the researcher enough structure to focus on the research questions and, at the same time, examine in detail areas which the researcher felt required further probing or explanation. In order to justify this decision, the researcher examined all other available alternatives. These will now be discussed.

The approach to research can be designated as being either inductive or deductive in nature and is dependent on the relationship between theory and research. With inductive research, theory is seen as being an outcome of the research as the research observes the phenomena under study and then arrives at certain conclusions (Kirk and Miller 1987). Inductive research is indicative of qualitative research methods. In deductive research the theory guides the research as the researcher takes what is already known and deduces hypotheses that
are then subjected to empirical testing (Kirk and Miller 1987). Deductive research is concomitant with quantitative research methodologies.

Quantitative research adopts a hard positivist ontology and assumes that reality is objective and epistemologically can be investigated using scientific methods resulting in knowledge which can be assured by statistical probabilities (Hanson and Grimmer 2007, Lancaster 2005). Quantitative research assumes that what is being measured or researched can actually be quantified and/or classified numerically (Lancaster 2005). In quantitative research the researcher typically remains separate from the research population in order to minimise researcher influence on the outcomes of the research.

Qualitative research, on the other hand, adopts a relativist ontology in that each individual perceives their own reality and that reality is a socially constructed phenomenon. It also asserts that reality objectively exists, however, the techniques used to investigate such reality result in uncertain and unpredictable outcomes (Hanson and Grimmer 2007). The researcher, in an attempt to understand the social reality being investigated often becomes involved with and interacts with the research participants. The data gathered using qualitative methods is rich and complex and the outcome of the research often reflects the viewpoints of the researcher.
3.4.2. Research Designs

The researcher identified that the use of multiple case studies approach was best suited to examine the research questions. Multiple case studies allowed the researcher to interview participants from a broad range of industries and organisational contexts and therefore obtain viewpoints from varying perspectives. From the researcher’s standpoint this method increased the validity and credibility of the outcomes of the data as the research focus was not too narrow as would be the case with single organisation case studies. In order to justify this selection alternative research designs were examined and will now be discussed.

There are a number of research designs a researcher can adopt using either quantitative or qualitative methods. Bryman and Bell (2011) identified five types of research designs and the quantitative or qualitative methods used in such designs. These can be seen in table 3.3.
### Table 3.3 Types of Research Designs

<table>
<thead>
<tr>
<th>Research Design</th>
<th>Quantitative Research Strategy</th>
<th>Qualitative Research Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experimental</td>
<td>Quantitative comparisons between experimental and control groups with regard to the dependent variable.</td>
<td>No typical form.</td>
</tr>
<tr>
<td>Cross-Sectional</td>
<td>Social survey research or structured observation on a sample at a single point in time</td>
<td>Qualitative interviews or focus groups at a single point in time.</td>
</tr>
<tr>
<td>Longitudinal</td>
<td>Social survey research on a sample on more than one occasion.</td>
<td>Ethnographic research over a long period, qualitative interviewing on more than one occasion, or qualitative content analysis of documents relating to different time periods.</td>
</tr>
<tr>
<td>Comparative</td>
<td>Social survey research in which there is a direct comparison between two or more cases.</td>
<td>Ethnographic or qualitative interview research on two or more cases where some comparison is sought between them.</td>
</tr>
<tr>
<td>Case Study</td>
<td>Social survey research on a single case with a view to revealing important features about its nature.</td>
<td>Intensive study by ethnographic or qualitative interviewing of a single case.</td>
</tr>
</tbody>
</table>

(Modified from Bryman and Bell 2011 page 68)

In experimental research the researcher manipulates an independent variable to determine whether there is any direct influence on the dependent variable. With experimental research, the researcher has
a high level of control and influence over the research. This approach increases the internal validity of the research, however, external validity is difficult to ascertain as the research environment will be difficult to replicate in the social world and organisational setting. Experimental research in the business setting is also difficult as the majority of independent variables cannot be manipulated by the researcher (Bryman and Bell 2011). Experimental research is not used in qualitative research.

Cross-Sectional research involves the collection of data at one point in time from more than one case. The data collected is then examined, using either qualitative or quantitative methods, to determine the existence of any relationships. Quantitative cross-sectional methods typically adopt the use of surveys or structured observations which can be mathematically tested. Qualitative cross-sectional research methods typically adopt the use of interviews or focus groups.

Longitudinal research is used to determine changes over time and is often viewed as an extension of cross-sectional research (Bryman and Bell 2011). Longitudinal design research typically involves collecting data on more than one occasion and the data is analysed to determine any changes or trends in the sample population over time. One of the inherent problems with longitudinal research, particularly in
business research, is sample attrition whereby the initial sample population is diminished over time as participants change jobs or withdraw from the research program in the later stages.

Comparative research involves the examination of more than one case at a particular point in time. The main focus is to draw comparisons between cases and is often used in cross-cultural or cross-national research (Bryman and Bell 2011).

Case Study research involves an intensive in-depth analysis of a single case. The researcher employs an idiographic approach to research in an attempt to expose any distinctive features of the case and is concerned with explaining the complexity and nature of the case under study (Bryman and Bell 2011). One of the main arguments against the use of case studies is the inherent lack of external validity as the research is confined to the particular case and the findings cannot be generalised to other settings. The researcher selected the multiple case study approach for this research as this method provided in-depth analysis of a number of individual cases. This approach allowed the researcher to obtain data from a wide range of industries and professional occupations. By obtaining data which is not restricted to any one industry, occupation or organisation, the researcher endeavoured to obtain an analysis which was
balanced in its ability to be generalised across a broad range of settings.

### 3.4.3. Qualitative Research

The researcher used semi-structured interviewing as the qualitative research method. The researcher believed that this method provided data which allowed the researcher to appropriately examine the research questions. This method also allowed the researcher to conduct multiple case study research. In order to substantiate this method the researcher examined possible alternative qualitative research approaches which are now discussed in further detail.

Qualitative research, being inductive in approach, emphasises the generation of theories and of the ways in which the social world is understood. Qualitative research recognises that the social world is a constructed environment which is constantly evolving and changing and the outcomes of research using qualitative methods can vary depending on the social circumstances at the time of research. Qualitative research is concerned with gaining an understanding of experiences and perceptions of the social world and explaining those experiences, beliefs and feelings as they pertain to individuals or groups (Hewitt 2007). As words and observation are the primary data collected using qualitative research, this provides data which is
normally rich in context. Data collection methods allow the researcher to obtain information directly from the natural setting and produces information regarding human behaviours and perceptions. The researcher in qualitative research normally becomes involved in the research setting and may influence the outcomes of the research.

Bryman and Bell (2011) identified four methods of qualitative research. These are observation, interviewing, focus groups and content analysis.

Observation research involves joining a natural social setting and watching what is taking place. The researcher may become involved in the social setting and become a participant or may remain distanced from the research and not interact with the research participants. The research may also be covert in which the participants do not know they are being observed. In observation research the researcher may need to spend a large amount of time conducting the research.

With interviewing the researcher asks specific questions to participants in an attempt to understand the social setting from the viewpoint of the participants. Interviewing is an intensive process involving an interaction between the researcher and participant which is designed to elicit individual views and perceptions of the social world (McCracken 1988).
Focus groups involves research participants coming together as a group to discuss a particular issue or topic. Operating as a moderator or facilitator, the researcher guides the focus group and is concerned with how people interact and perceive the social setting.

Content analysis involves the examination of written documents, texts and graphics. The researcher aims to generate an understanding of the social world via analysis of such documents.

### 3.4.4. Summary

Quantitative research methods were unsuitable for this research as the researcher was primarily interested in participant’s feelings and perceptions. As the social world under investigation has undergone radical change, the participants may be experiencing a wide range of emotions. Quantitative methods will be unable to effectively analyse these feelings and emotions.

Qualitative methods were best fit for the data collection and analysis of this research as it allowed the researcher to gather data which encompassed the participant’s feelings and perceptions in relation to past events or experiences (Hale et al 2007). Hewitt (2007) found that qualitative interviews are well suited to the collection of information particularly on sensitive topics. The researcher also identified that interviewing was the best suited qualitative method as it
allowed the researcher to guide the research along a predefined path and also to probe further into areas where the participants felt strongly associated. Interviewing provides a deep understanding and allows the researcher to reconstruct events in which the researcher did not personally experience (Rubin and Rubin 2005).

3.5. Qualitative Interviewing

3.5.1. Introduction

The goal of interviewing is a deep understanding of what is being studied (Rubin and Rubin 2005). Qualitative interviewing is the process whereby the researcher guides a discussion of a particular event or situation and elicits detailed descriptions of the interviewee’s experiences and perceptions (Rubin and Rubin 2005). The interviewer controls the discussion and seeks responses from the interviewee in order to gain insight into the experiences, beliefs, values and perceptions of the social world (Gillham 2000, Schostak 2006, Minichello et al 2008).

Through qualitative interviewing the researcher can gain an understanding of events in which they did not participate (Rubin and Rubin 2005). Qualitative interviewing allows the researcher to step into the mind of another person to understand and experience the
social world from the point of view of the interviewee (McCracken 1988).

3.5.2. Types of Interviews

Interviewing can be either structured, semi-structured or unstructured in nature. With structured interviewing interview questions are predefined by the researcher and are delivered in a specific order without deviation. Structured interviews are most commonly used in surveys or opinion polls in which questions are carefully ordered and worded and each participant is asked exactly the same questions in the same order (Minichello et al 2008). The questions in structured interviewing is typically closed-ended in which the participant must choose between a set of predetermined answers (Minichello et al 2008).

With semi-structured interviewing the researcher has a predefined set of questions and uses these as a guide for the research. Additional questions may be introduced by the researcher at any time during the research in order to probe further and elicit deeper insights regarding the perceptions and feelings of the participants. The interview is implemented to allow for more in-depth discussion and provides greater flexibility than structured interviewing as the researcher can deviate from the line of questioning in order to gain further insight into topics of interest (Minichello et al 2008). With semi-structured
interviewing the researcher may re-order or re-word some of the interview questions depending on how the interview is progressing.

An unstructured interview is one in which there is no formal pre-defined questions or schedule. The unstructured interview relies primarily on the social interaction and informal discussion between the researcher and participant (Minichello et al 2008).

3.5.3. Summary

In order to gain an in-depth and detailed understanding of the research topic whilst retaining some form of control it was identified that semi-structured interviewing be adopted for this research. Semi-structured interviewing not only allowed for the collection of detailed descriptions of participant’s perceptions and experiences, it also allowed the flexibility for the researcher to probe into areas of further interest or expand on questioning in order obtain detailed and exact accounts of participant’s feelings and viewpoints on particular topics.
3.6. Research Methodology Summary

The research methodology adopted for this research was that of qualitative semi-structured interviewing. In developing the interview questions the researcher adopted the radical-humanist paradigm which infers that the social world is in conflict and radical change and experiences and perceptions of participants are socially constructed events. This research methodology afforded the researcher the flexibility to adapt to individual participant interview processes and provides detailed and rich descriptions of organisational change events and their effect on those staff remaining with the organisation post-change.

3.7. Research Reliability

Research reliability is concerned with whether or not the results of a research study can be replicated (Minichello et al 2008). The ability of a researcher to prove that their research findings are able to be replicated under the same or similar conditions reinforces the research outcomes and the capacity to apply such findings to the general population.

In qualitative studies research reliability advocates that repeatable and replicable research strengthens the researcher’s ability to generalise findings in the wider social world. In order to achieve this in
qualitative research focus is placed on whether or not, under the same conditions and circumstances, the research will come to the same conclusions if the research was repeated (Minichello et al 2008). This ultimately depends on the type of qualitative research undertaken as some forms, for example structured interviews, have a higher probability of obtaining the same results as the interview process is very rigid and structured with no deviation from the data collection process. Other forms such as unstructured interviews would yield mixed results as the interview process itself would differ if repeated and therefore the data collected would differ from the original research.

In semi-structured interviewing the ability of the researcher to duplicate the findings with the same level of accuracy if the research was replicated may find that there is some degree of variation. According to Minichello et al (2008) the researcher should not be too concerned as the social world is undergoing constant change and therefore the research findings at one point in time may differ from another point in time, even if the exact same research method was adopted and the same participants were re-interviewed under the same research conditions. This is simply due to the changing nature of the social world over time.
The researcher undertaking this study understands and appreciates that the social world is constantly changing and therefore the perceptions and experiences of the participants in the research is constantly undergoing change. The researcher adopted the stance that the research is a reliable reflection of the participants’ social world at the particular point in time when the interviews were conducted.

3.8. Research Validity

Validity in qualitative research is primarily concerned the accuracy and truthfulness of findings arrived at by the research process (LeCompte and Goetz 1982, Whittlemore et al 2001). How the interpretation of the research accurately reflects the actual occurrence of events and how they are interpreted correctly by the researcher are the primary foundation for research validity (Cho and Trent 2006, Kirk and Miller 1987). Therefore, it can be concluded that in qualitative research the issue of validity is dependent on the researcher.

In order to enhance the credibility of the semi-structured interview the researcher needs to select participants who are knowledgeable and whose views represent a balanced perspective (Rubin and Rubin 2005). The ability to validate the participant is performed within the interview itself via the processes of probing and cross-checking in
order to determine any discrepancies in the participant’s narrative (Minichello et al 2008). To add further Rubin and Rubin (2005) also state that to enhance the credibility of the interview the actual questioning process needs to be thorough and what is reported needs to be accurate. This ultimately means that the researcher must not help or assist the participants in finding the right words or expressions as this would add to researcher bias.

The researcher undertaking this study fully understood and appreciated the importance of research validity. During the interview process the researcher aimed to validate participants’ viewpoints by probing and cross-checking techniques. The researcher also made a point to repeat certain claims or statements back to the participants for validation. At no point in time did researcher assist or contribute any words or suggestions to participants in the interview process. This aimed to reduce, as far as is possible, any researcher bias. The researcher also provided a typed transcription of each interview to each participant for final validation.

3.9. Interview Procedure

3.9.1. Interview Environment

The interviews for this research took place in a secured private room free from any distractions or interference from other persons. The
room was plain in appearance with only a table, chairs, telephone and whiteboard present in the room. This allowed the participants to concentrate their thoughts without any disruption which will enhance the validity of the interviews. The room itself was located outside the participants’ organisation. This gave a further credibility enhancement as there was no fear of reprisal should the interview be overheard by other members of staff. The researcher sat directly opposite the participant and had only a note pad and digital voice recorder on the table.

3.9.2. Participants

Participants for this research were pre-qualified middle managers. The researcher used business contacts to elicit support from individual middle managers from a range of industries. To qualify each middle manager’s organisation must have undergone a radical change initiative within the last 12 months. This has been confirmed. Each participant offered to provide referrals to other middle manager participants who also qualify as per above guidelines. Participants acted as individuals and not on behalf of their respective organisations. This allowed participants to answer questions with the knowledge that their organisation will not have access to the research information. This, therefore, allowed participants to answer questions
without the fear of retaliation from their organisation’s senior management.

A total of 16 participants were interviewed for this research. This contributed a large amount of rich qualitative data from various industries and provided a general overall holistic view rather than one where a single company was used for the research.

3.9.3. Interview Process

Prior to the interview each participant was provided with some basic information about the research study. This allowed each participant time to think about the interview topic prior to commencement so there were no surprises as to why they were being interviewed. The information provided also contained the interview procedure and approximately how long the interview will take. This allowed participants to adequately plan their time. The information also contained details on the location, date and time of the interview as well as contact details of the researcher should there have been a need to reschedule or any delays.

The interview commenced with a general greeting with the researcher providing personal details on where the researcher works, lived and what the research is about. This served the “break the ice” and relax the participants as they would be more willing to talk if they were
familiar with the researcher (Rubin and Rubin 2005). Building rapport with the participant prior to commencing the interview questioning was essential for developing a trust relationship with participants. This further enhanced open conversation from the participants. The participants were each informed that their identity and organisation will remain anonymous and not be released to any party.

Once introductory formalities were completed the researcher advised the participants of the interview process. The researcher advised that the interview would be recorded. However, if at any time the participant wished to say something “off the record” the researcher would turn off the digital voice recorder. The participants were also be advised that a typed transcription would be provided to all participants for review, editing and validation. Should the participants want to change or delete any information then their recommendations were be actioned.

Research questioning then commenced. The researcher asked questions relating to the research topic. The research questions used for this research can be found in Appendix A. Participants were given time to think and respond. At no time did the researcher prompt or attempt to lead the participant into answering a question as this would have resulted in researcher bias. The researcher also asked follow-up or probing questions should the researcher believe that the
participant had more to contribute or wanted to clarify what the participant has stated. This also served to validate what the participant had said as any discrepancies in the participant’s stories may have appeared at this stage. During the interview the researcher took note of the seating posture, body language and tone of the participants. This aimed to further validate what each participant was saying.

The interview concluded by the researcher asking the participant if they had anything further they wanted to say. Following the completion of the actual interview the researcher explained the next steps and clarified contact details for dispatch of the typed interview transcription.

3.10. Data Analysis

The data analysis of the research adopted a sequential step-by-step process. Step 1 involved converting the interview recordings into typescript. The researcher performed this function on his own personal computer. Each transcript was password protected for added security of which only the researcher knew the password. The process of converting the recordings onto a typed document was further enhanced by the researcher’s ability to touch-type at or near the speed of normal speech. Following each transcription the
recording was be played over and the typed document read as the recording played to ensure that no errors in the typed document occurred. Any errors were fixed at this point in time. Once completed the digital recording was deleted and each transcript was duplicated. The original was retained on the researcher’s own personal computer, in a folder labelled “01-Original Transcripts” and the copy was retained on a memory stick kept at the researcher’s work location within a locked filing cabinet with the student researcher being the sole holder of the key to the filing cabinet. Each electronic document was password protected with only the researcher knowing the password.

Step 2 involved providing an electronic copy of each transcript to each participant for review, feedback and editing. Upon receiving back the reviewed file from each participant the researcher made recommended changes to the transcripts. These were then saved in a new folder labelled “02-Revised Transcripts”. At this point a copy of the revised transcripts were dispatched to the student researcher’s supervisor.

Step 3 involves the initial coding of the transcripts. At this level only major themes and concepts were recognised and coded. These were coded in the left hand margin with the number 1 in front followed by
the associated theme letter which identified the code as a level 1 major theme code. The three major themes were coded as follows:

- 1T: Trust
- 1C: Commitment
- 1R: Retention

This allowed the researcher to easily identify sections of the transcript which related to each of the broader topics of this research. Any other major themes identified in the transcripts were labelled accordingly and followed the above naming convention by placing the number 1 in front of the associated letter.

In step 4 the researcher separated out each of the level 1 codes as identified in step 4 and saved each as a separate document. The original transcripts were retained and moved to a separate computer folder labelled “03-Level1 Coding”. Each level 1 document was then sorted and coded into the next level. In level coding 2 the researcher focused on themes within each document and identified them by placing a code in the left hand margin next to identifiable paragraphs in the text. For example, 1T (Trust) was coded as follows:

- 2T-COY: Affect on company trust
- 2T-SMG: Affect on trust of senior management
- 2T-COL: Affect on trust of general colleagues
- 2T-NCH: No change in trust exhibited
Step 5 involved sorting the level 2 coding into separate groupings. That is, all those that were coded as 2COY as shown above were grouped together. The document was then saved into a separate computer folder labelled “03 Level2 Coding”.

Step 6 of the data analysis process involved the first examination of the text where each grouping was analysed for common concepts and experiences. At this stage differences between participants were noted. This concluded the data analysis stage.

### 3.11. Limitations

There are two ways in which invalid data can be obtained in qualitative interviewing. The first is via the participant and the second is via the researcher.

One of the main limitations of qualitative interviewing is that the researcher is not in a position to directly observe the participants in their organisational setting and thus does not have the understanding of the perceptions and viewpoints of the participant (Minichello et al 2008). In this respect the researcher may not fully understand and grasp the absolute viewpoint of the participant leading to incomplete data.
Another limitation to qualitative interviewing is that where the participant knowingly provides false information. The researcher unknowingly accepts the data as true and correct. According to Yanos and Hopper (2006) this is most likely when the participants are interviewed on topics which reflect powerfully on their identity.

Hewitt (2007) has also identified that the relationship established between the researcher and participant has an impact on qualitative interviewing. It has been suggested that factors such as age, social class, gender, cultural background and appearance all have a direct influence on the researcher-participant relationship and thus the quality of data collected. Hewitt (2007) further states that the views of the researcher can have a direct impact on the research, not only in terms of bias, but also in terms of impact on the participants.

Another limitation identified in qualitative interviewing is the participant deliberately withholding information. This may be in fear of reprisal should the information be leaked either in the organisation within which the participant works or wider in the participant’s social network.

Researcher bias, perspectives and personal experiences can also have a direct impact on the research. The researcher may unconsciously favour one set of data over another as it aligns better with their research concepts. In this situation the research fails in terms of validity.
Another limitation involves the psychological side of human behaviour. As the research is attempting to measure variables associated with feelings and opinions, it must be stressed that these can change on a daily basis and depend on the circumstances on the day of conducting the research.

In undertaking semi-structured interviewing, the researcher needs to be aware of the possibility that invalid data may be gathered in the research process. The researcher should have in place, a series of cross-checks to minimise the potential of invalid data and be in a position to reject any data should discrepancies be found in participants stories. The researcher also needs to be fully aware that their own feelings, actions and appearance can directly influence data collected. The researcher needs to acknowledge that these exist and aim to minimise their influence.

### 3.12. Key Assumptions

The key assumption adopted by the research was that there is a change in the role of the middle manager following a downsizing initiative. This may not have always been the case. Although the research focused on those middle managers who experienced a shift in their role following a downsizing initiative, identifying those who did not experienced any major change provided a benchmark when
attempting to measure the changes associated with those middle managers who actually experienced such change.

The research assumes affective commitment of middle managers prior to any restructure. This may not be the case. In some circumstances middle managers may be experiencing either continuance or moral forms of commitment (Coetzee 2005). These will have a direct impact on the feelings and perceptions associated with radical change within the organisation.

3.13. Ethical Considerations

Ethics concerns doing what is deemed as good, moral, true and right (Schostak 2006). Ethically sound research should guarantee the protection of human rights (Hewitt 2007). According to Hewitt (2007) the researcher has a moral obligation to ensure that there is a sound justification for undertaking the research in the first instance. The researcher is a witness to the ways in which participants express their experiences and views and the approach to studying such phenomena is an ethical act (Schostak 2006).

One of the primary concerns regarding qualitative research is the handling of private information (Shaw 2003). As participants become vulnerable to identification in qualitative studies it is the researcher’s
responsibility to ensure that the possibility of identification be minimised or removed completely if possible. One of the possible ways to accomplish this may involve indentifying quotations or sayings commonly used by participants and ensuring that these are not included in the research paper (Hewitt 2007). In this research all physical data was kept in secured locked locations and all electronic data was password protected and maintained in secure locations. At no time was any of the raw data released to any person outside of the research.

Another concern identified is that of respondent risk. The researcher must ensure that the interview process itself does not subject the participants to any form of victimisation or emotional stress (McCracken 1988, Shaw 2003). Participants may also regret saying something in the interview which embarrasses or distresses them (Minichello et al 2008). To overcome this Hewitt (2007) indicates that the researcher needs to be transparent in all dealings and the participants should be well informed of the nature of the research prior to the interview. The participants should also be free to decide whether or not to participate. In this research full disclosure regarding the nature of the research was provided to each participant prior to interview. This can be seen in Appendix B. Each participant had the right not to participate. Should a participant undergo the interview and then decide that they did not want their interview included the
researcher was obliged to disregard the data gathered from that particular interview. In this research the researcher also provided a typed transcript of the interview to each participant which could then undergo an editing process by the participant. The researcher honoured any recommendations made by the participants regarding the typed transcripts.

The researcher, in this research, was fully aware of the ethical obligations required and had put in place appropriate processes and procedures in order to ensure that any potential harm, physical or emotional, to any of the participants in the research was eradicated or minimised as far as was possible.

3.14. Conclusion

This chapter aimed to analyse the appropriate research design and methodology to use for conducting the research. To commence, the appropriate research paradigm was identified. It was determined that the radical humanist paradigm is best fit for this research. Qualitative research methods were then selected over quantitative methods as being of best fit due to the research purpose being that of understanding the changing social environment. Interviewing was seen as being the best qualitative method of which semi-structured interviewing was identified as the best fit due to the ability to expand
and probe during the interview itself in order to obtain rich and valid data.

The issues of research reliability and validity were then discussed and strategies to minimise these issues on semi-structured interviewing was identified. The interview procedure was discussed and the where (interview environment), who (participant selection) and how (interview process) were documented. Following this a 6 step process of grouping, coding and analysing the data was documented.

Limitations of the research and ethical considerations were then discussed and measures to address each were documented.

In conclusion, the research adopted a semi-structured interview process as the research methodology. The process was transparent in delivery and appropriate steps were put in place to maximise data validity and reliability whilst minimising and possible negative effects on the participants.
4. RESULTS
4.1. **Introduction**

In chapter 3 the research design was developed and presented which supported the research questions. Research paradigms were analysed and it was found that the radical humanist paradigm was the appropriate research paradigm for this research. Research methods were then examined and qualitative research methods was selected as the most appropriate fit for this research. Qualitative data collection methods were then analysed and semi-structured interviews were identified as the most appropriate qualitative method for data collection. Once the data collection method was identified the process of data analysis was documented. The reliability, validity, limitations and ethical considerations pertaining to the research were examined and documented.

4.1.1. **Objective**

In this chapter we document how the data was collected and identify specific details in relation to the data collection process. The data transcription and coding process is then discussed. A general summary of results is then presented and discussed. Following this an analysis of the data as it pertains to each research question is presented and discussed. The chapter concludes with a general summary of the results from the research.
4.2. Interview Environment

At least 48 hours prior to the interviews taking place each participant received a Participant Information Statement (refer Appendix B) regarding the research topic and the purpose of the research. This enabled the participants to prepare for the interview and gain a better understanding of the research topic and purpose prior to the interview.

Each interview was undertaken in a private setting. Nine of the interviews undertaken were conducted within the student researcher’s private residence study/library. The remainder of the interviews undertaken were conducted in a private meeting room outside the interviewee’s place of employment. The interview rooms were configured to allow the researcher to sit at a small table directly opposite the participants. All items not related to the research were removed from the table. Any distracting items or information, such as writing on a white board, were removed or erased prior to the interviews.

At the commencement of each interview the researcher introduced himself formally to participants and a general discussion surrounding current employment and family circumstances was undertaken. This was strategically designed to build rapport with the participants and help them feel more relaxed and familiar with the researcher. It also allowed the participants to connect with the researcher on a personal
level. This was designed to improve the communication between the researcher and participants during the interview and as such allow the participants to discuss their experiences with little or no apprehension. The purpose of the study was then discussed with each participant. In all cases the participants engaged in a general discussion surrounding the research topic which they found to be quite a sensitive area of discussion.

Each participant was informed that their interview would be recorded using a digital voice recorder and how the information would be handled by the researchers was conveyed to the participants. Participants were advised that they could request the digital voice recorder be turned off if the participants wanted to discuss anything “off the record”. On two occasions the participants requested the voice recorder be turned off to discuss an issue they felt too sensitive and thus did not want it recorded. Participants were advised that the recordings would be transcribed and in order to protect their identity, the digital recording of the interview would be deleted immediately after transcription of the interview. Participants were also informed that any individual name or organisation name would be altered in the transcription in order to ensure anonymity.

Each participant was then given a Personal Consent Form (Appendix C) to sign. This form formally gave permission for the researchers to
undertake the interview and to use the data collected from the interviews for the purpose of this dissertation. Each participant was informed that the Personal Consent forms would be scanned and stored electronically with password protection in order to protect their privacy, after which the paper form would be shredded and disposed.

During each interview the researcher made a conscious note of the participant’s posture, hand movement (fidgeting) and eye contact. This was to ensure that the participants were comfortable in their discussions and did not feel intimidated or reluctant to discuss and issue. In each interview it was noted that all participants were relaxed and comfortable with the interview and the discussions which took place.

At the completion of the interview the digital voice recorder was turned off. Each participant was thanked for their time and offered a copy of the transcription (when completed). The participants were informed that within 48 hours of receiving the transcription they could review, amend and validate any of the discussions in the transcription and resubmit back to the researcher.
4.3. Data Handling

Immediately following the interviews the researcher transcribed the digital recordings into MS Word documents. During the transcription phase all mention of person or company names were amended in order to protect the identity of the participants.

Data stored electronically were segregated and stored into the following electronic folders:

- 01-Original Transcripts
- 02-Revised Transcripts
- 03-Level 1 Coding
- 03-Level 2 Coding

Once the initial transcription of interviews was undertaken and saved in folder “01-Original Transcripts” and the digital recordings deleted a copy of the transcription was made onto a memory stick and stored within a locked filing cabinet at the researcher’s place of employment with the key available only to the student researcher. The transcription files on the memory stick were password protected. The password was known only to the student researcher. The transcripts were then dispatched to participants for validation. Validated transcripts were then saved in the folder “02-Revised Transcripts”. A
copy of the post validated transcripts was forwarded electronically to the principal investigator (dissertation supervisor). The working document transcriptions, which were used and analysed by the student researcher were retained electronically on the student researcher’s home personal computer. A copy of the post validated transcripts was also stored on the memory stick retained at the student researcher’s place of employment. These files were password protected and the password known only to the student researcher.

Following transcription and participant validation of the interviews each interview transcription was printed into hard copy. This allowed the researcher to peruse the data and highlight pertinent areas which warrant discussion. This also allowed the researcher to make notes on the printed hard copy which aided in coding of the transcriptions. These could then be applied to the electronic versions of the transcriptions allowing the compilation and aggregation of data easier for the researcher.

The coding of the data adopted the grounded theory approach as outlined by Bryman and Bell (2007 - pages 585 to 598). As indicated by Bryman and Bell (2007) the coding process was conducted in two separate stages. The initial coding involved separating the content of the transcripts into the main theme components, trust, commitment and retention. Script relating to the trust component was labelled “1T”,

Chapter 4 – Results

115
commitment “1C” and retention “1R”. Once this was completed the labelled components were combined into individual documents and saved electronically. The remaining script was then further reviewed and labelled according to common themes. These included staffing “1S”, senior and executive management “1E” and behavioural “1B”. These files were stored in the folder labelled “03-Level 1 Coding”. This approach aligned with the methodology used in ethnographic data coding as shown in Bryman and Bell (2007, page 593).

Each coded document was then printed into hard copy and a second round of coding undertaken. At this level the student researcher identified themes within each element. These were noted on the hard copy documents to allow for easy aggregation of common themes. The identified themes were then grouped together and saved electronically in the folder labelled “03-Level 2 Coding”. The following naming convention was used for saved files:

- Prefix “2T-” refers to data relating to trust.
- Prefix “2C-” refers to data relating to commitment.
- Prefix “2R-” refers to data relating to retention.
- Prefix “2S-” refers to data relating to staffing.
- Prefix “2E-” refers to data relating to senior and executive management.
- Prefix “2B-” refers to data relating to behavioural aspects.

This naming convention made it easy to identify which file related to which area of the research. Once this process was completed the data was then analysed and related back to the original research questions.

### 4.4. Recruitment of Participants

Participants were recruited via professional business contacts which the researcher had amassed over 20 years of commercial employment. The researcher initially emailed contacts requesting referral to potential participants who fit the criteria of being a middle manager in an organisation which recently underwent a downsizing. A list of potential participants, along with contact details, was gathered. The researcher then undertook to contact each potential participant via phone to discuss the research and request the opportunity to interview them for the research. A time and place was then booked with each willing participant.

### 4.5. Participant Demographics

A total of 16 participants for the research were interviewed. The research used professional contacts to recommend potential
participants for the research. Participants were screened by the researcher to determine if they qualified for the research. The main components used to determine qualification was their continued position as a middle manager reporting directly to an executive/senior manager and in an organisation which has recently undergone a corporate downsizing. Those interviewed were further asked if they knew of anyone they felt would qualify to participate in the research. The researcher felt that after 10 interviews the data collected was becoming repetitive and predictable with the only real noticeable change between participants being their organisation name, therefore the researcher ceased data collection at 16 participants. It became apparent from the researcher’s view that theoretical saturation had been attained as the researcher, in the process of interviewing, transcribing and coding of data, found that the categories were well developed and no new data relevant to the categories was emerging. Therefore the researcher ceased data collection. This is reflective to the approach to theoretical sampling and data saturation as outlined by Bryman and Bell (2007). The participants originated from various industry backgrounds and occupations. The aim of this approach was to improve the overall research validity and credibility as the research outcomes are in a better position to be generalised across industries and occupations. This would become a potential issue if the researcher focused primarily on one industry or company. Table 4.1
shows a breakdown of the participant industries, table 4.2 indicates participant occupation and table 4.3 displays individual participant details.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Consulting</td>
<td>2</td>
</tr>
<tr>
<td>Education</td>
<td>4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1</td>
</tr>
<tr>
<td>Primary Industry</td>
<td>1</td>
</tr>
<tr>
<td>Retail</td>
<td>2</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>2</td>
</tr>
<tr>
<td>Training</td>
<td>2</td>
</tr>
<tr>
<td>Transport</td>
<td>2</td>
</tr>
</tbody>
</table>

**Table 4.1: Participant Industry**

<table>
<thead>
<tr>
<th>Job Role</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>2</td>
</tr>
<tr>
<td>Customer Services</td>
<td>2</td>
</tr>
<tr>
<td>Engineer</td>
<td>1</td>
</tr>
<tr>
<td>Facilities Management</td>
<td>2</td>
</tr>
<tr>
<td>Finance</td>
<td>3</td>
</tr>
<tr>
<td>Information Technology</td>
<td>3</td>
</tr>
<tr>
<td>Operations</td>
<td>2</td>
</tr>
<tr>
<td>Scientist</td>
<td>1</td>
</tr>
</tbody>
</table>

**Table 4.2: Participant Job Role**
<table>
<thead>
<tr>
<th>Participant</th>
<th>Gender</th>
<th>Age Group</th>
<th>Occupation</th>
<th>Current Employment Status*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Female</td>
<td>30-39</td>
<td>Administration Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>2</td>
<td>Male</td>
<td>20-29</td>
<td>Technical Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>3</td>
<td>Male</td>
<td>30-39</td>
<td>Operations Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>4</td>
<td>Male</td>
<td>40-49</td>
<td>IT Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>5</td>
<td>Male</td>
<td>30-39</td>
<td>Client Services Manager</td>
<td>Redundancy</td>
</tr>
<tr>
<td>6</td>
<td>Male</td>
<td>50-59</td>
<td>Facilities Manager</td>
<td>Redundancy</td>
</tr>
<tr>
<td>7</td>
<td>Female</td>
<td>30-39</td>
<td>Facilities Manager</td>
<td>New Job</td>
</tr>
<tr>
<td>8</td>
<td>Female</td>
<td>40-49</td>
<td>Administration Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>9</td>
<td>Female</td>
<td>50-59</td>
<td>Operations Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>10</td>
<td>Male</td>
<td>50-59</td>
<td>IT Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>11</td>
<td>Male</td>
<td>40-49</td>
<td>Finance Manager</td>
<td>New Job</td>
</tr>
<tr>
<td>12</td>
<td>Male</td>
<td>30-39</td>
<td>Client Services Manager</td>
<td>New Job</td>
</tr>
<tr>
<td>13</td>
<td>Male</td>
<td>30-39</td>
<td>Finance Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>14</td>
<td>Female</td>
<td>30-39</td>
<td>Finance Manager</td>
<td>Employed</td>
</tr>
<tr>
<td>15</td>
<td>Male</td>
<td>40-49</td>
<td>Engineer</td>
<td>Employed</td>
</tr>
<tr>
<td>16</td>
<td>Male</td>
<td>40-49</td>
<td>IT Manager</td>
<td>Employed</td>
</tr>
</tbody>
</table>

Table 4.3: Participant Occupation

* Note current employment status with organisation at time of interview:

- Employed: Still employed in middle management position at organisation.
- Redundancy: Has been made redundant from role and organisation. Awaiting final completion date.
- New Job: Has found new employment with another organisation. Awaiting final completion date.
Table 4.4: Participant Organisation Characteristics

<table>
<thead>
<tr>
<th>Participant</th>
<th>Industry</th>
<th>Size (staff)</th>
<th>Corporation Type</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Education</td>
<td>250-500</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>2</td>
<td>Primary Industry</td>
<td>100-250</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>3</td>
<td>Training</td>
<td>100-250</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>4</td>
<td>Education</td>
<td>250-500</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>5</td>
<td>Training</td>
<td>250-500</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>6</td>
<td>Retail</td>
<td>&gt;1000</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>7</td>
<td>Retail</td>
<td>&gt;1000</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>8</td>
<td>Education</td>
<td>250-500</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>9</td>
<td>Business Consulting</td>
<td>&gt;1000</td>
<td>Private Company</td>
<td>Multinational</td>
</tr>
<tr>
<td>10</td>
<td>Business Consulting</td>
<td>100-250</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>11</td>
<td>Telecommunications</td>
<td>&gt;1000</td>
<td>Private Company</td>
<td>Multinational</td>
</tr>
<tr>
<td>12</td>
<td>Education</td>
<td>&gt;1000</td>
<td>Public Organisation</td>
<td>Australian</td>
</tr>
<tr>
<td>13</td>
<td>Transport</td>
<td>500-750</td>
<td>Public Organisation</td>
<td>Australian</td>
</tr>
<tr>
<td>14</td>
<td>Transport</td>
<td>100-250</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>15</td>
<td>Manufacturing</td>
<td>100-250</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
<tr>
<td>16</td>
<td>Telecommunications</td>
<td>&gt;1000</td>
<td>Private Company</td>
<td>Australian</td>
</tr>
</tbody>
</table>

4.6. Reason for Downsizing

Of those interviewed two distinct reasons for organisations to undergo downsizing emerged. These are:

a). Financial and Economic stress

b). Merger or buy out.

In general, the process of downsizing, from the initial decision and announcement to making it work in the post downsized environment can be summarised as shown in table 4.4.
Table 4.5: Summary of Overall Participant Experiences

<table>
<thead>
<tr>
<th>Middle Manager Experience</th>
<th>Financial/Economic Stress</th>
<th>Merger/Buy out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultation (given the heads up)</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Involvement in process (how to do it)</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Deciding on staff cuts (who goes and who stays)</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Making it work afterwards (picking up the pieces)</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Assistance from supervisor</td>
<td>Mixed</td>
<td>Mixed</td>
</tr>
<tr>
<td>Affect on commitment to organisation</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Affect on staff retention</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Affect on trust</td>
<td>Mixed</td>
<td>Mixed</td>
</tr>
</tbody>
</table>

4.7. Data Analysis

The research conducted was aimed as investigating the following research questions:

What are the perceptions of middle managers that have survived downsizing towards their organisation, senior management and their subordinates?

What are the consequences for their commitment, trust in senior management and retention?

4.7.1. Sub-Question a (General Observations)

A preliminary analysis of the data was undertaken in order to investigate the following:

- why each organisation went about the downsizing process,
- middle manager involvement in the downsizing and
• middle management’s perceptions on the processes employed by their organisation to downsize.

This information is aimed at addressing the following research sub-question:

Sub-Question a). *How did middle managers perceive the decision by the organisation to downsize? How did senior management communicate the reasoning behind the decision to downsize? How did middle managers feel about their role in the downsizing process?*

### 4.7.1.1. Reason for Downsizing

Of the participants interviewed the majority (75%) indicated that their organisation underwent a downsizing purely because of economic and financial reasons. 25% indicated that the reason was due to a company buyout or merger.

Some participants stated that their organisation did not adequately assess the situation prior to announcing the downsizing and restructuring of their organisation and therefore felt that the process was merely reactionary in nature without any real strategic goal other than to reduce costs.
I think management panicked and in order to show a profit very quickly they thought of that instead of addressing the problem of why there was a change and how could they deal with it, the first thing they did was to reduce staffing (P1).

… we lost revenue that had been budgeted for. I guess the powers that be were placed in a position to make sure the bottom line stays healthy and close to budget (P3).

The reason we went through the restructure was to cut cost (P12).

Some participants fully understood that the downsizing was necessary for the survival of their company.

…the company couldn’t afford to carry extra staff (P2).

…admittedly the company could not sustain the staffing numbers with the reduced revenue levels. It was just not economically feasible (P4).

…they had to do something to make sure the company survives the next couple of years and that I
believe was one of the reasons that we saw a downsizing (P8).

4.7.1.2. Middle Manager Involvement in Downsizing

In relation to those organisations who underwent downsizing based on financial and economic reasons 100% of the participants interviewed indicated little or no involvement in the downsizing decision and only two middle managers were invited to participate in the downsizing planning process (after the announcement had been made to staff). The non-participating middle managers indicated that the approach by senior management was non-consultative in nature and the decision as to who stayed and went was made by senior management without middle manager input.

I had no say in the matter. I was told what was happening and that was it (P1).

The boss made all the decisions on who stayed and who went. There was no consultation or discussions (P2).

I was called into the CEO’s office one morning and given a number of envelopes with some of my employees’ names on them. The CEO told me that
these staff are being made redundant and I had to tell them (P3).

There wasn’t any consultation done with us about how changes could be made to maintain the service and reduced numbers or anything like that. There wasn’t a consultation process whatsoever (P5).

I was not involved in deciding who stayed and who went (P8).

It was very top down. It was all decided by the CEO (P9).

I didn’t have any involvement apart from being a participant (P12).

The approach taken by those organisations which underwent downsizing based on company merger or buyout (4 cases) was different to that of the economic or financial reason. Middle management reported active involvement in redefining job roles and restructuring departments.

I had to offer redundancies to seven of our staff because we downsized so much we shut down some actual sites and therefore we had jobs which were superfluous … some of the decisions were easy
because basically you work at that location, that location’s not going to be there anymore, we don’t have another location to put you in. That was fairly cut and dry (P7).

We knew 6 months in advance. We knew it was going to happen so it was like a process of preparing the team and ourselves … We have to find out how to do it and then start preparing the staff (P10).

…had involvement in reviewing staff levels and work flows so we did a lot of these charts where you had to outline how many hours or percentage of time was undertaken on various tasks … that was a driver to determine that they would exit out of certain strategies and reduce their headcount (P11).

4.7.1.3. Middle Manager Perceptions on Downsizing

Although not actively involved in deciding who stayed and who were made redundant 19% of the middle managers interviewed viewed the process of losing staff as a personal setback and failure.

I took it very personally because these were my staff and I felt that I had betrayed them (P1).
I felt betrayed. I feel like the guy that was delegated to do the dirty work while the Generals sipped tea and watched on from the hill top. I feel as though I have also betrayed my staff (P3).

Losing staff really affected morale. It affected my morale. I felt absolutely helpless. The guys that got the chop had mortgages and other commitments. You know some of them lost their own homes as well … in the flood (P2).

Once the downsizing had taken place 69% of middle managers felt little or no support from senior management on how to make the process work with fewer staff.

It was up to me to pick up the pieces and make it work (P3).

No one in management starting from the CEO didn’t bother to find out how it was going to affect my unit or the company as a whole (P1).

They made a decision without consulting the people involved and what impact it would have after the decision had been made I would have to say that it was an uneducated decision … it sort of leaves you
wondering about the capacity of upper management (P5).

They could have done a thorough review of the whole requirement of the organisation because now looking back you see they’re reinventing the wheel again because yes they got rid of people then and now they are having them back again as contractors (P8).

Once we are all gone the execs have no idea how the engine room works. The staff remaining would feel the pressure but normally they would be gone after 6 months. They might stay longer but usually the company would start rehiring to fill up those gaps (P10).

My boss did not help much (P14).

4.7.1.4. Middle Manager Change Post Downsizing

After the downsizing had taken place middle managers indicated that their role had become more complex, stressful, hands-on in nature and struggling to balance the workload within their team.
We are now struggling with staffing because now the industry has improved and we have more business so now we are under resourced and there is no discussion on providing me with more staff (P1).

We are drowning and my staff are looking at me for help. I just don’t have any solution, and I tell them, I just don’t know how we are going to manage (P4).

Definitely more difficult. Slashing staff meant I had to sit on reception. I kept saying to my manager “you’re paying a manager to sit at reception. Is this really good use of resources?” Plus it means that I’m stretched now because I can’t do half my other job because I’m stuck at the desk and that’s quite demoralising for a manager to do a subordinate’s job (P7).

It made my role less what I probably aspired to … I was acting like an individual contributor or a working level employee more than a management level one (P11).
Now everyone needs to do more with less and a lot more pressure came on because of expectations so I guess that’s where it changed (P12).

We still need to deliver our output from a government perspective, but no, in terms of we have less staff to deliver that output which means it puts a lot of pressure on staff (P13).

We used to have 5 people doing, looking after one area. Now all 5 persons are gone down to half of a headcount based on the assumption that technology can do everything for us (P14).

4.7.1.5. General Observations Summary

The general observations can be summarised as follows:

- Middle management fully understood the reason behind their organisation downsizing and knew that it was necessary for the survival of their organisation.

- Middle management felt that the downsizing was reactionary in nature and was not properly planned.
those middle managers in organisations which downsized due to financial reasons indicated no involvement in the original decision to downsize.

- Middle managers in those organisations which downsized due to company merger or buyout indicated full involvement in the downsizing decision.

- Middle managers indicated very little support from senior management with how to operate effectively in the new post downsized organisation.

- Middle managers found the post downsized working environment as more stressful, more hands-on and a struggle when attempting to balance the workload and available staffing resources.

4.7.2. Sub-Question b (Commitment)

The interviews proceeded to explore the effect downsizing has on the commitment of middle management and whether there has been a change in the type of commitment as a result of the downsizing. This was aimed at addressing the following research sub-question:
Sub-Question b). What is the middle manager’s commitment to the organisation like in the post-downsized organisation? How do middle managers feel towards doing a good job and having a sense of achievement following a downsizing?

4.7.2.1. Change in Motivation

Of those middle managers interviewed 81% indicated that they felt uneasy going to work every morning. The reasoning behind this was primarily due to the development of a culture of fear and uncertainty which had enveloped their organisation.

You constantly fear that you could lose your job, very uncertain. It could happen at any time and that’s how it is. It’s only because the company has a reputation of just axing people willy nilly ... you had to put on a brave face and pretend everything was OK (P1).

The process of going over such a long time and such a large number of people meant that everyone felt to some degree like they were on death row so it was only a matter of time until your number came up (P6).

Definitely not as happy. You’re not as fulfilled. Like job satisfaction wasn’t there and everyone else was
grumpy around you … I had a lot of counselling with staff which is a lot of hard work in itself. You’re trying to do your job, you’re trying to counsel people, you’re trying to deal with your own stuff, you’ve been demoralised … (P7)

It was like a sad environment. It was “we don’t know where we’re going” “we’re sinking” “we’re dying” “this company’s going to close” you know that kind of sentiment running through people’s heads (P8).

Each day I did not want to go to work because there is uncertainty about the people that I used to work with for so many years and I also think about my situation, whether my job is safe or not (P14).

It wasn’t the same happy atmosphere. A lot of stress (P16).

4.7.2.2. Role Change Post Downsizing

100% of the middle managers interviewed indicated that their role had changed in the post-downsized organisation with the majority indicating that they have to take on some of the tasks that were previously performed by lower level staff.
I do more clerical stuff. I actually work at reception now (P1).

My hours increased, probably doubled. Not only do I have to work as a manager, I also have to do the coal face stuff now as well … I now have to become part of the production line (P2).

…we all had to pick up the gaps in our team … everyone who was left there had to take on extra tasks, extra work to make up for the deficiency in the business (P7).

…there was a requirement to become more task oriented (P11).

It became operational. Really operational because you were having to justify everything you were doing… (P12)

More workload for sure. Because of my current situation I have to cover for 3 instead of 1 as it used to be (P14).
4.7.2.3. Supervisor Support Post Downsizing

25% of participants interviewed indicated that their supervisor did nothing to help them adjust themselves and their team to the post downsized working environment. It was indicated that this responsibility fell entirely onto the shoulders of the middle manager and this led to a general feeling of betrayal.

My boss, well he just keeps away. I think he’s scared I’ll just drop the bucket and walk (P2).

My supervisor. Well she did nothing … My supervisor has just left me alone and not done anything to help (P3).

It was kind of like support but lip service … they said they were supporting you but you didn’t feel like they were supporting you (P7).

4.7.2.4. Workload Change Post Downsizing

100% of the middle managers interviewed indicated that their workload had increased as a result of the downsizing.

After the change my workload increased exponentially (P2).
Afterwards, well it was just piled higher and deeper. We just had to deal with it (P4).

My workload increased dramatically from a project perspective (P6).

My workload actually increased and I had less support … I felt the wheels were starting to fall off as well … you’re expected to do this, you’re expected to do that, you’re expected to be a manager, you’re expected to be a subordinate, you’re expected to be a counsellor … you know, all things to all men (P7).

From the time I joined until now my work has doubled (P8).

A lot busier now. A lot more responsibility. A lot more worries (P15).

### 4.7.2.5. Job Satisfaction Post Downsizing

Of those that reported job satisfaction in the post downsized organisation (69% of participants), all indicated that the reason behind their satisfaction was a direct result of the people they interacted with and worked under them.
I enjoy my job because I like the people I work with.

But in terms of who I work for, no I don’t (P1).

It’s the people you work with that makes it a good place … having a good team of people backing you, behind you really helped (P4).

We enjoy the company we keep so that helps (P8).

I have good staff working for me and they are all very professional (P10).

Of those that reported declined job satisfaction there was a variety of reasons behind their dissatisfaction. This ranged from a feeling of being overwhelmed by workload, lack of role clarity and their job becoming too menial.

It’s becoming unhealthy. I am exhausted at the end of each day (P2).

I need help to try and work this mess out. I feel like I’m losing the battle (P3).

Requirements became unclear so the new top management often was just saying they wanted something done but when you asked them what they would then just criticise you on why you hadn’t done it
whereas you weren’t clear on what they wanted you to achieve (P6).

Part of the job satisfaction is doing projects and of course when you cut jobs and you tighten up costs there are no projects to do either. So you’re doing the driest part of your work. So going to work every day and doing the worst part of your job (P7).

There are going to be days when you just have to do crap administration and there’s no way out of it … But in the role I was performing there I probably had half a day to one day of enjoyable stuff and 4 days of crap (P11).

In the past we’ve less responsibility and less work load we had a buffer to plan your work ahead. But now, we can’t do that now (P12).

4.7.2.6. Commitment Summary

The findings relating to middle manager commitment in the post downsized organisation can be summarised as follows:
• Downsizing created a culture of fear and uncertainty and this made the middle manager apprehensive to go to work each morning.

• Middle managers indicated that they had to take on tasks previously performed by their subordinates following downsizing.

• Those middle managers who had no or little support from their supervisor post downsizing felt as though the organisation had betrayed them.

• Middle managers indicated that their workload had increased as a result of downsizing.

• Those middle managers who attained job satisfaction in the post downsized organisation indicated that the reason for this was because of the people they work with, not who they work for.

• Those middle managers who indicated a decline in job satisfaction stated the main reason for this change was increased workload, lack of role clarity and their role becoming too menial.
4.7.3. Sub-Question c (Retention)

Interview questions surrounding the topic of retention and the middle manager’s intention to leave the organisation or to stay was investigated. This series of interview questions focused on the middle manager’s feelings of changes in job security and work role as a result of the downsizing and their impetus to seek alternative employment. This was aimed at addressing the following research sub-question:

Sub-Question c). What is the view of middle managers with regards to their intention to leave the organisation following a downsizing? How do middle managers feel about their continued tenure with their organisation following a downsizing?

4.7.3.1. Intention to Seek Alternative Employment

Of the participants interviewed 81% indicated that they had commenced seeking alternative employment in the post-downsized organisation. At the time of interview 19% had indicated that they had found alternate employment and had tendered their resignation and were waiting to finish up with their organisation and another 13% had themselves just been made redundant and were waiting for their completion date.
After the change in a serious way only because I wanted certainty and continuity (P1).

What can I say. Make me an offer and I’ll go quit now. I’m willing to take a pay cut just to get out (P2).

I just don’t want to be here. I couldn’t put it more bluntly (P3).

I have been looking quietly on the side (P4).

I had a fairly good understanding to be honest. I was already looking. I had seen people jump … I had heads up from other managers … (P5)

You read between the lines and go “You know what? I don’t want to be here anymore.” … part of the thing that gets lost is in this process is trust and once that trust is lost then you can’t work in that place anymore (P7).

It definitely brings morale down. You do wonder should I be here or should I be looking for another job (P8).
I really need to revisit what my options are and that’s when I made the decision to start looking elsewhere (P9).

When something’s going on though you are more on alert. In the last 3 months definitely I have been looking for the right opportunity (P10).

Afterwards I was ready to pack up and leave because it wasn’t what I had planned (P11).

I am currently looking for another job because I want to have a work-life balance (P14).

4.7.3.2. Communication of Intentions Post Downsizing

44% of participants interviewed indicated that they would let their supervisor know they were looking for somewhere else to work. This correlated directly with having an open and honest working relationship with the immediate supervisor.

Yes I would … I think my boss would be very supportive. She’d probably be a little disappointed that I was looking at leaving though (P4).
Yes because she can see that having lost the one and then the second manager and then being shunted into another role … it’s not my cup of tea. So she can see that (P9).

They would know straight away. I would be upfront (P10).

I have a pretty good relationship with the finance VP and so I would have this discussion only because of our relationship (P11).

If I was going to a better place and earn more money and be looked after he would be quite happy for me (P15).

Of those participants who indicated that they would not inform their supervisor that they were seeking alternative employment the majority indicated that this was because of an inherent lack of trust, not only with the individual, but also with the organisation as a whole.

No. Why should I. I don’t feel the company is being up front with me or cares about my wellbeing so why should I. I don’t feel I need to be that loyal anymore (P1).
Hell no. I don’t trust the guy. He would probably point the finger at me and send me packing just for thinking about it (P2).

No way. Why should I … I feel that if she knew then I would become victimised and pushed out the door (P3).

No. Probably not. I think that kind of destabilises the situation (P5).

He would start questioning my commitment and that could bring about the outcome you’re most scared of … (P12)

No I would not. I think that the business will make a commercial decision when they restructure and when they tell the employees. So I think that it is not suitable and the employees have that right (P14).

4.7.3.3. Contributing Factors to Retention Post Downsizing

Job security, stability and workload appeared as the most important factors urging middle managers to seek alternative employment. 50% of middle managers listed job security and stability as the most
important factor determining their continued employment and 29% indicated that workload was the highest contributing factor.

*I think job security. Definitely* (P1).

*Job stability and good salary. With a mortgage and family so ongoing work with continuing conditions* (P5).

*Career development and job satisfaction* (P7).

*Job security* (P8).

*Probably heavy workload and less work life balance …* (P13)

### 4.7.3.4. Future Outlook Post Downsizing

31% of the middle managers interviewed indicated that they would expect to be still working at the same organisation in 12 months’ time. 50% indicated that they expect to be elsewhere and the remainder (19%) were unsure because of the level of uncertainty surrounding their organisation.

*I think so. As long as the group dynamics stays relatively the same and no further cuts are made* (P4).


Probably. The roles that I’m particularly skilled in are few and far between at management level (P6).

Yes. I don’t believe in running away. I do believe in giving it your best shot (P9).

Definitely no. And I don’t really expect any of my team to be here in 12 months either (P2).

If I am then I only have myself to blame (P3).

I have actually just been made another offer (P11).

I don’t know. I don’t know if I will be working here tomorrow. That’s how this company operates (P1).

I don’t honestly know. It all depends on the balance sheet I suppose. You never know what’s going to happen (P10).

I am currently looking for another position (P14).

4.7.3.5. Retention Summary

The findings relating to middle manager retention in the post downsized organisation can be summarised as follows:
• The impetus for middle managers to seek alternative employment is exacerbated following a downsizing initiative.

• Those middle managers who indicated a good working relationship with their supervisor advised that they would openly discuss their tenure intentions whereas those middle managers who did not trust their supervisor indicated that they were not willing to discuss any intention to seek alternative employment.

• Middle management indicated that job security, stability and workload are the primary factors impelling them to seek alternative employment.

• 50% of middle managers indicated that they expected to leave their current employer within 12 months.

4.7.4. Sub-Question d (Trust)
Questions surrounding the effect downsizing has on the trust relationship between the middle manager and their superior was investigated. Questioning focused on how the downsizing process affected middle management trust in senior management and the organisation overall and if there was any change brought about by the
process, then why did this change appear. What were the main factors relating to the changing trust dynamics? This was aimed at addressing the following research sub-question:

*Sub-Question d).* What is the trust relationship like between middle managers and senior managers following a downsizing? How trusting does the middle manager feel towards the organisation following a downsizing?

### 4.7.4.1. Relationship with Supervisor Post Downsizing

31% of middle managers interviewed reported that their supervisor had departed the organisation or had moved departments prior to undergoing the downsizing. This resulted in the middle managers feeling isolated as the working relationship with their new supervisor had not yet developed and matured at time of downsizing.

_The interesting thing happened was that my supervisor also left 2 months before this change happened so I had a new supervisor who didn’t know me at all (P1)._  

_After my supervisor left I was put under someone else but then they decided no because he didn’t know so_
much about what you’re doing and then the CEO was my direct report (P5).

I had a really good relationship with him but then about 6-8 months on he was actually moved sideways and another guy came in who I had no relationship with at all (P11).

Of the remaining middle managers all except one reported a good amicable working relationship with their supervisor prior to downsizing.

In the post downsized organisation, however, 50% middle managers reported a change in the relationship with their supervisor. This had a direct impact on the way middle managers communicated with their supervisor. The remainder reported no real change in their relationship with their supervisor.

Well I don’t think that any supervisor in this company will put their neck out (P1).

Now he seems to just go into his office and close the door … I feel he has alienated himself from all the staff (P2).

…start being a lot more cagey about things they say that they start being less open about things (P7).
You can see the anxiety and nervousness in the executives and with my manager earlier and you can see the signs, read the signs, you know like edginess (P10).

He became much more political. He became much more short term focused (P13).

4.7.4.2. Communication with Supervisor Post Downsizing

Only three middle managers reported that they would be willing to discuss anything personal with their supervisor. The remainder indicated that they would only do so if it impacted on their work, or ability to attend work and that there were strict boundaries in place. This was the case both before and after the downsizing.

I think if I reveal personal information about myself it may be taken the wrong way and could be used against me (P1).

Anything you do or say can be taken down and used as evidence against you (P2).

I would be a fool to let her know anything personal (P3).
Chapter 4 – Results

What happens at home stays at home unless there is something which means I have to take time off ...(P4)

…personal information would be to the extent of maybe there’s a situation at home and I have to take the day off (P5).

I would limit my information (P6).

…within boundaries (P8).

Yes to a point. There’s definitely limitations (P12).

No. I think I’ve been burnt a few times … There are boundaries (P13).

4.7.4.3. Communication from Supervisor Post Downsizing

Of the middle managers interviewed 63% indicated that their supervisor does not communicate enough information for them to effectively carry out their role. The main reason for this being that their supervisor was far too busy in the period following the downsizing and did not have the time for their subordinates.

I really don’t think my supervisor gives a stuff about me or any of my staff. She is obsessed with making sure the CEO is kept happy (P3).
It was only when there was a mini crisis that he would have time to allocate to my needs (P6).

I feel as though I have been left holding the baby (P7).

…too big a portfolio to concentrate on me (P9).

4.7.4.4. Change in Supervisor Post Downsizing

50% of middle managers interviewed reported a change in their supervisor’s behaviour following the downsizing.

I think it has made him very paranoid (P2).

…you can see they are more defensive, they are nervous…(P10)

I think he became softer because you have to manage people through this because you’re playing with people’s lives (P11).

Quiet. Much more quiet than before. Try to stay in his little corner. I think it is hard for him because he had to make a decision which impacted so many people’s personal lives (P14).

I can see she’s been affected (P16).
Of the remainder 31% reported no real change in their supervisor’s behaviour and 19% informed that their supervisor had left the company.

4.7.4.5. Trust Summary

The findings relating to middle manager trust in the post downsized organisation can be summarised as follows:

- Those middle managers who reported a change in the relationship with their supervisor post downsizing indicated a change in communication with the supervisor.

- The majority of middle managers indicated that they were not willing to discuss anything personal with their supervisor and that there were strict boundaries. This feeling was present both pre and post downsizing.

- Middle managers indicated that their supervisor did not communicate enough post downsizing and this created an environment of ambiguity.
• 50% of middle managers indicated that downsizing had affected their supervisor and this was evident in their behaviour.

4.8. Summary
A summary of research findings are grouped according to the research sub-questions.

4.8.1. Sub-Question a (General Observations)

*How did middle managers perceive the decision by the organisation to downsize?*

The majority of middle managers interviewed fully understood the reasoning behind the decision to downsize. In most cases they, the middle managers, could see that this was coming.

*How did senior management communicate the reasoning behind the decision to downsize?*

In the majority of cases senior management adopted a top down approach to communicating the downsizing decision and reasons. Middle management were not involved or notified and received the
information from senior management at the same time as their subordinates.

How did middle managers feel about their role in the downsizing process?

The majority of middle managers did not have an active role in the downsizing process. This was all managed by senior management. In most cases the middle managers felt that there wasn’t enough time allocated to examining how the organisation was going to be able to function after the downsizing and how the remaining human resources would be deployed.

4.8.2. Sub-Question b (Commitment)

What was the middle manager’s commitment to the organisation like in the post-downsized organisation?

In the majority of cases the middle manager no longer remained loyal to the organisation. It was identified that they remained loyal to the role and to their subordinates, but no longer to the organisation. The research found that the commitment of middle management moved from one of affective commitment to continuance commitment following a downsizing process.
How do middle managers feel towards doing a good job and having a sense of achievement following a downsizing?

In the majority of cases the middle manager remained committed to achieving objectives, even if it meant an erosion of their work life balance.

4.8.3. Sub-Question c (Retention)

What is the view of middle managers with regards to their intention to leave the organisation following a downsizing?

The majority of middle managers interviewed indicated a high intention to seek alternative employment. Three had already found alternative employment at the time of interview and had submitted their resignation to senior management and two had been handed redundancy notices by their employer and were waiting their completion date.

How do middle managers feel about their continued tenure with their organisation following a downsizing?

The majority of middle managers felt insecure about their continued employment with their organisation and this lead to feelings of uncertainty and instability which impelled the middle managers to
actively seek alternative employment. A heightened workload following the downsizing, as well as being placed in a position where the middle manager was forced to undertake lower level tasks added to the impetus for the middle manager to seek alternative employment.

4.8.4. Sub-Question d (Trust)

*What is the trust relationship like between middle managers and senior managers following a downsizing?*

In the majority of cases middle managers felt that their supervisors were not being forthcoming with regards to communicating information and many felt that their supervisor was withholding information relating to future downsizing and organisational change developments. Although the middle managers could not prove that this was the case this ultimately resulted in a perceived breach in the trust relationship.

*How trusting does the middle manager feel towards the organisation following a downsizing?*

The majority of middle managers, although they understood the reasoning behind the downsizing, indicated that they were no longer loyal to the organisation and could not trust the future intentions of
senior management. The turnover of staff at the senior management level only added negatively to middle manager perceptions.
5. DISCUSSION, IMPLICATIONS, LIMITATIONS, CONCLUSIONS
5.1. Introduction

In chapter 4 the results of the research were presented. The chapter began with a detailed description of the interview environment. The method of data handling was then discussed. An analysis of the data was performed initially at a macro level identifying participant demographics and corporate environment and then in detail according to each research question. A summary conclusion was presented as it related to the research questions.

5.1.1. Objectives

In this chapter we discuss the contribution to knowledge which was identified in the results of the research. A discussion of the findings as they relate to each research question is then presented followed by an overall conclusion to the research problem. These are related back to the literature review conducted in chapter two and similarities, trends and differences identified. Limitations of the research and implications for theory, methodology and future research are then discussed. The chapter concludes with a summary of the findings as it relates to the research questions.
5.2. Contribution to Knowledge

Table 5.1 provides a summary of the contribution to knowledge that this research has achieved.

Within each research question a number of specific components were identified which became apparent from the research. Each component’s contribution to knowledge is classified according to one of four types. These are:

- New Theory (no previous research exists/no relevant literature found)
- Add Existing (research adds a new element to existing research)
- Enhance Existing (research strengthens findings of previous research)
- Negate Existing (research findings counter previous research)
<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle managers fully understand the organisational requirement to undergo a downsizing.</td>
<td>The research indicates that middle managers fully understand that the organisation must undergo a downsizing in order to survive. This is particularly evident in organisations which experience a significant decline in business and hence revenue. Although the middle managers are averse to losing staff, they fully understand that this process must happen for the continuity of the organisation. The major adverse reaction here, however, is senior management’s lack of concern for how the operation will function in the post-downsized organisation. Supporting Literature: O’Neill and Lenn (1995), Huy (2001), Huy (2002), Currie and Procter (2001).</td>
<td>Add Existing</td>
</tr>
<tr>
<td>Organisations prefer to adopt a top down approach and do not consult middle management when it comes to deciding to downsize and this approach initiates the beginning of resistance and resentment with middle management.</td>
<td>The research found that the decision to downsize is performed by senior management and the decision is made with very little or no consultation with middle management. Middle management is not involved in the initial decision making. The “top down no consultation” approach has a dramatic impact on the psyche of the middle manager and is the initiating factor towards a psychological contract breach. Supporting Literature: Brockner et al (1987), Chao et al (2011), Westwood et al (2001), Chipunza and Berry (2010), McKinley and Scherer (2000), Munoz-Bullon and Sanchez-Bueno (2011), Ford and Ford (1995).</td>
<td>Add Existing</td>
</tr>
<tr>
<td>Component</td>
<td>Description</td>
<td>Contribution</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>Active participation of middle managers in the downsizing planning process contributes to the long term success of the strategic downsizing outcomes.</td>
<td>Research findings indicate that those organisations who involve middle management in the downsizing planning process (post initial downsizing decision) allow middle management to effectively plan for the downsizing, prepare their team(s) and department(s) to ensure business continuity. Supporting Literature: Wai-Kong et al 2001.</td>
<td>Enhance Existing</td>
</tr>
<tr>
<td>Active support from senior management in the post-downsized environment contributes to effective operational continuity.</td>
<td>Findings indicate that those senior managers who actively engage with middle managers in the post-downsized environment maintain a strong working relationship with the middle manager. This ensures that the senior and middle manager are both pursuing the same unified goal as well as providing pertinent support. This contributes to the success of the middle managers’ department in the post-downsized organisation. Supporting Literature: Ford and Ford (1995), Scarbrough and Burrel (1996), Smith (2009).</td>
<td>Enhance Existing</td>
</tr>
<tr>
<td>Poor communication and lack of perceived transparency from senior management contributes to a change in the commitment of post downsized middle management.</td>
<td>Research findings indicate that the change in communication between senior and middle management in the post-downsized environment and the perceived lack of transparency of senior management contributes to a shift in middle management commitment. This shift moves from pre-downsizing affective commitment to post-downsizing continuance commitment. Supporting Literature: Meyer (2006).</td>
<td>Enhance Existing</td>
</tr>
</tbody>
</table>
## Component

<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle managers remain committed to their role in the post downsized environment.</td>
<td>Research findings indicate that although there has been a shift in the commitment type (pre-downsizing affective to post-downsizing continuance commitment) as a result of downsizing, the middle manager remains dedicated to ensuring role responsibilities are effectively fulfilled. Supporting Literature: Linstead (2002), Davis and Fisher (2002).</td>
<td>Enhance Existing</td>
</tr>
<tr>
<td>An increase in menial “hands-on” tasks in the post-downsized middle manager’s role results in a change in overall commitment.</td>
<td>Research indicates that, as a result of downsizing, the middle managers role changes to include a larger quantity of menial low level tasks which were previously performed by the middle manager’s subordinates. This has a direct effect on middle manager commitment with the change being pre-downsizing affective commitment to post-downsizing continuance commitment. Supporting Literature: Dopson and Stewart 1993, Hallier and Lyon 1996, Bramble et al 1996, McConville and Holden 1999, Thomas and Linstead 2002, Holden and Roberts 2004, Gettler 2008.</td>
<td>Enhance Existing</td>
</tr>
<tr>
<td>The development of a culture of uncertainty, insecurity and ambiguity as a result of downsizing contributes to the intention of middle management to seek alternative employment.</td>
<td>The research found that lack of effective communication and perceived transparency of senior management in the post-downsized environment results in an organisational environment of uncertainty and insecurity amongst middle managers. Middle managers in this type of environment are unsure about the longevity of their employment and as a result actively engage in seeking alternative employment. Supporting Literature: Thomas and Linstead (2002), Turnley and Feldman (1998).</td>
<td>Add Existing</td>
</tr>
<tr>
<td>Component</td>
<td>Description</td>
<td>Contribution</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>Middle manager’s intention to actively seek alternative employment is not communicated to senior management until alternative employment has been secured.</td>
<td>The research indicates that middle managers feel that they cannot communicate to senior management their intentions to seek alternative employment until alternative employment has been secured as it may impact the current working relationship and alter the relationship dynamics between senior and middle management. This would ultimately impact trust and communication and result in an uneasy working environment. Supporting Literature: No relevant literature found.</td>
<td>New Theory</td>
</tr>
<tr>
<td>A downsizing process results in a change in the relationship trust dynamics between senior and middle management.</td>
<td>The “top down no consultation” downsizing approach taken by senior management results in a shift in the trust dynamics between senior and middle management. The forced radical change driven down to middle management results in a perceived breach of the psychological contract and therefore a degradation of the trust relationship. Supporting Literature: Mone (1997), Hopkins and Weathington (2006).</td>
<td>Add Existing</td>
</tr>
<tr>
<td>Middle managers are less trusting of senior management’s intentions in the post-downsized environment.</td>
<td>Middle managers in the post-downsized organisation no longer trust the intentions of senior management and feel that senior management are deliberately withholding information and are developing further plans behind closed doors. This results from the “no consultation” approach taken by senior management when deciding to downsize and is particularly evident where the pre-downsizing relationship is either new or not fully developed. Supporting Literature: Morgan and Zeffane (2003), Thomas and Linstead (2002).</td>
<td>Enhance Existing</td>
</tr>
<tr>
<td>Component</td>
<td>Description</td>
<td>Contribution</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>There is no change in the level of perceived trust which middle managers have on the overall organisation in the post-downsized environment.</td>
<td>Middle managers in the post-downsized environment related their change in trust towards senior management rather than the organisation. The middle managers perceived the change in personal trust with senior management to have a far greater impact than any perceived change in impersonal trust with the organisation. Supporting Literature: No relevant literature found.</td>
<td>New Theory</td>
</tr>
<tr>
<td>The relationship between middle and senior management pre-downsizing impacts the trust relationship in the post-downsizing environment.</td>
<td>Middle managers who have a mature relationship with their supervisors pre-downsizing carry this into the post-downsizing environment and as such there are minimal changes in the trust relationship. Those middle managers who have a new or under-developed relationship with their supervisor pre-downsizing indicate a lack of trust in the post-downsized environment. Supporting Literature: No relevant literature found.</td>
<td>New Theory</td>
</tr>
</tbody>
</table>

**Table 5.1 Summary of Contribution to Knowledge**

**5.3. Discussion**

In this section the findings of the research as it relates to each research sub-question and the link to the literature review conducted in chapter two are presented.
5.3.1. Sub-Question a (General Observations)

How did middle managers perceive the decision by the organisation to downsize?

The majority of middle managers interviewed fully understood that, given the economic circumstances at that time, the organisation could not sustain itself financially and therefore staffing cuts were essential to the longevity of the organisation.

The majority of middle managers, however, were still quite shocked when the decision was made and communicated down from senior management. This initially led to feelings of anger, betrayal and insecurity. Research conducted by Thornhill and Saunders (1998) and Chipunza and Berry (2010) indicate that this is a common initial reaction amongst survivors of a downsizing.

A large number of middle managers also felt that senior management had acted too hastily when making that decision and had not undertaken a thorough enough analysis to investigate alternatives. There was a general feeling that the initiative was purely a cost cutting mechanism with no real short or long term strategy. According to Kinnie et al (1998) this strategy is one which often fails to reach downsizing objectives.

How did senior management communicate the reasoning behind the decision to downsize?
In the majority of cases senior management adopted a “top down no consultation” approach to communicate to middle management and general staff that the organisation will be downsizing and staff will be cut in the way of redundancies. This approach left middle managers feeling isolated from senior management as they were not informed or consulted prior to the decision going public. The surviving middle managers were left to make sense of the new structure, reorganise their teams and departments and ensure that operationally the organisation still meets its objectives, often with little or no input or assistance from senior management. The resultant effect of this approach was seen as a perceived psychological contract breach. According to the literature this approach has a direct link to middle management loss of commitment, motivation and trust with senior management (Thomas and Dunkerley 1999, Ford et al 2008, Orlitzky 2005).

*How did middle managers feel about their role in the downsizing process?*

In those organisations which underwent a downsizing based purely on economic and financial cost cutting, all middle managers indicated that they had no role in the downsizing process and that this was managed entirely by senior management. This had resulted in a general feeling of resentment and mistrust towards senior
management. These findings are supported in literature by McKinley and Scherer (2000) who found that senior management often distance themselves from their subordinates when initiating a change activity and this creates a rift between senior and middle management. This is further supported by Meyer (2006) and Floyd and Wooldridge (1994) who found that failure to achieve change implementation objectives culminates from senior managements exclusion of their subordinates in the planning and implementation processes.

Middle managers reported that the change process was swift and rapid with very little time given to the middle manager to prepare their team and department for the change and very little support was provided by senior management. This left the middle manager feeling both isolated and overwhelmed and a sense that they are no longer part of management but more so a general employee. This finding is supported in literature by Klein (1984) and Staehle and Schirmer (1992) who stated that exclusion from senior management downsizing initiatives left middle managers feeling both overloaded and segregated from senior management.

Middle managers of those organisations which underwent a downsizing based on company merger or buyout reported being fully involved in the downsizing planning process. This enabled the middle managers to effectively plan for the impending change and to
restructure and reallocate job functions and roles in order to facilitate the change and ensure a smooth transition with little impact on operational objectives. These middle managers reported feeling upset about the change, however, enough time was allocated to effectively implement the change. These findings are supported by Ford and Ford (1995), Currie and Procter (2001) and Huy (2002) who found that involving middle management in the planning process smooths the tensions between continuity and change as they are more attune to how the operation functions and are in a position to effectively manage the change. According to O’Neill and Lenn (1995) this is however, is on the assumption that senior management clearly communicates the reason for downsizing and the required outcomes.

5.3.2. Sub-Question b (Commitment)

*What was the middle manager’s commitment to the organisation like in the post-downsized organisation?*

The majority of middle managers interviewed indicated that they enjoyed their role and looked forward to commencing work each day as they felt their role was engaging and offered opportunities for learning and development. Once downsizing had taken place the majority of middle managers interviewed indicated that they felt uneasy going to work. This was primarily due to the development of a
culture of fear and uncertainty and whether their role would be the next target for redundancy. These middle managers have experienced a shift in their commitment to the organisation from affective commitment to that of continuance commitment. This research outcome is supported by Knudsen et al (2003) who found that survivors of downsizing tend to withdraw their commitment from the organisation. This finding is also supported by Young (2000) and Morgan and Zeffane (2003) who found that the dissatisfaction of middle management as a result of the turmoil created by downsizing results in a lowering of the level of commitment, a lowered trust in senior management and a general feeling of career stagnation.

*How do middle managers feel towards doing a good job and having a sense of achievement following a downsizing?*

All of the middle managers interviewed indicated that their role had expanded as a result of the downsizing and they are required to undertake tasks previously performed by subordinates and this has resulted in a feeling of general dissatisfaction in their role. The middle managers indicated that they accepted the change in their role as they felt that they could not let their team down and they did whatever it took to ensure the team meets its targets. However, they also indicated that it was not what they were hired to do and this ultimately resulted in a shift in the commitment of the middle manager. This
research is supported in literature by Cross and Travaglione (2004) who indicated that a change in the role following a downsizing results in a new psychological contract between employer and employee and ultimately loyalty to the organisation has been removed. This, according to Chao et al (2011) and Westwood et al (2001) is due to the organisations failure to deliver on the expectations of the middle manager and as a result a shift in commitment type of the middle manager from affective commitment to continuance commitment takes place.

5.3.3. Sub-Question c (Retention)

What is the view of middle managers with regards to their intention to leave the organisation following a downsizing?

The majority of middle managers interviewed indicated that, as a direct result of the downsizing and the effect the process has had on their role and team, they had actively commenced seeking alternative employment. The researcher has identified that there is a direct relationship with the intention to leave and a change in the social exchange dynamics in the post-downsized organisation where the middle managers perceived that they were worse off in terms of role, workload and career path. Job stability, job security and workload were the main factors listed by middle managers which attributed to
their motivation to seek alternative employment. This theory is supported in literature by Scott-Ladd et al (2000) who indicated that downsizing changes the social exchange dynamics between employer and employee which ultimately impacts the intention of the employee to remain with the organisation. This is further supported by Schachter (2009) who found that when employees perceive that they are worse off in the post-downsized organisation then this will directly result in increased staff turnover.

*How do middle managers feel about their continued tenure with their organisation following a downsizing?*

One third of middle managers interviewed indicated that they could see a future with the organisation. This was primarily due to the fact that the current economic climate was not satisfactory and their roles were specialised and as such no other opportunities were available and they could for see that this would probably continue to be the case. These middle managers are experiencing continuance commitment as they feel they have no other choice and must remain with the organisation, at least until the perceived economic circumstances improve. The remainder of the middle managers did not have any attachment to the organisation and did not expect to remain an employee for much longer. The detachment of middle managers can be attributed to a perceived breach of the
psychological contract between them and the organisation. This is supported in literature by Chao et al (2011) and Westwood et al (2001) who found that when an organisation fails to deliver expectations which were prevalent under the original employment conditions then this results in a negative change in feelings and behaviour and ultimately leads to middle manager turnover.

5.3.4. Sub-Question d (Trust)

*What is the trust relationship like between middle managers and senior managers following a downsizing?*

The research found that the “no consultation top down” approach to downsizing enforced onto middle management has a direct and negative impact on the trust relationship between middle and senior management. The “no consultation top down” approach breeds a feeling of mistrust as the middle managers perceive that senior management may be withholding further information and therefore become untrusting of senior management’s future intentions. This is supported in literature by Gilbert and Tang (1988) who found that a change in the personal trust dynamics between senior and middle management can be attributed to a lack of open communication and sharing of critical information. This is further supported by research conducted by Hopkins and Weathington (2006) who found that trust is
negatively impacted when is it perceived that senior management is deliberately withholding information.

It was also found that the relationship the middle manager had with their supervisor pre-downsizing impacted on the trust relationship into the post-downsizing environment. Those middle managers who perceived that their pre-downsizing relationship was open and transparent carried this belief into the post-downsized environment. Those middle managers who did not have an open and transparent relationship with their supervisor or were beginning a new relationship with a new supervisor pre-downsizing indicated that the trust relationship was insufficient and therefore lacked the level of perceived personal trust for the senior manager. This finding relates to research conducted by Wulandar and Burgess (2011) who found that the communication which exists between employee and manager has a direct impact on job and organisation performance. This is further supported in research conducted by Perry and Mankin (2007) who found that when an employee holds a high level of trust with their immediate manager then there is a direct relationship with organisational performance, productivity and innovation. This level of trust exists in established mature relationships. The researcher, however, has been unable to find any literature directly associated with changes in the dynamics of the trust relationship in the pre and post downsizing organisation.
How trusting does the middle manager feel towards the organisation following a downsizing?

The middle managers interviewed placed greater emphasis on the perceived changes in personal trust between themselves and senior management and did not relate the change in the trust dynamics to changes in impersonal trust between themselves and the organisation. Research conducted by Dirks and Ferrin (2001) found that a clear relationship exists between trust and interpersonal behaviour. Lee (1997) found that management must exhibit the attributes of credibility, respect and fairness in order to maintain employee trust. These findings relate directly to this research which found that senior management behaviour was the driving factor which impacted on the senior-middle management trust relationship. The researcher, however, has been unable to find any literature supporting the theory that downsizing affects the senior-middle manager personal trust relationship and has little impact on the impersonal relationship with the organisation.

5.3.5. Summary (Research Problem)

The research conducted was aimed as investigating the following research questions:
What are the perceptions of middle managers that have survived downsizing towards their organisation, senior management and their subordinates?

What are the consequences for their commitment, trust in senior management and retention?

5.3.5.1. Perceptions towards Organisation

The research found no real change in the pre and post downsizing perceptions of the middle manager towards the organisation. The middle managers understood fully that for the organisation needed to downsize in order to survive in the current economic environment. This may be a result of middle management viewing the organisation as being inanimate and impersonal and therefore could not relate any changes in their personal feelings to the organisation itself. This view is supported in literature by Ford et al (2008) who found that a perceived breach of the psychological contract directly affects the personal trust relationship between employee and manager and this becomes the major emotional factor in relation to commitment and motivation (Orlitzky 2005). Accordingly the perception of middle management towards the organisation is little impacted as the major focus is directed towards the personal relationship with senior
management as a result of the perceived psychological contract breach. This is a theory which warrants further research.

5.3.5.2. Perception towards Senior Management

The research found that the type of relationship between senior and middle management in the pre-downsized organisation determined the type of change in the relationship between senior and middle management post downsizing. Those middle managers who maintained a long term open and transparent relationship with their supervisor in the pre-downsized environment indicated that their relationship remained as such in the post-downsized environment. This finding is supported in literature by Gilbert and Tang (1998) who found that open communication, sharing of information and perceptions as well as sharing of decision making generate trust between employee and manager. These are attributes which are found to exist in well developed personal relationships. On the other hand, those middle managers who did not have a developed relationship with their supervisor or were in the process of building a new relationship with a new supervisor in the pre-downsized environment indicated a change in their behaviour towards their supervisor in the post-downsized environment. These middle managers became untrusting of their supervisors intentions and
believed that information was deliberately being withheld. This had a
direct impact on the middle manager’s psychological attachment and
resulted in the development of a clear division between themselves
and senior management. This finding is supported in literature by
Gilbert and Tang (1998) who found that trust develops at a slow pace
and therefore the development of the trust relationship between
senior and middle management takes time to mature. Lee and Teo
(2005) found that organisational change can have a direct impact on
the trust relationship and therefore the process of downsizing has a
greater impact on the undeveloped relationship between middle and
senior management than it does on a mature developed relationship.

5.3.5.3. Perception towards Subordinates

The research found that middle managers who had staff cut from their
team were forced to take on tasks previously performed by their
subordinates. The middle managers, although averse to this change,
did so because they wanted to ensure that their team was able to
cope with the workload and deliver on operational objectives. The
middle managers indicated that their remaining subordinates were
also feeling insecure and uncertain following the downsizing and were
looking towards the middle manager for support and information in
order to alleviate their concerns. The middle managers indicated that
in some instances they actually lied to their subordinates in order to alleviate fears and rumours. Others were upfront and honest indicating that if they did not have answers to their subordinate’s questions then they told the truth.

5.3.5.4. Consequences for Commitment

The research found that as a direct result of downsizing the commitment of middle managers changed from one of affective commitment towards continuance commitment. In most cases this was attributed to a change in the role of the middle manager as they were required to take on tasks previously performed by their subordinates. Although the middle managers stated that they were willing to take on these tasks as it helped their team achieve their outcomes, they were aware that it was not what they were hired to do and as a manager the organisation was not getting value for money by asking them to take on such tasks. The middle managers also indicated that their team’s workload either remained static or increased post-downsizing and in order to meet the workload requirements they were forced to work longer hours. This change in the role of the middle managers resulted in a perceived breach of the psychological contract and resultant change in commitment. According to Corbett (2006) the consequences for this change to the
organisation include effects on innovation, quality, productivity and staffing related behavioural issues.

5.3.5.5. Consequences for Retention

The research found that as a direct result of downsizing the majority of middle managers did not want to remain with the organisation. This is directly related to the middle managers perception that they are worse off in the post-downsized environment than before the change. Middle managers stated changes in their role, workload, job security, job stability and career path as being primary factors impelling them to actively seek alternate employment. Some middle managers, however, stated that although they would like to change organisations, their role is specialised and due to current economic conditions the ability to find a similar role elsewhere is quite rare and therefore were resigned to remain with the organisation. The consequences to the organisation for this defection is not only the loss of knowledge and expertise but also the costs associated with replacing the middle manager (Ovadje 2010, Nyberg 2010, Vanderhoff 2010, Abbasi 2000). This is supported by research conducted by Schachter (2009) who found that survivors of downsizing events are more likely to leave the organisation if they perceive that they are worse off than prior to the downsizing. In each
case interviewed it was noted that none of the organisations had any strategy in place to prevent staff turnover whilst the organisation was implementing the change and staff were trying to make sense of the new structure.

5.3.5.6. Consequences for Trust in Senior Management

The research found that adopting a “no consultation top down” approach to downsizing and not involving middle management in the decision-making process impacts the trust relationship between senior and middle management. It was found that this approach to downsizing left the middle manager feeling that senior management may be withholding further information and therefore can not trust senior management’s future intentions. The impression given to middle managers is that if senior management could withhold this information from them and make such a decision then what other information or plans are in the pipeline which they are not being told about. According to Mone (1997) the consequences for this situation is a change in the cognitions of middle management relating to job security and commitment to the organisation. Other consequences include a direct impact on organisational effectiveness, productivity and innovation (Perry and Mankin 2007, Mone 1997).
5.4. Implications

An analysis of the implications of the research has identified a number of opportunities for further research and analysis.

5.4.1. Implications for Methodology

The researcher has not identified any implications for methodology from this research.

5.4.2. Implications for Theory

The findings of the research strengthen existing literature and theory on a number of specific topics related to organisational downsizing and middle management. The first implication for theory identified is the effect of organisational downsizing on the commitment of middle management. This research supports existing research conducted by Thomas and Dunkerley (1999) and Ford et al (2008) who found that the commitment of middle management changes from affective to continuance commitment following a downsizing and there is a direct link to this change and a perceived breach of the psychological contract. This, according to Thomas and Linstead (2002), directly relates to a feeling of resentment towards the organisation. This resentment coupled with the stagnation of the middle manager's
career path impels the middle manager to seek alternative employment (Gettler 2008).

The second implication for theory is the effect of organisational downsizing on the retention of middle management. This research found that the "no consultation top down" approach to downsizing adopted by senior management leaves the middle manager feeling disempowered and no longer able to control the direction of their section or department. This has resulted in a perceived psychological contract breach as not only has the middle manager’s role changed, there is a perception that the organisation has not acted fairly in its approach to downsizing. This approach adopted by senior management has provided the impetus for the middle manager to actively commence seeking alternative employment. The findings of this research support previous research conducted by Ebadan and Winstanley (1997) who established a direct link between a perceived psychological contract breach and intention to leave the organisation. Research conducted by Scott-Ladd (2000) found that when it is perceived that the organisation has not acted fairly then there is a direct link with employee turnover. Colleran et al (2000) found that the removal of the basic motivators such as job satisfaction, career development and job security have a direct impact on the intention to leave an organisation. In this research it was found that the "no consultation top down" approach adopted by senior management
resulted in the removal of such motivators and therefore impelled middle managers to want to leave the organisation.

The third implication for theory is the effect of organisational downsizing on the trust relationship between senior and middle management. The findings of this research indicate that downsizing has a direct effect on the senior-middle management trust relationship. This finding is supported by Hopkins and Weathington (2006) who indicated that the trust relationship is negatively impacted when the actions of senior management are perceived to be non-transparent and closed in communicating their intentions during a change initiative. This research, however, has identified that the type of relationship between the senior and middle manager in the pre-downsized organisation is indicative of the degree to which the trust relationship is affected in the post-downsized organisation. This is a theory which has an implication for further research.

5.4.3. Implications for Future Research

This research was undertaken within a relatively short period following an organisational downsizing. The feelings and perceptions of middle management at this point in time may change in the longer term. A longitudinal research approach would attempt to examine how the feelings and perceptions of middle management change, or not
change, over time. This research will aim to reveal a common lifecycle during and after the downsizing process.

The research identified areas of possible new theory which can be further investigated. The first of which is the propensity of middle management, and possibly staff in general, to not inform their supervisor if they are considering seeking alternative employment. From the research it was identified that if the supervisor was informed then this would change the relationship dynamics and therefore the situation would become uncomfortable, specifically if alternative employment was not secured or if the employee changed their mind and decided to remain. Further research in this field would aim to identify the link between the type of relationship between supervisor and employee and the information sharing boundaries.

Another possible new theory generated from this research is the change in the trust relationship triangle between senior management, middle management and the organisation as a result from a downsizing process. This research identified that the major change in the trust relationship was found to lie between senior management and middle management whilst the dynamics between middle management and the organisation remained relatively stable. That is, downsizing impacted the personal relationship between senior and middle management and had minimal impact on the impersonal
relationship between middle management and the organisation. This can be attributed to the perceived psychological contract breach which has occurred in the post-downsizing organisation and the attachment this has towards personal relationships rather than impersonal relationships. Lee and Teo (2005) found that organisational change can result in a psychological contract breach and this has a direct impact on the personal trust relationships between employer and employee. This research is supported by Hopkins and Weathington (2006) who identified that employee perception during times of organisational change influence the personal relationships between employee and employer, especially if that perception is behaviourally negative. Further research would aim at closing the triangle by reinforcing the findings of this research as well as investigate the change in the trust relationship between senior management and the organisation following a downsizing.

Another possible area of further research is on the trust relationship between senior and middle management pre-downsizing as a determining factor in the trust relationship dynamics post-downsizing. Research has identified that the existence of a mature, open and transparent relationship between senior and middle management in the pre-downsized organisation carries through to the post-downsized organisation. This is supported by research findings of Gilbert and Tang (1998) who found that personal attributes which exist in
developed relationships such as open communication and sharing of information greatly strengthen the trust relationship and as such the relationship can better endure the effects of organisational change (Mone 1997). On the other hand where the relationship is not open and transparent or the relationship is relatively new there is a definite change in the trust relationship between senior and middle management in the post-downsized organisation and this has further implications on commitment and retention. Further research on the trust relationship would aim at further examining this finding, as well as provide a more detailed insight into the personal trust dynamics between senior and middle management.

5.4.4. Implications for Middle Management

The research has identified that middle management often experience a major transformation in their role following a downsizing and that this is a common consequence of the process. Gettler (2008) found that this transformation included absorbing the responsibilities of those who were the target of redundancy. This changing role, according to Chao et al (2011), often resulted in a change in behaviour of the middle manager as a perceived breach of the psychological contract has occurred. The change in feelings and perceptions are a normal part of the process and middle management
need to be able to identify with this so they can effectively manage themselves through the process. To facilitate this change middle management need to maintain an open and transparent dialogue with senior management, regardless if they feel that senior management have distanced themselves from middle management or perceive that senior management are withholding information. Middle management need to maintain constant and open communication with senior management in order to preserve the link and relationship with the strategic level of the organisation.

5.4.5. Implications for Senior Management

The research has identified that a number of specific factors need to be maintained in order for a downsizing process to achieve desired outcomes:

- Transparent and open communication. Senior management need to maintain transparent and open communication with all staff in the organisation. Ford and Ford (1995) and O’Neill and Lenn (1995) identified that this is a key factor to the success of implementing organisational change. This is particularly important during the transition phase where employees are trying to make sense of the new structure.
Involvement of middle management at all stages of change process. The involvement of middle management at the initial downsizing decision stage as well as the downsizing planning stage is important for the success of the change initiative. Research conducted by Meyer (2006) and Raman (2009) indicates that involvement of middle management at all stages of the change process is imperative for the success of the change. Securing middle management approval at these stages is important as middle management are key drivers of change and are strategically positioned to ensure the link between operational processes and strategic outcomes.

Middle management require ongoing, regular and continuous communication and support from senior management. This is particularly important during and immediately after the implementation of the change. This will ensure that the initiatives of middle management accurately align with the strategic objectives of senior management.

5.5. Limitations
An analysis of the limitations of the research has identified a number of possible probabilities for error or bias to appear in the research.
5.5.1. Research Method

The use of semi-structured interviews for the research, although identified as being the best probable fit for the purpose of this research, carries with it an inherent flaw which impacts the reliability of the research. Unlike a fully structured interview in which the same line of questioning is used without deviation or change, semi-structured interviewing allows the interviewer to change the line of questioning or to probe further to obtain a better insight into the interviewees perceptions and feelings. This may impact the ability of other researchers to use the same questioning and methodology to obtain the same results. That is, another researcher using identical questions and interview technique may obtain results which differ from this research. This view is supported by Hanson and Grimmer (2007) who indicated that because reality objectively exists the techniques used to investigate such reality leads to unpredictable results.

5.5.2. Research Environment

Conducting the interview outside the normal organisational setting of the participants may add an element of incomplete understanding on the part of the researcher. As the researcher is not able to observe the participant in their organisational setting the researcher may not
fully understand the viewpoints of the participants. As each organisation is different in terms of management hierarchy, culture and internal politics, the researcher will not have a full understanding of the basis or foundation from which the participants are answering the questions put forward. This may add to potential misunderstanding of the results from the research.

5.5.3. Interview Participants

The participants can be viewed as a potential limitation of the research as some may not fully answer questions and withhold information. This may be the case where the participant fears reprisal should information be leaked outside to the participant’s workplace or other social realm. The researcher is also aware that some participants may not be truthful in answering interview questions. To reduce this potential limitation the researcher made particular note of each participant’s body language during the interview and looked pertinent characteristics which indicated that the participant was not comfortable with the questioning or showed signs of not telling the truth.
5.5.4. Researcher

Researcher bias is one possible limitation of this research. As the researcher operated alone and did not conduct the research as part of a team which would limit such bias, there is an inherent possibility that personal bias of the researcher may appear in this research. Although the researcher has made all possible checks to ensure that this does not occur, personal experiences and viewpoints may potentially be reflected in the analysis and interpretation of the results. Hewitt (2007) indicated that researcher bias may occur where the views and personal experience of the researcher impacts either the data analysis or the actual participant being interviewed. The researcher has endeavoured not to allow personal feelings or beliefs to interfere with the analysis and interpretation of results.

Researcher bias may also appear at the interview stage. By putting words into the mouths of the participants and helping the participants finish sentences, potential bias may appear. The researcher did not at any time assist or aid participants to answer questions. The researcher allowed the participants to answer questions without interruption, even if it meant periods of silence.
5.5.5. Research Reliability

The researcher fully understands that, given the method of data collection coupled with the fact that the social world is under constant change, research reliability may not be fully achievable. That is, given that the social world is constantly changing and the nature of the interview process, the ability to obtain the same results as this research may not be possible. The researcher accepts this limitation and given the method of data collection and participants believes that the results are an accurate reflection of the participant’s experiences at the point in time of data collection.

Too add further the reliability of the research may be impacted as the research was restricted to the Australian business environment and similar research may reveal a different set of results if conducted in a different country. According to Minichello et al (2008) the ability to replicate the data may be compromised as the conditions within which the research is being undertaken is distinctly different.

5.5.6. Research Validity

Limitations surrounding the validity of the research appear in regards to the ability of the researcher to accurately and correctly interpret the data collected. According to Cho and Trent (2006) the ability to accurately define actual reality with the interpreted reality from the
data collection process is the primary objective of research validity. The researcher acknowledges that potential error may appear in the interpretation of the data, however, the researcher has methodically followed a set of strict guidelines for the collection and analysis of data which is aimed at minimising this potential error. These guidelines are highlighted in Chapter 3 under section 3.9 Interview Procedure and section 3.10 Data Analysis.

Another possible aspect affecting research validity is the selection of participants. This may appear where participants are not qualified for the purposes of the interview and are not appropriately knowledgeable for the research. The researcher has minimised this possibility by screening applicants prior to selection for participation in the research. Each participant was required to meet a certain set of criteria which qualified them as a participant in the research.

5.5.7. Other Limitations

Other factors which may influence the research outcomes include participant demographics such as age, social class, gender and cultural background. The researcher, by seeking participants from a wide range of industries and locations has endeavoured not to allow such influence to appear in this research.
Another limitation relates to the use of English language. Research and literature applicable to this research may be available in a language other than English with no translation available. Under such conditions valuable and pertinent literature and theory may be inadvertently omitted from this research.

The research may also be limited in the ability to generalise the outcomes to any one particular industry. Given that a small number of participants were sought from a range of industries, the small sample population from each industry may contribute to the inability to accurately apply the findings to any one particular industry.

5.6. Conclusions

The conclusions drawn from this research are summarised according to each research sub-question as well as the overall research problem.

5.6.1. General Observations

Middle management are fully aware that, given economic and financial conditions, organisations may need to reduce the workforce in order for the organisation to survive. However, middle management feel that senior management often act too hastily when
deciding to downsize the workforce and not enough time is allocated to investigating alternative courses of action.

Senior management prefer to adopt a “no consultation top down” approach when the decision is made to undergo a downsizing. This approach leaves middle management feeling isolated from senior management and this is where the separation between senior and middle management commences. The “no consultation top down” approach often results in a perceived psychological contract breach.

Of those organisations which underwent a downsizing based on financial and economic circumstances middle managers reported that often the downsizing process was implemented too fast and not enough time was given to planning for the continuity of their sections. This approach created additional stress and pressure on the middle manager.

Middle managers of those organisations which implemented a downsizing base on company buyout or merger reported involvement in the planning and implementation of the downsizing. This enabled the middle manager to effectively plan for the continuity of their section.
5.6.2. Commitment

The research found that there is a clear link between organisational downsizing and a change in the commitment of middle management. This shift resulted in middle managers moving from affective to continuance commitment. The change in the role of the middle manager and the perceived psychological contract breach which accompanied this change was seen as one of the major factors influencing this change in commitment.

5.6.3. Retention

A direct link was found to exist between organisational downsizing and middle management’s intention to seek alternative employment. Changes in job stability, job security and workload were seen as major contributing factors to middle management’s intentions to leave the organisation. This detachment from the organisation by middle management can be directly attributed to a perceived change in the psychological contract.

5.6.4. Trust

The “no consultation top down” approach adopted by senior management was found to contribute to a change in the trust
relationship between senior and middle management. By excluding middle management in the decision making process, senior management are creating an environment where their future intentions are not trusted by middle management.

The research found that the type of relationship which existed between the middle manager and their immediate supervisor pre-downsizing influenced the trust relationship in the post-downsizing environment. Those middle managers who reported a well developed, open and transparent relationship with their immediate supervisor in the pre-downsized organisation also reported a strong personal trust relationship in the post-downsized organisation. On the other hand, it was found that personal mistrust was prevalent where middle managers reported that their relationship with their supervisor was not open and transparent or their supervisor was relatively new and were in the initial stages of developing their relationship.

Middle managers placed greater emphasis on changes in the personal trust relationship between themselves and senior management and did not relate the downsizing with any change in the impersonal trust relationship between themselves and the organisation.
5.6.5. Summary

The research found that open and transparent communication by senior management and the involvement of middle management in the downsizing process are critical factors which directly influence the commitment, retention and trust of middle management. Failure to effectively communicate and involve middle management in the process often results in a perceived psychological contract breach. This perceived breach has a direct relationship with changes in the commitment of middle management, their intention to seek alternative employment and the trust relationship between senior and middle management.


APPENDIX A
QUESTIONS USED AS BASIS FOR SEMI-STRUCTURED INTERVIEW

General Information:

1. *Tell us why your organisation has undergone a downsizing process?*

2. *What was your involvement in the downsizing process? What were you asked to do to support it? What did you do to contribute to the decision to downsize?*

3. *How did you feel about having to downsize?*

4. *Do you think the downsizing process was fair and unbiased? If so what did the company do which made you feel that it was the right decision? If not why?*

5. *Do you think the new structure is better than before? If so why? If not why?*

Commitment Based Questions

1. *How did you feel about coming to work before the downsizing? How do you feel now?*
2. How has your role changed after the downsizing? How do you feel about this change? What did your supervisor do to help you adjust?

3. How was your workload prior to the downsizing? How is your workload after the downsizing?

4. Are you enjoying your job in the new structure? If so what makes it better? If not why?

Retention Based Questions

1. Were you looking at finding somewhere else to work before the downsizing? Now that the downsizing has taken place, how do you feel about moving on to another company?

2. If you were looking at going elsewhere would you let your supervisor know that you were looking? If not why? If so how do you think your supervisor would react?

3. If you were to leave what would be the main reason(s) for you to seek alternative employment?
4. Do you think you will still be working here in 12 months time? 
   If not why? If so what do you feel are the primary factors which 
   make it a good place to work?

**Trust Based Questions**

1. How was your relationship with your supervisor before downsizing? Do you feel you can take issues to your supervisor now that downsizing has taken place? If not why? If so do you feel there has been any change in the relationship?

2. Do you feel you can trust your supervisor with confidential personal information? If so, please elaborate on why you feel you can do so? If not why?

3. Do you think your supervisor communicates enough information to allow you to do your job properly? If not why? If so, how do you think it could be improved?

4. How do you think the downsizing has affected your supervisor? Have you noticed any changes in the behaviour of your supervisor following the downsizing?
Information Statement for the Research Project:
The Effects of Corporate Downsizing on the Commitment, Retention and Trust of Middle Management
Document Version 1.1; dated 10/09/13

You are invited to participate in the research project identified above which is being conducted by Karl Lyon, student from the Faculty of Business and Law at the University of Newcastle.

The research is part of Karl Lyon’s studies at the University of Newcastle, supervised by Professor Timothy Bartram from La Trobe Business School, La Trobe University.

Why is the research being done?
The purpose of the research is to examine the effects corporate downsizing has on remaining middle managers within an organisation. The research focuses on middle management, as they are the staff strategically positioned to turn strategy into real outcomes. In the post-downsized organisation the remaining staff are often in a position where they have to take on board the roles and responsibilities of those who left. The research examines the effect this change has on the continued commitment, intention to leave and organisation and change in trust in senior management as a result of the downsizing. The research is important as it investigates the effect corporate change has on those staff strategically positioned to make the organisation succeed post-downsizing. The benefits of this research is to raise awareness to senior management the effect a downsizing has on the
remaining staff and the flow-on effect this in turn has on the performance of the organisation post-downsizing and ultimately corporate outcomes.

**Who can participate in the research?**
Participants professionally employed as middle managers in organisations which have recently downsized are invited to participate in the research. All participants invited to contribute to the research have been selected via a referral process through professional contacts via the student researcher.

Potential participants who satisfy any of the following criteria will not be eligible to participate:
- Have an owning stake in the organisation,
- Be related to any person in a senior management position in the organisation, or
- Be an owner/investor of the organisation.

**What choice do you have?**
Participation in this research is entirely your choice. Only those people who give their informed consent will be included in the project. Whether or not you decide to participate, your decision will not disadvantage you.

If you do decide to participate, you may withdraw from the project at any time without giving a reason and have the option of withdrawing any data which identifies you.

**What would you be asked to do?**
If you agree to participate, you will be asked to undertake a short interview. The interview will be undertaken in a private location. Only the student researcher and the participant will be present in the interview. Participants will not be financially rewarded for their contribution.

**How much time will it take?**
Each interview should take no longer than 30 minutes to complete. Each participant will be interviewed once only.
What are the risks and benefits of participating?
There are no risks to participants who agree to contribute to the research. There will be no immediate benefit for you to participate in this research.

How will your privacy be protected?
All interviews will be recorded using a digital voice recorder. Once the recordings have been transcribed to text the recordings will be deleted. The transcribed data will be kept in a secure electronic location with full password protection known only to the researcher(s). Transcribed text will not be distributed to any party without full consent of participant(s). Participants and the organisations they work for will not be identifiable by the research. Any names will be changed with generic X, Y, Z coding to ensure confidentiality. This will be performed at the transcription phase. The data will be stored electronically for a period of 5 years after which it will be deleted. Only the student researcher (Mr Karl Lyon) and chief investigator (Professor Timothy Bartram) will have access to the interview transcripts.

How will the information collected be used?
The information collected will be used in a thesis for Mr Karl Lyon’s Doctor of Business Administration course.

Individual participants or the organisation they work for will not be identifiable in any report or publication arising from the research project. Participants will be able to edit or erase the audio recorded interview until such time as the interview has been transcribed after which the audio recording will be deleted in order to protect the identity of participants. Transcriptions of the recorded interviews will be available to participants for editing and comment.

Participants will be offered a report of findings from the research. Participants will also be offered, upon request, a pdf version of the final thesis.

What do you need to do to participate?
Please read this Information Statement and be sure you understand its contents before you consent to participate. If there is anything you do not understand, or you have questions, contact the researcher.

If you would like to participate, please complete the consent form provided with this information statement.

I will then contact you to arrange a suitable time to undertake the interview.
Further information

If you would like further information please contact Karl Lyon on 0414 776 444 or Professor Timothy Bartram on 03 9479 5837.

Thank you for considering this invitation.

Timothy Bartram
Chief Investigator

Karl Lyon
Student Researcher

Complaints about this research

This project has been approved by the University’s Human Research Ethics Committee, Approval No. H-2013-0231.

Should you have concerns about your rights as a participant in this research, or you have a complaint about the manner in which the research is conducted, it may be given to the researcher, or, if an independent person is preferred, to the Human Research Ethics Officer, Research Office, The Chancellery, The University of Newcastle, University Drive, Callaghan NSW 2308, Australia, telephone (02) 49216333, email Human-Ethics@newcastle.edu.au.
Dear Sir,

I, ____________________________________________, have read the information on the research project “The Effect of Downsizing on the Commitment, Retention and Trust of Middle Management”, which is to be conducted by Karl Lyon from the University of Newcastle, and have no unanswered queries or questions relating to the proposed research.

I hereby grant permission to be interviewed by the researcher. I give my full consent and I understand that the project will be conducted in accordance with the proposed research methodology and information provided.
I understand I can withdraw my approval until such time as the data has been transcribed, without penalty, and do not have to give any reason for withdrawing.

I understand that all of the information collected will remain confidential to the researchers (Mr Karl Lyon and Professor Timothy Bartram) and that all of the information gathered from the interviews will be stored securely. I also understand that my identity and the identity of anyone participating in the research will not be revealed without consent to anyone other than the researcher conducting the project. All interview transcripts will be stored electronically for a period of 5 years after which it will be deleted.

Print Name: ________________________________

Signature: ________________________________

Date: ________________________________