Justice and trust when organisations downsize

by

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ABSTRACT

This thesis investigates the impact of downsizing on employees' perceptions of justice and trust in managers/the organisation. Organisational, sociological and psychological theories underpin this research: organisational justice (distributive, procedural and interactive justices); trust (and the psychological contract); and downsizing.

Three studies were undertaken using mixed methods. The first, a survey of UK employees (n = 477) investigated the impact of downsizing on employees' perceptions of organisational justice and trust. Only interactional justice was perceived as more fair than unfair. Trust in management was perceived as more unfavourable than favourable overall, and shown to be positively related to organisational justice. The study showed that the context of the downsizing event itself was important to employee perceptions.

The second, an interview-based (n = 16) case study, investigated why employees reacted to a particular downsizing event as they did, and suggested that their perceived poor personal treatment by the organisation (interactional justice) together with a less than fair process (procedural justice) led to a perceived breach of the employment relationship (psychological contract), reduced trust and negative emotions. Participants' personal outcomes (distributive justice) appeared to moderate the effect of perceptions of personal treatment/procedures upon the perceived breach of psychological contract.

The third, a focus group study (n = 16), investigated ways of handling downsizing more positively. The results showed that, whilst downsizing always generates some negativity, it can be made more positive by proactive leadership, communication and support to managers/staff, and clear policies.

This thesis adds to the knowledge of employees' perceptions of justice and trust when organisations downsize, and shows that these perceptions are very important for employees' relationships with managers and organisations, and associated work
attitudes, behaviours and emotions. Additionally, that downsizing can be made more positive for all stakeholders, informed by an understanding of how people perceive justice and build/lose trust.
DECLARATION

I hereby declare that this thesis has been composed by myself and has not been presented or accepted in any previous application for a degree. The work, of which this is a record, has been carried out by myself unless otherwise stated and where the work is mine, it reflects personal views and values. All quotations have been distinguished by quotation marks and all sources of information have been acknowledged by means of references.

Peter Malcolm Curran
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**LIST OF ABBREVIATIONS**

- **ABT** Affect-based trust
- **ANOVA** Analysis of variance (statistical test)
- **BAM** British Academy of Management
- **CBT** Calculus-based trust
CEO Chief Executive Officer
CV Curriculum vitae
D & I Diversity and inclusion
DBT Deterrence-based trust
ESRC Economic and Social Research Council
EVLN Exit, voice, loyalty, neglect (employees’ responses to contract violations)
Excel Spreadsheet computer software package by Microsoft
HR Human resources
HRM Human resources management
IBT Identification-based trust
IT Information technology
ITS Interpersonal Trust Scale
ITW Interpersonal Trust at Work scale
KBT Knowledge-based trust
L & D Learning and development
LMX Leader-member exchange
MD Managing Director
Mgr Manager
Mgt Management
NVivo A qualitative data analysis computer software package by QSR International
OCB Organisation citizen behaviour
OD Organisation development
RT Relational trust
POS Perceived organisation support
PowerPoint Presentation software package by Microsoft
SD Standard deviation
SIC Standard Industrial Classification
SPSS Statistical package for the social sciences (a computer software package for statistical analysis)
UK United Kingdom
USA United States of America
Word Word processing computer software package by Microsoft.
1. SETTING THE SCENE

1.1 Introduction

This thesis is the result of research into employees' (including managers') perceptions of justice and feelings of trust when their organisations downsize. The literatures of organisational justice and trust are reviewed, together with the related topic of psychological contracts, and as the setting for the research, downsizing.

1.1.1 Organisational justice

Organisational justice is perceived (rather than normative) fairness as viewed by employees of their treatment by organisations and their managers, and is a helpful framework to use in the study of justice in organisations. The literature on organisational justice is established and growing, recently summarised by Greenberg & Colquitt (2005) and reviewed by Fortin (2008). Studies have shown that employees' perceptions of justice in organisations are affected by the outcomes of decisions made (distributive justice, largely based on equity theory: Homans, 1961; Adams, 1965; Deutsch, 1975; Leventhal, 1976a), the fairness of the procedures (procedural justice: Thibaut & Walker, 1975; Leventhal, 1980), and the treatment of employees by their managers/supervisors (interactional justice; Bies & Moag, 1986). The latter dimension has been further divided into interpersonal justice and informational justice (Greenberg, 1993), supported by some studies (Colquitt, 2001; Kernan & Hanges, 2002) but still questioned due to the thin evidence (Fortin, 2008).

In relation to downsizing, distributive justice is reflected in the decisions made about personal outcomes (whether an employee stays with or leaves the organisation, new role or payout, etc.). Assessments of distributive justice made by those who remain with the organisation include evaluating how leavers have been treated, and how the downsizing was distributed across the hierarchy (Spreitzer & Mishra, 2002). Whether downsizing decisions were made using clear and open criteria or by favouritism or politics will shade employee's perceptions of procedural justice. In particular 'voice' (employee involvement), and 'justification' (education through explanation) affect perceptions about procedural fairness (Daly & Geyer, 1994). In
downsizing, involving employees in the process allows them to feel a degree of 'process control', which has a positive effect on survivor reactions, as does explanation of the necessity of downsizing. Both distributive justice and procedural justice have been shown to facilitate greater organisational attachment with survivors (Spreitzer & Mishra, 2002). Interactional justice focuses on communication to and interpersonal treatment of employees by management, usually in terms of dignity, respect and politeness. Communication plays a particularly important role in the management of downsizing and needs to focus on individual concerns as well as wider messages if it is to lessen employees' sense of powerlessness and perceived threat (Thornhill & Saunders, 1998).

1.1.2 Trust

Changes in the social structures of societies, economic exchange relations and organisational forms have led, in recent years, to an increased study of trust within and between organisations (Bijlsma & Koopman, 2003). Most definitions of trust include the elements of 'favourable expectations' and a 'willingness to become vulnerable' (Saunders & Thornhill, 2003), but despite this convergence, a commonly agreed definition of trust remains elusive (Lewicki et al., 2006). The widely quoted model of Mayer, Davis and Schoorman (1995) highlighted three factors of trustee trustworthiness – ability, benevolence and integrity – as leading to trust. Various types of trust have been defined (e.g. calculative-based trust, knowledge-based trust), and theories about trust development proposed (e.g. Lewicki & Bunker, 1995, 1996). The debate continues as to whether trust and distrust are bipolar opposites on a continuum, or distinct constructs that a person can experience concurrently (Lewicki et al., 2006), although the latter view is gaining ground.

Trust has been linked to justice, particularly to procedural fair treatment (Brockner & Siegel, 1996) but also as an outcome of other dimensions of justice (Lewicki et al., 2005). Trust can also be viewed as an antecedent of justice, in that trust in the short-term is necessary if just outcomes are to be valued (Blau, 1964; Konovsky & Pugh, 1994; Lind & Tyler, 1988). Additionally, Lind (2001) argued that judgements about interpersonal fairness can be used as a proxy (heuristic) for trust in decisions whether or not to cooperate with others (fairness heuristic theory).
1.1.3 Psychological contracts

Psychological contracts comprise employees' beliefs about the reciprocal obligations between them and their organisations (Rousseau, 1989; Schein, 1965). When obligations are not met by the organisation, an employee perceives a contract breach, and can experience contract violation (the affective response; Morrison & Robinson, 1997). They found that feelings of violation are particularly strong when employees attribute the breach to reneging and to being unfairly treated. This is brought into sharp relief during downsizing. Trust has been described as an integral part of the psychological contract (Rousseau, 1995; Guest et al., 1996; Guest, 2004), so it is not surprising that contract breach can alter the trust between an employee and his or her organisation (Robinson, 1996; Robinson & Rousseau, 1994).

1.1.4 Downsizing

Downsizing – the planned reduction in size of an organisation's workforce – has represented, since the 1980s, a common strategic response by many organisations to changes in market conditions or regulatory frameworks (Cameron, 1994), although there are mixed views as to whether overall it is beneficial or detrimental to organisational success (Nair, 2008). Downsizing is not synonymous with redundancy, the latter being one (but not the only) method of implementing downsizing.

Thornhill and Saunders (1998), in their review of the reactions of 'survivors' (those who remain with the organisation), listed organisational commitment, perceived fairness, intention to leave, and performance among the variables that have been linked to downsizing. Brockner et al. (1997) found that when outcomes are unfavourable (usually the case for some employees during downsizing), people are particularly motivated to determine whether the other party can be trusted. Other studies have linked dimensions of organisational justice to aspects of downsizing (e.g. Brockner et al., 1990; Paterson & Cary, 2002), and shown that perceptions vary according to the involvement people have had in the process (e.g. implementers and/or recipients), and according to whether or not they are 'survivors' or 'casualties' of the downsizing (Hopkins & Hopkins, 1999).
So, downsizing in an organisation brings to the fore in employees' minds issues of justice and trust and is therefore in my view a pertinent context within which to examine these constructs.

1.2 Research title, aim, question and objectives

The research title, aim and question are defined below, together with a list of research objectives. A description of the research journey — how the research question, literature review and subsequent studies developed to produce this thesis — is described in Appendix A as part of a reflective analysis.

Research title: Justice and trust when organisations downsize.

Research aim: To investigate employee perceptions of justice, feelings of trust in managers/the organisation, and other emergent themes when organisations downsize, and to explore ways of handling downsizing more positively to the benefit of all stakeholders.

Research question: The question that this research aims to address is 'What is the impact of downsizing on employees' perceptions of justice and their trust in managers and the organisation?' This question was derived from a desire to understand the ethics involved when organisations undergo change, developed from an original topic idea of 'the ethics of organisational change' (see Appendix A). The growing literatures on organisational justice and trust offer useful frameworks with which to investigate the ethical concerns of employees working in organisations undergoing change, expressed as their perceptions of fairness, or as their trust in management/the organisation. The topic was further focussed by the choice of downsizing as the setting since this particular type of change event brings to the fore for employees issues of both justice and trust. Research objectives 1-6 described below were devised to help answer the research question.

During the course of the research (particularly from the open questions of Study 1 and the interviews of Study 2) it became clear that employees' relationships with their organisations (often described in terms of psychological contracts) was an
important interrelated issue, and so this was added to the literature review and the
subsequent discussion of results, and specifically added as research objective 7.
Given the generally negative impact of downsizing on organisations and employees
revealed by the first two studies, the third study was designed to investigate ways of
handling downsizing more positively, expressed as research objective 8.

In order to answer the overall research question described above, and prompted by
the literature, the following research objectives were devised for investigation
through the studies of this thesis:

1. To understand how employees' perceptions of organisational justice are affected
   by downsizing.
2. To understand how an employee's trust in their line manager and in the
   organisation are affected by downsizing.
3. To determine how employees' perceptions of organisational justice and feelings
   of trust are related.
4. To understand why employees view organisational justice and trust in the ways
   they do when their organisation undergoes downsizing?
5. To determine the consequences of employees' perceptions of organisational
   justice and their trust in management/the organisation.
6. To identify what organisations and managers should be aware of when they
   decide on and implement downsizing.
7. To determine how downsizing affects employees' views of their relationship
   with their organisation, and how this is related to perceptions of justice and
   feelings of trust.
8. To identify ways individuals, organisations and their managers can handle
   downsizing more positively so that downsizing and its outcomes are better for all
   stakeholders (including organisations and their employees).

Objectives 1-3 were principally investigated in Study 1, objectives 4-7 in Study 2,
and objective 8 in Study 3. As shown in Figure 1.1 below, there was some overlap,
for example the open questions of Study 1 also yielded information related to
objective 4, and Study 2, whilst focussing on objectives 4-7, also generated information on ways of handling downsizing more positively (objective 8).

Figure 1.1  Research objectives, thesis studies and methods

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<td>Organisational survey to test hypotheses about justice &amp; trust &amp; the relationship between them</td>
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<tr>
<td>2. To understand how an employee's trust in their line manager and in the organisation are affected by downsizing.</td>
<td>Interview-based case study to explore why</td>
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<td>3. To determine how employees' perceptions of organisational justice and feelings of trust are related.</td>
<td>Focus group study to find practical solutions</td>
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<td>4. To understand why employees view organisational justice and trust in the ways they do when their organisation undergoes downsizing.</td>
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<tr>
<td>5. To determine the consequences of employees' perceptions of organisational justice and their trust in management/the organisation.</td>
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<td>6. To identify what organisations and managers should be aware of when they decide on and implement downsizing.</td>
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<tr>
<td>7. To determine how downsizing affects employees' views of their relationship with their organisation, and how this is related to perceptions of justice and feelings of trust.</td>
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<td>8. To identify ways individuals, organisations and their managers can handle downsizing more positively so that downsizing and its outcomes are better for all stakeholders.</td>
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In the study chapters of this thesis (6, 7 and 8 respectively), the research objectives listed above are further elaborated and expanded showing in detail what each study was intended to achieve.

1.3  Research design and thesis structure

The methodology adopted was that of mixed methods to answer best specific aspects of the research question and to triangulate results. Correspondingly, both quantitative and qualitative approaches and methods were used to test existing theories of justice and trust, investigate why people perceive these constructs as they do, and to explore emerging themes. Three studies were undertaken: firstly a quantitative organisational survey, secondly an interview-based case study, and thirdly a focus group study.
As the theoretical framework for this research, the literatures of organisational justice, trust (and psychological contracts), and downsizing are summarised and commented on in Chapters 2, 3 and 4 respectively.

The methodology used to investigate the research question is described in Chapter 5, explaining why a mixed methods approach was adopted and specifically why particular methods were chosen to address the research objectives of each study.

An organisational survey was designed as Study 1 to test a number of hypotheses about justice and trust when organisations downsize in a UK setting. Quantitative and some qualitative results from this study are described in Chapter 6. Study 1 highlighted a number of issues to follow up through a second study and, because the context of the downsizing event was shown to be important to employees' reactions, Study 2 was designed as a case study within a single downsizing context. This qualitative study is described in Chapter 7.

From the results of the first two studies, it was evident that downsizing affected employees' perceptions of justice, their feelings of trust, their relationships with their organisations, and their emotions and behaviours, often in negative ways. Correspondingly, a third study was designed to investigate ways of handling downsizing more positively. Three focus group interviews were conducted, and the results of this qualitative study are reported in Chapter 8.

The thesis concludes in Chapter 9 with a summary, conclusions and recommendations for further research.
2. SEEN TO BE FAIR? – THE ORGANISATIONAL JUSTICE FRAMEWORK

2.1 Introduction

This chapter summarises, discusses and criticises the literature of organisational justice, one of the key constructs used in the research studies that follow. The development of the organisational justice literature, which focuses on perceptions of fairness as viewed by employees in organisations, is described, together with its relationship to normative justice. The various dimensions of organisational justice – distributive, procedural and interactional – are differentiated and their relevance to the context of downsizing elaborated. The potential impacts of justice research, developments in the literature, topics of future research and their impact on the research objectives of this thesis are highlighted.

2.2 Organisational justice

2.2.1 Historical background

Aristotle considered what constituted fairness in the distribution of resources between people, and the theme of justice has interested scholars ever since. It attracted special attention in the seventeenth century by Locke on human rights and by Hobbes in his analysis of valid covenants (Colquitt et al., 2005), and was revisited in the nineteenth century by Mill under utilitarianism. They conceived justice as a normative ideal, and this approach has continued in the work of scholars such as Rawls (1999, 2001). This has been supplemented by the descriptive work of social scientists, who "focus on justice not as it should be, but as it is perceived by individuals" (Colquitt et al., 2005: 4), i.e. what people perceive to be fair (the terms ‘justice’ and ‘fairness’ tend to be used interchangeably). It was in the second half of the twentieth century, when social psychological processes were applied to organisational settings, that people’s perceptions of fairness in organisations was given attention and the organisational justice framework developed.
2.2.2 The development of organisational justice

The concept of justice is old, but the study of organisational justice is relatively young, beginning in the late 1970s and gaining momentum in the 1980s. The term 'organizational justice' was coined by Greenberg (1987a), and in its most general sense can be defined as "an area of psychological inquiry that focuses on perceptions of fairness in the workplace. It is the psychology of justice applied to organizational settings." (Byrne & Cropanzano, 2001: 4). Fairness perceptions at work can be divided into several types (Figure 2.1):

1. Distributive justice – the perceived fairness of outcomes received in a given transaction, e.g. pay, rewards, promotions, the outcomes of dispute resolutions (Homans, 1961; Adams, 1965; Deutsch, 1975, Leventhal, 1976a).

2. Procedural justice – the perceived fairness of the decision making process that leads to the outcomes (Thibaut & Walker, 1975; Leventhal, 1980; Leventhal, Karusa, & Fry, 1980).

3. Interactional justice – perceived fairness of interpersonal treatment an individual receives from an authority figure (Bies & Moag, 1986; Greenberg, 1993).

![Figure 2.1 Dimensions of organisational justice](image-url)
Some have argued that since interactional justice produces the same type of perceptual outcomes as procedural justice, it should be seen as a sub-set of procedural justice (Cropanzano & Greenberg, 1997).

Interactional justice has been further divided into two types (Bies & Moag, 1986; Greenberg, 1993): informational justice – information provided to people; and interpersonal justice – treatment of people. Studies by Colquitt (2001) and Kernan and Hanges (2002) have suggested that procedural justice, informational justice and interpersonal justice are in fact three empirically distinct dimensions.

Colquitt et al. (2005) cited evidence to support the importance to people of organisational justice in the workplace. They showed that it provides support for the legitimacy of organisational authorities, discouraging disruptive behaviour and promoting acceptance of organisational change. It reinforces the perceived trustworthiness of authorities, reducing fears of exploitation and providing an incentive to cooperate with others. Additionally, it meets individual needs such as the needs for control, esteem and belonging, and meets people’s interest to fulfil moral and ethical obligations.

The development of organisational justice research has occurred in a number of phases, or waves (Brockner & Siegel, 1996; Colquitt et al., 2005):

1. Distributive justice wave (1950s to the 1970s) – Adams (1965), building on the work of Homans (1961) theorised about distributive justice in terms of equity, and studied individuals’ responses to the outcomes of resource allocation decisions in organisations, particularly their motivation and satisfaction when under-rewarded, over-rewarded or equitably rewarded. In addition to equity, Deutsch (1975) introduced other criteria that affect people’s perceptions of just outcomes such as equality and need.

2. Procedural justice wave (mid-1970s to mid 1990s) – Thibaut & Walker (1975) showed that people’s perceptions of justice are not only affected by the outcomes, but also by the fairness of the processes used to plan and implement decisions. This includes the structure of the decision process – process control (input or voice into the process) and decision control (influence in the actual
decision). Leventhal, Karusa and Fry (1980) showed that other structural factors such as opportunity for the decision to be corrected, and the consistency of process implementation were also important.

3. Interactional justice wave (mid-1980s to today) – The interpersonal component of procedural justice, termed interactional justice (Bies, 1987), with two factors: whether reasons for decision are clearly and adequately explained, and whether implementers treated those affected with dignity and respect.

4. Integrative wave (mid-1980s to today, gained dominance in early 21st century) – Of the interaction of distributive and procedural justice, Cropanzano & Folger (1991:136) stated “outcome and procedures work together to create a sense of injustice. A full understanding of fairness cannot be achieved by examining the constructs separately. Rather one needs to consider the interaction between outcomes and procedures.” Brockner & Wiesenfeld (1996) reviewed a number of studies to show that procedural justice moderated the impact of distributive justice on people’s reactions to decisions.

2.3 The link between organisational justice, ethics and morality

What is the link between organisational justice, ethics and morality? How do perceived justice and normative justice relate to each other and when are they the same? This section explores these issues and relates them to the context of downsizing.

Folger, Cropanzano and Goldman (2005) argued that people’s sense of justice is grounded in basic ethical assumptions about how other people should be treated since when employees say that something is unfair, they are often asserting that it has transgressed some normative standard (2005: 216). As a result, the perception that an injustice has occurred can cause a strong emotional response with behaviours that are not necessarily driven by economic self-interest, a reaction that Folger et al. (2005) call a deontic response. Violated moral principles are antecedents of the deontic response. However, justice and moral principles are not the same thing. Rather, according to Folger et al. (2005) they are more like overlapping circles (Figure 2.2). Judgements of unfairness can be made that are distinct from perceptions
of immorality. And some moral principles do not link to justice. Fairness is only a part of morality, one of many moral principles. As Folger et al. (2005) pointed out, utilitarianism (where what is judged to be moral provides the greatest good for the greatest number) is a way of being moral without necessarily being fair. Similarly, there are cases of unfairness that, according to Folger et al. (2005) cannot necessarily be deemed as immoral, e.g. when an incident is unfair but not that serious, or where an unfairness has resulted but not from anyone else’s blameworthy actions.

Figure 2.2

The relationship between justice and morality

(Folger, Cropanzano & Goldman, 2005: 229)

Ethics research has tended to focus on individuals facing specific, often personal ethical issues and how their beliefs (ethical frameworks) help them to make ethical decisions. Organisational justice research has tended to focus on situations in organisations and how they affect individuals’ perceptions of justice. Writing about procedural justice, Lind and Tyler (1988) drew the distinction between justice as a subjective psychological response (subjective procedural justice – the capacity of each procedure to enhance the fairness judgements of those encountering it) and justice as an objective state of affairs (objective procedural justice – the capacity of a procedure to conform to normative standards of justice). Organisational justice
research tends to be of the former type, and for this reason is subjective, although objective considerations come into play since people compare procedures, outcomes and treatment within organisations, and when it is apparent that many employees concur that something is unfair, such alignment suggests perceived and normative justice have converged.

Both organisational justice and ethics are concerned with ‘what is right’ or ‘doing what is right’ in organisations. Schminke et al. (1997) noted that both areas of research consider a distinction between processes and outcomes. In organisational justice, the focus has been on individuals' perceptions of the distribution of outcomes (distributive justice) or the process by which such outcome decisions are made (procedural justice). In ethics, one way of classifying ethical approaches is the distinction between utilitarian (outcome-based) decisions and formalist (rules or process-based) decisions (Brady, 1985, 1990).

Research by Schminke et al. (1997) demonstrated that a person’s ethical framework moderates the way he or she reacts to organisational actions and their justice perceptions. They found that people with strong formalist ethical frameworks were more sensitive to procedural justice than those with weak formalist views, and that those with strong utilitarian views were more sensitive to distributive justice than those with weak utilitarian views. (Utilitarianism had no significant effect on perceptions of procedural justice, and formalism no significant impact on perceptions of distributive justice). As Schminke et al. (1997) stated, the cognitive processes by which ethical frameworks affect justice judgements are not fully understood. From an organisational justice perspective, this work shows that distributive and procedural justices differ in importance for different people, depending on their preference of ethical framework, and that this has implications in an organisation setting. For example, a supervisor with a formalist perspective may be particularly concerned with the process of making decisions. If his or her subordinate is strongly utilitarian, and therefore most focussed on outcomes, he or she may not notice the supervisor’s attempts at procedural fairness. Their differences in framework may create a difference in perceptions of the fairness of the supervisor’s actions.
The deontic model of justice rests on the importance of moral principles as the antecedents of justice reactions, with fairness theory looking at how people react to moral transgressions and assigning blame. However, as Fortin (2008) suggested, there are other linkages between morality and justice at different levels of analysis. As described by Schminke et al. (1997), on an individual level, the weighting of justice dimensions implies a rational choice between normative standards, and those with a preference for utilitarianism favour distributive fairness, those with a preference for formalism favour procedural fairness. Schminke et al. (1997) linked these to levels of cognitive moral development based on Kohlberg’s model (1984), which suggested pre-conventional and conventional levels (most adults) of moral development reflect ethical reasoning based on outcomes, and the post-conventional level reflects reasoning based on rules, principles and procedures. As Fortin (2008) concluded, educating people to reach formalist levels of ethical development would probably lead to more focus on procedures and less on distributive justice. In addition, Patient and Skarlicki (2007) found that people with higher levels of moral development were more just interpersonally when communicating bad news.

There are other links between individual morality and justice judgements, e.g. trait morality was found to moderate justice effects in a laboratory study (Colquitt et al., 2006), and moral positions or stands (moral mandates, in the value protection of justice model; Skitka and Mullen, 2002) were found to predicate procedural and distributive justice judgements when a threat is posed to these moral convictions. Justice sensitivity (individual differences to reactions to unfair situations, as a victim, an observer, or a perpetrator) also appears to have moral implications (Schmitt, Neumann and Montada, 1995). It has been proposed that virtue ethics could point to different character traits that could go together with justice (Meara, 2001).

Fortin (2008) drew attention to the fact that the treatment of groups, particularly disadvantaged groups is often considered in moral terms but has not had much attention in organisational justice terms. For example, understanding the fairness perceptions of different gender or race groups. Fortin (2008: 117) commented that justice concerns could be extended to a wider group of stakeholders in organisations. She cited a conceptual paper by Hosmer and Kiewitz (2005) who called for a closer integration of business ethics and organisational justice “through considering the
fair treatment of all stakeholders, not just the employees of a firm" (in Fortin, 2008: 117). They proposed that objective fairness determinants (from the managers' side) can be related to subjective fairness perceptions and so to reactions. Fortin (2008: 117-118) suggested that “Research linking normative ethical concerns of different groups and subjective justice perceptions of the members of these groups may open up new views on justice in larger contexts and in society.”

This thesis exposes the ethical concerns and justice perceptions of different groups since, as will become clear in the context of downsizing, it is possible for such concerns and perceptions to differ widely. For example an employee who has been made redundant may feel, from his or her perspective, that the outcome is unfair. However, the manager who made the decision may view it as fair based on downsizing policy and criteria, ranking against other employees, and as necessary based on other factors such as company strategy. This demonstrates that there are occasions when ethical concerns and fairness perceptions depend on the perspective and can reflect the different needs and imperatives of different groups (e.g. employees, managers, the organisation). These concerns and perceptions are also affected by the strong emotions associated with people experiencing and/or implementing change. What is a morally just outcome (in a normative sense) in such circumstances is difficult to judge and is perhaps most clearly seen by a third party, independent of the different groups' interests. However, with procedural and interactional issues (Is the process fair? Is the treatment of people just?), it is easier to relate perceived and normative justice – for example, if all employees think the process is unfair (irrespective of their outcome), it probably is normatively unjust! In such cases perceived (organisational) and normative justice have converged.

I think that the link between organisational justice and normative justice has not received sufficient attention in the literature and support Fortin's (2008) and Cropanzano and Stein’s (2009) calls to bring the understandings of both literatures together and thereby enhance the impact of organisational justice on promoting greater normative justice and morality in organisational life.
2.4 Distributive justice

This section describes how the concept of distributive justice – the perceived fairness of outcomes received – developed, and its relevance to outcomes decided during downsizing.

2.4.1 The share out of rewards and relative deprivation

The concept of distributive justice – the fair share-out of rewards – is particularly pertinent in the workplace since people are often differentiated: some are recruited some are not; some advance more quickly, are paid more and have higher status; at times of downsizing, some leave the organisation and some stay. These events raise issues of fairness.

Distributive justice was made into a theory by Homans (1961), who expressed it in quasi-economic terms:

\[ A's \text{ rewards} - A's \text{ costs} = B's \text{ rewards} - B's \text{ costs} \]
\[ \frac{A's \text{ investments}}{A's \text{ investments}} = \frac{B's \text{ investments}}{B's \text{ investments}} \]

Issues of fairness – fair recompense, fair conditions – have been fought for by workers and unions since industrialisation, and in different ways before this. Managers and researchers however, have been slower to understand the importance of fairness in the workplace. It was brought the attention of organisational researchers by a study on aspects of soldiers’ adjustments to army life by Stouffer et al. (1949). Part of the work, on satisfaction with promotion, showed that officers in the air corps were less satisfied than their counterparts in the military police, despite having faster promotions. The reason was that the air corps officers compared themselves with peers, who were rapidly promoted, and judged themselves unfairly treated. It was realised that “justice is defined relevant to some referent standard.” (Cropanzano & Randall, 1993: 4), and the term ‘relative deprivation’ coined.

Relative deprivation can refer to the emotional outcome, or the set of theories that explain how that outcome happens; people make social comparisons, and experience injustice based on these comparisons. Since organisations provide individuals with a large variety of outcomes, and with other people to work alongside with which to
make comparisons, issues of justice are likely to arise, e.g. in areas such as pay, benefits, promotions, status and downsizing. The significance of relative deprivation to organisational justice was in the way it established the importance of social comparison processes – that people's reactions to outcomes depend less on the absolute level of the outcomes than on how they compare to the outcomes of the people against whom they judge themselves.

Homans (1961) used relative deprivation in his theory of distributive justice. It was predicated on his earlier view of social exchange whereby participants expect a profit that is proportional to their investment and that it is fair when that expectation is met. If it is not met, the result is anger (if the profit is less than the investment) or guilt (where it is more) – he did not elaborate on the behavioural consequences. But the parties involved may reach different conclusions about distributive justice since the perceptions involved are subjective. This depends on the choice of the comparison others, highlighting the impact of relative deprivation.

Blau (1964) also explored exchange relationships, noting that satisfaction with those relationships depends to a great extent on the benefits received relative to the expectations held by each party, and that expectations are particularly dependent on the benefits of a particular reference group. Blau distinguished a number of different types of expectations (e.g. general, particular, comparative), which he said applied to fair exchange, a concept he viewed as more comprehensive than distributive justice since it took into account more general societal norms of fair behaviour. Blau also differentiated between economic and social exchanges; the formal being contractual and specific, the latter creating diffuse future obligations. Of the latter, Blau noted that they "depend on trust that future obligations eventually will be fulfilled over the long term" (in Colquitt et al., 2005: 15).

2.4.2 Equity theory

Relative deprivation and distributive justice as described by Homans (1961) specified some of the conditions that cause individuals to perceive that something is unjust, but they did not specify what the consequences of the felt injustice were, other than dissatisfaction. Adams took this step in his landmark paper 'Inequity in
social exchange’ (1965), with his theory of inequity. This paper has been referred to ever since as the defining statement on inequity (usually termed ‘equity’) theory.

Adams (1965) argued that people working for organisations provided certain inputs (e.g. ability, performance) and based on these, expected to get something out (e.g. pay, promotion), described as outcomes. He expressed this as a ratio of outcomes over inputs, and argued that workers determined if their ratio was fair by comparing it to the ratio of some similar other. If it was perceived as unfair, the theory states that the person would be motivated to take action to reduce the discrepancy by reducing their inputs (e.g. lowering performance) or by trying to find a way to increase outcomes. If the comparison showed that the person was receiving relatively more outcomes, then they may experience guilt, shame or remorse, which would motivate them to work harder. Equity theory was able to explain previous research and make new predictions. It gave rise to a flurry of subsequent studies, which on the whole provided supportive results, and dominated studies of justice in the workplace for almost two decades.

Adams (1965) borrowed Homans’ (1961) idea that people draw conclusions about justice by comparing themselves with ‘comparison others’, but went further in describing the mental calculus behind outcome/input comparison, arguing that individuals compare their ratio with that of some comparison others or to themselves at an earlier time. Simply stated: “Inequity exists for Person whenever he perceives that the ratio of his outcomes to inputs and the ratio of Other’s outcomes to Other’s inputs are unequal.” (Adams, 1965: 280). He expressed this using the equation:

\[
\frac{O_p}{I_p} < \frac{O_a}{I_a}
\]

where \(O\) = Outputs, and \(I\) = Inputs, \(p\) = Person, \(a\) = Other.

Adams predicted that as well as dissatisfaction, inequity would produce tension in a person proportional to the magnitude of the inequity, and that this tension would motivate him or her to reduce or eliminate the inequity. The mechanisms for this were based on Festinger’s (1957) cognitive dissonance theory, whereby the mental and behavioural reactions to inequity have the common goal of bringing the outcome/input ratio comparison back into balance. Adams proposed a number of
ways that people attempt to reduce the perceived inequity, either behaviourally (1, 2, 4 and 5 below) or cognitively (3 and 6 below):

1. Altering inputs – decreasing them or increasing them depending whether the inequity is disadvantageous or not. Whilst it is more likely for people to decrease rather than increase inputs, Adams cited evidence to show that people will try to increase their inputs if they perceive they are overpaid.

2. Altering outcomes – these can be increased or decreased, although it is far less likely for people to attempt to achieve the latter.

3. Distortion of inputs and outcomes cognitively – Adams cited evidence from the psychological literature that people try to reduce perceived incongruities by changing the way they think about them, e.g. by altering their importance.

4. Leaving the field – through quitting, obtaining a transfer or absenteeism.

5. Acting on the other person – e.g. through trying to distort their inputs or outcomes.

6. Changing the object of comparison – this only works when the person and the comparable other are in relationship with a third party (e.g. an employer).

Adams made the point that although each of the above means were available, they were not equally available psychologically. For example, a person is more likely to maximise outcomes than to increase incomes that are costly or require effort to change. He or she will resist real or cognitive changes in inputs that are central to his or her self-concept and self-esteem, and will be more resistant to distorting cognition of his or her own inputs/outcomes than of others. Leaving the field is unlikely unless the inequity experienced is of high magnitude, and most people would be resistant to changing the object of their comparisons. Adams concluded that whilst not all dissatisfaction was due to injustice, some certainly was, and that his theory was able to describe antecedents and consequences of perceived injustice and help predict the behaviours of people in social exchanges. In his view, the experience of injustice need not be accepted since it can be understood and methods of mitigation (social control) applied. He conceded the need for more research to understand how people choose their comparative others, and how individuals aggregate their inputs/outcomes and those of others.
2.4.3 Distributive justice rules: equity, equality and need

Whilst equity theory explained some situations of distributive justice, it was found that there were other distribution rules also at play. Leventhal (1976b) shifted the focus from the reactions of reward recipients to the behaviour of reward allocators, investigating whether the latter used equity principles. He found that allocators use rewards to direct people’s efforts toward the fulfilment of group goals, and that they use an ‘allocation norm’ i.e. a social rule that specifies criteria that define certain allocations as fair. Hence he argued (1976a, 1976b, 1980) that the equity norm was only one method of allocation – there are other ways that are sometimes more appropriate, particularly if differentiating between the contributions of individuals will harm cooperation and disrupt relationships.

Deutsch (1975) also warned that allocation by equity principles was inappropriate in non-economic social relations. Both Deutsch (1975) and Leventhal (1976a, 1976b) held that if the goal is group solidarity and harmony rather than individual productivity, equality rather than equity is the appropriate allocation norm. Similarly, if the goal is to promote personal welfare and development, then a need-based allocation norm is best. So, the concept of distributive justice was expanded by considering other ways of allocating outcomes, e.g. an outcome could be split equally (equality distribution) or depending on necessity (need distribution). An outcome is fair when the allocation norm used (equity, equality, need) helps achieve the goal (e.g. productivity, solidarity, welfare). Deutsch (1975) and Leventhal (1976a) recognised that in reality most allocation decisions are a compromise of several allocation norms (e.g. when awarding bonuses a manager may primarily use an equity norm, but may reduce the differences by using an equality norm to maintain group solidarity), and subsequent studies have supported this (as cited by Colquitt et al., 2005).

Both Deutsch (1975) and Leventhal (1976a) reduced the role of the comparison other prominent in Adams’ (1965) equity theory. Colquitt (2001) cited research that showed individuals in organisations refer to a variety of comparison others (both inside and outside the organisation), and that reactions to inequity vary across the different comparison others chosen.
Others have expanded the conceptualisation of distributive justice by adding further allocation norms. Equity remains the dominant form of distributive justice in the workplace, but as Colquitt et al. (2005: 20) commented it is now widely held that most allocation situations are governed by multiple goals which are met using multiple allocation norms.

Equity theory and distributive justice were shown to be lacking in a number of areas. For example, why do people sometimes accept injustice without responding? Crosby (1976) defined various pre-conditions for relative deprivation to occur, but with equivocal results. Folger (1986) developed his referent cognitions theory, in which he asserted that people would not experience relative deprivation unless they can imagine a different and more favourable alternative, and will only experience relative deprivation after making a disadvantageous comparison.

Despite additions and elaboration, distributive justice was seen by researchers to be incomplete, and a poor predictor of behaviour. Clearly, outcomes are not the only way that individuals within organisations judge whether they have been fairly treated or not. However, distributive justice is one way that employees judge fairness and I think that the equity rule remains the strongest way that it is felt – it can be readily experienced if you imagine your reaction if you are told that you will be made redundant while a lower performing colleague of the same grade is retained. This is, I believe, why equity remains the rule of choice in measures of distributive justice (e.g. Colquitt, 2001). The other dimensions of organisational justice to which we now turn do not relegate distributive justice to obscurity but rather enlarge our understanding of how people make fairness judgements – it doesn’t only depend on how they view their outcomes.

2.5 Procedural Justice

This section expounds the concept of procedural justice – the perceived fairness of the processes used to make allocation decisions – which has a crucial role in how employees perceive the organisation and is closely related to their trust in it.
2.5.1 Fair procedures and processes

Procedural justice examines people's perceptions of the fairness of processes and procedures used to make decisions concerning outcomes. Research shows that people care about how decisions are made as well as what they receive. This was first established in the legal arena (Thibaut & Walker, 1975), where it was found that individuals' perceptions of fairness were influenced by their perceived control of the process. Even when individuals lack control of the outcome, and when the outcome is not to their advantage, if they have some control of the process, then they may perceive it to be fair. This is obviously at odds with the hedonistic, rational person perspective that people only act to maximise their economic outcomes, which was prevalent following World War II. So against this background, Lind & Tyler (1988) asserted that; "The most important implication of the procedural justice literature is that outcome-based conceptions of the person are incomplete – they ignore important concerns that people have. In particular, work in procedural justice shows a great concern with the processes of social life." (1988: 217).

Although process had been studied for a long time in social psychology, it was Thibaut and Walker (1975) who combined it with an interest in the psychology of justice to initiate the study of procedural justice. Whilst the importance of procedures had been hinted at by scholars researching distributive justice (Blau, 1964; Deutsch, 1975; Leventhal, 1976a), it was when Leventhal posed the question "What should be done with equity theory?" (1980: 27), that a wave of research on procedural justice was triggered. He noted that equity theory ignored the procedures that are used in outcome distribution, and in defining the "concept of procedural fairness" (1980: 35), referred to the groundbreaking work of Thibaut and Walker (1975).

Thibaut and Walker (1975) compared the adversarial legal system used in the US and UK with the inquisitorial system used in continental Europe. In the former, the judge controls the decision but not the presentation of evidence that leads up to it, in the latter, the judge controls both the outcome and the procedure. Although they studied the ability of these two systems to make objectively fair decisions, their most important finding was in the area of perceptions of fairness. They recognised that a major aim of the legal process is to resolve conflicts in a way that enables social
exchange between people to continue, and for this to happen people need to perceive that it is fair. Their studies showed that procedures, not just outcomes, could drive attitudes and perceptions of fairness. Comparing the adversarial with the inquisitorial system, they found people preferred the former irrespective of the verdict; they argued that this was because in the adversarial system the disputants had some control versus the judge; “the key requirement for procedural justice is this optimal distribution of control.” (Thibaut & Walker, 1975: 2).

Whereas the focus of equity theory is on the allocation decision, the focus of procedural justice is on how the decision was reached (Cropanzano & Randall, 1993). People who think they are victims of injustice may respond in very different ways, depending on their perceptions of how and why the injustice occurred. For example, if they feel they have been denied promotion because of unfair discrimination they are likely to feel more aggrieved than if they believed they did not have the necessary skills.

Procedural justice is enhanced when people are given a say (voice), both when it is instrumental (i.e. can affect the outcome) and when it is non-instrumental (when it has no effect on the outcome), since “it fulfils a desire to be heard and to have one’s views considered.” (Lind & Tyler, 1988: 193). So, given that there is some assurance that opinions will be considered “If organizational procedures are designed to provide voice... it is very likely indeed that the perceived fairness of the procedures will be high” (1988: 194). In fact, research shows that procedures that provide people with control or expression are seen as fairer than those that limit these, even in the face of negative outcomes. However, voice is not the only criterion for procedural justice.

2.5.2 Rules for procedural justice

A number of criteria or ‘rules’ by which procedures can be judged as fair were developed, including decision control and process control (Thibaut & Walker, 1978), and the six rules of Leventhal (1980).
Thibaut and Walker (1978) differentiated between *process control* (the degree to which a disputant can control the selection and presentation of evidence), and *decision control* (the degree to which a disputant can unilaterally decide on the outcome). They regarded the optimal way to resolve disputes was for disputants to control process and a neutral third party to make the decision. These items were termed ‘voice’ and ‘choice’ respectively by Greenberg and Folger (1983). The term ‘voice’ was from Folger’s earlier work on procedures that invite participants’ views (voice) as contrasted with those that do not (mute) (Folger et al., 1979). The term ‘fair process effect’ was used by Folger et al. (1979) to describe incidents where greater satisfaction results from giving people a voice in decisions.

Leventhal (1976a, 1980) argued that procedural justice, found to be relevant in dispute resolution contexts, should also be relevant in allocation contexts, and he viewed procedural rules to be a second category of justice rules. Leventhal (1980) identified six rules for fair processes (summarised from Colquitt et al., 2005: 24):

- **Consistency** – procedures should be consistent across time and persons.
- **Bias-suppression** – procedures should not be affected by self-interest.
- **Accuracy** – they should be based on as much valid information as possible.
- **Correctability** – there must be some opportunity to modify and reverse decisions by appeals and grievances.
- **Representativeness** – they must reflect the concerns, values and outlooks of those impacted by the allocation decisions. This includes Thibaut and Walker’s (1975, 1978) concept of process control.
- **Ethicality** – they should be consistent with the fundamental moral and ethical values of the individuals involved, e.g. avoiding deception, bribery, trickery, etc.

### 2.5.3 The application of procedural justice

What is the use of procedural justice? Research has shown it is fundamental to human resource management in organisations, since employees are faced with many decision making processes at work, and the procedural justice perceptions have a
determinant effect on how employees view their organisations, and correspondingly, work-related behaviours and attitudes.

Greenberg and Folger (1983) took Thibaut and Walker’s (1975) procedural justice theory and applied it to participatory management, decision making and leadership. Folger and Greenberg (1985) applied Thibaut and Walker’s (1975) theory and Leventhal’s (1980) procedural rules to performance evaluation and compensation, arguing that these processes could be made fairer by giving employees input (e.g. via self appraisal and offering choices in benefits). In so doing, they demonstrated how procedural justice was fundamental to human resource management.

Lind and Tyler’s (1988) book, *The social psychology of procedural justice*, explained why process is so important. They described the application of procedural justice in organisations, and its effects on key outcomes such as job satisfaction, compliance to organisational rules, and performance. As Bryne & Cropanzano (2001) commented, Lind and Tyler observed that fair procedures were most likely to guarantee beneficial outcomes over the long run – although particular outcomes might be unfavourable, just processes would be to one’s eventual advantage – so that people favour procedural justice out of enlightened self-interest (this self-interest or instrumental model that can be traced back to Thibaut & Walker, 1975). Lind and Tyler (1988) added that procedural justice shows individuals how much they are valued by a social group. Their group-value or relational model showed that fair procedures render dignity and respect, apart from any economic benefits, and they cited supporting research.

The work of Lind and Tyler (1988) highlighted the impact of procedural justice, particularly in the workplace. They pointed out that most people encounter decision making procedures at work more than in other areas of their lives, e.g. for recruiting, evaluating and rewarding performance, allocating resources, deciding about redundancies, setting performance goals, and managing conflict. Organisational psychology and procedural justice intersect in the relationship between participation in decision making and satisfaction. Work in the legal and political arenas has shown that “one of the most potent determinants of the procedural fairness of a social decision-making procedure is the extent to which those affected by the decision are
allowed to participate in the decision-making process through the exercise of process control or voice." (Lind & Tyler, 1988: 176).

A key consequence of procedural fairness is satisfaction. Studies of organisational attitudes (e.g. Alexander & Ruderman, 1987) showed that variables such as job satisfaction, conflict and harmony in the workplace, evaluations of supervisors, trust in management, and turnover intentions are affected by justice concerns. In the Alexander & Ruderman study, of the latter variables, the first four were more strongly affected by procedural than distributive justice. A general finding of Lind and Tyler, and which I believe makes procedural justice so important, is that as well as being "a remarkably potent determinant of affective reactions to decision making" it also "has especially strong effects on attitudes about institutions and authorities, as opposed to attitudes about the specific outcome in question." (1988: 179). Lind and Tyler speculated that attitudes towards organisations as a whole (e.g. organisational commitment, loyalty, work group cohesiveness) would be strongly affected by procedural justice judgements, and this has been verified by research findings (e.g. Folger & Konovsky, 1989). Hence, they hypothesised that procedural justice is critical to the quality of work life, and essential to good employer-employee relations – if it is ignored, organisations run the danger of negative organisational attitudes, dissatisfaction, non-compliance, and in some cases lower performance. All good reasons, I believe, for organisations to work hard at establishing and implementing fair procedures.

If further arguments are needed, Lind & Tyler (1988) also cited field and laboratory evidence that fair procedures lead to greater compliance with rules and the decisions with which they are associated, and conversely that unfair procedures lead to higher levels of disobedience, magnified if the rules are seen to be used exploitatively by those in power or merely a sham.

2.5.4 Procedural and distributive justice

What are the respective effects of procedural and distributive justice perceptions, and how do they interact? Research has shown that whereas distributive justice may result in personal satisfaction or dissatisfaction with a particular outcome, procedural
justice affects commitment and trust in the organisation. Significantly, when procedural justice perceptions are high, they have a positive effect on distributive justice perceptions – so even if I lose my job, if I view the decision making process as fair, my view of the outcome will be more positive than it would have been had I perceived the process negatively.

Greenberg (1986), in a study on the fairness of performance evaluations, demonstrated that employees do discriminate between procedural and distributive justice. The study also provided empirical support for the procedural rules of Thibaut and Walker (1975) and Leventhal (1980). Folger and Konovsky (1989), in a study on pay increases, showed that distributive justice was the primary predictor of satisfaction with the pay raise, whereas procedural justice was a more significant predictor of commitment and trust. They concluded that “as the issue moves from the level of personal satisfaction with present outcomes to higher-order issues regarding commitment to a system and trust in its authorities, these procedural concerns begin to loom larger than the distributive ones emphasized by equity theory.” (1989: 125-126). Sweeney and McFarlin (1993) came to a similar conclusion showing that distributive justice predicted a personal outcome (pay satisfaction) and procedural justice a system outcome (organisational commitment).

The relationship between distributive fairness and procedural justice is usually a positive one, i.e. when procedures are deemed fair, distributive justice judgements are enhanced. However, as Folger (1977) showed in a study of allocation procedures, occasionally there is a negative relationship or ‘frustration effect’. This happens when an apparently fair, high participation process is perceived as being a vehicle to seduce the recipients into accepting an outcome that in fact benefits the allocator. Lind & Tyler (1988: 181) cited Cohen’s (1985) finding that in legal circles “the enhancement of distributive fairness by procedural fairness is found almost universally... when the decision maker has no vested interest in a particular outcome.” However in organisations, if the allocator is set to gain when the recipient gets less, it is likely that the recipient will view participation procedures such as the invitation to voice views, as an insincere attempt to make the allocation appear fair rather than a real attempt to canvass views, resulting in a view of the allocation as unfair. But overall, people seem very willing to accept procedures at face value, and
to accept inconsistencies of treatment and outcomes if justification is couched in procedural terms.

Lind and Tyler (1988) demonstrated strong evidence (from laboratory and field studies) that the perceived fairness of outcomes is enhanced when the procedures used are seen to be fair. Is this only the case for negative outcomes, as suggested by Greenberg’s (1987b) study (where the effects of unfavourable outcomes were mitigated by high procedural justice)? In the latter case, the scale was geared to show the very large procedural justice effect for the negative outcome situation. Lind and Tyler (1988) also suggested that in some circumstances the procedural justice effect may be overwhelmed by the ‘generalised hedonic glee’ when the outcome is positive. Whichever, it seems reasonable to trust procedural justice effects more when the outcomes are negative. This is also when “organizations have the greatest need to render decisions more palatable, to blunt discontent, and to give losers reasons to stay committed to the organization.” (1988: 186).

In a review of more than 20 field studies, Brockner and Wiesenfeld (1996) showed that procedural justice moderated the impact of distributive justice on people’s reactions to decisions. When processes were deemed unfair, people responded more favourably when distributive justice was high, whereas when processes were deemed fair, distributive justice had much less impact on people’s reactions to decisions. Of the interaction, many of the studies showed the same effect as noted by Greenberg (1987b), namely that high procedural justice neutralises outcome distributions. Their conclusion was; “The effects of what you do depend on how you do it” (1996: 189).

Procedural and distributive justice theories have been integrated into a single framework (taxonomy) by Greenberg (1987a), shown in Figure 2.3, Section 2.7.

The research cited above shows that procedural justice can have a moderating effect on distributive justice perceptions, and has a larger impact than distributive justice on how people perceive fairness of an overall system or organisation. However, I think that both procedural and distributive dimensions are important and should, as Cropanzano and Randall (1993) stated, be treated as separate and interacting, rather than competing constructs. From my own experience of downsizing situations, when
a person is made redundant, their perceptions of fairness are often comprised of a mixture of evaluations including the outcome (where they compare their skills and track record to others who have lost or retained jobs) and the process (how fair they felt the selection process was and how it was applied). Either of these can take priority, depending on factors such as the individual’s perception of the level of fairness of each and whether the outcome was to their liking.

2.6 Interactional justice

2.6.1 Fair interpersonal treatment

However, ‘how you do it’ is not only confined to defined processes; as is obvious during downsizing, employees’ perceptions of fairness (and their feelings of trust) extend to how they are personally treated and communicated with – this is the territory of interactional justice.

Procedural justice studies focussed on the structural characteristics of decision making procedures, although some reference to interpersonal factors was made by Thibaut & Walker (1975) and Leventhal (1980). But it was not until Bies and Moag (1986) studied the fairness of interpersonal communication that interactional justice received attention.

The concept interactional justice, which examines the fairness of how individuals are treated by those in authority, was proposed as distinct from the structuring of procedures by Bies and Moag (1986) because it “examines the quality of interpersonal treatment, the communication aspect of procedures, as separate from the procedures themselves.” (Byrne & Cropanzano, 2001: 18). “By interactional justice we mean that people are sensitive to the quality of interpersonal treatment they receive during the enactment of organizational procedures” (Bies & Moag, 1986: 44). Whereas procedural justice refers to the structural quality of the decision process, interactional justice is about the social exchange between the participants (Cropanzano & Randall, 1993: 13).
2.6.2 Interactional justice rules

In order to identify what was necessary for fair interpersonal treatment, Bies and Moag (1986) referred to unpublished work by Bies (1985) which, using a study of job applicants’ perceptions of their treatment by organisations, highlighted four attributes (or rules) of fair interpersonal procedures:

- **Truthfulness** – when implementing decision making procedures, communication should be open, honest and candid, and avoiding any form of deception.

- **Respect** – individuals should not be treated with rudeness but in a polite and respectful way.

- **Propriety** – people should not be asked improper questions (e.g. pertaining to sex, race, age or religion) or subjected to prejudicial statements.

- **Justification** – adequate explanations should be made of the outcomes of decision-making processes (following a negative outcome or unfair treatment, the situation may be able to be rectified by an adequate justification).

Although originally devised for recruitment, these rules seem to be widely applicable, and are clearly distinct from the procedural justice criteria of Thibaut and Walker (1975) and Leventhal (1980). As Colquitt et al. (2005: 30) stated; "one can envision a formal procedure that provides voice, is consistent, unbiased, and accurate, but that is implemented by a supervisor who treats individuals in a rude and dishonest fashion".

Following the work of Bies and Moag (1986), further studies expanded the four rules for judging how procedures were implemented (e.g. Folger & Bies, 1989; Tyler & Bies, 1990). However some of the rules cited overlapped with the procedural justice criteria of Thibaut and Walker (1975) and Leventhal (1980), and this work effectively considered interactional justice as a form of procedural justice, referred to by Tyler and Bies (1990: 91) as the "human side of procedural justice". In fact, Folger and Konovsky (1989) combined interactional and procedural justice rules into a single index. Such work created some confusion concerning interactional justice. Although Moorman (1991) viewed interactional justice and procedural justice as separate constructs, his measure of interactional justice, followed the
conceptualisations of Folger and Bies (1989), Tyler and Bies (1990) and Greenberg et al. (1991), which included bias suppression as well as consideration of views, so assessing both procedural and interactional justice.

While some have included interactional justice as a sub-set of procedural justice (Cropanzano & Greenberg, 1997; Sweeney & McFarlin, 1993; Tyler & Bies, 1990), more recently researchers have argued that it is a separate aspect of justice (e.g. Bies, 2001) because it is based on different rules and has different consequences; interactional justice tends to be related to supervisory outcomes, procedural justice with system-referenced outcomes (various references cited by Colquitt et al., 2005).

Whereas I agree that interactional justice has affinity with procedural justice in that it refers to the process of how employees are treated, I believe it is substantially different in that it pertains to a relationship of social exchange and usually involves a different source (the employee’s line manager rather than the organisation, although the organisation through its documents and pronouncements can also treat people in respectful/disrespectful ways). Hence I would side with researchers who, supported by mounting empirical evidence (Bies, 2005), view interactional justice as a distinct construct from procedural justice within the organisational justice framework.

2.6.3 Interpersonal justice and informational justice

Greenberg (1993) proposed a separation of interactional justice into two dimensions: interpersonal justice, capturing the respect and propriety rules of Bies and Moag (1986), and informational justice, capturing the justification and truthfulness aspects.

The informational aspect of interactional justice focuses on the justification of organisational decisions through explanations and communication – the honesty and adequacy of the content. Effective explanations of organisational decisions have been found to have a similar result to that of process control; i.e. employees are more likely to accept decisions, even if not to their benefit, if they are given an adequate explanation (Daly & Geyer, 1994). In terms of communication, its quality has been shown to be important, particularly whether or not employees’ perceive consistency between management strategy and how it is implemented (Kernan & Hanges, 2002).
Both initial communication (Bies & Moag, 1986) and ongoing communication (Kernan & Hanges, 2002) have been found to be important in employees' perceptions of informational justice.

*Interpersonal* justice refers to the way employees are treated – with or without sincerity and respect – which has been shown to have an influence on their perceptions of fairness. In the context of downsizing and redundancies, Brockner et al. (1990) showed that for survivors, when the layoffs were justified, this related positively to their ongoing commitment and work effort.

Colquitt (2001), in validating a new scale for organisational justice, used factor analysis to show that interactional justice (using the Bies and Moag (1986) rules) separated into informational justice (truthfulness and justification) and interpersonal justice (respect and propriety). Other studies have looked at the unique effects of these two dimensions (e.g. Kernan & Hanges, 2002).

As Saunders & Thornhill (2003) noted for periods of change in organisations (e.g. downsizing) both communication (through providing an adequate and genuine explanation) and interpersonal treatment (through acts of benevolence) not only have a significant impact on employees' justice perceptions, but also on encouraging trust.

However, this debate is for me not fully resolved. Whilst there is some empirical support for two elements of interactional justice (e.g. Colquitt, 2001), as Fortin (2008) pointed out, there is only one meta-analysis (Colquitt, et al., 2001) that differentiates them. I think it is easy for recipients to include or confuse the honesty and adequacy of the content (informational) in their evaluation of the sincerity and respectfulness of the communication itself (interpersonal). As Cropanzano and Stein (2009) stated, since informational and interpersonal justice are correlated, they can be represented narrowly as separate factors or more broadly as a single interactional justice dimension; on the current evidence, I prefer the latter. This is investigated further through research objective 1 of this thesis, which examines perceptions of organisational justice and tests the interpersonal and informational justice dimensions of Colquitt's (2001) measure in a UK downsizing context.
2.7 Organisational justice theories and constructs

2.7.1 Summary of organisational justice theories

Greenberg (1987a) summarised organisational justice theories (Figure 2.3), relating them together using a framework of two conceptually independent dimensions:

- Reactive-proactive dimension, which distinguishes between seeking to redress injustice and striving to achieve justice.
- Process-content dimension, which distinguishes between justice approaches that focus on the ends achieved and the means used to achieve them (outcomes and the processes used to determine them).

![Figure 2.3 Organisational justice framework](image)

Using this framework, four types of justice theories can be described:

1. **Reactive Content**: these theories hold that people respond to unfair situations by displaying negative emotions, which they are motivated to escape by acting to address the inequity. The most influential is that of Adams (1965), described in
Section 2.4 above. Theories of status value, distributive justice and relative deprivation are developments of equity theory and are all 'reactive content' theories since they relate to how people react to perceptions of unfairly distributed outcomes.

2. **Proactive Content**: these theories refer to the way people proactively strive to create fair outcome distributions. As described in Section 2.4 above, Leventhal (1976a, 1976b) showed that this is not always by using the criterion of equity but by applying several possible allocation rules depending on the situation (e.g. equality or need). Lerner (1977) and Lerner and Whitehead (1980) took a more moralistic approach with their justice motive theory, describing four principles that are often followed in allocation: competition (the outcome of performance), parity (equal allocations), equity (based on relative contributions), and Marxian justice (needs).

3. **Reactive Process**: these process theories developed from a different intellectual tradition than the content theories, namely the law. As described under Section 2.5 above, Thibaut and Walker (1975), working on dispute resolution procedures, differentiated between process control and decision control. Their theory predicts that disputants and observers are more satisfied if given process control and that "Interestingly, procedures giving disputants a voice in the decision-making process tend to enhance the acceptance of even unfavourable decisions" (Greenberg, 1987a: 14).

4. **Proactive Process**: allocation preference theory grew out of Leventhal's (1976a, 1980) justice judgement model, and since it has been applied mostly to process rather than distributive decisions, it is a proactive process theory. It asserts that the allocation procedures preferred are those that help a person attain valued goals, including the attainment of justice. A number of 'rules' that may help promote the attainment of justice are listed under Section 2.4 above.

Greenberg's taxonomy showed the interrelationships between various justice theories and illustrated the shift in the time-span captured from reactive to proactive theories and from content to process theories. Folger’s (1986) referent cognitions
theory and Bies' (1987) social accounts theory have helped to bridge the gap between content and process based theories. The former expanded the concept of relative deprivation to a process perspective, and the latter asserted that social accounts could be used to explain reactions to outcome distribution procedures as well as the outcome distributions themselves.

2.7.2 Recent integration of justice constructs

Since the beginning of the 21st century scholars have, building on earlier work, attempted to integrate justice theories. Colquitt et al. (2005) specified three approaches to integrated conceptualisation: counterfactual, heuristic, and group-orientated. Under Greenburg's (1987a) taxonomy above, I would classify the counterfactual and heuristic approaches as reactive theories spanning content and process, whereas the group-orientated are predominantly reactive process theories.

Referent cognitions theory, included in Greenberg's (1987a) taxonomy above, is a counterfactual approach, i.e. it frames organisational justice perceptions in terms of 'what might have been'. It was developed by Folger (1986) in response to the limitations of equity theory. Whereas equity theory (Adams, 1965) highlighted the distress felt when someone experienced inequity, referent cognitions theory focuses on the anger and resentment felt when a distributive rule is violated (whether it be equity, equality or need) since the person compares it to what might have been. Such resentment is highest when (i) referent outcomes are high (i.e. the better alternative can be easily imagined), (ii) perceived likelihood of amelioration is low (i.e. it is unlikely that future outcomes will be better), and (iii) justification is low (i.e. it ought to have turned out differently). As noted by Colquitt et al. (2005), referent outcomes reflect distributive justice, and justification reflects procedural justice and the explanations part of interactional justice.

Fairness theory was presented as a successor to referent cognitions theory (Folger & Cropanzano, 1998, 2001) and also used counterfactual thinking. It seeks to explain when an authority figure will be held accountable for an injustice, by posing three counterfactual questions: (i) Would I have been better off if a different outcome or procedure had occurred? (includes both outcome and process concerns); (ii) Could
the authority figure have behaved differently? (iii) Should the authority figure have behaved differently? (moral and ethical standards). Novel behaviours are likely to cause counterfactual thinking as it is not difficult to imagine an alternative for these. Because of its focus on blame, this theory is good for explaining negative reactions.

*Fairness heuristic theory* is a heuristic approach based on the notion that by being part of a social group, people have a better chance of achieving goals and enhancing self-worth, but that they also limit their freedom of action and become vulnerable to rejection (Lind, 2001). So, to decide whether or not to join a group (which means to determine whether another party is trustworthy), people use general justice heuristics, i.e. they use "*justice judgements as cognitive shortcuts*" (Fortin, 2008: 97) to make the decision, particularly procedural justice. Once such a fairness heuristic is constructed, people use it to interpret all new fairness information unless the relationship changes or there is unexpected treatment.

Another heuristic approach is *uncertainty management theory*. Whereas heuristics theory focuses on uncertainty about trust, this theory considers other types of uncertainty and describes how fairness information can be used to remove such uncertainty and its discomfort, even when the fairness experiences are not related to uncertainty (Lind & Van den Boss, 2002).

An example of a group-orientated approach is the *group value model* (Lind & Tyler, 1988), which recognises that individuals place particular emphasis on their membership of groups and their status within such groups, and that justice perceptions (particularly interactional and procedural) not only influence outcomes but also reaffirm group values. Tyler (1989) specified three justice criteria that he thought particularly affirmed group values: bias suppression (neutrality), benevolence (sometimes termed ‘trust’ or ‘trustworthiness’), and interpersonal justice (standing or status recognition).

The *relational model* (Tyler & Lind, 1992) was a development of the group value model – rather than focusing on one’s relationship within the group it focuses on the legitimacy of authority in the group. Its premise is that justice perceptions (particularly using the three factors identified by Tyler, 1989 as ‘relational
judgements’) are indicators of the relationship with and legitimacy of authority in the group. Subsequent research (e.g. Tyler, et al., 1996) supported this model – that a good relationship with authorities encourages perceptions of procedural fairness, which leads a person to feel valued by the group. Such a belief then influences various attitudes and behaviours including judgements about legitimacy and obedience to authority (Tyler & Lind, 1992).

A further example of a group-orientated approach is the group engagement model. It considers what makes individuals cooperate in groups to achieve group goals, and instead of focusing on the effect of relational judgement on fairness perceptions, it focuses more on behavioural effects. The model proposes that engagement is driven by identity judgements, and that identity variables mediate the link between justice and cooperation (Tyler & Blader, 2000, 2003). The theory specifies that procedural and interactional justice metered out by supervisors and the organisation drive identity judgements which influence engagement. Identity variables by which employees define themselves include the standing (pride) of the group, and the respect gained by one’s status within the group. While this theory is supported by empirical data (e.g. Tyler and Blader, 2000), there are alternative ways of explaining the link between justice and cooperation (e.g. social exchange theory).

Currently, as Fortin (2008) summarised, it is not clear whether one of these theories offers the best explanation of overall fairness dynamics or not. Their suitability may depend on boundary factors such as the availability of information, time or cognitive resources. Also, they represent different logics. Another way of distinguishing between them is whether the theory is focused on adverse outcomes or their sources, or concerned with a single event or a relationship over time (Taylor, 2001), but the empirical evidence necessary is not yet available.

Whilst there is evidence for three or maybe four organisational justice dimensions, the integrative wave of justice research points to a more monistic view of justice (Fortin, 2008). This is supported by facts such as procedural evaluations are often based on outcomes, and that an event can be a process in one context, but an outcome in another. So with Fortin, I believe that work on overall fairness is an area for future research, particularly as people often articulate fairness in an overall way.
However, given the evidence, I think that organisational justice is currently best represented and measured by the three dimensions of distributive, procedural and interactional justice, and this thesis proceeds on that basis, testing in Study 1 the split of interactional justice into interpersonal and informational justice.

2.8 Potential impacts and the future of justice research

2.8.1 Impacts of justice research

What is the potential benefit of justice research? I believe that an understanding of how employees perceive fairness and its links to trust and work behaviours gives organisations a useful way of enhancing these and thus avoiding poor industrial relations during times of difficult change. However, the danger of cynical misuse (the manipulation of fairness perceptions for the organisation's benefit) is a threat and needs to be avoided by a genuine attempt by organisations to do the right thing for all stakeholders so that in fact normative (not only perceived) justice is enhanced.

Cropanzano et al. (2007) cited evidence for the impact of organisational justice in a number of areas, e.g. building trust and commitment, improving job performance, fostering employee commitment behaviours, building customer satisfaction and loyalty. They went on to describe how managers and HR might promote perceptions of justice in the areas of selection, reward, conflict management, performance appraisal and downsizing. Although downsizing can be so negative an event that low perceptions of distributive justice can be almost unavoidable for some people, I agree with Cropanzano et al. (2007) that if it is handled with good procedural and interactional justice, those who regard themselves as badly affected (often enforced leavers) are less likely to be negative about their former employers, and less likely to take legal action. Cropanzano et al. (2007) also cited evidence to show that those who remain and suffer from 'survivor guilt' (see Section 4.3 on the effects of downsizing) respond less negatively if they are given a good explanation of the necessity of the downsizing, which is an aspect of interactional justice.

As Fortin (2008) pointed out, there has not been very much reflection on the ethical role of justice research and that more could be done to enable "the field to realize its
potential for positive societal change.” (2008: 118). So far, most focus has been on topics of most value to managers, and some findings may be used, perversely, to increase injustice in the workplace, for example as MacCoun (2005) pointed out, managers knowing about the 'fair process effect' (that giving people voice improves their acceptance of outcomes) may enable them to increase fairness perceptions without making concessions on outcomes. Fortin and Fellenz (2008) highlighted two 'hypocrisies of fairness': firstly, managers may use an understanding of justice instrumentally, increasing subjective justice perceptions without regard for moral justice; and secondly, researchers may claim to enhance fairness whilst not being concerned with the moral impact of the knowledge they give to managers.

However, there are examples that focus on the needs of victims, such as Reb et al. (2006), who investigated how to remedy (i.e. helping the aggrieved employee to see that a perceived injustice has been atoned for) different types of injustice using the multiple needs framework of organisational justice (Cropanzano et al., 2001). This framework uses four sets of needs to explain why justice matters: instrumental (or control); belonging (or interpersonal); self-esteem (later grouped with belonging); and meaning (or virtue). Reb et al. (2006) found that for recently terminated employees procedural injustice was positively associated with preference for an instrumental remedy (monetary compensation), whereas interactional justice was positively associated with preference with a punitive remedy (disciplinary action against those involved in the termination). In the latter case, this is related to the fact that the need for meaning is driven by a “basic respect for human dignity and worth” (Cropanzano et al., 2001: 175), which when violated often engenders the desire to see the perpetrator punished as a way of restoring the sense of moral order. As Reb et al. commented “interactional justice tends to be particularly morally charged. In many situations an interactional injustice will register as an especially salient and obvious violation of a normative standard.” (2006: 57).

The findings of Reb et al. (2006) also suggested that a single procedural injustice might be more easily forgiven than a single interactional injustice. They cited other research that shows how procedural and interactive justices are associated with belonging need, and that the impact of distributive injustice may be even greater than
procedural on instrumental need. Combining these, they proposed a useful taxonomy that ties remedies, needs and different types of justice together (Figure 2.4 below).

Figure 2.4

A taxonomy of organisational remedies based on the multiple needs model of justice
(Adapted from Rep et al., 2006: 55)

<table>
<thead>
<tr>
<th>Type of injustice</th>
<th>Need violated</th>
<th>Type of remedy</th>
<th>Purpose of remedy</th>
<th>Example of remedy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural or</td>
<td>Instrumental (or control)</td>
<td>Instrumental</td>
<td>Restore lost control over outcomes</td>
<td>Providing monetary compensation</td>
</tr>
<tr>
<td>Distributive</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactional</td>
<td>Meaning (or virtue)</td>
<td>Punitive</td>
<td>Restore sense of morality</td>
<td>Punishing transgressor</td>
</tr>
<tr>
<td>Procedural and</td>
<td>Belonging (or interpersonal)</td>
<td>Socio-emotional</td>
<td>Affirm social standing &amp; restore group identity</td>
<td>Giving public apology</td>
</tr>
<tr>
<td>Interactional</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.8.2 Areas of development in organisational justice research

Fortin (2008) outlined four areas for further development in organisational justice research, to which I have added a fifth; all I think are worthy of further work:

1. *Clarifying organisational justice concepts* – to increase consistency and internal validity of research. Such clarity could be increased through differentiating distributive justice from outcome favourability (social exchange theory has shown that the favourability of outcomes has an effect on reactions independent of distributive justice), separating event judgements (e.g. a performance appraisal) from entity judgements (the supervisor), separating justice type from justice source (e.g. both procedural and interactional justices can be provided by the organisation and the supervisor), and improving measurement. In addition, I believe the issue of whether interactional justice can be truly divided into interpersonal and informational justices needs to be resolved.
2. **Locating organisational justice in social contexts** – to improve external validity and make research findings usable to organisations, research that takes account of context is needed, e.g. justice in teams and in different cultures, and the effect of power distribution on justice perceptions. This thesis locates justice in the context of organisational downsizing.

3. **Locating organisational justice in time** – whereas justice perceptions are related to past experiences, the present, and expectations of the future, most research has concentrated on snapshots in time. Where more longitudinal studies have been conducted, time has played an important role. E.g. the ‘frustration effect’ noted by Folger (1977); if people have been given a ‘voice’ but are effectively ignored, they may react more negatively if asked for their opinion in the future, which displays a cumulative effect overriding the voice effect. Additionally, Fortin and Fellenz (2007) have noted both ‘assimilation’ and ‘contrast’ effects, i.e. previous fairness experiences can lead to similar *and* dissimilar subsequent fairness judgements. Fortin (2008) suggested that the concept of psychological contracts may be useful in integrating the effects of time since justice dynamics have been shown to have an impact on employment relationships (Saunders & Thornhill, 2006; Guest, 2004; Cropanzano & Prehar, 2001).

4. **Links between organisational justice and morality** – these links need making at individual, organisation, and society levels if justice research is to have impact such as enhancing normative justice. This would include applying justice considerations to a wider group of stakeholders not only employees or organisations, and exploring links with business ethics and virtue ethics. I agree with Cropanzano and Stein’s (2009) call for contemporary organisational justice research to take into account concepts from behavioural ethics, including the role of internalised moral convictions.

5. **Links between organisational justice and trust** – studies have established an inextricable link of organisational justice with trust (see chapter 3), trust acting variously as an antecedent, component and consequence of fairness perceptions.

The research objectives of this thesis (as documented in Chapter 1) aim to investigate some of the above development areas. Objectives 1 and 3 (Study 1) address dimensions of organisational justice and yield further light on the
clarification of concepts, particularly whether a split of interactional justice into two dimensions (interpersonal and informational) can be substantiated. Research objective 3 aims to test the relationship between justice perceptions and trust, with research objective 4 seeking to understand in a more exploratory way both justice and trust perceptions and how they are related.

All three studies of this thesis investigate organisational justice within a particular context – that of downsizing, acknowledging that context is important for organisational justice perceptions. Research objective 8 is specific in making the research findings usable to organisations and individuals by focusing on ways of handling downsizing more positively.

Research objectives 4-7 with their investigation into why those affected by downsizing view organisational justice as they do, and the consequences on employees’ behaviours and relationship with the organisation, aim to throw some light on the time effect – particularly the impact of prior fairness perceptions, and that time itself and subsequent events can change justice perceptions. Subsequent longitudinal research could highlight which justice dimensions varied over time and how. The link described in the literature between psychological contracts and justice perceptions is discussed in Chapter 3, and reoccurs in all three studies of this thesis.

The link between organisational justice and morality is, in my opinion, the most fruitful area of future research with the highest potential impact. Correspondingly, this thesis aims to contribute to the social impact of organisational justice theory by investigating perceptions of fairness when downsizing occurs (research objectives 1, 3, and 4-7), and ways of handling downsizing (research objective 8) that take account of such perceptions not merely to make them more positive for organisations but also so that they promote greater moral justice in the way organisations behave towards employees. In other words, that knowledge of organisational justice should not be seen purely as a management tool (a kind of ‘opiate of the employees’) but rather as a way of increasing normative justice for all stakeholders.
3. RELATING TO AND WITHIN ORGANISATIONS – A MATTER OF TRUST?

3.1 Introduction

This chapter describes the literature on trust and, more briefly, the concept of psychological contracts, of which trust is a key component. Trust is inextricably linked to the way employees relate to their managers and their employers and therefore has an impact on, and is affected by an organisational event such as downsizing. Trust also has an effect on, and is affected by justice perceptions. In an era when, due to competitive pressures, organisations are asking more of employees but often offering them less job security, the psychological contract between employees and organisations is being reshaped, and trust is called into question, deserving the attention currently being given it in the literature.

3.2 Trust

3.2.1 Why the interest in trust?

Trust has been studied by behaviour scientists for over 50 years, in the 1960s and 70s focussing on the structure of interdependence and the relationship between trust and cooperation at both interpersonal and organisational levels (Lewicki et al., 2005). Cook and Wall (1980), citing other authors, concluded there was a general consensus that “trust between individuals and groups within an organization is a highly important ingredient in the long-term stability of the organization and the well-being of its members” (1980: 39).

However, changes in the social structures of societies, economic exchange relations and organisational forms have led, in the past decade or so, to increased study of trust within and between organisations (Bijlsma & Koopman, 2003). They stated that this is being driven in society as a whole by the diminishing binding power of reciprocal obligations, of hierarchical relations, and of social institutions using hierarchy to sanction deviant behaviour.
Within organisations, globalisation, more flexible labour markets, continuous change, and virtual teams, have led to looser relationships between people that are less easy to monitor. Lateral relationships and alliances rather than hierarchical relationships have become more important. Environmental and competitive pressures have pushed organisations to adopt flatter more team-oriented structures where work is multidimensional, management styles more participative, and employees have greater autonomy (empowerment) to make decisions (Mayer et al., 1995; Connell et al., 2003). These changes require more trust between employees and managers (Whitener et al., 1998), for example in self-directed teams trust takes the place of supervision since direct observation is impractical. Cooperative behaviours are more important, and with hierarchy less able to bring these about, trust between people in organisations is seen as a way of promoting voluntary cooperation and extra-role behaviours (Tyler, 2003). As summarised by Bijlsma & Koopman; 

"Conditions of change heighten the relevance of trust to organisational performance and to the well-being of organisational members." (2003: 543).

Tyler (2003) has argued that such trust must go beyond rational or calculative conceptualisations (i.e. where a person only trusts when he or she has evidence that a person will act in a certain way) to forms of social trust such as motive-based trust, which is linked to positive attitudes, extra-role behaviour and acceptance of decisions made by superiors. Tyler noted that motive-based trust is a similar concept to procedural justice, which is also important for relations between people in organisations, but that the two constructs are distinct.

McAllister (1995) cited research showing the influence of trust on coordination and control at both institutional and interpersonal levels in organisations. Additionally, since economic activity happens within networks and social relationships, this only occurs efficiently when people work together effectively, which requires trust. In organisations, "under conditions of uncertainty and complexity, requiring mutual adjustment, sustained effective coordinated action is only possible where there is mutual confidence or trust" (McAllister, 1995: 25).

In their introduction to the Organization Science special issue on trust, McEvily et al. (2003a), in responding to the question 'Why trust?', emphasised competitive
pressures that make collaboration important for competitive advantage, driven by changes in technology that have reconstructed exchange between people in the way work is coordinated (2003a: 1). They went on to state that the corresponding new organisational forms (e.g. strategic alliances, knowledge-intensive organisations, distributed teams, electronic commerce) have altered the configuration of interdependencies so that people working in them “become more dependent on, and more vulnerable to, the decisions and actions of others – both preconditions and concomitants of trust” (2003a: 1).

So trust, which was already considered important for the effective functioning of organisations and the well-being of their employees, has grown in importance due to changes within organisations (e.g. team-orientated structures, empowered employees, less hierarchical control), which in turn have been driven by external pressures (e.g. globalisation, more flexible labour markets, technology). Yet despite this, many studies (e.g. as cited by Zeffane & Connell, 2003) have shown that employees are becoming less trusting of their managers and employers. This has been attributed to threats to job security caused by downsizing, restructuring and re-engineering programmes, or to what is happening within organisations in terms of leadership styles, change management strategies and the levels of employee commitment (Zeffane & Connell, 2003). One of the results is employee cynicism; other outcomes of trust or the lack of it are described below. Herein lies the conundrum for organisations; more trust is needed yet there is less of it around!

3.2.2 Trust literature

With the increasing need for trust in society and organisations, and the corresponding growth in interest in trust, the organisational trust literature has expanded rapidly. It includes: a number of significant articles (e.g. Mayer, Davis & Schoorman, 1995; Hosmer, 1995; Robinson, 1996; Whitener, 1997; Kramer, 1999); several special issue journal editions (e.g. Academy of Management Review, 1998; 23: 3; Organization Studies, 2001, 22: 2; Organization Science, 2003, 14: 1; International Journal of Human Resource Management, 2003, 14: 1, Personnel Review, 2003, 32: 5); and books/compendiums of papers (Gambetta, 1988; Kramer & Tyler, 1996; Lane & Bachmann, 1998; Nootseboom & Six, 2003; Kramer & Cook,
In relation to organisations, there are several types of trust, represented by three broad strands in the literature (Dietz & Den Hartog, 2006): intra-organisational trust (trust within organisations), inter-organisational trust (trust between organisations), and trust between organisations and their customers. This thesis focuses on the first of these, in particular trust between employees and their supervisors/managers, and their trust in the organisation as a whole.

3.3 Defining trust

Whereas people intuitively know what it means to trust someone and to be trusted, it remains a difficult construct to define. However, as described below, there are some characteristics that, in an organisational context, commonly emerge.

3.3.1 A multi-dimensional construct

A clear definition of trust remains elusive, in part due to different academic traditions researching the subject (summarised by Rousseau et al., 1998), and in part due to the generally accepted multi-dimensional nature of the trust construct (Butler, 1991), which raises the question as to which dimensions are most important or essential. Rousseau et al. (1998) recognised the complexity of trust, from the evidence in the literature suggesting that it "may be a "meso" concept, integrating microlevel psychological processes and group dynamics with macrolevel institutional arrangements" (1998: 393).

There are a variety of definitions of trust ranging from the interpersonal to the inter-organisational, although they contain common elements including ‘favourable expectations’ and a ‘willingness to become vulnerable’ (Saunders & Thornhill, 2003). Some definitions of interpersonal trust are shown in Table 3.1; probably the most commonly used are those of Mayer et al. (1995) and Rousseau et al. (1998).
<table>
<thead>
<tr>
<th>Definition</th>
<th>Reference</th>
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<tbody>
<tr>
<td>...the extent to which one is willing to ascribe good intentions to and have confidence in the words and actions of other people.</td>
<td>Cook &amp; Wall, 1980: 39.</td>
</tr>
<tr>
<td>Trust is based on the expectation that one will find what is expected rather than what is feared. ...the extent to which a person is confident in, and willing to act on the basis of, the words, actions, and decisions of another.</td>
<td>McAllister, 1995: 25.</td>
</tr>
<tr>
<td>...the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party.</td>
<td>Mayer, Davis &amp; Schoorman, 1995: 712.</td>
</tr>
<tr>
<td>...confident positive expectations regarding another's conduct...</td>
<td>Lewicki, McAllister &amp; Bies, 1998: 439.</td>
</tr>
<tr>
<td>...trust in another party reflects an expectation or belief that the other party will act benevolently. ...trust involves a willingness to be vulnerable and risk that the other party may not fulfil that expectation. ...trust involves some level of dependency on the other party so that the outcomes of one individual are influenced by the actions of another.</td>
<td>Whitener, Brodt, Korsgaard, &amp; Werner, 1998: 513.</td>
</tr>
<tr>
<td>A psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another.</td>
<td>Rousseau, Sitkin, Burt, &amp; Camerer, 1998: 395.</td>
</tr>
<tr>
<td>...trust has been conceptualised as an expectation, which is perceptual or attitudinal, as a willingness to be vulnerable, which reflects volition or intentionality, and as a risk-taking act, which is a behavioral manifestation.</td>
<td>McEvily, Perrone, &amp; Zaheer, 2003b: 93.</td>
</tr>
<tr>
<td>Trust is an ongoing process of building on reason, routine and reflexivity, suspending irreducible social vulnerability and uncertainty as if they were favourably resolved, and maintaining thereby a state of favourable expectation towards the actions and intentions of more or less specific others.</td>
<td>Möllering, 2006: 111.</td>
</tr>
<tr>
<td>We can then define a trust relationship as one of interdependence where at least one party is vulnerable to the opportunistic behaviour of least one other party to the relationship but where nonetheless the vulnerable party accepts the risks of its vulnerability.</td>
<td>Banerjee, Bowie &amp; Pavone, 2006: 308.</td>
</tr>
</tbody>
</table>
Different definitions are used depending on the type of trust described and the approach taken to trust development (Lewicki et al., 2006), see Section 3.6 below.

Cook and Wall (1980) stated that trust as used in ordinary language retains much of its meaning when applied as a concept in social science. Their definition includes both intent and capability as the things on which people base their trust in others, focusing primarily on what leads to trust (i.e. the trustor's assessment of the trustworthiness of the trustee). Their emphasis on intentions and motives follows other earlier researchers, e.g. Deutsch (1960) who viewed trust as a person's confidence in the intentions and capabilities of another, believing that he/she would behave as one hoped. Later, the focus moved more towards the behaviour; e.g. Mayer et al. (1995). McAllister (1995) made the point that as well as encompassing a person's beliefs about another (that they are competent and responsible), trust is also about a person using that knowledge as a basis for action.

According to Connell et al. (2003), trust “is a multi-component construct with several dimensions that vary in nature and importance according to the context, relationship, tasks, situations and people concerned” (2003: 570). A commonly cited conceptualisation focuses on interpersonal relationships and ‘a willingness to be vulnerable’ (Mayer et al., 1995). Such relationships are based on the trustee being trustworthy, usually defined in terms such as competence, ability, benevolence, integrity, predictability, etc. (Mayer et al., 1995; Dietz and Den Hartog, 2006). In a work setting, trust in leaders has been shown to be strongly related to leadership practices such as consulting team members when making decisions, communicating a collective vision and sharing common values, and in the leader’s effectiveness (Gillespie & Mann, 2004). Such observations emphasise the key place of the trustworthiness of the trustee in the understanding of trust.

Trust also depends on the trustor’s propensity to trust, and so has been investigated as a dispositional personality trait, i.e. the individual trustor’s inclination to believe that others will act in their best interests (Rotter, 1967; Kramer, 1999). Such propensity to trust may vary greatly (Connell et al., 2003) but may only be important in the early stages of relationships (Johnson-George and Swap, 1982).
In defining trust, the notion of risk is central (Bijlsma & Koopman, 2003). Luhmann (1988) stated that trust is a solution for specific problems of risk between people since it allows risk taking. Across disciplines, there is agreement that risk (the perceived probability of loss as interpreted by a decision maker) is an essential condition of trust (Rousseau et al., 1998). The connection between trust and risk is reciprocal since risk creates the opportunity for trust, which then leads to risk taking (Rousseau et al., 1998). If expectations are met, the risks that were taken strengthen trust. Möllering’s (2006) conceptualisation of trust emphasises risk in its description of the ‘leap of faith’ necessary for trust to occur (see Sub-section 3.4.3 below).

Another condition of trust is interdependence, where one person cannot achieve their aim without reliance on another (Rousseau et al., 1998). This is also linked to the fact that trust occurs in the context of a relationship and, because relationships change, develop and/or decline, trust is dynamic (see Section 3.6 below). Banerjee et al. (2006) summarised that a trusting relationship requires interdependence, vulnerability and risk, ingredients that they capture in their definition of trust (Table 3.1). They added that the difference of trust to mere reliance is that it comprises an ethical element since one is relying on another’s good will.

From the above definitions, I believe that interpersonal trust is interdependence upon another within a relationship that entails believing in the capability and favourable intent of the person in whom the trust is vested, taking a risk and being willing to become vulnerable.

### 3.3.2 What trust is not

As Rousseau et al. stated “Trust is not a behavior (e.g., cooperation), or a choice (e.g. taking a risk), but an underlying psychological condition that can cause or result from such actions” (1998: 395). Although others broaden trust to include its associated behaviours/actions (e.g. Dietz & Den Hartog, 2006; Sub-section 3.4.2 below), I prefer to view these as results of trust since I believe you can trust someone without acting on it; the latter, when it occurs, being the evidence of that trust.
Mayer et al. (1995) were careful to point out that trust is not cooperation, since cooperation does not put someone at risk, and you can cooperate with someone whom you do not trust. Cooperation can be an outcome of trust. Neither is trust confidence; Mayer et al. (1995) made the point that once you have confidence there is no risk involved. However, confidence is incorporated in Cook and Wall's definition (1980: 39, Table 3.1), and I think that some degree of confidence in the trustee (e.g. in their ability or benevolence) is necessary for trust to exist – this is encapsulated in the phrase ‘confident positive expectations’ in the ‘trust the belief’ aspect of Dietz and Den Hartog’s model of the trust process (2006: 564; see Sub-section 3.4.2 below). Neither can trust be equated with predictability; just because a person is predictable does not mean that they can be trusted – the two constructs are related, but trust must go beyond predictability (Mayer et al., 1995). However, Mishra (1996) made a strong and, it seems to me, convincing argument for including predictability (or reliability) as one of the attributes of the trustworthiness of trustees, supported by Dietz and Den Hartog (2006), (Sub-section 3.5.2 below).

3.4 Models of trust

As a way of expanding the understanding of trust, some authors have created models that link together the characteristics of trust and/or describe the trusting process. Three such models are described below, beginning with that by Mayer et al. (1995).

3.4.1 The Mayer et al. (1995) model

Mayer et al. (1995) developed a model (see Figure 3.1 below) of dyadic trust in an organisation setting involving a trustor (trusting party) and a trustee (person trusted). They drew on the literature of what leads to trust to define three factors of perceived trustworthiness of the trustee, namely ability, benevolence and integrity, arguing that these cover most of those referred to in the literature.

The influential Mayer et al. (1995) model includes the propensity of the trustor to trust, like a personality trait stable across situations, described as “the general willingness to trust others” (1995: 715) and predicated by things such as different experiences, personality types and cultural backgrounds. Mayer et al. (1995) cited a
number of measures developed by other researchers to measure disposition to trust (e.g. Rotter, 1967), incorporating some of their features. Thus, in their model it is both the trustor’s propensity to trust (which will vary from person to person and in relation to different trustees) and the trustor’s perceptions of the trustee’s trustworthiness that lead to trust.

Since trust includes the willingness to be vulnerable, there is no risk involved in trusting itself – one takes a risk when one engages in a trusting action, thus Mayer et al. (1995) distinguished between trust and its outcomes, and the amount of risk someone is prepared to take is related to how much they trust the other person. On their model, ‘risk taking in relationship’ is an outcome of trust (its behavioural manifestation), which in turn leads to other outcomes. It is moderated by ‘perceived risk’ (which in their model is outwith the relationship between trustor and trustee) so that if the level of trust is greater than the perceived risk, then the trustor will undertake risk taking behaviour, whereas if the level of trust is lower than the perceived risk, they will not.
Context is important for trust: the balance of power in the relationship, what is at stake, the alternatives available all affect how much someone will trust. The context also influences a trustor's perceptions of trustee trustworthiness, e.g. high ability in one area may illicit trustworthiness in that area, but not in another area. The Mayer et al. (1995) model includes a feedback loop from outcomes to the perceived characteristics of the trustee so that when outcomes are positive they lead to enhanced perceptions of the trustee, and visa versa. When trust is damaged, repair attempts accordingly are mediating processes within the feedback loop of the model, or actions that influence the trustworthiness factors directly. This emphasises the fact that trust is dynamic and develops (or not) over time. The model is limited to trust of a specific trustor for a specific trustee, is unidirectional (i.e. does not examine mutual trust), and is focused on trust in an organisational relationship.

In revisiting this trust model, Schoorman, Mayer and Davis, (2007) stated that their contention that trust is an aspect of relationships, which varies within person and across relationships, had been largely upheld by subsequent literature. Whilst some authors recognised differences in trust for individuals at different levels within an organisation (e.g. Cook & Wall, 1980), Schoorman et al. (2007) cited more recent research that suggests trust needs to be investigated at both macro and micro levels within and between organisations. They maintained that their model of trust as ability, benevolence and integrity can be used to judge if both an individual and an organisation can be trusted. Correspondingly, they proposed that some organisations develop greater propensities to trust than others, based on their histories of dealing with other organisations, or in different geographies, etc.

The Mayer et al. (1995) model proposes that propensity to trust would be important at the beginning of the relationship, and that judgements of ability and integrity would form relatively quickly, with benevolence taking more time. Whereas some empirical studies have shown a high correlation between benevolence and integrity, Schoorman et al. (2007) cited that in studies using field samples (where parties had longer relationships), benevolence and integrity were more likely to be separable factors. The meta-analysis of Colquitt et al. (2007), despite showing high inter-correlations between benevolence and integrity (and ability), supported these as separate dimensions that have significant and unique relationships with trust.
The Mayer et al. (1995) model is unidirectional, leaving unexplored the reciprocity in trusting relationships. More recent work has shown that trust is not necessarily mutual and is not reciprocal, which is at odds with work on leader-member exchange (LMX) where the dominant view is that LMX is both mutual and reciprocal. (Schoorman et al., 2007). Clearly, reciprocity is an area for further research.

Schoorman et al. (2007) described the Mayer et al. (1995) model as a cognitive approach to trust since the trustor processes information about the trustee to decide how much risk they are willing to take. However, they accepted that trust also involves emotion, and cited research to show that affective responses have an influence on how people trust others. These can cause a person to take a risk that is not warranted by the data available. Some argue this is a temporary irrationality and that after a time period perceptions return to a rational perspective. But does it disappear completely? Additionally, when emotions are experienced, they may lead the trustor to alter their prior evaluations of trustworthiness, which remain after the emotions die away. Schoorman et al. (2007) recognised that future work in this area this may lead to adding an affective dimension to the model — as discussed under Sub-section 3.6.3 below, I believe there is an affective dimension to trust that is currently not well encapsulated in most definitions or models of trust.

Schoorman et al. (2007) contested that the Mayer et al. (1995) model is generic to a broad range of contexts, e.g. between supervisors and subordinates, as well as between peers. In the former, the supervisor may have more information about the subordinate than vice versa so may be in a position to better evaluate trustworthiness dimensions, and therefore more quickly develop trust than the other way round. Also the party with more power may perceive less risk and hence be willing to engage in more risk taking actions, and thus appear to trust more. The results of the Colquitt et al. (2007) meta-analysis showed in general that the relationships between trust and its antecedents (and consequences) did not vary with leaders or co-workers, except that of integrity, which was significantly stronger for leader-based referents.
3.4.2 A depiction of the trust process

Dietz and Den Hartog (2006), adapting parts of models by Mayer et al. (1995) and Ross and LaCroix (1996), derived a multi-dimensional integrated framework for interpersonal trust within organisations, termed 'a depiction of the trust process' (Figure 3.2). It expanded the Mayer et al. (1995) model with further inputs to trust, and split their 'trust' component into: 'trust as a belief' and 'trust as a decision'. However, whereas Mayer et al. (1995) separated trust from its associated behaviours, Dietz and Den Hartog incorporated these as a third constituent; 'trust as an action'. This follows the McEvily et al. (2003b) summary of trust as comprising 'an expectation', a 'willingness to be vulnerable', and a 'risk-taking act' (see Table 3.1).

![Figure 3.2](image)

The first of these parts comprises the trustor's subjective beliefs about the trustee and his/her relationship with the trustee, usually based upon the trustor's assessment of the trustee's trustworthiness. As Dietz and Den Hartog (2006) pointed out however, trustworthiness and trust are separate constructs; the former is a quality possessed by the trustee, the second something that the trustor does. Both the Dietz and Den Hartog (2006) and the Mayer et al. (1995) models of trust depict trustworthiness as
an antecedent of trust. The trustor’s belief in the trustworthiness of the trustee is expected to be a strong predictor of the trustor’s decision to trust. In addition to the trustworthiness of the trustee, Dietz and Den Hartog (2006) included other components that lead to trust namely: the trustor’s pre-disposition to trust; the relationship between trustor and trustee (that the quality of trust varies with the progress of the relationship, Lewicki & Bunker, 1996); situational constraints (e.g. the institutional framework, contractual agreements, etc.), and domain concerns (i.e. willing to trust the boss concerning work but not personal issues).

Based on the subjective intention to trust, the decision to trust comes next in Dietz and Den Hartog’s (2006) process of trust, defined by Mayer et al. (1995) and Rousseau et al. (1998), as the ‘willingness to render oneself vulnerable’. The decision to trust is merely an intention however; for the trustor to demonstrate his/her trust, he/she must act through undertaking trust-informed, risk-taking behaviours – this is ‘trust as an action’. Such trusting behaviours can be divided into two types: ‘reliance’-related behaviours (e.g. a manager surrendering or reducing control over resources to a subordinate), and ‘disclosure’ (e.g. sharing potentially damaging information with another party), (Dietz & Den Hartog, 2006, after Gillespie, 2003). The act of trusting is not guaranteed by the decision to trust, since, as Dietz and Den Hartog (2006) pointed out, there may be other consequences beyond the relationship that influence the trustor to act or not.

3.4.3 The trust wheel

Möllering’s (2006) model of the trust process, depicted as a wheel, is shown in Figure 3.3. He argued (2001) that trust develops through making interpretations of reality (with an awareness that information is imperfect), upon which are based favourable expectations. This process is enabled by a suspension of belief and a corresponding leap of faith (Lewis & Weigert, 1985). So, for trust to be developed, a leap of faith from interpretation to expectation is required. For Möllering, the interpretation is based on reason, routine and reflexivity. Reason is comprised of rational choice guided by utility and/or interests, and the indicators of trustworthiness as perceived by the trustor. Routine recognises that rather than a cognitive process, people take some things for granted, do some things as the
accepted or normal thing to do (this includes disposition to trust). Reflexivity recognises that people build on their experience over time, which becomes a growing basis of trust. However, despite these bases of trust, there is still uncertainty and the trustor remains vulnerable. This uncertainty is overcome by the trustor suspending belief and making a leap of faith as if the uncertainty were favourably resolved, thus reaching a state of trust in the trustee.

In Mollering’s (2006) model, the trust wheel is comprised of three main components which are very similar to those of Dietz and Den Hartog (2006): around the edge of the wheel are the bases of trust (i.e. the antecedents of trust belief); the suspension of belief/leap of faith (trust as belief, which enables positive expectations) is represented by the spokes; and in the centre, trust itself or trust the decision (a willingness to be vulnerable). Although, contrary to Dietz and Den Hartog (2006), the ‘trust as an act’ is not included in the model, rather trust remains an intention.

I have chosen to feature these models because I think they are the best at describing the various dimensions of interpersonal trust covering the whole process of trusting.
I think each has its particular merits: Mayer et al. (1995) for its clarity on the components of trustworthiness and its feedback loop; Dietz and Den Hartog (2006) for its comprehensive depiction of the trust process including the distinctions made between trust as belief, decision and action (although, in keeping with the prevalent definitions of trust, I prefer to keep the ‘action’ separate from trust itself), and its inclusion of the trustor-trustee relationship as an antecedent of trust (which leaves room for an affective element, explored in Sub-section 3.6.3 below); and Møllering (2006) because of his articulation of the ‘leap of faith’ necessary for trust to occur, again underlying that trust is not purely a rational process.

3.5 Antecedents of trust

What leads people to trust? Payne and Clarke (2003) distinguished the antecedents as dispositional, interpersonal and situational factors. They certainly include a person’s propensity to trust, the trustworthiness of the trustee, and the relationship between trustor and trustee (Dietz & Den Hartog, 2006). Of these, trustworthiness has received most attention and seems to be regarded by most authors as preeminent.

3.5.1 Propensity to trust

The most decisive characteristic of an individual trustor is the propensity or predisposition toward trusting others, termed ‘generalised trust’ by Rotter (1967). Dietz and Den Hartog (2006) cited evidence to show that pre-disposition to trust varies markedly among individuals, and is especially relevant in the early stages of a relationship but declines in importance as more direct evidence on the trustee is collected. Colquitt et al. (2007) in their meta-analytic study showed that propensity to trust was an antecedent of both trust and trustworthiness perceptions. As mentioned above, trust may require a leap beyond the expectations inspired by perceptions of trustworthiness alone – Colquitt et al. (2007) suggested that trust propensity may drive that leap. This is plausible, although I suspect that other factors such as the relationship itself and associated emotions are also involved.

Other trustor characteristics include national cultural values and norms, and political attitudes, against which trustors tend to fit incoming information about trustees. It is
likely that culture affects trust through the dimension of propensity to trust (Schoorman et al., 2007). They cited evidence in the culture literature that initial trust of strangers varies across cultures, and that this is related to whether the culture is task or relationship oriented (using one of Hofstede’s (1980) dimensions). Those cultures which are more task orientated seem to have a higher initial trust (hence higher propensity to trust) than those where time to build a relationship before working together is important. Also, the cultural variable of uncertainty avoidance has been shown to be a good predictor of predisposition to take or avoid risk, which is also likely to be related to propensity to trust. Additionally, Schoorman et al. (2007) pointed out that culture can affect the perception of trustworthiness indicators. Hofstede’s ‘masculine’ cultures (more action-oriented, competitive, and performance-driven) place higher value on the ability variable, whereas ‘feminine’ cultures (more collaborative, being-orientated) emphasise more the benevolence variable. These observations go to show that whilst understanding and measuring trust within a single culture is difficult enough, investigating (and engaging in) trust across cultures has added complexities.

3.5.2 Trustworthiness

Characteristics of the trustee can be split into two categories: personality traits and previous behaviour (Dietz & Den Hartog, 2006), and are often described in terms of trustworthiness. Mayer et al. (1995) usefully encapsulated the key elements of trustworthiness as ability, benevolence and integrity. According to them, ability is the perception that the trustee has the capability, skills, competencies, expertise, etc. in the area of interest – it is specific to the task and the situation. Benevolence is the perception that the trustee cares about the trustor and wants to do them good without reward or personal benefit. Some authors include motives or intent as important to trust (e.g. Cook & Wall, 1980); the term ‘benevolence’ represents a more personal orientation (Mayer et al., 1995) appropriate for interpersonal trust. Integrity “is the perception that the trustee adheres to a set of principles that the trustor finds acceptable” (Mayer & Gavin, 2005: 874), which picks up value congruence, character, openness and fairness – aspects mentioned by other researchers as important for trustworthiness.
The three factors of ability, benevolence and integrity can vary independently along a continuum, but as Mayer et al. (1995) pointed out, for high trust all three are needed but for trust in some situations one or two will suffice. They hypothesised that integrity (Schoorman et al., 2007 also mentioned ability) was more important in early trust development, and that the effect of perceived benevolence increased with the relationship over time.

To Mayer et al.'s (1995) three factors, Dietz and Den Hartog (2006) argued for the inclusion of predictability (or reliability), which they described as consistency and regularity of behaviour, distinguishing it from ability or integrity. In Mayer et al. (1995) this is in part included under integrity in their phrase "consistency of the party's past actions." (1995: 719). Dietz and Den Hartog (2006) considered each of these components as significant in itself since the decision to trust might not be made if one is absent, although they are likely to be interdependent. They made the point however, that a person could trust or distrust different aspects of the trustee, since trust belief can be compartmentalised and accommodate contradictions and errors (Lewicki et al., 1998). Additionally, that a trustor may only trust the other person in certain areas or 'domains', e.g. where they know the trustee has expertise.

The meta-analytic study by Colquitt et al. (2007) supported the importance of all three of the Mayer et al. trustworthiness dimensions since all three had unique relationships with trust. By way of explanation, Colquitt et al. suggested that these dimensions may reflect both cognition-based and affect-based sources of trust, i.e. a calculation of the skills, capabilities, values, and principles of the trustee (ability and integrity) and an affective appreciation of the mutual concern within the relationship (benevolence).

So, which characteristic of the trustee is most important to the trustor? From the foregoing, I think that different characteristics can come into play at different stages in the trust process (ability and integrity early on, benevolence later), that people may focus on a particular characteristic depending on the situation (e.g. I’m interested in my plumber’s ability to mend the pipe, whereas benevolence is more important to me when I ask someone to babysit my children), and that in a work setting, transactions need ability and integrity, whereas high trust requires them all.
3.5.3 Other antecedents of trust

The relationship itself between trustor and trustee influences trust levels (Dietz and Den Hartog, 2006), for example, its stability. The structure of the relationship can also have an impact – it is proposed that stronger, more personal relationships create deeper and more affective forms of trust, whereas more formal detached relationships are better served by more calculative-based trust. It may be that emotion itself is an antecedent of trust – Lewis and Weigert (1985) suggested that emotion contributes to the 'cognitive platform' from which trust is established. Additionally, progress in the relationship influences the quality of trust, described by Lewicki and Bunker (1996) as developing from 'early' to 'developing' to 'mature'.

External factors such as contractual agreements, legislative or regulatory requirements, codes of conduct can also influence trust. A person’s reputation, as promoted by reputable bodies and formal qualifications can be an external source of evidence for trust, as in developing ‘swift trust’ in temporary groups (Meyerson, Weick & Kramer, 1996).

3.5.4 Trust in supervisor and trust in organisation

Tan and Tan (2000) reported empirical evidence that supported a differentiation between trust in supervisor and trust in organisation as distinct but related constructs, each with its own antecedents and outcomes. Whilst positively and strongly correlated, their study showed that trust in supervisor was more strongly associated with variables such as the supervisor’s ability, benevolence and integrity (supporting the model of Mayer et al., 1995), whereas trust in organisation was more strongly correlated with global variables such as perceived organisational support and justice (particularly procedural and distributive justice).

3.6 Types or degrees of trust

Trust has been shown to vary in its level or intensity, denoted by some authors as different stages of trust development characterised by different types of trust. Trust and distrust have also been examined; the debate continues as to whether these are different points on a continuum or discrete dimensions that can be held concurrently.
3.6.1 The development of trust

There are different forms or degrees of trust depending how it has been developed within an interpersonal relationship. Lewicki et al. (2006) described two traditions of research: (i) the behavioural tradition, where trust is rational-choice behaviour, derived from confidence and expectations (e.g. Deutsch, 1958); and (ii) the psychological tradition, where there are complex intrapersonal states associated with trust, including expectations, intentions, affect, and dispositions.

Whereas the former tradition focuses on observable behaviour and presumes it is rational thinking that leads to such action, the latter focuses on the causes of the action, particularly the cognitive and affective processes. Within the psychological tradition, Lewicki et al. (2006) described three approaches. First, the unidimensional approach, where trust is defined as confident expectations and/or willingness to be vulnerable, and ranges from distrust to high trust. Within this tradition, some view trust as a multifactorial state that includes cognitive, affective and behavioural sub-factors (e.g. McAllistaer, 1995). Trust grows with evidence of a trustee’s qualities and relationship history, and declines when positive expectations are not confirmed. Definitions of trust by Rouseau et al. (1998) and Mayer et al. (1995) concur with this approach, as does Dietz and Den Hartog’s model (2006). Trust and distrust are viewed as bipolar opposites on a single continuous variable (Bigley & Pearce, 1998).

Second, the two-dimensional approach, where trust is defined in terms of confident positive and negative expectations, and trust and distrust are viewed as interrelated but distinct constructs. Reasons to trust and distrust depend on interactions and lead to different combinations of trust and distrust, described in Sub-section 3.6.5 below.

Third, the transformational approach, whereby trust is defined by its basis (e.g. costs and benefits, knowledge of the other, shared values), and grows with a positive relationship history and increased knowledge and predictability of the other. Examples of these three approaches are described in the sub-sections below.
3.6.2 The development of different types of trust

The Lewicki and Bunker (1995, 1996) model of trust development is an example of the transformational approach of trust within business relationships. It has three stages, first: calculus-based trust (CBT), an economic calculation grounded in the fear of punishment for violating trust or rewards in preserving it. This is similar to the deterrence-based trust (DTB) of Shapiro et al. (1992) but reflects that it is based not just in vulnerability but also in the benefits to be gained. Second, knowledge-based trust (KTB), grounded in the other person’s predictability; and third, identification-based trust (ITB), based on identification with the other person’s desires or intentions – there is confidence that the other person shares their fundamental values and will protect their interests. Lewicki and Bunker (1996) argued that in professional relationships, trust develops gradually from CBT to KBT as people get to know each other, and to ITB as people identify with each other and as strong affect develops (Figure 3.4 below). Rusbult et al. (1999) suggested that such development represents a ‘transformation of motivation’ from focusing on maximising self-interest to maximising joint outcomes, and that trust correspondingly goes through three stages: predictability, dependability, and finally, a ‘leap of faith’ based on the belief that the partner can be relied upon to be responsive to my needs in a caring way now and in the future.

More recently, Lewicki et al., 2005 omitted KTB from the model since knowledge was thought more likely to be a dimension of the relationship between the parties rather than a dimension of trust. Kramer (1999) described the development of trust in a similar way; initial calibration followed by updating based on how well progressively developed expectations are confirmed.

Rousseau et al. (1998) broadened the definitions of CBT and IBT, describing trust as having calculative and relational forms where the former is based on rational choice (characteristic of interactions based on economic exchange), and the latter (relational trust, RT) is derived from repeated interactions between the two parties over time and from information available within the relationship itself. Reliability and dependability generate positive expectations and emotion enters into the relationship. They stated that RT is similar to the ABT of McAllister (1995) and IBT. They also
described institution-based trust; i.e. the broad institutional supports that facilitate CBT and RT in an organisational context, which would include fair employee treatment hence links to justice.

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**Figure 3.4**

The stages of trust development

(Lewicki & Bunker, 1995, 1996; Lewicki et al., 2006)

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Note: J1 = At this juncture, some CBT relationships become KTB relationships; J2 = at this juncture, a few KTB relationships where positive affect is present go on to become IBT relationships.

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### 3.6.3 Cognition and affect

Another distinction that is made between forms of trust is cognitive versus affective (McAllister, 1995) – as Bachmann and Zaheer (2008) stated, there has been a deep-seated difference in between trust as (i) a personal, almost intimate emotion, (ii) a rational decision of a utilitarian individual, and (iii) a collective phenomenon and basic principle of organisation in modern societies. Definitions of trust in the 1970s were couched in cognitive terms: by economists as a form of implicit contracting, by psychologists as how another party could be expected to behave in a transaction (summarised by Lewicki et al., 2005). From a sociological perspective, Lewis and Weigert (1985) described trust as containing cognitive, affective and behaviour elements – the affective part reflecting the emotional bond in the relationship, and evidenced by the emotional outrage displayed when personal trust is betrayed. Regarding trust as necessarily a mix of feeling and rationality, Lewis and Weigert...
(1985) divided it into a number of types: ideological trust (high rationality, R; high emotionality, E); cognitive trust (high R; low E); emotional trust (low R; high E), and mundane, routine trust (low R; low E).

From the 1990s onwards more affective components have been included, such as in benevolence-based and value-based trust, identification-based trust, faith, emotional trust and affect-based trust. With reference to CBT and IBT, Lewicki et al. (2005) surmised that the former is a more cognitive form of trust, the latter more based on affect, identification and perceived value congruence. But as they pointed out, the former can arouse affect, and the latter contains cognitive components as well.

McAllister (1995) described interpersonal trust as having cognitive and affective foundations. Cognition-based trust is when we choose to trust someone based on good reasons and knowledge of their trustworthiness. Affect-based trust (ABT) consists of "the emotional bonds between individuals" (McAllister, 1995: 26) and is based on "reciprocated interpersonal care and concern" (1995: 25). It is sometimes termed 'faith' or 'emotional trust'. In terms of the relationship between these two, evidence cited by McAllister (1995) suggests that some level of cognition-based trust may be necessary for ABT to develop, however he held that ABT is a distinct type of trust rather than a higher form of trust, since it has different antecedents and consequences. McAllister (1995) used his interpersonal trust measures of cognition-based and affect-based trust (see description of trust measures in Chapter 5) to show that these two forms of trust are in fact distinct.

From the foregoing, I conclude that trust has different forms comprising various combinations of cognition and affect, and these may dominate in different forms of relationship. I believe that both emotion and rationality come into trust - a solely rational process cannot explain on its own why we are willing, in Mollering's (2006) words, to 'take a step of faith' and make ourselves vulnerable, and why, when trust is betrayed, we experience strong emotions. This affective component, I think, may be related to certain aspects of the trustor's assessment of the trustee's trustworthiness (e.g. benevolence) but is also dependent on their relationship with the trustee and how this develops, which cannot be reduced to rationality alone.
3.6.4 Variations in the intensity of trust

In addition to describing trust in terms of its forms, it can also be described in terms of variations in intensity. Dietz (2004), and Dietz and Den Hartog (2006), following a unidimensional approach, aligned the different types of trust in the literature into five degrees of trust along a continuum of intensity, describing trust from different sources, but also reflecting different types of trust experience (Figure 3.5 below).

Figure 3.5

The continuum of degrees of intra-organisational trust
(Dietz and Den Hartog, 2006)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Not trust at all, but distrust.</td>
<td>Suspicious, but benefits of trust outweigh costs.</td>
<td>Positive confidence based on prior predictability.</td>
<td>A stronger positive confidence based on shared affection.</td>
<td>Extremely positive confidence based on converged interests.</td>
</tr>
</tbody>
</table>

At the ‘distrust’ and ‘low trust’ end are deterrence-based (after Rousseau et al., 1998) and calculus-based (Lewicki & Bunker, 1996) trust, where evidence comes from external (macro-level) sources. Following Lewicki and Bunker (1996), Dietz and Den Hartog (2006: 563) stated that between calculus-based and knowledge-based trust, real trust begins: “a threshold is crossed when suspicions recede to be replaced by positive expectations based on confident knowledge about the other party, including their motives, abilities and reliability”. Trust can develop further into Tyler’s ‘social’ trust (2003), which is described at one level as ‘relational-based trust’ (Rousseau, et al., 1998), and at the highest level as ‘identification-based trust’.
(Lewicki & Bunker, 1996), where trustor and trustee can represent each other’s interests with full confidence since their aspirations and values are aligned.

Under this scheme, McAllister's (1995) cognitive-based trust (formed by careful and reasoned evaluation) sits across calculus-based and knowledge-based trust, whereas his affective-based trust (formed through emotional responses to the other party) corresponds to relational-based and identification-based trust (Rousseau et al., 1998).

The formation of initial trust is important because it can be a key pointer to the future of the relationship (McKnight & Chervany 2006). Using the earlier model of McKnight et al. (1998), McKnight and Chervany (2006) posited that disposition to trust and institution-based trust (that the situation/structures make the context conducive to trusting) influence interpersonal trust. Additionally, that cognitive processes such as reputation inference, in-group categorisation (the trustee is placed in the same group as oneself) and stereotyping (the trustee is placed in a general group) impact initial trust.

3.6.5 Trust and distrust

In contrast to viewing trust and distrust (or mistrust) as opposite ends of a spectrum (the unidimensional approach), more recent work has suggested that trust and distrust are separate but linked dimensions (each ranging from high to low) and that it is possible for employees to display both trust and distrust within the same organisational context (Lewicki et al., 1998; the two-dimensional approach). This is because “relationships are multifaceted or multiplex” (1998: 442) so what is required is a model that allows trust and distrust to exist in the same relationship. Lewicki et al. (1998) argued that both trust and mistrust offer different ways for people of reducing uncertainty and complexity. With trust, unfavourable expectations are removed and only favourable ones are seen as certain. With mistrust, the opposite is the case. So, if a person feels low trust, he/she will see no reasons to be treated favourably, so is likely to be passive and hesitant. In conditions of high mistrust, a person expects to be treated unfavourably, hence is wary and vigilant. In situations of high trust, a person expects to be treated favourably, hence is willing to become vulnerable. If there is low mistrust, a person sees no reason to
expect unfavourable treatment, so is not vigilant or wary. Using this understanding, Lewicki et al. (1998) set out a four-cell framework in which both trust and mistrust are shown as either high or low. Based on perceptions of fairness of past treatment and expectations of future treatment, they described relationship conditions for each cell, summarised with insights from Saunders and Thornhill (2004) as Figure 3.6. A study by Huang and Dastmalchian (2004), albeit on societal trust, supported the distinctness of the trust and distrust concepts. They likened the relationship between distrust and trust to that between Hertzberg's (1966) hygiene and motivator factors, i.e. both can exist concurrently.

Figure 3.6
Trust and mistrust
(After Lewicki, McAllister, & Bies, 1998; Saunders & Thornhill, 2004)

<table>
<thead>
<tr>
<th>High trust:</th>
<th>Employee's perceptions</th>
<th>Employee's perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hope</td>
<td>Reasons to expect will be treated favourably. No reasons to expect will be treated unfavourably.</td>
<td>Reasons to expect will be treated favourably. No reasons to expect will be treated unfavourably.</td>
</tr>
<tr>
<td>Faith</td>
<td>Promotes: Willingness to become vulnerable.</td>
<td>Promotes: Both a willingness to become vulnerable &amp; an unwillingness.</td>
</tr>
<tr>
<td>Confidence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td></td>
<td></td>
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<tr>
<td>Initiative</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Low mistrust:</th>
<th>Employee's perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low mistrust:</td>
<td>Reasons to expect will be treated favourably, or unfavourably</td>
</tr>
<tr>
<td>No fear</td>
<td>Promotes: Ambivalence to becoming vulnerable.</td>
</tr>
<tr>
<td>Absence of skepticism</td>
<td></td>
</tr>
<tr>
<td>Absence of cynicism</td>
<td></td>
</tr>
<tr>
<td>Low monitoring</td>
<td></td>
</tr>
<tr>
<td>No vigilance</td>
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</table>

<table>
<thead>
<tr>
<th>High mistrust:</th>
</tr>
</thead>
<tbody>
<tr>
<td>High mistrust:</td>
</tr>
<tr>
<td>Fear</td>
</tr>
<tr>
<td>Skepticism</td>
</tr>
<tr>
<td>Cynicism</td>
</tr>
<tr>
<td>Wariness &amp; watchfulness</td>
</tr>
<tr>
<td>Vigilance</td>
</tr>
</tbody>
</table>

Saunders and Thornhill (2004) tested the theory of Lewicki et al. (1998) during a study on trust and mistrust within an organisation undergoing change. Their results suggested that the high trust/high mistrust cell does not occur in its most extreme form, and that those with strong feelings of trust had lower feelings of mistrust, and vice versa. They represented this as a trust-mistrust-absence triangle (Figure 3.7). However, their work did support the idea that trust and mistrust are two linked dimensions rather than a single continuous variable. Kramer and Tyler (1996) noted
that although trust and distrust have opposite effects, their influence is not symmetrical, rather "trust builds incrementally, but distrust has a more dramatic "catastrophic" quality." (1996: 7), supported by the work of Burt and Knez (1996).

As Lewicki et al. (2006) pointed out, the two-dimensional approach has, as one of its key tenets, that some distrust can be helpful; a certain amount of 'prudent paranoia' is appropriate in a relationship (Kramer, 1996). I can understand how some distrust (balanced with trust) may help protect employees from being abused in a downsizing situation or, from the organisation’s viewpoint, ensure appropriate work monitoring.

![The trust-mistrust-absence triangle](image)

Schoorman et al. (2007) however held the more traditional view that distrust is the lack of or absence of trust, so that if trust is the willingness to take a risk (i.e. make oneself vulnerable) then at the lowest level of trust, a person would take no risk at all. They argued that the ability antecedent in their model means that trust is domain specific – I trust someone in one area because they are capable, but not in another area – which is their way of allowing for multifaceted and multiplex relationships.
McKnight and Chervany (2001) developed separate but identical models for trust and distrust and concluded that "most trust theorists agree that trust and distrust are separate constructs that are opposites of each other" (2001: 42). Schoorman et al. (2007) said that if they are in fact opposites of each other, then there is no reason to treat them as separate constructs. So, it seems that you can have it both ways! Gillespie (2003) found that distrust was empirically distinct from measures of trust and trustworthiness. I conclude that whereas 'the jury is still out' on this issue, from the evidence so far documented it is likely that trust and distrust are separate but linked dimensions – for sure, from personal experience it is possible to have trust and mistrust in a person or organisation at the same time. With Kramer and Tyler (1996), I concur these dimensions are not symmetrical, as demonstrated for example in downsizing settings I have experienced where trust built up over many years was lost and distrust generated virtually overnight (Chapter 4 notes the effects of downsizing upon trust).

3.7 The effects of trust

Trust within organisations has effects on employee behaviours and organisational outcomes (Dirks & Ferrin, 2001). Many studies have demonstrated the consequences of trust, which include: belief of information, organisational commitment, decision commitment, organisational citizen behaviour, job satisfaction, satisfaction with leaders, team commitment, loyalty, extra-role behaviours, high levels of cooperation and performance (Bijlsma & Koopman, 2003). These outcomes support "the theoretical idea that trust lubricates a wide array or organisational processes" (Bijlsma & Koopman, 2003: 547). As Brockner et al. (1997) pointed out, when trust is high, there is a greater likelihood that employees will be (a) satisfied with their relationship with the authorities, (b) committed to the organisation, and (c) work for the goals of the authorities, and hence the organisation (Konovsky and Pugh, 1994; Whitney, 1994; Kramer & Tyler, 1996). Connell et al. (2003) showed that, in study of a large Australian organisation, turnover intent and commitment were significant outcomes of trust in managers. The meta-analytic study by Colquitt et al. (2007) revealed moderately strong relationships between trust and risk taking, and between trust and job performance – they concluded that their findings reinforced "the view that trust is a vital component of effective working relationships" (2007: 918).
Dirks and Ferrin (2001) reviewed the empirical literature on the effects of interpersonal trust going back some 40 years. They wanted to test the theory that trust results in direct (main) effects on a variety of outcomes (behavioural and performance outcomes, and attitudinal and perceptual outcomes) such as have been described above. Their review listed studies showing the effects of trust on communication, organisation citizen behaviour (OCB), negotiation processes, conflict, individual performance, unit performance, satisfaction, commitment, perceived accuracy of information, organisational justice judgements, and perceived psychological contract violation. They found fairly consistent significant effects of trust on attitudinal and cognitive/perceptual constructs. However, they discovered that the effects of trust on workplace behaviours and performance outcomes were weaker and less consistent. Whereas the evidence seemed to support the effect of trust on OCB and individual performance, it did not give strong support for other desirable behaviours and outcomes such as group performance.

Dirks and Ferrin (2001) explored a second model, that of trust moderating the effects of other determinants on work attitudes, perceptions, behaviours and performance, i.e. providing the conditions within which these are likely to occur. They reported evidence of this, and proposed conditions under which trust is likely to operate as a main effect, a moderator, or neither. They suggested that in ‘weak situations’ (i.e. situations which do not provide guidance and incentives to behave in a particular way for the outcome in question), the main effect model would be particularly applicable. This is because trust is a positive psychological state, and in the absence of other more powerful determinants, a higher level of trust will have the opportunity to result in positive actions and outcomes. In ‘mid-range situations’, they suggested that trust helps to tip the balance by helping a person assess future behaviour of the trustee, or interpret past behaviour. Hence, in these situations trust facilitates or moderates the effects of other factors by reducing ambiguity. In very ‘strong situations’ (i.e. where there is guidance and incentives on how to behave for the outcome in question), “outcomes become “over-determined” (dominated) by other factors, and therefore trust is unlikely to demonstrate an appreciable effect” (Dirks & Ferrin, 2001: 461).
These findings have important implications for organisations, particularly in situations of change like downsizing; "one might speculate that trust will have a significant main effect on employee's reactions in a downsizing or merger, because of the uncertainty involved, but may have a moderating effect in situations where there is less uncertainty and ambiguity" (Dirks & Ferrin, 2001: 462). So managers can attempt to change the level of trust – Dirks and Ferrin’s (2001) findings suggest that increasing trust may have direct positive impact in weak situations, a contingent impact in midrange situations, and no impact in strong situations. Or they can change the strength of the situation (which is often in their power); when trust is high, it is better for managers to de-structure i.e. make the situation weak so that outcomes are determined by trust. When trust is low, it is better to create a more structured environment so that trust will not directly or indirectly cause negative outcomes. “In fact, trust levels are usually at their ebb during periods such as organizational crises, downsizings, and mergers, when situations are weak and low trust is, therefore, likely to have a direct negative impact." (Dirks & Ferrin, 2001: 464). The latter quotation is particularly pertinent to the investigations of this thesis.

3.8 Trust and organisational justice

3.8.1 The link between organisational justice and trust

The link between organisational justice and trust was first noticed in studies on the interaction between distributive justice and procedural justice (Brockner & Wiesenfeld, 1996), which revealed that procedural justice moderated the effect of distributive justice on individuals' reactions to decisions. Brockner & Siegel (1996) proposed that it was trust generated by the procedurally fair treatment that governed the interaction. Correspondingly, Lewicki et al. (2005) cited a number of studies that confirmed that trust in other people and organisations grows with fair treatment, and that trust is an outcome of distributive, procedural and interactive justices. But the relationship is more intertwined. For example, the procedural fairness of an exchange influences a person's trust in the other. Trust then influences the perceiver's view of the exchange such that there is an interactive effect of trust and outcome favourability so that trust mediates the relationship between procedural fairness and outcome favourability. Trust can also be a moderator of this
relationship; if a person believes the other can be trusted they are more likely to make sense of procedural fairness in a way that minimises the effect of outcome favourability (Lewicki et al., 2005).

Trust can also be viewed as an antecedent of justice, in that trust in the short-term is necessary if just outcomes are to be valued. This thinking is based on one of two perspectives. Either the self-interest model (Thibaut & Walker, 1975), which posited that people are motivated to maximize their personal outcomes, but because tangible outcomes are not always immediately available, people trust others in social exchange relationships thereby strengthening their belief that fairness will be obtained in the longer term (Blau, 1964; Konovsky & Pugh, 1994). Or the group value model (Lind & Tyler, 1988), which proposed that people value relationships with individuals and organisations because they develop self-worth through social relationships, and being treated fairly in such groups satisfies needs for self-esteem. As Lind & Tyler (1988) suggested, it is probable that both processes are happening at once, i.e. people act in ways that both reflect their self-interest and their attitudes to group membership. Brockner & Siegel (1996) pointed out that in both theories, procedures are seen as characteristics or ‘traits’ of the organisation that people use as indications of trustworthiness. So, trust plays a mediating role on distributive justice, and is influenced itself by procedural justice.

Brockner and Siegel (1996) stated that "Trust refers to a belief about a party's future behaviour. In deciding whether the party is trustworthy, individuals draw on information about the party that is perceived to be stable – that is, in which the past is believed to be a good predictor of the future. Decision-making procedures are one such source of information... Trust, in short, is affected by people's estimates of the future level of procedural justice." (1996: 401). Many studies have supported this link between procedural justice and trust, for examples: Konovsky and Pugh (1994), Siegel et al. (1995), Lind and Tyler (1988), and Saunders and Thornhill (2003).

Dirks and Ferrin (2002) in a meta-analysis of trust in leadership from 106 studies found that procedural justice has a positive and significant relationship to trust in leadership. However, this is not to say that procedural justice is the only antecedent of trust. Tzafrir et al. (2004) showed that procedural justice has a positive and
significant influence on trust in managers, together with organisational communication and, in a more limited way, empowerment.

Lewicki et al. (2005) pointed out that trust and justice can also be viewed as co-developing through shared antecedents such as stability. Additionally, Lind (2001) has argued that judgements about interpersonal fairness can be used as a proxy (heuristic) for trust in decisions whether or not to cooperate with others (fairness heuristic theory). They found that under conditions of uncertainty, when there is not enough reason to trust someone, an individual would use procedural fairness information as the determining heuristic in the decision to trust.

Greenberg and Wiethoff (2001) proposed a sequence of psychological processes that are triggered when justice judgements are made. An event is perceived by the person in question, which leads to a judgement about whether it is ‘fair’ or ‘unfair’, followed by the person’s response. They cited evidence that the relative significance of justice judgements is affected by the context in which these events occur, and that contextual cues are rooted in social interactions. Additionally, that justice perceptions are strongly influenced by the rules and norms of the particular environment. As Lewicki et al. (2005) highlighted, one of the clear determinants of the social-emotional contexts in which justice judgements occur is the trust between the person perceiving the event and the person or organisation responsible for it. So, while justice judgements about an event may well influence ongoing trust in organisational relationships, the levels of trust existing before the event will influence the perception of whether it is fair or not.

Understandings of the interaction between trust and justice have been critiqued by Lewicki et al. (2005). For example, whilst studies have shown fairness as one antecedent to trust, the relationship cannot be reduced to this – there are many other factors that have been shown to contribute to the development of trust such as the trustworthiness of the trustee and past interactions (Mayer et al., 1995). The argument that fairness is a heuristic (substitute) for trust suggests that trust is just about fairness and "ignores the richness of the trust construct" (Lewicki et al., 2005: 253). A further criticism is that the justice literature does not take enough account of the multiple forms of trust, nor its complexity. This is illustrated by elements that are
cited as contributing to the development of procedural justice (e.g. consistency and ethicality, Leventhal, 1980) are also cited as inducing trust (Mayer et al., 1995).

The ethical component of the trust relationship was described by Banerjee et al. (2006) as arising from the vulnerability of the trusting party to the goodwill of the other parties; "A trustworthy party is one that will not unfairly exploit vulnerabilities of the other parties in the relationship" (2006: 308). So the trustee has the moral obligation not to unfairly exploit the vulnerable party. This brings us back to fairness – here described in the normative sense, although is highly situational and necessarily judged by the trustor as what they perceive fair (i.e. organisational justice). However, as Banerjee et al. concluded, because there are accepted norms of fairness, a moral principle can be endorsed for trust relationships: "Unethical behaviour is proving you are untrustworthy by reneging on or by deceiving the trustor of the fairness norms being applied to his or her vulnerability in this situation." (2006: 311). Reneging is not always unethical since it depends on the levels of willingness, competence and control exercised by the trustor, and the degree to which these factors are disclosed. Reneging is relevant in the employment relationship, as described in Section 3.9 below on psychological contracts.

3.8.2 When things go wrong and need repair

Lewicki et al. (2005) stated that calculus-based trust (CBT) is most common in calculative, market relationships focussed on an exchange where the trust is based on the person’s judgement of the trustee’s reliability, and assessments of costs and benefits of acting in a trustworthy way. The transactional focus means that the trust is largely of a cognitive nature. Justice judgements are based on a comparison of an action to other actions in similar situations – if they balance, the actions are judged as fair. So justice judgements are largely couched in terms of distributive justice, or the rules and procedures that produce those outcomes (procedural justice). Violations are usually cognitively processed and reactions may be short-term. Repair is via sincere apologies and efforts to restore the balance as soon as possible.

By contrast, with identification-based trust (IBT), it is not the behaviour of the other or the transaction itself that produces valued outcomes but the trustee’s inferred
motives and intents. The context is the parties' own communal relationship, which is more important than any transaction. Lewicki et al. (2005) stated that within communal relationships, justice judgements are largely framed in terms of the dynamics of interactional justice and the group value model of procedural justice. So, rather than weighing inputs and outputs, "fairness is calibrated by norms specific to the relationship context that has been co-constructed with the other parties" (2005: 262). Whereas in relationships involving CBT, violations may need significant work to repair, in those involving IBT, as long as the trustee is seen as sharing the common identity and values, the relationship continues and calculus-based judgements are irrelevant. However, communal relationships are subject to a different type of violation – when the other person does something unanticipated, inappropriate or incorrect, this is often seen as threatening the trustor's identity. The focus is on the intent of the other's actions, and causes the trustor to question their own judgement. Repair is through sincere apology and restoring the trustor's belief that the other's intentions are honourable, handling the emotions of anger and rejection, and reasserting shared values – these steps are very interpersonal and emotional and, as Lewicki et al. stated "it is not surprising that many breaches of IBT can never be repaired" (2005: 263).

3.8.3 Fairness an antecedent of trust

Saunders and Thornhill (2003, 2004) stated that there is a strong link between employees' reactions of trust and mistrust within organisations and their perceptions of the outcomes of organisational decisions (distributive justice), the ways those decisions are made (procedural justice), and the treatment of those affected (interactive justice). They suggested that "organisational justice theory offers a means through which to explain and understand employees' feelings of trust and mistrust more fully" (2004: 49). In a case study where employees self-categorized their feelings of trust and mistrust in relation to a period of organisational change, Saunders & Thornhill (2004) demonstrated how organisational justice theory could be used to explain the results. From this study it seems that employees' experiences of interactional justice had the biggest impact on creating trust, whereas their experiences of distributive and procedural justice had the biggest impact on creating mistrust in times of organisational change.
Employees' experiences of interactional justice, e.g. when they perceive that they are treated with sensitivity and benevolence, have been shown to have a bearing on their trust in management (Kernan & Hanges, 2002; Mayer et al., 1995). As Saunders & Thornhill (2004) commented, research has shown that employees may develop trust in relation to interpersonal treatment even if the procedures used or the information provided do not generate trust.

Cropanzano and Prehar (1999) found that procedural justice affected trust in management (a system variable) whereas interactional justice affected various agent variables (e.g. satisfaction with supervisor, leader-member exchange perceptions, ratings of supervisor performance). Connell et al. (2003) found, in a study on trust in manager-subordinate relationships, that procedural justice, along with perceived organisational support and transformational leadership, were predictors of trust (see discussion of Study 1 results in Chapter 6).

Brockner et al. (1997) focussed on the conditions under which the relationship between trust and work attitudes and behaviours will be more or less pronounced. They investigated the moderating effect of outcome favourability, hypothesising that outcome favourability influences the psychological significance of trust; that “trust is more significant when outcomes are relatively unfavourable and thus will have a greater effect on work attitudes and behaviours.” (1997: 560). This is supported by some observations of organisational justice, in particular that employee’s perceptions of procedural fairness had more impact on their support for management (as measured using measures such as organisational commitment) when outcomes associated with management decisions were relatively unfavourable (Brockner & Wiesenfeld, 1996). As Brockner et al. (1997) suggested, the unfavourable outcomes may have triggered a sense making process to evaluate the trustworthiness of management, using judgements of procedural fairness to do so. Hence, it is suggested that procedural fairness is an antecedent to trust.

From the foregoing, it is clear that organisational justice and trust interact in a number of ways; that justice can be an antecedent to trust and is sometimes used as a heuristic of trust, and that trust can be an antecedent of justice, or moderate/mediate between justice perceptions and other variables such as outcome favourability.
3.9 Psychological contracts

When investigating issues of trust and fairness in organisations, the concept of the 'psychological contract' – that shorthand way of characterising the implicit relationship between employee and employer – recurs. Hence, the psychological contract is described below, together with how it gets breached.

3.9.1 What's the deal?

As the foregoing makes clear, trust is one important element in the relationship between employees and an organisation/its managers. The relationship, specifically the 'unwritten' part of it, has been described in terms of the psychological contract. Psychological contracts were first discussed in the 1960s (e.g. Schein, 1965) but only since the 1990s have these unwritten agreements received widespread attention, driven by the perception that the employment relationship was undergoing dramatic change with violations of the psychological contract more common.

Psychological contracts are increasingly important in organisations given environments of uncertainty and change since their fulfilment or breach has been shown to influence organisational outcomes. Psychological contracts are about promises, or more precisely of employees' perceptions of what an organisation has promised them. As Ho stated (2005: 113); "The psychological contract is an individual's beliefs about the terms of an exchange agreement between the individual and the organization". When psychological contracts are fulfilled, research has shown that job satisfaction is enhanced, as are variables such as intent to stay and trust in the organisation (Robinson, 1996; Turnley & Feldman, 2000). When they are violated, performance tends to drop, employees engage in more job search activities and reduce constructive behaviours such as organisational citizenship (Robinson & Morrison, 1995; Robinson & Rousseau, 1994). Since the demise of lifetime employment for employee loyalty, a new type of employment relationship has emerged, characterised by outsourcing, downsizing and contingent work arrangements on the side of the employer, and the responsibility of the employee to increase their own employability. So, employees can have (in fact, increasingly, need to have) greater flexibility and mobility, and consequently,
employers, because of their requirement to attract and retain a skilled workforce, need to effectively manage the psychological contract.

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Psychological contracts comprise employees’ beliefs about the reciprocal obligations between them and their organisations (Rousseau, 1989; Schein, 1965); “The psychological contract is individual beliefs, shaped by the organisation, regarding terms of an exchange agreement between individuals and their organization” (Rousseau, 1995: 9). The model in Figure 3.8 (Guest et al., 1996) shows how the inputs (or causes) of the contract are driven by the organisation through its culture, policies and practice and the messages explicitly or implicitly made by these. It is also shaped by employees’ expectations. The content is about how promises and obligations are kept, and involves fairness and trust. The outcomes include organisational citizenship and commitment, motivation and satisfaction.

In a more recent paper (2004), Guest reproduced the above model, modified and expanded as a framework for applying the psychological contract to the employment relationship, replacing the ‘content’ box with one labelled ‘Psychological Contract’
(described as ‘reciprocal promises, inducements and obligations’), and adding a further box labelled ‘state of the Psychological Contract’ showing ‘Delivery of the deal’ and ‘Fairness’ leading to ‘Trust’ (Figure 3.9). As Guest stated (2004), fairness and trust can be seen as inputs, dimensions of, and consequences of the psychological contract. There is evidence to show that fairness and even more so trust serve as mediators between contract fulfilment or breach and outcomes (e.g. commitment), so Guest includes them within the model of the employment relationship to describe the state of the psychological contract, which includes whether promises and obligations have been met, their fairness and their implications for trust (Guest & Conway, 2002).

Psychological contracts have been described as ranging from transactional (economic based) to relational (normative) contracts (Rousseau & Parks, 1993), reflecting the two broad approaches to trust described above (calculus-based trust and relational trust). Transactional contracts are monetarily based and utilise specific short-term obligations, with a quid pro quo exchange governing relations, whereas relational contracts imply employees have long-term, broad and open-ended
obligations to the organisation and show loyalty and support because of socioemotional elements (Feldheim, 2007).

3.9.2 Psychological contract formation, violation, and fulfilment

The psychological contract is formed firstly by an employee's interactions with an organisation's representatives (recruiters, line managers, human resource managers) when specific promises are made. And secondly, by perceptions of the organisation's culture and operating procedures, including cues from peers. In many ways "these psychological contracts define the social exchanges that exist between individuals and organizations (Homans, 1961). These relationships are comprised of the voluntary actions that each party engages in with the belief or understanding that their actions will be reciprocated (in one form or another) by the other party (Blau, 1964)." (Turnley & Feldman, 1999: 898). When violations occur, control theory suggests that employees are motivated to eliminate or reduce such imbalances. Cognitive dissonance theory predicts a similar response – when faced with an inconsistency between their attitudes and behaviours, employees are motivated to resolve the discrepancy by changing either their attitude or behaviour.

When obligations are not met by the organisation, an employee perceives a contract breach. Morrison and Robinson (1997) distinguished this from the experience of contract violation, which is an affective or emotional state that can accompany perceived contract breach. They argued that following a perceived contract breach employees undertake a cognitive sense-making process as a way of attaching meaning to the event, and it is this that moderates the relationship between perceived breach and violation, which was supported by further research (Robinson & Morrison, 2000). They found that feelings of violation are particularly strong when employees attribute the breach to reneging and to being unfairly treated. Tekleab et al. (2005) also linked dimensions of organisational justice to social exchange relationships and psychological contract violations, showing that procedural justice is a determinate of employee-organisation exchange, which has a negative effect on employee's perceptions of psychological contract violations.
In contrast to psychological contracts, social contracts refer to "the normative ground rules through which society tries to regulate the fairness of implicit contractual agreements" (Zyglidopoulos, 2005: 255). However, Van Buren (2000) argued that downsizing violates both psychological and social contracts.

Psychological contract violation occurs when the employee perceives that the organisation has failed to fulfil one or more of its obligations (Rousseau & Parks, 1993). This can be through reneging (a promise is knowingly broken, either on purpose or because of unforeseen circumstances) or incongruence (when the employee and organisation have different understandings of what has been promised). There are a number of theories that have been used to understand psychological contract development and why employees perceive violations, most of which focus on the construct of discrepancy expectations (e.g. socialization theory, social information processing theory, social exchange theory, control theory and cognitive dissonance theory). The typology of EVLN first developed by Hirschman (1970) provides a framework for understanding employees' responses to contract violations: exit (leaving the organisation altogether), voice (raising concerns with superiors), loyalty (extra-role or organisation citizen behaviours) and neglect (half-hearted effort, absenteeism, lateness, less attention to quality).

Research has shown that psychological contract violations lead to feelings of mistrust, job dissatisfaction, and lower organisational commitment (Rousseau, 1995), and also negatively affect work behaviours (Robinson, 1996; Robinson & Morrison, 1995). Empirical research by Turnley & Feldman (1999) showed that psychological contract violations result in increased levels of exit, voice and neglect behaviours and decreased levels of loyalty to the organisation. Violations were most strongly related to exit and loyalty, perhaps because there are fewer negative consequences for employees in expressing these behaviours than voice or neglect. Turnley & Feldman (1999) also showed that these affects are moderated by situational factors. If attractive job alternatives were available, then at high levels of violation, exit behaviours were enhanced, although the relationship between psychological contract violations and voice, neglect and loyalty were not moderated. If there was insufficient justification for violation, or low procedural justice, given high levels of violation, again the relationship between psychological contract violations and exit behaviours was moderated (although not for voice, neglect or
loyalty behaviours). However, these situational factors did have direct effects on the dependent variables such that: availability of attractive employment opportunities was positively related to exit & voice; justification sufficiency was negatively related to exit, voice & neglect; and procedural justice was negatively related to exit & voice, positively related to loyalty.

The Turnley & Feldman (1999) research also highlighted that psychological contract violations were most severe among managers in organisations that had undergone significant restructuring, particularly in terms of important contract elements such as job security, compensation and advancement opportunities. Clearly, this has implications for organisations, since following restructuring and downsizing they need their remaining employees to be more flexible and work harder, yet those employees are likely to perceive that their psychological contracts have been violated and as a result reduce their commitment to the organisation. Downsizing has an impact on the psychological contract because it often imposes on employees arrangements they did not or would not have chosen (Rousseau, 1995). Thus I agree with Rousseau (1995) that more research is necessary to find ways of 'changing the deal' when necessary whilst minimising damage to individuals and organisations.

3.10 Psychological contracts, justice and trust

So, what are the links between psychological contracts, justice and trust? As shown above, perceptions of justice and trust are integral to the psychological contract and they give an indication as to its health (Guest et al., 1996, Guest, 2004).

3.10.1 Psychological contracts and organisational justice

A key role of psychological contracts is being the standards against which employees judge whether something is fair or not; "justice perceptions are defined relative to psychological contracts negotiated between individuals and between individuals and organizations. These contracts define the acceptable standards upon which justice is predicated." (Cropanzano & Prehar, 2001: 246).
Research summarised by Tekleab et al. (2005) has shown that the level of organisational justice displayed in management decisions about employees is directly related to the quality of the resulting social exchange relationships between individuals and their employing organisations, and between individuals and their immediate managers. First, perceived organisation support (POS), the relationship between employees and their organisation which comprises employees' beliefs about the extent to which the organisation values their contributions and is concerned about their well-being. Second, leader-member exchange (LMX); the relationship between an employee and his or her immediate manager. Third, the psychological contract, that relationship between an employee and their organisation that focuses promises made and kept.

Research findings have shown that procedural justice tends to predict POS (e.g. Masterson et al., 2000), whereas interactional justice tends to predict LMX (Cropanzano et al., 2002; Masterson et al., 2000). These findings were supported by a study by Tekleab et al. (2005), which also showed that interactional justice was not related to POS, nor procedural justice to LMX. The work of Takleab et al. (2005) demonstrated that psychological contract violations have a mediating effect between POS and employee satisfaction (the latter being an example of employee attitudes), and also that POS has a negative effect on employee's perceptions of the organisation's contract violations. The latter finding gave empirical support to proposals from three separate strands of literature. From the literature on psychological contracts, Morrison & Robinson (1997) and Rousseau (1995) proposed that high quality exchange relationships between employees and organisations tend to inhibit employee perceptions of organisational contract violations. Rousseau (1995) suggested that this was because a strong employee-organisation relationship tends to cause employees to overlook small discrepancies as violations, whereas a weak relationship may result in employees monitoring the organisation leading to a greater likelihood of perceived violations. Morrison & Robinson (1997) suggested that a low quality relationship is directly related to the level of trust between an individual and their organisation; low trust will result in monitoring and a higher level of perceived discrepancies.
From an organisational justice perspective, research has shown that as organisational justice is experienced by employees it has a positive effect on the development of a higher quality social exchange relationship (Cropanzano, Prehar, & Chen, 2002; Rupp & Cropanzano, 2002). To explain the connection to perceptions of contract violations, these authors posited that, over time, this positive relationship has its own effects, creating a heightened psychological closeness, which can then lead the employee to view the organisation’s behaviour as fairer than it might actually be (i.e. to overlook violations). Work by Aselage & Eisenberger (2003) on the relationship between POS and psychological contracts (which they regard as separate social exchange relationships) also posited that POS is positively related to an employee’s perception that an organisation has fulfilled its obligations to them under the psychological contract.

3.10.2 Psychological contracts and trust

Trust has been described as an integral part of the psychological contract since the latter contains the “belief that contributions will be reciprocated and that a relationship exists where actions of one party are bound to another” (Rousseau, 1995: 95). However, there has not been very much theoretical or empirical investigation of trust in relation to psychological contract breach (Robinson, 2006). The evidence that does exist shows, perhaps not surprisingly, that contract breach can diminish the trust between an employee and his or her organisation (Robinson, 1996; Robinson & Rousseau, 1994). In a downsizing setting, Pugh, Skarlicki and Passell (2003) showed that psychological contract violation was negatively related to trust in the new employer. In the public sector, Feldheim described how downsizing strategies (together with private sector values) had resulted in employees perceiving that the organisation had betrayed the psychological contract and in so doing “reduced employee trust and compromised public sector employee morale and commitment” (2007: 265).

Violated contracts promote mistrust, anger, and attrition (Rousseau, 1995). As Clarke (2005) found in a study of Australian workers who took voluntary redundancy, those who were employed under an implicit contract of lifetime employment for hard work and loyalty, downsizing and restructuring breached this
contract. Their expectations of factors such as job security, communication, organisational culture, management actions, and career pathways were viewed as having changed.

Robinson (2006) confirmed that psychological breach was negatively related to several employee behaviours (e.g. performance, intention to remain). In relation to trust, he found that initial trust was negatively related to psychological contract breach—implying that those with high initial trust may have overlooked breaches, those with low initial trust actively searched for them. Psychological contract breach led to a loss of trust, with trust (and unmet expectations) then acting as mediators between perceived breach and employee behaviours. Another finding was that initial trust moderated the relationship between psychological contract breach and subsequent trust, i.e. those with low prior trust experienced a bigger decline in trust than those with high initial trust, attributed to selective interpretation by each party that confirms existing beliefs and attitudes.

Robinson’s findings have important implications for managers, particularly in situations like downsizing, since the results show that “the likelihood of psychological contract breach, and its negative impact, can be offset if employees’ trust in their employer remains high” (2006: 357). Thus, by earning the trust of employees early on, due to the moderating effect of prior trust on psychological contract breach, employees are less likely to perceive a contract breach, and more likely to retain trust if there is a breach (actual or perceived).

3.10.3 The changing nature of psychological contracts

The fact that organisations are unable to meet all the promises of the deal that used to exist for many employees (of loyalty for job security) in relational type psychological contracts, but still require the commitment of employees, in fact in greater measure, means that new approaches have been required. Some organisations have worked at changing employees’ expectations rather than trying to meet them, e.g. through culture-change initiatives that focus on customer/business needs, and the need for employees to become more flexible. Some organisations have continued as before, but when difficulties arise and jobs have go, it becomes clear to employees
that the deal has in fact changed (from the organisation's viewpoint, to a more transactional contract) but they were never party to it, so feel let down or betrayed. Many companies have developed strategies to facilitate flexible expansion and contraction of the organisation to suit its needs, such as differentiating between core and periphery employees; offering short-term contracts, part-time working, shift-working, non-standard hours; outsourcing; or using contractors and consultants. Alongside these are remnants of the traditional ways of working designed to promote some stability. So, people may experience a range of different deals in their working lives, combining elements of stability and flexibility; "This menu of new deals, on the whole, focuses on career as a series of developmental opportunities. This has changed the balance and the substance of the psychological and emotional adjustments required of remaining employees." (Doherty, 1996: 475).

Employees have adjusted differently, for example one response; "Reality has hit and people are dealing with it. They have a lot of energy for their jobs, but they want more in return. They're committed – but they're offering a different kind of commitment: High-impact performance for rewards that are meaningful to them (what they want rather than what their company thinks they need)" (Laabs, 1998: 36). In fact the new situation has some positive aspects, for example the commitment required of employees is being couched in more adult, honest and realistic ways (Laabs, 1998). However, not everyone views the changes so positively or is in a position to benefit from them.

Mills (1996: 453-454) summarised various types of new social contracts in a US setting – whilst not exhaustive, they give an indication of the changes that have occurred/are occurring in developed countries and what organisations are offering:

- **The 'employability' commitment** – we cannot guarantee employment, but we will add to your skills and help you get another job if we let you go. This is similar to the concept of 'ability security'; "Whereas job security implies 'I'll work hard for you if you'll look after me', ability security implies 'I'll increase your marketability if you'll increase mine'." (Hardingham, 1992: 107).

- **The opportunity arrangement** – we offer the opportunity for you to earn and advance, but it is up to you to work it out; we no longer sponsor a career plan.
• **The openness or ‘adult’ understanding** – we keep you if it is financially useful, and we equally expect you to leave if a better job comes up. We are honest and open about the future, and we expect you to give notice if you are going to leave.

• **The hired gun** – you are hired for a particular task and then let go, usually with an explicit short-term contract.

From the literature on psychological contracts, it is clear to me that individuals should be involved in/able to influence the employment arrangements that affect them (particularly as these undergo change) if fairness is to be perceived, trust retained, and positive employment relationships maintained. Herriot et al. (1998) offered a model of career contracting which recognises the rights and needs of both sides of the employment relationship. Handy’s (1996) portfolio approach is a way for some to become “*Self-managers of our own assets*” (1996: 28) but it has its own pressures such as attracting sufficient work to earn a living. It is when such social contracts are made by organisations without notice or in ways that employees perceive as a reneging on prior promises, perceptions of unfairness and a reduction in trust can result – such issues surface in Studies 1 and 2 of this thesis.

### 3.11 The future of trust research

The *Handbook of trust research* (Bachmann & Zaheer, 2006) outlined six broad themes of trust research as those that most is known about but also pointing the way to future research. Definitions and models have improved understanding of the trust construct but further clarification is necessary, particularly as regards its (i) antecedents, consequences and management (including how trust varies over time); (ii) relationship to knowledge, contracts, calculativeness and control, and (iii) explanation as a complex phenomenon that can occur at various levels of analysis. Additionally, the concept of trust (iv) needs reintegrating into economic and social theory; (v) its relationship to ethics (and, by implication, to organisational justice) needs further exploring, and (vi) its research methodology (including measurement) needs further development.
To the areas highlighted for further research by Bachmann & Zaheer (2006), I would add topics of the reciprocal nature of trust (Schoorman et al., 2007), and the variation in propensity to trust, especially its links to personality and to culture. The latter is crucial for building trust between people in organisations which span different cultures, where there is opportunity for misunderstanding, particularly in change situations such as downsizing.

Of the above topics, I think that the management of trust, and the crucial link of trust to justice perceptions are particularly important in organisational settings. Research objective 2 of this thesis investigates how an employee's trust in their line manager and their organisation are affected by downsizing, and research objectives 4-6 address some of the reasons why, yielding useful information on the management of trust when it is put to the test. The trust-justice link is further explored through research objective 3; by treating employees in ways that are perceived by them as fair is one way highlighted in the literature of maintaining or, where it has been broken, rebuilding trust. Research objective 8, in its investigation of ways of handling downsizing more positively, also addresses the management of trust.

The measurement of trust clearly requires further work. As Gillespie (2003) pointed out, many studies use measures that are inconsistent with their chosen trust definition. Many trust measures have only been used once, so there is little consistency or overlap, and few are well validated (McEvily & Tortoriello, 2005; Dietz & Den Hartog, 2006). It is also necessary to explore if trust and distrust can be measured separately, and if different types of trust (e.g. CBT, KBT, IBT) can be measured as relationships develop and trust changes over time. Currently, most measurements are undertaken as static snapshots using Likert-type scales. Lewicki et al. (2005) suggested longitudinal studies, and the use of complimentary methods (e.g. qualitative methods such as in-depth interviews and case studies), validated by triangulation with survey data. This thesis does the latter, utilising a mixed methods approach (see Chapter 5) to gain a richer understanding of trust and its development and/or decline in a particular context.

Clarification of the concept of trust in relation to distrust is also important, particularly in the light of an increase in institutional distrust (Kramer, 2006), and the
heightened awareness of the dangers of misplaced or naive trust since September 11\textsuperscript{th} 2001. Corporate failures (e.g. Enron, Worldcom) and the 2008/9 financial crisis have highlighted the fragility of trust and its link to the perceived breaching of the obligations of employment relationships (psychological contracts), which are likely to increase as companies downsize during economic recession. Hence I concur with the view (summarised by Lewicki et al., 2006) that a certain amount of distrust may be healthy in organisations both to protect employees from being abused (especially in times of change), and to ensure, from the organisation’s standpoint, that monitoring of work is sufficiently robust. Research objective 5 considers the consequences of downsizing upon employees’ trust (including the generation of distrust). Research objective 7 specifically addresses how an employee’s relationship with his/her organisation is affected by downsizing and how this is related to perceptions of justice and feelings of trust. This objective is investigated in Study 2 of the thesis, with additional insights gleaned from Study 3.
4. WHEN PUSH COMES TO SHOVE – THE DOCTRINE OF DOWNSIZING

4.1 Introduction

Downsizing is core to this thesis since it is the setting in which justice and trust have been investigated; as a particularly dramatic, often traumatic type of organisational change, it brings to the fore issues of fairness and questions of trust. This chapter describes the literature on downsizing; how it has grown since the 1980s to become a strategy used by organisations to cut costs in the face of mounting challenges. The effects of downsizing on both 'survivors' and 'casualties' (the labels commonly used for those who remain in an organisation and those who leave due to downsizing, respectively) are described, together with its impact on employees' perceptions of fairness and their trust in managers and the organisation, and its impact on employees' relationships with the organisation (their psychological contracts). The chapter concludes with ways that organisations deal with downsizing to mitigate some of its negative effects.

4.2 Downsizing

4.2.1 Defining downsizing

Downsizing – shorthand for the intended and planned reduction in size of an organisation’s workforce by the elimination of positions and jobs – is a recognised phenomenon in organisations and society. It should not be confused with or used interchangeably with the term ‘redundancy’, which refers to the termination of employment of employees (either enforced or voluntary), and represents one (but not the only) way of implementing downsizing. There has been a rapid growth in the academic literature on downsizing in countries such as the USA and UK since the 1980s and, as Thornhill and Saunders (1998) pointed out, the concept of downsizing is multifaceted without out a unifying definition, and consequently draws on various disciplinary and theoretical strands. There is a wide variation of downsizing events and experiences in different organisations, sectors and countries. Cameron (1994) described downsizing from three perspectives focusing on different levels:
1. Industry or global – the impact of mergers, acquisitions or strategic alliances, or of downsizing on a particular industry.

2. Organisational strategy – different strategies and their effects on performance and effectiveness of the organisation.

3. Individual – the consequences on and reactions of the people affected, either as 'casualties' or 'survivors' of the event.

Downsizing is one of the most disruptive changes that an organisation and its staff can undergo. It is often accompanied by other changes, either before, during or after, such as restructuring, a drive to change business culture, changes in terms and conditions, alterations to the psychological contract, closure of or changes to work locations. If poorly executed, it can traumatised a company for years and lead to unexpected consequences (Lämsä & Takala, 2001).

Whilst downsizing of one type or another has occurred in the past, it has become popular in western societies since the 1980s (Cameron, 1994). It has been regarded as a strategic response in the face of challenges to cut costs because of increased competition, new technology, globalisation, etc. This activity has generated academic interest including work on ethics and fairness in downsizing situations (e.g. Brockner, 1992; Hopkins & Hopkins, 1999). Thornhill and Saunders (1998) in their review of survivor reactions listed organisational commitment, perceived fairness, intention to leave, and performance amongst the variables that have been linked to downsizing. Whereas at the beginning downsizing was about cutting costs and improving the bottom line, Mishra, Spreitzer & Mishra commented that by 1998 "companies with record profits carry on the quest to become lean and mean" (1998: 83), so it had become a way of doing business, although the benefits have been disputed, and at best, mixed due to severance costs, loss of skills, rehiring costs, and the negative impact on survivors such as poor morale (reducing their organisational commitment and trust among other variables). Nair (2008) cited contrasting views as to whether overall it is beneficial or detrimental to organisational success, showing that the economic outcomes of downsizing are open to debate (Cascio, 1993). Gandolfi (2008a) was more unequivocal stating that "cross-sectional and
longitudinal evidence portray an overwhelmingly negative picture of the financial consequences following downsizing. " (2008a: 5).

Research has been undertaken on the detrimental effects of downsizing to try and explain its often disappointing results. Cross and Travaglione (2004) summarised the two possibilities posed in the literature:

1. **Survivor syndrome** – survivors exhibit demotivation, cynicism, insecurity, demoralisation, and a decline in organisation commitment, which effect behaviours and attitudes such as satisfaction, perceived organisation support, performance, turnover intention and absenteeism. "As these attitudes are essential for organization productivity, it is clear that the success of a downsize is partly contingent on nurturing these variables in the surviving workforce" (Cross & Travaglione, 2004: 276).

2. **Who stays and who goes** – if those possessing the desired skills, behaviours and attitudes are made redundant (e.g. due to a desirable redundancy package, or to the selection process), then this is potentially a contributory factor for an unsuccessful downsize. Cross & Travaglione (2004) showed through an investigation of a successful downsize, that those who accepted a severance package possessed lower levels of commitment and job satisfaction, and higher levels of turnover intention and absenteeism than those who were retained. So, redundancy programmes need to be aimed at encouraging those employees of least value to the organisation to leave, and also those who want to leave.

### 4.2.2 Downsizing as a strategy

Downsizing has been used interchangeably with the term redundancy. Whilst downsizing is often associated with, or leads to redundancy, it is in fact a wider phenomenon, concisely defined by Kozlowski et al. (1993: 267) as "a deliberate organisational decision to reduce the workforce that is intended to improve organisational performance". Thornhill and Saunders (1998) pointed out that downsizing is deliberate (i.e. it is not the same as unintentional decline), has the central aim of improving organisational performance, and goes about this by reducing the organisation's workforce size. The negative impacts usually found are
often because redundancy is the chosen way to implement downsizing, although, as the literature makes clear, downsizing can utilize a range of strategies to reduce numbers (including natural wastage, reduced hours, redeployment, etc.). So downsizing is a strategic decision, whereas redundancy is one method (in fact, the most common; Cross & Travaglione, 2004) of implementing it largely because when there is pressure to cut costs, this produces results quickly.

Thornhill and Saunders (1988) cited three strategies from work by Cameron et al. (1993) by which organisations undertake downsizing:

1. Workforce reduction – reducing the headcount, e.g. through redundancy.
2. Organisation redesign – delayering, eliminating work and job redesign.
3. Systemic change – changing the organisational culture through involving employees and continuous improvement.

The exclusive use of workforce reduction can lead to a lowering of organisational performance (Thornhill & Saunders, 1998) because although there may be short term benefits, there is a loss of organisational competence and negative consequences for those remaining. Organisations that adopted this approach were found to be more likely to repeat it, and in so doing cause further negative impacts on employee morale. In contrast, the use of organisation redesign and/or systemic change has been positively related to organisational performance on grounds of both reducing costs and improving quality (Cameron et al., 1993).

Freeman and Cameron (1993) described another way of linking organisational strategy with the way downsizing occurs in an operational sense. They posited two types of organisational change, firstly convergence – incremental change to improve quality and efficiency; and secondly reorientation – transformational change over a shorter period when a redirection of strategy is required that affects structures, staffing, power base and systems. Under convergence, their model suggests that downsizing will be more incremental with the use of less disruptive methods, whereas under reorientation, downsizing will be more disruptive. Whilst this model might be useful for predicting consequences and formulating tactics, as Thornhill
and Saunders (1998) pointed out, it may be too deterministic and also assume that businesses always articulate business strategy, downsizing decisions and outcomes.

Kozlowski et al. (1993) distinguished between proactive and reactive approaches to downsizing. The proactive approach is where downsizing is integrated with business strategy, is targeted, and the organisational and individual consequences are recognised and planned for. The reactive approach is where the downsizing is likely to be for reasons of cost reduction only, and is achieved by reducing the workforce. As Thornhill and Saunders (1998: 277) concluded from the existing literature, reactive approaches, which often use redundancy as their primary method, "are likely to impair the achievement of organisational objectives and create other, undesirable outcomes related to survivors of downsizing".

Whilst the overall effects of downsizing upon organisations' fortunes have been disputed, and the use of redundancy as the preferred method pilloried for its negative effects, it appears logical to me that just as organisations may have opportunities to expand (e.g. due to increased demand for services), they may face pressures that promote contraction (e.g. as a result of increased competition) – no organisation (certainly not in the commercial world) has an exclusive or moral right to exist in perpetuity at its current size. It follows that organisations need to be able to downsize as well as upscale. However, since downsizing has many more negative implications (and moral ones, for example if implicit commitments to employees have been breached), the questions I think need asking are more about how necessary is the downsizing (i.e. can the organisation weather the storm?) and, if necessary, can it be done in ways that cause least damage to both employees and the organisation?

4.2.3 Implementing downsizing

There are varied ways of implementing downsizing, i.e. the operational methods used to reduce the numbers of jobs and/or employees in an organisation, such as enforced redundancy, voluntary redundancy, early retirement, natural wastage, reduced hours working, a freeze on recruitment, etc. The method or methods used will depend on the strategic approach adopted by the organisation, and the methods themselves "will have a significant propensity to affect reactions to the
implementation of change and the consequences that flow from these” (Thornhill and Saunders, 1998: 278). From the literature, Thornhill and Saunders (1998) cited three decision making aspects that affect managerial control over downsizing methods: scope for targeting, choice of method, and the nature of selection criteria.

Targeting is where a particular function, activity or layer is reduced, as opposed to ‘across the board’ reductions (which are usually associated with cost reduction approaches, low management control and negative consequences). Greenhalgh et al. (1988) showed that methods of downsizing that do not threaten continuity of employment (e.g. natural wastage, early retirement) effectively reduce management control over the process. Figure 4.1, a plot of downsizing methods on a scale of increasing management control/decreasing employee influence, illustrates this.

![Figure 4.1 Choice of downsizing methods](Adapted from Thornhill & Saunders, 1998; Greenhalgh et al., 1988)

Low Level of Managerial Control → High

- Early retirement
- Induced redeployment
- Compulsory redundancy with outplacement
- Natural attrition
- Voluntary redundancy
- Involuntary redeployment
- Compulsory redundancy without outplacement
- Job sharing
- Reduced hours
- Low Level of Employee Influence → High

However, even at the high employee influence end of the spectrum, management can still assert control through measures such as inducements to accept ‘voluntary’ deals, or by retaining the right to select people on certain criteria such as scarce skills (Thornhill and Saunders, 1998). The use of selection criteria enables organisations to
lose or retain particular individuals. The management control/employee influence balance will have an effect on the consequences of the downsizing, including the retained skills profile and the reactions of survivors.

In a study of individuals in an Australian context, Clarke (2005) found that voluntary redundancy did appear to smooth the downsizing process. Whereas redundancy is usually seen as management initiated process outside the employees' control, and for most, is associated with negative outcomes, voluntary redundancy gives some element of control to employees over the redundancy decision, and usually includes a financial incentive (redundancy payment) that can exceed normal or statutory payments. Clarke found, from interviewing a small selection of employees from a variety of organisations and sectors, that perceptions of how much choice they had varied, but it was regarded as a "constrained choice" (2005: 249) and influenced by the offer of a separation payment and the opportunity to escape the effects of downsizing and restructuring. Clarke concluded that voluntary redundancy does appear to encourage people to volunteer by making job loss more attractive, and it "gives the employee the perception of choice and thus may be less psychologically damaging than involuntary retrenchment" (2005: 250). However, she noted some risks to the organisation: it can tend to mask underlying problems of morale and commitment, and create the expectation that a redundancy package is the norm, thus reducing natural attrition and increasing redundancy costs.

4.3 The effects of downsizing

4.3.1 Survivors' reactions

In terms of the effects of downsizing, the literature focuses mostly on those who remain with an organisation, usually termed 'survivors'. This is presumably because they are of most interest to organisations and, since they have remained, access is more straightforward for researchers.

Downsizing is a difficult process for employees, not only those who leave the organisation, perhaps against their wishes, but also for the survivors. The reactions of survivors have been linked to the success or otherwise of downsizing, since it is
the survivors who, following downsizing, are required to continue the organisation’s work, as Kozlowski et al. (1993: 302) expressed the dilemma; “Survivor reactions of fear, rigidity, loss of commitment, loss of motivation, and failure to innovate may occur at the very time when the organisation is most in need of employee support”. The negative emotional and attitudinal characteristics of those who have survived a downsizing have been termed ‘survivor syndrome’ (Brockner, 1988) or ‘survivor sickness’ (Noer, 1993). Cross & Travaglione attributed them to “survivors being confronted with a new psychological contract in which loyalty appears no longer to have a place in the organization” (2004: 276). As Clarke (2005) summarised, they can include fear, insecurity, uncertainty, frustration, resentment, anger, sadness, depression, guilt, unfairness, betrayal and distrust (see also Noer, 1996).

Thornhill and Saunders (1998) listed psychological (e.g. anger, anxiety, guilt, stress, uncertainty, lower morale, perceived fairness, organisational commitment, relief, remorse) and behavioural (e.g. absenteeism, intention to leave, resistance to change, performance) reactions from the literature. Nair summarised the main problems often experienced by survivors as “lowered morale, increased stress levels, survivor’s guilt, initial upsurge in productivity followed by lethargy and depression, fear of future layoffs, lack of trust in the management, violation of psychological contract with the organization, lower levels of job involvement and commitment, demotivated and unproductive workforce, etc.” (2008: 25).

4.3.2 A variety of reactions

Brockner & Wiesenfeld (1993) suggested that two general types of factors influence survivors’ reactions. Firstly, the perceived fairness of layoffs – survivors react more negatively if the layoffs are judged relatively unfair. Secondly, how the workplace has changed – if the changes are experienced more as threats than opportunities, survivors react more negatively.

Although some survivors experience increased job stress, and trust and morale can decrease with increased workloads following downsizing, others are energized and see opportunities for personal growth, work harder, or increase their good citizenship behaviours (Mishra & Spreitzer, 1998). Reasons have been found for this;
“Survivors who perceive the process to be just and trust the top management prior to and after downsizing are more likely to display constructive responses” (Nair, 2008: 25). Other ways of avoiding or at least moderating negative reactions are described in Section 4.6 below.

Brockner and Greenberg (1990) showed that survivors may exhibit opposing reactions depending upon their views on the selection and subsequent treatment of leavers (which are clearly justice perceptions). They may be sympathetic, believing that leavers have been unfairly selected and/or treated, and causing them to have negative attitudes towards the organisation and reduced employee commitment. Or they may be unsympathetic, believing that redundancies and those selected to leave were justified, and thus distancing themselves from leavers and working harder.

Thornhill and Saunders (1998) pointed out that survivors’ reactions do not only depend on what is happening in the organisation, but also on social and psychological differences between people. They cited studies that have shown a certain conditionality in survivor reactions that is related to various ‘moderator variables’. These include: prior work interdependence with those made redundant; own previous experience of redundancy; perceptions about the fairness of policies and procedures used; employee expectations (if redundancies are unexpected then the reactions are likely to be stronger), and the external job market and economic need to work.

In terms of psychological differences, survivors with low self-esteem may improve their performance more than others because of a sense of positive inequity (‘survivor guilt’, Brockner et al., 1986). Those who were highly committed to the organisation before downsizing and who perceive the process to be unfair, are most likely to suffer from negative survivor reactions (Brockner, et al., 1992). Those who have an aversion to perceived threats will experience the strongest reactions, whereas those who were optimistic and had a strong sense of mastery were more likely to engage in ‘control-oriented coping’ (Armstrong-Stassen, 1994).

There has been less research on how different groups respond to downsizing. A study by Nair (2008) in an Indian context, found that less experienced (mostly
younger) survivors reacted less negatively to downsizing (seeing it as an efficient way of improving the company) than the more experienced (mostly older) employees, who felt more acutely the effect of job loss. These finding perhaps suggests a different underlying psychological contract. Gandolfi (2008b) pointed out that during periods of major change there is the need for individuals to take responsibility for their own learning and development, and that a sub-culture of self-development can emerge, which tends to favour those used to partaking in learning, i.e. managers and professionals as opposed to their subordinates.

4.3.3 Organisational commitment

The literature on survivors' reactions to downsizing means that organisations "need to be much more mindful of survivors' responses, and the issues that arise from these, than they have in the past" (Thornhill et al., 1997: 82). On the positive side, the existence of such moderators means that organisations can take actions (affecting both survivors and casualties) to influence these responses, since an organisation's ability to achieve employee commitment may be largely dependent on how well they handle negative survivor responses (Thornhill et al., 1997). There are different measures of commitment and when downsizing occurs it has been proposed that whilst employees may retain their level of commitment to the value of paid employment, to their career and profession, they may not to their specific job or the organisation. Organisational commitment has been defined by Porter et al. (1974: 604) as comprising at least three factors: "(a) a strong belief in and acceptance of the organization's goals and values; (b) a willingness to expend considerable effort on behalf of the organization; (c) a definite desire to maintain organizational membership". Clearly, if organisational commitment decreases, the organisation stands to lose discrentional effort and there will be an increased tendency to leave. Trevor and Nyberg (2008), using organisational level data from multiple industries, showed that downsizing precipitates voluntary turnover, mediated in some cases through reductions in organisational commitment.

The management of the human resource aspects of downsizing have been shown to have a big effect on the reactions and commitment of survivors (Brockner, 1988). For example, Trevor and Nyberg (2008), showed their moderating effect on the
relationship between downsizing and voluntary turnover: HR practices that promote procedural justice perceptions (e.g. a grievance or appeals process) decreased turnover, whereas those that enhance career development increased turnover. This finding is further explored in Studies 2 and 3 of this thesis.

4.3.4 Personal control

The impact of active personal control has been studied under the terms personal initiative, voice, taking charge, proactive coping, and empowerment (Spreitzer & Mishra, 2002). Empowerment, defined "as a personal sense of control in the workplace as manifested in four beliefs about the person-work relationship: meaning, competence, self-determination, and impact" (Spreitzer & Mishra, 2002: 714), enables survivors better cope with downsizing, and relates positively to organisational attachment (Spreitzer & Mishra, 2002). So, giving employees a greater sense of personal control is a way of moderating the negative effects of downsizing.

The post-downsizing work environment is often perceived as quite stressful due to ongoing uncertainty; will there be more redundancies? Will I be able to survive, and what about future career prospects? Another factor that causes stress is that "workers tend to disappear more quickly than the work they used to do" so that "survivors often feel over-extended" (Brockner et al., 2004: 7; Kozlowski et al., 1993; Mishra, Spreitzer & Mishra, 1998). This is at a time when the organisation needs its remaining employees to meet organisational objectives. Outside of downsizing situations it has been shown that when people perceive that they have less control over their work environments, they exhibit greater stress (cited by Brockner et al., 2004). In a conceptual paper, Mishra and Spreitzer (1998) suggested that survivors' perceptions of control influence their experience of stress and therefore other work attitudes (e.g. organisational commitment) and behaviours (e.g. job performance).

In two field-based studies, Brockner et al. (2004) found that perceived control acted as a moderator upon survivors' attitudes and behaviours. Perceived control has been described in terms of self-determination (the extent to which people see their behaviour as self-determined versus coerced, as originating their behaviour rather
than merely reacting as pawns), and impact (that important outcomes are contingent upon rather than independent of their behaviour, that they can influence outcomes by their ability to perform tasks, or by influencing those who control important outcomes). Brockner et al. (2004) found that if employees perceived that they had some control in a post-downsizing situation, the event had less negative impact on survivors' organisational commitment and job performance, so control plays a moderating role. They also found that this was context specific. Perceived control was more strongly related to survivors' organisational commitment when they had witnessed fellow employees laid off than when they hadn't. It was also more strongly related to job performance for survivors who viewed the post-downsizing environment as more threatening than those that didn't. The studies confirmed earlier work that trust in management and perceptions of fairness also contribute to survivors' levels of organisational commitment. The moderating role of perceived control on survivor attitudes and behaviours, which varies in different circumstances, helps to explain the variance in survivor reactions, and highlights the importance to organisations of finding ways enhancing employees' perceived control.

From helping employees to face downsizing, and from my own personal experience of voluntary redundancy, I concur with the importance of perceived control – in a downsizing environment characterised by high uncertainty and a feeling of 'being done to', employees react positively to opportunities for perceived control, and may even attempt to take matters into their own hands (e.g. by seeking alternative employment) to achieve some degree of personal control.

4.3.5 A framework for survivor responses

Mishra and Spreitzer (1998) developed a stress-based framework of survivors' responses to downsizing by synthesising earlier research into a typology of responses on the dimensions of constructive/destructive and active/passive. These dimensions are based on Farrell's (1983) exit, voice, loyalty, and neglect (EVLN) framework for responses to job dissatisfaction. This model is described in some detail since it is used as a tool to test survivors' responses in Study 2 of this thesis. Mishra and Spreitzer (1998) used these dimension to describe various types of survivors:
• *Constructive survivors*: do not view significant harm or threat from the downsizing and therefore are willing to cooperate with top management in implementing it.

• *Destructive survivors*: Feel more threatened or see more potential for harm from the downsizing and are less willing to cooperate with top management in its implementation.

• *Active survivors*: believe that they can cope with the downsizing so show an assertive response and deal with the problem.

• *Passive survivors*: view themselves as having less ability to cope with the downsizing so tend not to take personal initiative and avoid/ignore the problem.

The two dimensions (constructive/destructive and active/passive) create four archetypes of survivor responses to downsizing (Figure 4.2 below):

1. *Fearful* – 'Walking Wounded'. They consider the downsizing as potentially harmful and believe they do not have the resources to cope.

2. *Obliging* – 'Faithful Followers'. They do not believe they have the resources to cope, but view the downsizing as less threatening than fearful survivors, and are willing to go along with what is expected of them.

3. *Cynical* – 'Carping Critics'. They believe they have the resources to cope, but feel personally threatened by the downsizing, thus creating an active and destructive response.

4. *Hopeful* – 'Active Advocates'. They believe they have the resources to cope and do not feel threatened by the downsizing, so are active and constructive.

These archetypes, although perhaps a little clichéd, capture emotions, cognitions, and behaviours that people use to cope with the stress of downsizing, and so as Mishra and Spreitzer (1998) pointed out, are affective, cognitive and behavioural composites. They made the point that not all survivors will experience all the components of a particular archetype but may experience different components selectively. Also, that actual responses may fall anywhere along the two underlying dimensions, so that survivors may show hybrid responses. For example, someone
may show both hopeful and cynical responses by being critical of the organisation but in a constructive way, pointing out what should be done. So, the two dimensions, although held by Mishra and Spreitzer (1998) to be conceptually distinct, are not mutually exclusive in practice. They also pointed out that responses are dynamic. For example, a hopeful response can become a cynical one if management does not keep its promises. Alternatively, a fearful response can become an obliging one if survivors perceive a fair process for selection.

Mishra and Spreitzer (1998) used the stress theory of Lazarus (1993) to explain the key factors that influence the responses survivors have to downsizing. This theory states that environmental stressors (e.g. a downsizing event) are mediated by cognitive appraisal by the individual, which leads him/her to adopt particular coping responses. In the primary appraisal, the individual evaluates the potential threat. Mishra and Spreitzer (1998) suggested this is based on trust in management, and how fair they perceive the implementation is (procedural justice). If survivors trust management and think the implementation is fair, their responses are likely to be constructive. In the secondary appraisal, they suggested the individual evaluates
her/his own resources/capability. They suggested that *empowerment* and *work redesign* help survivors see that they can cope with the downsizing, so facilitate more active responses (Figure 4.3 below). Both appraisals lead to the emotional and behavioural efforts that the person makes to deal with the stressful event.

On trust in management, Mishra and Spreitzer (1998) proposed that survivors who trust top management prior to downsizing will be likely to respond constructively, and similarly that survivors who trust management during the implementation (since trust is a dynamic construct and can change as perceptions change) will be likely to respond constructively. They used dimensions of trustworthiness from the literature (*benevolence, competence, openness* and *reliability*, as described in Chapter 3) to explain why such trust reduces the threat. Clearly, in each of the above trust can be violated (hence the vulnerability of trust) if management do not live up to stated intentions or expected behaviour.

![Figure 4.3: Theoretical framework of survivor responses to downsizing](image)

In terms of justice, Mishra and Spreitzer (1998) proposed that survivors who view the downsizing process as distributively just will be likely to respond constructively,
and similarly with procedural and interactional justices. Research on distributive justice and downsizing shows that survivors use the outcomes of victims in making their appraisal, viewing victims as friends and colleagues whose treatment will reflect their own should they lose their jobs. Also, if the burdens of the downsizing are shared fairly amongst survivors (e.g. across the board pay cuts or budget reductions based on equality or need), then Mishra and Spreitzer (1998) proposed survivors are likely to view the downsizing constructively.

Whilst being a largely untested and theoretical, this model does provide useful terminology that survivors of downsizing associate their experiences with or recognise in others (for example, I have heard survivors talk of the 'walking wounded' in their midst following downsizing). It is also accurate, I believe, in its description of how survivors use both their level of trust in management and fairness perceptions of the downsizing (procedural justice) as part of their assessment of the threat to them. This model is put to the test in Study 2 of this thesis (Chapter 7), and further literature on the link of downsizing to organisational justice and trust is described below in sections 4.4 and 4.5 respectively.

4.4 Downsizing, ethics and organisational justice

4.4.1 The ethics of downsizing

Hopkins & Hopkins (1999) described the ethics of downsizing as being in essence an inherent conflict between two issues: the moral obligation of top management to act in the best interests of the organisation, and the legal obligation of the organisation not to violate the rights of employees. For the former, if top management take the view that their foremost duty is to act on behalf of the shareholders, then downsizing can be justified if the health and financial state of the organisation require such action. A wider view that considers a fuller range of stakeholders involved in the fortunes of the organisation raises more complex and often conflicting ethical issues. On the second point, there are certainly the legal obligations to consider, but also those of psychological contract violation, perceived fairness of outcomes, procedure and interactions, and the effect of these on employee attitudes and behaviours, and ultimately performance and productivity.
The conflict between benefit to the organisation and duty towards individuals was also brought out by Lämsä and Takala (2000). They pointed out that managers have a tendency to follow a utilitarian orientation in ethical decision-making (explained by the strong role economics plays in managerial decisions). When involved in making downsizing decisions, this utilitarian orientation comes to the fore when those undergoing the downsizing are 'faceless' (i.e. not personally known to the managers concerned). However, when the employees have 'face', the concern for the individual (the Kantian imperative that people should never be treated as a means to an end) plays a more pronounced role and the manager is inclined to take a more deontological approach to decision-making. From my own experience of managing downsizing, I can attest to the influence of 'face'; it is certainly easier to internally justify making employees of some remote unit redundant than members of one's own team!

The Hopkins and Hopkins study (1999) showed that for certain ethical aspects of downsizing (such as timeliness of communication, how communication is undertaken, and what is communicated), different groups hold different perceptions on the ethics of downsizing. They divided those surveyed into five groups (shown here in detail since they are used as a basis for categorising employees in Study 1 of this thesis, as documented in Chapter 6):

- Casualties: non-managerial employees who have been laid off at least once in their working life.
- Survivors: non-managerial employees who have worked for organisations that have downsized but they have never been laid off.
- Implementors/Casualties: managers/supervisors whose job it is to help implement downsizing decisions, and who have been laid off at least once in their working life.
- Implementors/Survivors: managers/supervisors whose job it is to help implement downsizing decisions, and who have worked for organisations that have downsized but they have never been laid off.
- Formulators: CEOs (Chief Executive Officers) who have made a strategic decision to downsize and have presided over its implementation.
Their study demonstrated that the casualties, survivors and implementor/casualties held similar views to each other, and that the implementers/survivors and formulators held similar views to each other. The views of these two groupings differed: those affected by downsizing decisions considered the downsizing process (as characterised by their three dimensions) to be unethical; those formulating or implementing downsizing considered it to be more ethical. Hopkins & Hopkins (1999: 154) concluded that "the ethical, or at least proper, handling of a downsizing is a significant measure of management fairness and credibility."

As described in the foregoing, the ethics of downsizing depends on how the balance between the needs of the organisation and its obligations to its employees are managed. I have articulated earlier in this chapter that I do not believe any organisation has an automatic right to perpetual existence in its current form — a near impossibility in an age of global competition and continual change anyhow — so mechanisms for both growth and reduction are necessary and, in my view, therefore ethically justifiable. In the extreme case (i.e. the organisation will cease to exist if no action is taken), I believe a clear moral case can be made for downsizing on deontological (top management honouring their contracts to protect the organisation's existence) and utilitarian grounds (better that some still have jobs than no-one), although its method may be the issue of further ethical debate. However, in many situations the ethics are more complex since the need for downsizing or its extent may be debatable, there may be written or implicit obligations to employees that would be breached, or the predicted outcomes are highly disputable. Given such complexity, the study of perceived fairness (organisational justice) gives a useful framework for approaching ethical issues in contexts such as downsizing, and links can then be made back to normative justice and morality.

4.4.2 Perceived fairness and downsizing

In a discussion of why managers are often perceived as doing the wrong thing, Folger and Skarlicki cited evidence that "organizational change increases people's sensitivity to fairness issues" (2001: 108), and commented that "During pervasive organizational change, doing the right thing from a fairness perspective becomes the next challenge for human resource managers." (2001: 100). It is safe to say that in
organisations, there is little that brings to the surface more the ethical and fairness
issues associated with organisational change than does the perceived justice (or
injustice) of processes and outcomes associated with probably the most traumatic of
all organisational changes, that of downsizing. Yet "Precisely when employees most
need managers to treat them fairly - by providing personal attention, treating them
with sensitivity, giving them an adequate explanation - managers often distance
themselves from layoff victims, failing to treat them with respect and dignity." (Folger &
Skarlicki, 2001: 97). Citing many studies, they went on to state that
"retaliation and resentment are highest among individuals when unfavourable
outcomes are combined with unfair procedures or poor interpersonal treatment"
(2001: 99). So, perceptions of fairness as measured through the dimensions of
organisational justice have been shown to have an important impact on the attitudes
and behaviours of those who experience downsizing.

The uncertainty associated with downsizing may be one of the underlying causes of
this heightened awareness of fairness - it has been shown that when people face
uncertainty, they care more about fairness and how they are treated, perhaps because
it gives them a way of helping to manage the uncertainty (Van den Bos, 2001; Lind
& Van den Bos, 2002).

In simulating the effects of redundancies on survivors, Brockner et al. (1986)
investigated the work performance of survivors as a function of whether a co-worker
had been made redundant, and the circumstances of that redundancy. Survivors were
found to work harder if they thought that a co-worker’s dismissal was based on a
random process rather than on the relative merits of their and their co-workers prior
performance. Brockner et al. (1986) concluded that this was consistent with equity
theory, i.e. that the survivors’ reaction to work harder was due to their perception
that the ratio between outcome and input was higher for them than for relevant others
(positive inequity; Adams, 1965), which produced feelings of guilt, inducing them to
redress the inequity through working harder. (The study focussed on guilt and
controlled for other reactions such as anxiety and anger). If the redundancy was
perceived as merited, then the survivors saw their prior performance as greater, and
saw equity as having been restored through psychological rather than behavioural
means, which is also consistent with equity theory. In most previous studies positive
inequity was produced by increasing outcomes compared to relevant others; this study showed that redundancy survivors can experience positive inequity because of the decreased outcomes of relevant others. The study also showed that positive inequity is not always about money but can be influenced by non-financial means.

Paterson & Cary (2002) demonstrated that procedural justice (and change anxiety) explained the effect of change management procedures on acceptance of downsizing, while interactional justice (and change anxiety) explained the effects of the quality of change communications on trust in the change managers.

Spreitzer and Mishra (2002) investigated survivors’ longer-term behavioural responses, particularly their attachment to the organisation, which has been shown to be related to voluntary turnover. They cited research that shows that downsizing has a negative effect on the attachment survivors feel towards an organisation because they perceive that the organisation may not be committed to them. Turnover has been related to a shock (any expected or unexpected change to a social system) that prompts people to evaluate their job and organisation – the ‘unfolding model of voluntary turnover’ (Mitchell & Lee, 2001). Downsizing can provide such a shock, and also can be experienced as a psychological contract violation. Spreitzer and Mishra (2002) found that survivors’ perceptions of distributive and procedural justice, and their sense of empowerment facilitated greater organisational attachment. Research by Trevor and Nyberg (2008) also demonstrated support for the positive relationship between downsizing and voluntary turnover, and they argued that in the scrutiny by employees (prompted by the unfolding model of turnover), it is HR practices (including those that promote procedural justice) that largely determine the outcome, and thus how downsizing affects voluntary turnover.

Brockner et al. (1990) have also shown that perceptions of justice have a strong influence on survivors’ attachment to the organisation. Distributive justice facilitates less threatening appraisals about the availability of desired outcomes, so enhances attachment. Survivors often evaluate this by looking at the outcomes received by leavers, and at how the downsizing burden is shared across the hierarchy.
Spreitzer and Mishra (2002) found that survivors' perceptions of procedural justice were positively related to organisational commitment. Procedural justice is underpinned by group value theory (Lind & Tyler, 1988), which assumes that it is important to people to be accepted, respected and valued by others in their social system, and fair treatment is a reflection of this, bolstering their attachment to the group. In downsizing, if people see that decisions are based on clear, defined criteria rather than favouritism or politics they will feel less threatened; if the opposite is true they will view it as unfair and feel less attached (Tyler & Bies, 1990).

Interactional justice focuses on communication and interpersonal treatment by management to employees, usually in terms of dignity, respect and politeness. As Spreitzer and Mishra (2002) summarised, it usually covers three types of social accounts which relate to downsizing in the different ways. Firstly, causal accounts—the credible mitigating circumstances for the downsizing—why it was necessary; secondly, ideological accounts—the way the downsizing is linked to a vision for the organisation's future—how it will help achieve future goals; and thirdly, penitential accounts—how people are treated interpersonally.

In 1990, Brockner et al. confirmed earlier findings (Bies, 1987) that survivors' reactions to downsizing are more positive if there is an adequate management account of the reasons behind the decisions. They went on to show that management accounts are more strongly related to survivors' reactions when survivors are uncertain why the layoffs occurred, and when survivors view the outcomes of the layoff as important. Thus uncertainty and importance moderate the relationship between management accounts and survivors' reactions; it is as if people are only prompted to look for explanations when they need them. This is consistent with attribution theory, which states that people make sense of the world by using causal explanations to understand people's behaviour. Studies have shown that this is triggered by negative and/or unexpected outcomes (e.g. Pyszczynski & Greenberg, 1981). So, in such circumstances people are more likely to be influenced by information that will help them understand why such events occurred.

In a study concerning the explanation of changes to employees, Daly (1995) found that when employees are evaluating the fairness of change outcomes (distributive
justice), they expect explanations only when the outcomes are negative. However, concerning the evaluation of decision procedures (procedural justice), they expect explanations even when outcomes are favourable.

From the foregoing, it is clear that employees' perceptions of fairness (of outcomes, procedures and interpersonal treatment/communication) during downsizing influence and help to explain attitudes and behaviours such as acceptance of the downsizing, organisational commitment, and tendency to leave.

4.5 Downsizing, trust and psychological contracts

Brockner et al. (1997) found that when outcomes are unfavourable (usually the case for some employees during downsizing), people are particularly motivated to determine whether the other party can be trusted.

In the study cited in Section 4.4 above, Spreitzer and Mishra (2002) found that survivors' trust in top management was positively related to organisational attachment. This is consistent with other research cited that without a sense of the trustworthiness of management, survivors may become cynical, that trust minimises threat of malfeasance, and enhances the perceived legitimacy of organisational change. Spreitzer and Mishra (2002) also cited evidence that survivors' attachment decreases because they feel that the organisation is no longer committed to them and that the psychological contract has been violated (Robinson & Rousseau, 1994; Rousseau, 1995).

A three-year longitudinal study by Armstrong-Stassen (2004) covering the initial period of downsizing, phases of voluntary and involuntary departures, and the post downsizing period, compared employees who had been declared redundant in the initial downsizing stage but who survived, and employees who had not been declared redundant. It showed that during the downsizing period, the former group experienced a significant decline in trust in the organisation compared to the latter group, but also that in the post-downsizing period their trust increased to levels higher than those of the latter group. Armstrong-Stassen (2004) concluded that employees declared redundant would have perceived that the organisation had
reneged on its obligation to them. However, when it was clear that they were in fact safe in their jobs, they perceived that the organisation had kept its commitment to them, hence it seems that the psychological contract was re-established. However, the study also showed that for both perceived morale and trust in the organisation, downsizing had a long-term negative effect.

As Brockner et al. (2004) summarised, survivors have been shown to respond more negatively when: the downsizing was perceived to be handled unfairly (Brockner et al., 1994); trust in management was relatively low (Spreitzer & Mishra, 2002); survivors were more psychologically close to those who were made redundant (Brockner et al., 1987); and/or the threat of future downsizing and redundancies was relatively high (Brockner et al., 1993).

Employee trust has been shown to decline with downsizing when the communication from top management is not credible/information is withheld or their competency is questioned, if employee welfare has not been addressed, or if the organisation is perceived to have reneged on its promises or been inconsistent in that actions have not correlated with stated intentions (Mishra, Spreitzer, & Mishra, 1998). This shows trust to be linked to perceptions of interactional justice and perceptions of psychological contract breach.

Downsizing has a big impact on the psychological contract since for many the latter contains a commitment about security of employment, as Amundson et al. (2004: 257) stated; "Of primary importance in understanding the survivors' experience is the changing relationship between the individual and the organization..., and, in particular, the breaking of the implicit "psychological contract" by the organization. This psychological contract is based on an individual's belief, which is shaped by the organization, that the exchange agreement between the employee and the organization includes an implicit guarantee of secure employment."

So when downsizing is announced, the psychological contract is subject to change (Amundson et al., 2004). Some ways of handling this follow in Section 4.6.
4.6 Dealing with downsizing

From the above it is clear that the interplay of survivor reactions and moderating variables can create a complex scenario (Thornhill and Saunders, 1998). What can organisations and managers do to reduce the negative effects and responses or mitigate their consequences? Managing downsizing involves a range of activities and processes including strategic decision making, HR planning, the communication of change, consultation, creating and using selection criteria, and establishing and implementing support for leavers and those who remain. Books such as those by Gowing et al. (1998) and Lewis (1993) give some well founded, practical guidance.

From this literature review, I believe that theoretical research, including that on organisational justice and trust, offers ways to more effectively manage negative reactions, for example through the moderating effect of prior trust on psychological contract breach (Robinson, 2006), or the effect of justice perceptions on trust and other attitudes and behaviours (e.g. Spreitzer & Mishra, 2002). Since Studies 2 and 3 of this thesis focus on employees’ and managers’ experiences of downsizing and how it is handled, this section highlights some key messages from the literature on how organisations can deal with downsizing responsibly, managing organisational commitment, the employment relationship, and the downsizing process.

4.6.1 Downsizing responsibly

In much downsizing, it is implicit that employees are viewed as costs to be cut. Cascio (2003) however challenged this by suggesting that employees are assets to be developed - sources of innovation and renewal who can help grow the business. This has an impact on the decision to downsize, but also on how employees see themselves. Companies that treat people well tend to be regarded as the best to work for, and there is evidence that these outperform competitors (Cascio, 2003).

Cascio and Wynn (2004) cited a number of gaps between research on the effects of downsizing and practice. For example, that indiscriminate downsizing boosts profits, based on the rationale that to be profitable in business you have to reduce costs or increase revenues. Since the former is more predictable, it can be argued that to cut
Table 4.1
Restructuring responsibly

<table>
<thead>
<tr>
<th>To consider in restructuring responsibly (Cascio, 2003; Cascio and Wynn, 2004)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Think through the rationale and the consequences.</td>
</tr>
<tr>
<td>2. Factor in the value of stability through workers’ skills and their sense of belonging.</td>
</tr>
<tr>
<td>3. Before final decisions are made, consult with employees, particularly opinion leaders, who can communicate to others and help promote trust in the restructuring.</td>
</tr>
<tr>
<td>4. Lead by example, and use downsizing as a last resort – unless overstaffing is a long-term problem, alternatives should be explored first, and any cuts shared at all levels.</td>
</tr>
<tr>
<td>5. If downsizing is unavoidable, be sure that employees perceive the decision making process as fair – this involves assessing each person’s performance and ease of replacement, giving leavers plenty of notice, working hard to keep best performers, and providing as much choice as possible to those affected.</td>
</tr>
<tr>
<td>6. Communicate regularly and in a variety of ways. Executives should be visible and active in this, and other managers trained to deal with both victims and survivors. “There should be no secrets, no surprises, no hype, and no empty promises.” (2004: 434).</td>
</tr>
<tr>
<td>7. “Give survivors a reason to stay, and prospective new hires a reason to join.” (2004: 434) – a new business plan that shows how the downsizing fits into a more successful future.</td>
</tr>
<tr>
<td>8. Train employees and managers in the new ways of operating.</td>
</tr>
<tr>
<td>9. Examine all management systems in the light of the change of strategy or environment – e.g. manpower planning, recruitment, performance management.</td>
</tr>
</tbody>
</table>
costs, as long as other things remain equal, should result in higher profits. But as Cascio and Wynn (2004: 426) pointed out; "In a downsizing process, especially an indiscriminate one, other things often do not remain equal, and therefore the anticipated benefits of employment downsizing do not always materialise".

Cascio and Wynn (2004) stated that whereas downsizing is sometimes the appropriate action, it does need to be connected to part of a larger plan to generate new streams of revenue since, from examining the results of a range of organisations, it is "just not possible for firms to "save" or "shrink" their way to prosperity" (Cascio, 2003: 2). Redundancies are not a quick fix that will necessarily result in increased productivity or better financial performance.

It is important to involve employees since people are more likely to support change if they have helped to create it (Cascio & Wynn, 2004), which correlates with evidence showing that perceived lack of control over events that have personal consequences is linked to negative personal and organisational outcomes. However, there are conditions for effective participation such as adequate time, debating issues of relevance to employees, the ability to participate, and a supportive culture. As Cascio and Wynn (2004) pointed out, even when these conditions are present, if people think they are going to lose their jobs regardless, then the participation may not succeed, and honest and regular communication is necessary.

Cascio (2003) and Cascio and Wynn (2004) suggested nine items to think about in order to restructure responsibly; they emphasise considering the implications, and ensuring that any such event is part of a viable business plan (Table 4.1 above).

4.6.2 Managing organisational commitment

Given the complex responses to downsizing, which have been shown to affect the future organisational commitment of survivors, what can organisations and managers do to reduce negative reactions or mitigate their consequences? Thornhill et al. (1997) interviewed senior HR practitioners in many companies across a variety of sectors in the UK and identified five critical areas requiring management attention. They developed the resulting model as a tool to measure survivors' reactions, which showed fair construct validity and internal consistency. Its development and
application was reported by Saunders and Thornhill (1999). The five areas with summarised descriptions are:

- **Clarity of future direction** – so survivors understand the future direction of the organisation (goals, hopes, best of past retained) and how they fit into it, and any changes in psychological contract.

- **Senior management commitment to the changes** – acting together to show belief in changes and the future, and commitment to employees’ current job security and future with the organisation.

- **Planning process** – a logical and ordered process with fair decisions, employee involvement, and that gets things over quickly, preferably in a single wave.

- **Line management styles and skills** – including being open and honest, visible, accessible, caring, supporting survivors, and treating leavers sensitively – managers may need training and support in change management skills, including informing people of their outcomes.

- **Communication** – as open as events allow, clear, regular, in dialogue, addressing how each survivor will be personally affected, and honest; “People invariably have stated that they would prefer honest if negative news rather than lies, evasion or no news at all” (Thornhill et al., 1997: 88).

### 4.6.3 Managing changing employment relationships

Given the effect of downsizing on the psychological contract, Amundson et al. (2004) utilised the transition model of Bridges (1986) in understanding the emotional upheavals and adjustments survivors go through. They undertook an interview based study with survivors of downsizing events from a number of organisations using a ‘critical incident method’ focussing on what helped (positive incidents) and what hindered (negative incidents) people to adjust to the changes. There were more negative than positive incidents and eleven themes emerged; Figure 4.4 below.

Of these themes, the process and how managers treat people (leavers and survivors) is important in establishing the new psychological contract; “The perceived integrity of the downsizing process can either destroy or build new loyalties” (Amundson et al., 2004: 268).
Views of leadership were shown to be particularly related to trust; "When leaders were perceived to be concerned about employees and to be honest, competent, and reliable, employee trust was enhanced" (2004: 261). Managers themselves spoke of the difficulty to perform their roles when their own jobs were under threat, and of the emotional strain of laying people off. Poor communication was associated with, among other things mistrust: "Inadequate, contradictory, or vague communication increased confusion, anxiety, mistrust, and speculation" (2004: 261). There is a real need for communication including top-down vision and specifics, and bottom-up input. Employees are not content to sit around and wait for decisions to be made, they want information and some involvement (Amundson et al., 2004; Noer, 1998).

The theme of feeling valued highlighted the changing psychological contract: the organisation was perceived to have withdrawn from the contract of offering long-term careers and promotions for good work and loyalty, prompting survivors to question "their hard work, commitment, and loyalty" (2004: 261).

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**Figure 4.4 Survivors adjusting to downsizing**

(From the results of Amundson et al., 2004)

<table>
<thead>
<tr>
<th>Process</th>
<th>Co-worker relationships</th>
<th>Leadership</th>
<th>Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frustrated if views not sought or ignored; reassured if understood/ had a voice in process; critical if process unfair.</td>
<td>Grief for leavers: loss, sadness, feelings of isolation, loneliness, guilt &amp; envy. Mutual support in uncertainty, keeping in touch. Sensitive to how leavers treated.</td>
<td>Leaders seen as untrustworthy if withheld information, or didn’t provide direction/ support. Trust enhanced by concern, honesty, reliability, competence &amp; access.</td>
<td>Sufficient &amp; timely communication allayed fears, as did limiting gossip. Wanted to know big picture &amp; details.</td>
</tr>
<tr>
<td>Feeling valued</td>
<td>Morale</td>
<td>Life after work</td>
<td>Possible job loss</td>
</tr>
<tr>
<td>Reduced sense of being valued led to survivors changing their relationship with the organisation.</td>
<td>Feelings about organisation changed mostly negatively: anger, cynicism, resentment, fear &amp; anxiety.</td>
<td>Support from families, whilst also trying to insulate them from it. Health problems, some mitigated with exercise or hobbies.</td>
<td>Anxiety, fear &amp; panic about job loss, influenced by assessments of own external employability.</td>
</tr>
<tr>
<td>Organisational support</td>
<td>Key themes</td>
<td>New job</td>
<td>New co-workers</td>
</tr>
<tr>
<td>Negative reactions if strain ignored &amp; transition not planned for; positive if emotional reactions addressed &amp; practical support provided.</td>
<td>Many encountered increased workloads without support, learning new skills without training, unclear job descriptions, decreased status or autonomy. Others enjoyed the new opportunities.</td>
<td>Frustration training new people/ working with people who lacked skills or were bitter. Induction of new employees, team-building, etc. helped.</td>
<td></td>
</tr>
</tbody>
</table>

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As Amundson et al. pointed out, the link between downsizing and the employment relationship is such that "the moment an organization announces its decision to downsize, the psychological contract between employer and employee changes" (2004: 267). Amundson et al. (2004) suggested that counselling support in downsizing situations could help people make the necessary personal transitions.

4.6.4 Managing the process

Mishra et al. (1998) found that strategies merely focused on reducing numbers were less effective on reducing costs and more harmful in their impacts on survivors than strategies that took a more holistic approach (e.g. by identifying redundancies, reviewing processes and products, and rethinking culture, structure and systems). They detailed a four stage process (Figure 4.5 below) aimed at preserving employee morale (through trust and empowerment) during downsizing.

First, making the decision to downsize – all possible alternatives should be exhausted (e.g. freezing recruitment and/or salaries, pay cuts, overtime restrictions, reduced hours); voluntary redundancy or early retirement should be utilised (being careful to retain key skills), before enforced redundancies. Management need to craft a credible vision (not a short-term fix or knee jerk reaction) that shows the benefits to the organisation and how survivors will fit into the future.

Second, planning the downsizing – this must consider all stakeholders (including leavers and survivors). External experts can be used for outplacement, counselling or training. It is important to train and support managers, particularly in communicating the downsizing and delivering personal outcomes, since they will have to deal with difficult situations as well as their own emotions and sometimes ‘terminator guilt’, i.e. the guilt associated with determining and/or implementing the exit of others. Confidentiality issues notwithstanding, employees should be provided with as much information as possible.

Third, making the announcement – this should be open and honest about the business rationale, espouse a vision for the future to create hope, and provide clarity on
process and severance packages so that leavers feel in control of their destiny. It should be managed so that the message comes from the organisation not the media.

Figure 4.5
The decision to downsize
(From Mishra, Spreitzer, & Mishra, 1998)

<table>
<thead>
<tr>
<th>Stage 1</th>
<th>Stage 2</th>
<th>Stage 3</th>
<th>Stage 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making the decision to downsize</td>
<td>Planning the downsizing</td>
<td>Making the announcement</td>
<td>Implementing the downsizing</td>
</tr>
<tr>
<td>• Use downsizing as a last resort</td>
<td>• Form a cross-functional team</td>
<td>• Explain business rationale</td>
<td>• Tell the truth and overcommunicate</td>
</tr>
<tr>
<td>• Craft a credible vision</td>
<td>• Identify all constituents</td>
<td>• Announce the decision</td>
<td>• Help departing employees find other jobs</td>
</tr>
<tr>
<td></td>
<td>• Use experts to smooth the transition</td>
<td>• Notify in advance</td>
<td>• Announce subsequent separations as planned</td>
</tr>
<tr>
<td></td>
<td>• Provide training to managers</td>
<td>• Be specific and time the announcement appropriately</td>
<td>• Be fair in implementing separation and generous to laid-off workers</td>
</tr>
<tr>
<td></td>
<td>• Supply information on the state of the business</td>
<td>• Offer employees the day off</td>
<td>• Allow for voluntary separations</td>
</tr>
</tbody>
</table>

Fourth, *implementing the downsizing* – this entails the organisation/managers following through on what has been promised (including keeping to the timetable); anticipating questions, listening and responding; continuing to communicate; and being generous in helping leavers separate and find other jobs. Selection needs to be based on some objective criteria and linked to future strategy since treating leavers fairly has an impact on how survivors view the organisation, as does involving them in the downsizing and subsequent redesign of jobs and processes.

4.6.5 Giving people control

Spreitzer and Mishra (2002), from work on relating justice, trust and empowerment to organisational attachment, suggested that facilitating perceptions of fairness influences how employees view downsizing, and that empowering survivors helps them cope better. However during downsizing, management often take more control due to its crisis nature, which decreases empowerment. However, ways of involving
staff can be found, and the trust in management as part of a long-term relationship built up before the event (prior trust) also helps.

Brockner et al. (2004) highlighted that enhancing perceived control was important after a downsizing. It can be done by, for example, involving survivors in setting direction or planning (giving voice), or providing opportunities to work on activities that are likely to be successful. They also pointed out that management should be alert to employees' need of perceived control “in the face of other threatening organizational events” (2004: 98) and to use this to beneficial effect. It should be added that this is important not only after downsizing, but where possible before it, involving employees in determining the organisation’s and their own futures.

The above approaches were chosen to illustrate different emphases in handling downsizing, for examples: downsizing responsibly through considering the consequences and ensuring it is part of a future business plan; managing commitment through showing management are behind it; managing changing employment relationships by recognising and addressing emotional reactions and providing support; managing the process by good planning and well-timed announcements; and giving people control through involvement and empowerment. A number of common themes are also apparent from these approaches: a clear and credible vision, regular and open communication, training and support for managers, a robust process, and opportunities for employees to voice their views/be involved.

4.7 Learning from the past and looking ahead

Whilst downsizing has received attention by academics, the business community and the popular press, as Gandolfi (2008a) has commented, misconceptions remain and organisations continue, on the whole, to handle downsizing poorly, failing to deliver the predicted financial gains, and reaping negative human consequences (in particular diminished loyalty and commitment, anger, fear and distrust amongst survivors – the ‘survivor syndrome’; Levitt, Wilson & Gilligan, 2008). Gandolfi (2008a) pointed out four particular lessons that can be gleaned from past experience.

First, preparation – to strategically plan and proactively prepare the organisation for downsizing so that its culture and HR policies are ready for change. Second, specific
training – to provide training, support and assistance for survivors during the downsizing process. Third, the survivor syndrome – the ‘dysfunctional’ work behaviours and attitudes often displayed by survivors need to be addressed through counselling, support, retraining and information. Fourth, counting the costs – to be aware of the often considerable direct (e.g. redundancy payments) and indirect (e.g. rehiring, retraining) costs of downsizing, which may influence the decision whether or not to downsize in the first place.

These lessons and other examples of good downsizing practice referred to earlier in this chapter show that there are ways to mitigate the often negative effects of downsizing. In short, organisations need to handle downsizing responsibly, which includes assessing its need, signalling and managing changes to employment relationships, planning ahead, creating effective and clear processes, and avoiding prolonged uncertainty. Additionally, organisations need to communicate well, train those implementing the process, support those affected by it and, where possible give employees some degree of involvement and control.

In terms of gaps in the literature, the reactions of different groups to downsizing (e.g. managers/professionals versus subordinate staff, or older versus younger workers) have not received much attention. Research is also sparse on the effects of downsizing upon its executors, i.e. those planning, making decisions about, and/or implementing downsizing, except that similar psychological and emotional reactions to casualties and survivors have been noted (Gandolfi, 2008a).

From the foregoing it is clear that there are ways of dealing with downsizing that can affect the way it is implemented, perceived and experienced. The literature shows that, among other items, employees’ trust and their perceptions of fairness are important. Research objectives 1-3 of this thesis (Study 1) investigate employees’ reactions to downsizing particularly with regard to justice and trust against different organisational and personal contexts and varied treatments and processes. They also explore the reactions of different groups within the sample population. A quantitative approach using a survey strategy and corresponding data collection and analysis methods was utilised.
Research objectives 4 and 5 explore some of the reasons for these perceptions, and objectives 6 and 7, their consequences and impact on employment relationships, respectively. These objective fall within Study 2, a qualitative case study, designed to explore why employees perceive downsizing as they do. Its interviewee sample covers a variety of downsizing roles, including the executors of downsizing.

The literature shows that human resource management has a big effect on the reactions of those experiencing downsizing, not least since it is through HR procedures, the outcome of those procedures, and the personal treatment received that individuals, in part, make their organisational justice judgements. Studies 2 and 3 of this thesis both explore the important role of HR in downsizing.

Research objective 8 of this thesis (the primary topic of Study 3) aims to build on the literature of this chapter further by exploring ways of managing downsizing more positively. This is undertaken through a qualitative focus group study that taps the individual and collective knowledge of participants with varied experiences of downsizing.
5. RESEARCHING JUSTICE AND TRUST USING MIXED METHODS

5.1 Introduction

This chapter describes the methodology used in this research, and comprises research philosophy and rationale, design and strategies, the literature behind particular methods used, ethical considerations, and reflections on/limitations of the research process. It justifies the use of mixed methods -- utilising a combination of both deductive and inductive approaches and, correspondingly both quantitative and qualitative methodologies with their respective strategies and methods.

The research design is described, showing how the results of the first and second studies influenced the methods of the second and third respectively. Study 1, reported in Chapter 6, followed a standard linear pattern of deductive research by seeking to address research objectives 1-3 through establishing hypotheses from theories of organisational justice and trust, testing these using a survey method, and analysing the results statistically. This study also generated some qualitative data from four open questions, which were subjected to content and qualitative analysis techniques. Studies 2 and 3 (Chapters 7 and 8 respectively) sought to address research objectives 4-7 and 8 respectively utilising Maxwell’s (1996) model of interactive research. This model is particularly good for qualitative study because it helps ensure that the research questions remain central, guided by the study’s purpose and conceptual context, and investigated by methods chosen to seek answers and deal with validity threats.

5.2 Research philosophy and rationale

5.2.1 Deductive and inductive approaches

The research philosophy adopted is important because implicit in this are various assumptions about how the world, and in particular the development of knowledge, are viewed by the researcher (Bryman & Bell, 2003). The chosen research
philosophy then guides the approach taken, the research strategies adopted, and ultimately the methods and techniques used to collect and analyse the data.

Deductive approaches tend to be used in areas where there is a good body of existing knowledge and established theories, and where the researcher wishes to test those theories and explain causal relationships between variables (Saunders et al., 2007). In terms of epistemology (how we understand knowledge), they tend to be related to more positivist research philosophy, i.e. that the data are observable and can be objectively measured, resulting in law-like generalisations that can be tested as in the natural sciences (as exemplified in Pugh, 1983). In terms of ontology (the nature of reality), positivism has an objective view of reality, that things exist independently of how we describe them, that they can be observed in a way that is not influenced by pre-existing theories (Bryman & Bell, 2003). In the social sciences, a positivist approach is operationalised by turning ‘soft’ issues such as attitudes into variables that we can ask questions about and then measure using scales, develop theories about the relationships between variables, develop further propositions (hypotheses) deductively and test them.

An inductive approach works from data to theory (Glaser & Strauss, 1967; Bryman & Bell, 2003) and tends to be used in areas where there is little established theory, where the researcher suspects there may be alternative explanations for what is going on, or where he/she wishes to ask ‘why’ or ‘how’ about such and such an effect. An inductive approach takes an interest in the context in which events take place, and may lead to new theory. It tends to be linked to a more interpretivist research philosophy, which has an ontology that reality is socially constructed, i.e. is influenced by what we say about it, and is seen differently by different people. Instead of an emphasis on the explanation of human behaviour (positivist), an interpretivist philosophy seeks to empathetically understand behaviour rather than the forces that might act upon it (Von Wright, 1971; Bryman & Bell, 2003). In terms of epistemology, interpretivism underlines the necessity of “the researcher to recognise differences between humans in our roles as social actors” (Saunders et al., 2007: 106). This means that the researcher’s job is to try to understand the world of the research subjects from their point of view, always recognising that he/she is also playing a role that may influence what is happening, which also means that the
researcher may interpret what is seen in part because of this role. Operationalising an inductive approach is achieved through methods such as case studies and interviews where views within a particular context can be explored, and there are opportunities for themes to emerge on which theories can be founded.

5.2.2 Mixed methods and a pragmatist approach

The combination of both quantitative and qualitative methods in a mixed methods approach has become more common and more accepted in recent years (Bryman's editorial introduction to volume I of his four volume work, 2006a). However there are some who argue against the feasibility or desirability of using mixed methods because particular research methods carry epistemological and ontological commitments that constitute, in their opinions, irreconcilable views about how social reality should be studied (e.g. Hughes, 1990; Smith, 1983). For some, quantitative and qualitative research are paradigms within which epistemological assumptions, values and methods are firmly linked and incompatible between paradigms. For example Smith and Heshusius (1986) asserted that the rationalistic paradigm (realism and objectivism) that lies at the heart of quantitative research is not compatible with the naturalistic paradigm (relativism) of qualitative research. However others (e.g. Reichardt & Cook, 1979) have asserted that there is no set connection between philosophical positions and research methods – such connections tend to reflect conventions rather than anything inherent in the methods themselves. As Bryman and Bell (2003) demonstrated, aspects of qualitative research can contain elements of the natural sciences model, and aspects of quantitative research can contain elements of interpretivism. With Hammersley (1992), Bryman (2006a) concluded that philosophical positions do not determine how research should be conducted, in fact the link, when investigated, is not as strong as generally assumed. Hence, whilst quantitative and qualitative approaches tend to be associated with particular research philosophies, I agree with Bryman and Bell (2003) that particular research methods do not necessarily carry with them fixed epistemological and ontological implications.

Evaluation researchers such as Datta (1994) approached mixing quantitative and qualitative research within the tradition of pragmatism, and advocated peaceful
coexistence and, in the field of evaluation, moving towards a third paradigm of ‘adaptive evaluation’. Others asserted that different methodological approaches are appropriate for different levels of analysis and abstraction (Rist, 1977) so that accommodation and mixing becomes possible. Pragmatism has increasingly become the philosophical rationale for mixed methods practice – i.e. it is appropriate to use whatever tools and approaches are available to answer complex research questions, although as Howe (1988) has contested, quantitative and qualitative research can actually be compatible at the level of both practice and epistemology.

So in a *pragmatist approach* (Saunders et al., 2007) both positivist and interpretivist philosophies can be used to address different aspects of a research question, for example to test existing theories or to create new ones. In fact, as Tashakkori and Teddlie (1998) pointed out, these philosophies can be viewed as a continuum rather than opposite positions, and the researcher’s approach can be adapted to best address the research question so “at some points the knower and the known must be interactive, while at others, one may more easily stand apart from what one is studying” (Tashakkori & Teddlie, 1998: 26). A pragmatist approach takes the view that it is the research question that is most important in determining the research philosophy rather than which side of the philosophical fence the researcher prefers.

Some researchers (e.g. Creswell, 2003; Tashakkori & Teddlie, 2003) position mixed methods as a distinct approach alongside or in contrast to purely quantitative and qualitative approaches.

So, rather than focussing on epistemology or paradigms, a pragmatist approach gives greater weight to the benefits of the methods with which quantitative and qualitative research are each associated and views them as capable of being fused. Researchers such as Hemmersley (1996), Bryman (1992), and Morgan (1998) followed this to produce classifications of approaches to mixed methods (or in Bryman and Bell’s terminology, *multi-strategy*) research. These include using mixed methods to corroborate findings (triangulation), utilising one method to aid the research of another method in sequence, and using different methods to address different aspects of the research question. Qualitative research, because of its open-ended approach to data collection and the in-depth knowledge of social contexts that it provides, has been used to guide quantitative research, e.g. as a source of hypotheses which can be
subsequently tested by quantitative research, or to inform the design of survey questions. An example is a study by Krivokapic-Skoko and O’Neill (2008), who explored the formation and content of the psychological contract by using exploratory focus groups to identify issues and themes that were subsequently drawn upon to develop questions for a large survey.

Conversely, quantitative research can be used first, guiding subsequent qualitative work through sample selection and the identification of themes for case studies. For example, Storey et al. (2002) used the emerging theoretical focus from results of a large postal survey of UK companies to select a small number of organisations as case studies in which in-depth semi-structured interviews were used to understand further the main findings of the survey. In fact, the Hawthorne studies (undertaken at Western Electric Company’s Hawthorne plant, 1927-1932) are an early example of research philosophy and methodology moving from a classic deductive approach with quantitative methodology to a more inductive approach using qualitative methods such as interview and observation, when the former approach failed to make sense of the data (Roethlisberger & Dickson, 1939; Schwartzman, 1993).

Morse (1991) distinguished mixed methods by which component comes first (quantitative or qualitative) and which is dominant, codified by Morgan (1998) into four possible types of mixed methods research depending on sequence and priority. However, it is also possible that neither component has priority and for the data to be collected and analysed contemporaneously. Triangulation features strongly in the debate about mixed methods (e.g. volumes II and III of Bryman, 2006a). This is the process of using the results from one method to test the validity of those from another and thereby improve the confidence of findings.

Despite unease by some at what they view a ‘whatever works’ approach (e.g. Pawson & Tilly, 1997), mixed methods research has become more popular in recent years as researchers have been less inclined to see particular methods as necessarily encumbered with fixed epistemological and ontological assumptions, and also because feminist researchers have become less resistant to the use of quantitative research (Bryman & Bell, 2003). Koller (2008) cited benefits of mixed methods in business research, particularly in consumer behaviour research where she proposed
their use in studying self-related psychological phenomena and in longitudinal designs. To date, mixed methods have been used in many different contexts and quantitative and qualitative research combined in a variety of diverse ways (for examples and case studies, see volumes III and IV of Bryman, 2006a). The number of studies and the richness of their findings are evidence of the usefulness and robustness of a mixed methods approach.

In an analysis of how methods were actually combined in practice, Bryman (2006b) found that in terms of quantitative methods structured interviews and questionnaires predominated, whereas on the qualitative side semi-structured interviews predominated (both within cross-sectional designs). However, he found that the rationales given for using a mixed method approach and the ways it was used did not always correspond, for example not many studies showed that the qualitative and quantitative research had been designed to answer specific and different research questions. The message is, if you use a mixed methods design, be clear on the rationale for it.

In conclusion, there are several advantages of using mixed methods: they can be used to address different purposes in a study; enable triangulation of data collected by various means; initiate new lines of thinking and expand the scope and breadth of a study; and build on each other sequentially so that the results of one study can be used to guide the sampling or instrumentation of the next (Saunders et al., 2007; Miles & Huberman, 1994). I concur with Bryman (2006a), that although there remain unresolved issues concerning mixed methods, there is growing acceptance of their use and, taking a pragmatist approach, they offer a very helpful way of tackling complex research questions in the social sciences that benefit from the combination of quantitative and qualitative methodologies.

5.2.3 Rationale for mixed methods design used in thesis

This thesis adopted both deductive (testing theory) and inductive (building theory) approaches in a mixed methods research design, enabling methodological triangulation, recognised as a valid approach to social sciences research (Gray, 2004). The rationale for this was that a deductive approach would generate findings
about what employees think about the research question, enabling the testing of existing theories and highlighting of particular issues for deeper study. Subsequently, an inductive approach would explore more about why employees think what they do, provide causal links, and give the opportunity for important messages, additional themes, or new theories to emerge.

The design utilised both quantitative and qualitative methodologies at different stages in the research. This was undertaken in a sequential way beginning with a quantitative study to test hypotheses about justice and trust during downsizing, and to highlight phenomena of importance (research objectives 1-3). This was followed by a qualitative study to provide richer detail by focusing in on a single case (since Study 1 had shown that the context of downsizing was important) to illustrate and help further explain some of the findings of the first study (thereby strengthening and revising theory), and to initiate new lines of thinking (research objectives 4-7). The third study was also qualitative, designed to generate ideas to tackle some of the issues raised by the first two studies (research objective 8).

In Study 1, some of the principles of positivist philosophy were adopted: working with an observable social reality to generate through research some generalisations, using existing theory to generate hypotheses which were tested by the research, leading to further development of theory. An objectivist ontology was supposed, i.e. that there are social entities such as trust and organisational justice that exist in reality external to the people (social actors) that experience them. Established theories and corresponding measures of organisational justice and trust enabled such an approach, with surveying and statistics chosen as the most appropriate methods for data collection and analysis.

In Study 2, a more interpretivistic philosophy was inferred, recognising in part "that the social world of business and management is far too complex to lend itself to theorising by definite 'laws' in the same way as the physical sciences" (Saunders et al., 2007: 106). Whereas theories of trust and organisational justice shed light on the reactions and perceptions of employees who have experienced downsizing, it is also the case that these effects may be more complex and varied than can be easily represented by or reduced to a number of rule-like generalisations. This
interpretivistic epistemology involves the researcher interacting with those researched rather than treating them as objects; "The challenge here is to enter the social world of our research subjects and understand their world from their point of view" (Saunders et al., 2007: 107). So, Study 2, and later Study 3, sought through interviews and focus groups respectively, to capture and understand the views and ideas of those affected by downsizing.

The research of this thesis therefore capitalised upon the advantages of using a mixed methods approach in that different research philosophies were used to address different aspects of the research question, various methods were used sequentially informing subsequent studies, and triangulation enabled verification of key themes.

Axiology – the way people make judgements about value – is also an important consideration with reference to methodology, since the role of the researcher's own values has an impact on the research process. This shows itself at all stages, from the choice of the topic under investigation (because the researcher thinks this is more important than other topics that could be studied), the research question posed, the research objectives set, the philosophical approach(es) taken, and the methods used. Heron (1996) suggested the researcher write a statement of their personal values as a way of heightening their self-awareness of value judgements made in topic selection, methodology, sampling, data analysis, etc., and of demonstrating to others why they have made these decisions. Such a statement is contained in Appendix A.

5.3 Research design

This section describes the stages that comprised the research design and how issues of validity were considered.

5.3.1 Stages in the design

The research design had three stages, linked together as show in Figure 5.1 below:

1. Study 1: Quantitative investigation – an organisational survey of individuals from many UK organisations who had experienced downsizing, accessed via the
database of a UK consultancy organisation that specialises in outplacement following downsizing \((n = 477)\).

2. Study 2: Qualitative investigation – a case study comprising semi-structured in-depth interviews of individuals from a single large organisation who had experienced downsizing \((n = 16; \text{ eight who stayed with the organisation and eight who left as a result of the downsizing})\). In addition, five individuals from different organisations/sectors were interviewed (reported as ‘non-case study’) for comparison and to identify/triangulate generic themes.

3. Study 3: Qualitative investigation – a focus group interview-based study comprising three focus groups each with 5 or 6 participants (in total, \(n = 16\)) invited to discuss ways of handling downsizing more positively.

The three stages in the mixed methods design were chosen to best address the research objectives outlined in Chapter 1. Research objectives 1 and 2 seek to understand how employees’ perceptions of organisational justice and their trust in
management respectively are affected by downsizing. Since established scales for measuring these constructs exist, a quantitative approach using an organisational survey method was chosen for Study 1 as an appropriate way to test a number of hypotheses about organisational justice and trust in relation to downsizing. Since a quantitative approach lends itself to statistical analysis, correlation and the causal relationships between variables, this approach was also deemed a good way to investigate the relationship between organisational justice and trust and thereby address research objective 3.

Research objective 4 seeks to address why employees perceive justice and trust as they do when downsizing occurs. Qualitative approaches are particularly good for exploring ‘why’ questions, enabling the researcher to understand the subjects’ views from their own perspectives and within particular contexts. Hence, a qualitative approach using a case study was adopted as the second stage of the research. An interview-based method was used enabling the researcher to interact with the subjects, ask probing questions and explore emerging themes. Such a methodology was also useful for exploring the consequences of employees’ justice and trust perceptions in a particular context, what managers need to be aware of in deciding on and implementing downsizing (research objectives 5 and 6 respectively), and employees’ views of their relationship with the organisation (research objective 7).

The third stage of the research design was specifically aimed at addressing research objective 8: to identify ways in which downsizing can be handled more positively, stemming from the mostly negative responses of participants to downsizing found in Studies 1 and 2. A qualitative approach using focus groups was good for this since it enabled participants with various experiences of/roles in downsizing to reflect on these together and, through facilitated discussion, creatively address the objective.

5.3.2 Study 1: Quantitative investigation – organisational survey

The research began with a primarily deductive approach in Study 1. As described in Chapters 2-4, there are established literatures in the areas of organisational justice, trust, and downsizing. With regards justice and trust, there are a number of theories and associated scales, which to varying extents have been tested and verified by
previous research, much of it in the USA. This doctoral research posed a number of hypotheses to test these theories and the relationship between them in a UK setting. Its primary aim was to generate quantitative results that are generalisable, using representative sampling from a range of UK organisations. Hence from the outset, it drew on a positivist theoretical stance based on an objectivist epistemology, with both descriptive (to give a clear picture of the phenomena) and explanatory (to establish the causal link between certain variables) purposes. It utilised a survey strategy with corresponding methods such as sampling, questionnaires and statistics.

In line with a deductive approach, there was the development of hypotheses about the causal relationships between variables identified from existing theory, the collection of quantitative data using a questionnaire/survey method, controls that allowed the testing of hypotheses, a structured methodology to facilitate replication and enhance reliability, a certain independence from what was measured (so as not to influence responses), operationalisation of variables into measures that could be quantified, sampling of sufficient size to enable generalisation, and statistical data analysis. Qualitative data collected from four open questions in the survey were analysed using content analysis (itself a quantitative approach, Bryman and Bell, 2003) and also qualitatively.

5.3.3 Study 2: Qualitative investigation – an interview-based case study

Recognising that there are gaps in knowledge about why people perceive justice and trust in organisations as they do, and that the relationship between justice and trust has not been adequately explored, a more inductive, exploratory approach was also used. In keeping with such an approach, Study 2 sought to understand how people perceived and interpreted their own reactions to downsizing through an interview method, leaving room for alternative explanations and/or the development of new theory. The results from Study 1 showed that in organisational downsizing the context was important so a case study strategy was adopted, with small sample size and analysis by qualitative methods. This enabled more flexibility to allow for changes in emphasis of the research as the work progressed and led to different and new themes. It entailed greater involvement of the researcher through the interview
process. Its purpose was both explanatory and exploratory, i.e. to establish causal links between variables as well as seeking new insights.

Of the interpretivist perspectives, this research utilised a phenomenological approach in focussing on meanings, in using multiple methods to establish different views of justice and trust, and in trying to construct theories and relationships from the data. It is important to allow the subjects to speak for themselves, quite apart from the theoretical preconceptions that the researcher might want to overlay. In an area of research focusing on perceptions such an approach is highly appropriate since, as Gray pointed out in phenomenology “The key is gaining the subjective experience of the subject” (2004: 21). The associated methodology is phenomenological research, seeking the opinions, subjective accounts and interpretations of the participants and then undertaking qualitative analysis of the data generated (Holliday, 2002). A qualitative research interview method allows one to see the research topic from the perspective of the interviewee and probe their responses (King, 2004a), and as Saunders et al. (2007) pointed out, give participants the opportunity to hear themselves think aloud, and thereby generate rich and detailed data.

Whereas quantitative research proceeds in a linear, sequential way, in qualitative research “The activities of collecting and analyzing data, developing and modifying theory, elaborating or refocusing the research questions, and identifying and eliminating validity threats are usually all going on more or less simultaneously, each influencing all of the others” (Maxwell, 1996: 2-3). This makes it a particularly responsive and interactive approach, which was required of this study. Maxwell’s model of qualitative research design (Figure 5.2 below) is particularly useful in this respect, showing how the purpose of the study and the conceptual framework guide and inform the research questions (in this study, a set of questions associated with my research objectives), and how the methods chosen must help answer the research questions as well as deal with validity threats. Maxwell’s representation of this puts the research questions in the centre, connected to the components in both the top and bottom halves of the model; i.e. these components interact and influence each other, and need to be treated flexibly as they interact with the situation of the study.
From Study 1, it was apparent that the context in which variables such as organisational justice and trust are perceived and experienced is important. From the literature (e.g. Greenberg & Colquitt, 2005) it is clear that variations in the macro organisational context in which these constructs are measured (e.g. performance appraisal, recruitment and selection, job evaluation, organisational change, etc.) have an impact on how they are perceived. Similarly, within the setting of organisational downsizing, there are a range of contexts, for example enforced redundancies versus voluntary redundancies, minimum consultation versus involvement in the process, 'clear your desk today' versus 'work out your notice'. A case study approach was adopted to narrow the downsizing context to a single event within one organisation.

The case study was conducted within the Human Resources (HR) function of a large multi-national organisation that had recently undergone downsizing. The sample was taken from the UK based part of the organisation, and participants selected using a matrix that included survivors and casualties of the event from various organisational levels. A sample of non-case study participants was interviewed for comparison, triangulation, and generalisability purposes.
5.3.4 Study 3: Qualitative investigation – a focus group interview-based study

Study 3 adopted a qualitative approach using focus group interviews as the primary research method. The study was qualitative in its attempt to understand meaning from the participants' perspectives (their perceptions, thoughts, views, ideas, etc.), and also in its openness to identify unanticipated phenomena and in generating new 'grounded' theory (i.e. grounded in the data rather than developed conceptually then tested, Maxwell, 1996). One of its aims was to generate, from the participants' ideas and suggestions for handling particular issues faced by individual employees, managers, and organisations in downsizing situations.

The focus group interview method was chosen in order to capture and understand the views and ideas of a selected group of participants (both individually and collectively) on how to best handle downsizing from various perspectives: the individual employees affected; the managers having to decide on and/or implement the downsizing; and the organisation in question. Learning from Studies 1 and 2, the questions posed were designed to focus discussion in a number of areas, although the discussion was facilitated so that as other issues emerged, they could be explored. Interviewing using a focus group method gave the opportunity for participants to work on the research question together, able to challenge and build on each others' ideas, thereby enabling insights to emerge and ideas to be formulated that may not have done so through individual interviews alone.

5.3.5 Validity issues

Validity is about the relationship of one's conclusions to the real world, and is not guaranteed by following good method or techniques (Maxwell, 1996). It needs to be part of the research design. It is testing the conclusions against the real world to see if they hold up. Validity in research design is therefore thinking about how to rule out threats or rival interpretations. In quantitative research this is done in advance through controls such as control groups, randomized sampling, carefully framed hypotheses, and tests of statistical significance. Testing validity in a qualitative study is usually done once the study is underway using the data collected to rule out threats/rival interpretations after a tentative interpretation has been developed. This requires that specific threats be identified and ways to rule them out found (Maxwell,
1996). However, as Saunders et al. (2007) pointed out, a high level of validity is possible from carefully undertaken non-standardised (qualitative) interviews, giving the following quotation in support: "The main reason for the potential superiority of qualitative approaches for obtaining information is that the flexible and responsive interaction which is possible between interviewer and respondent(s) allows meanings to be probed, topics to be covered from a variety of angles and questions made clear to respondents" (Sykes, 1991: 8, cited in Saunders et al., 2007: 319).

Maxwell (1996: 89-90; 96-98) gave a typology of understanding (his types listed below), against which he considered distinct threats to validity:

- **Description** – describing what you saw and heard; the main threat is the accuracy or incompleteness of the data.

- **Interpretation** – the main threat to is applying one’s own framework, rather than understanding the view of the people studied and the meanings they attribute to their words and actions.

- **Theory** – the main threat to theoretical validity is not collecting/acknowledging discrepant data or not considering alternative explanations.

- **Generalisation** – internal generalisability refers to that of a conclusion within the setting or group studied, and is very important for qualitative case studies. By contrast, external generalisability is often not as important since qualitative research usually studies a single setting or small number of individuals/sites, and sometimes depends on not having external generalisability so as to illustrate an extreme case of ideal type (Maxwell, 1996). However, qualitative studies can sometimes be generalised through e.g. *face generalisability* (when there is no reason to believe the results cannot be applied elsewhere), or on the development of theory that can be applied more widely, or the similarity of dynamics/constraints to other situations, or by corroboration from other studies. As Maxwell pointed out though "none permit the kinds of precise extrapolation of results to defined populations that probability sampling allows" (1996: 98).

Personal bias is a particular threat to the validity of qualitative research – the danger of selecting samples or data that fit or reinforce the researcher’s own presuppositions
or theoretical position. Another threat is the effect of the researcher on the setting or individuals studied – reactivity. This cannot (and should not) be eliminated but rather understood and used productively. It is particularly influential in interviews when the researcher is the interviewer – it is important to understand how he/she is influencing what the interviewee says, and how this might affect the validity of the conclusions.

Validity issues identified for Studies 1, 2 and 3 of this thesis are reported in Chapters 6, 7 and 8 respectively.

5.4 Research strategies

Three different strategies were used in the respective studies: survey, case study, and focus group, supported by various methods. The characteristics of each of these strategies are described below together with the reasons why they were chosen.

5.4.1 Survey

Surveys are useful for exploratory and descriptive research, best at answering 'what' and 'how' type questions (Saunders et al., 2007; Gray, 2004). They enable the collection of a large amount of data from a lot of people quickly and relatively cheaply. The data collection method is usually a questionnaire administered to a sample of a defined population. The fact that the data are in a standardised form means they are easy to compare and analyse using descriptive and inferential statistics. Surveys are usually associated with deductive approaches, and produce quantitative data that can be used to explain or test relationships between variables. Surveying gives the researcher a fair amount of control over the research process, and by using representative samples it is possible to obtain results that can be generalised over a particular population.

However, because surveys are not interactive in the same way as interviews, once the researcher has asked his or her questions, it is difficult to go back and change what has been asked or to explore why people have responded in a particular way. Also, it is necessary to ensure that the questionnaire instrument that is used is actually measuring what it is supposed to.
In Study 1, a survey strategy was chosen to establish some general trends of how organisational justice and trust were perceived by employees who had experienced downsizing, and to explore some of the relationships between these variables (research objectives 1-3). In terms of method, the survey was undertaken using a survey instrument constructed from published scales for justice and trust (reviewed in Section 5.5 below). It was also a good way of testing out these scales in a UK setting, since most of the literature is based on work undertaken in the USA.

5.4.2 Case study

A case study is about undertaking and understanding the research in its particular context, as Robson (2002; 178) said, it is “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence”. It enables the researcher to explore the context, whereas a survey strategy usually tries to control for context.

Case studies are good for understanding the context of the research, and for answering ‘why’ type questions, so are most often used in explanatory and exploratory research (Saunders et al., 2007). Case study data can also be used for triangulation, e.g. for confirming what other data sources (e.g. quantitative data) are saying. Case studies can be single or multiple, and holistic (the whole organisation) or embedded (sub-units within an organisation) (Yin, 2003). Conducting multiple case studies can be a way to establish that the results are generalisable. Case study data can be collected in a number of ways including interviews, observation, and from secondary information such as documents.

In Study 2, a case study was the chosen strategy since it would facilitate delving into the ‘why’ questions of research objectives 4-7, and also confirm themes from the survey data by triangulation. Additionally, since Study 1 had shown that the context of a downsizing event was important, a case study would allow investigation within a particular context. A single case study was undertaken, which represented a unique, and in some ways extreme case, justified because it brought issues of trust and perceived justice into stark relief. Time limitations prevented further case studies from being undertaken, however a number of interviews outside the case study were
conducted (termed 'non-case study') allowing comparison with, and some testing of
the generalisability of themes identified in the case study. The results from Study 3
provided further triangulation of some of the themes illustrated by the case study.

As Hartley described, the case study approach is "generally inductive analysis
focusing on processes in their social context" (2004: 323), so that context is
deliberately part of the design. Exploring issues in depth and in context means that
theory development can occur as the evidence is pieced together. Yin (1994) stated
that this process is like the detective who sifts evidence to build inferences about
what has happened, why and in what circumstances. By doing this the researcher can
understand the particular features of the case, and also draw out analyses that might
be applicable more generally.

The situation/context can be chosen because it is typical, giving grounds for
generalisation of the conclusions. And/or the case can be chosen because it has some
particular features that help the researcher achieve their research purposes. In this
study the case was chosen because it had a number of typical features:

- It was representative of a downsizing event in a large, UK based multi-national
corporation.

- It followed a process with a typical path: a new manager was appointed who
devised a new strategy; the organisation was redesigned and posts defined; a
process for downsizing was established; individuals were assessed; people were
appointed from the top down; there was an opportunity to state a preference to
stay or go; people took up their new roles or left; those who left were given
outplacement help and generous payments.

- It affected employees at all levels, and some experienced downsizing both as
recipients and as managers implementing the process for others.

- It exhibited a range of typical outcomes for employees, e.g. appointed to a new
role; remained in the same or a similar role; left the organisation through
voluntary redundancy; left the organisation through enforced redundancy.
It was also chosen because of some particular features:

- The downsizing was of the HR function of the organisation studied. This was advantageous in that, of all employees, these are probably the most cognisant of downsizing processes and are aware of the psychological effects on people. They are also accustomed to helping others articulate their opinions and feelings and, I surmised, would be more candid in expressing their own views. It may have been disadvantageous in that HR professionals, because of their closeness to such processes, may not be wholly typical of other types of employees.

- It was ‘extreme’ in the sense that the downsizing process (as described to me by those in the organisation before the case was chosen) was implemented in a ‘brutal’ way, which was different to previous downsizing events in the same organisation, which were described as more ‘humane’. I viewed this as an advantage in that it would bring into sharp relief people’s reactions to the event, including perceptions of fair treatment and trust.

- It was opportunistic in that a downsizing event happened in this organisation in late 2005 to early 2006, to which I had access through personal relationships.

- I viewed my knowledge of and connections with the organisation as an advantage, although recognised I would come to the research with some preconceived views. Knowing the participants would help to build trust and rapport in the interview process, although carried the danger of over-familiarity. I recognized that reflexivity – that the researcher is inextricably part of the phenomena studied (Hammersley & Atkinson, 1983) – was particularly relevant in this case, and my reflexive statement is contained in Appendix A.

5.4.3 Focus groups

The strategy utilised in Study 3 was to conduct a series of focus groups, which have been one of the most popular forms of group interview, traditionally used for marketing and consumer psychology studies. Such a way of generating qualitative data is underpinned by an interpretivist, social constructionist approach, where there are as many perspectives to an issue as there are participants, an ongoing negotiation relationship between the participants, and the “sense that social reality is 'continuously in the making'” (Steyaert & Bouwen, 2004: 141). Group interviews
give the opportunity for different views or ideas to be heard on the same topic at the same time, and each can align to, build on, or contrast to the others. As Steyaert & Bouwen stated; “The group situation makes the differences and similarities between the different participants, and also the dynamics between the perspectives on a problem, directly visible” (2004: 143).

Group contexts can be utilised in two ways: as ‘created’ groups, set up purposefully by the researcher (e.g. a focus group) or as ‘natural’ groups that already exist (e.g. a work team). Study 3 used focus groups, categorised by Saunders et al. (2007) as a non-standardised, one-to-many, group interview. A group interview is a general term to describe any type of non-standardised interview with two or more people, whereas a focus group according to Saunders et al. (2007: 337) refers “to those group interviews where the topic is defined clearly and precisely and there is a focus on enabling and recording interactive discussion between the participants”.

Non-standardised interviews (i.e. semi-structured and in-depth) of this type are good for the collection of data for qualitative analysis, helping to answer not only ‘what’ but also ‘how’ and ‘why’ questions. They are useful for both explanatory study (e.g. what has worked well, not worked well from people’s experience) and exploratory study (how might we better handle this issue in the future). Although Steyaert and Bouwen (2004) emphasised the use of focus groups for ‘exploration’ rather than ‘generation’ of ideas or ‘intervention’ to change things, this study utilised them for exploration, generation, and intervention purposes, since many of the participants were active in organisations as managers, employees or consultants.

Focus group interviews usually involve between four and twelve participants (lower numbers for more complex topics), chosen using non-probability sampling because they bring some specific contribution in relation to the topic. Interactive discussion amongst participants is encouraged but also closely controlled to maintain focus (Saunders et al., 2007). Additionally, participants are encouraged to share their views and discuss without any pressure to reach a consensus (Krueger & Casey, 2000). Holding several focus groups with similar participants enables trends and patterns to be highlighted when the data are analysed.
From the foregoing, it is clear that focus group interviews are particularly useful for tapping the experiences of participants and building practical solutions on a topic by encouraging them to listen to, interact with, and challenge each other and thereby uncover and express individual and collective views. This fits well with addressing research objective 8; to identify ways of handling downsizing more positively.

Issues to be aware of when conducting group interviews (Saunders et al., 2007) are elaborated below, and were heeded in the design of Study3 (see Chapter 8):

- **How people are selected.** If they are nominated by the organisation and merely told to turn up, they may not be motivated or constructive. Hence invitations or requests for people to attend need to be handled carefully giving context, purpose, assurance of confidentiality, etc.

- **How people are grouped.** Large differences in organisational level can inhibit people from taking part. This can be overcome by using horizontal slices, or by inviting people to introduce themselves by name only and not title/role.

- **How the discussion is managed.** In any group there is a dynamic between the people present (based on experience of the topic, personality, perceived status) but it is important to ensure that some do not overly dominate while others are unable to contribute. Facilitation by the interviewer can help (Section 5.7 below).

- **Ensuring understanding.** It is important that the interviewer and the participants understand the contributions being made. The interviewer can help by checking the understanding of the group (e.g. by summarising or paraphrasing what has been said), asking people to clarify issues, or noting key points on a flipchart.

- **Location and setting.** A neutral location helps, where people are relaxed, and will not be interrupted or overheard. The seating layout needs to ensure that no one is disadvantaged.

- **How many interviews is enough?** Krueger and Casey (2000) suggested three or four group interviews for any one type of participant – when you are no longer receiving new information and have reached saturation, it is time to stop.

- **Managing process and information.** During a group interview a lot of information can be generated and needs recording. At the same time the
interviewer needs to manage the process and the group. The interviewer can record a certain amount on a flipchart, the interview can be audio-recorded, and participants may be invited to record their views and ideas on flipcharts or notes during the discussion. It is also good practice to observe and make notes on the interactions between people in the group as this can be another rich source of data, made easier if there is a second interviewer present.

In group interviews, the aim is to set the scene and environment for the discussion and facilitate it in such a way that participants understand the context and purpose, and are relaxed so that they can participate. It is important that the group dynamics are managed in such a way that all participants have the opportunity to state their points, and that there is the opportunity for interaction and cross-fertilisation of ideas. There needs to be a balance between response to the questions posed and flexibility for the discussion to roam and provide other insights.

Group interviews, including focus groups have the benefits of encouraging a variety of points of view to emerge with evaluation by the group, and of the effects of the group dynamics which challenge and/or build on emerging views and can stimulate new perspectives. They also enable involvement of a larger number of people than one-to-one interviews, hence can give a more representative sample.

However, group interviews also have some limitations as listed by Stewart and Shamdasani (1990), such as the small numbers involved in any one group may limit generalisation. In addition, the interaction of participants with one another means that their responses are not independent (which again affects generalisability) and may be overly influenced by a dominant member of the group. The immediate nature of the interaction may lead the interviewer to place greater weight in the results than is warranted, and the interviewer as facilitator may bias the results by knowingly or unknowingly leading the group towards desirable responses. The interview guide and facilitation style used in Study 3 were designed to overcome some of these limitations (see Section 5.7 below).

Group interviews have been used to create the context for new insights, possibilities and suggestions generated in a collective way, particularly using an *appreciative
inquiry’ approach (Cooperrider & Srivastva, 1987) whereby questions are designed to encourage constructive and positive debate aimed at generating ways forward rather than focusing on or complaining about problems. The main research question of Study 3 was posed in an appreciative inquiry way, as described in Section 5.7.

5.5 Study 1 research instrument and content analysis

Study 1 utilised as its survey instrument a questionnaire containing published scales of the organisational justice and trust constructs. The various measures available in the literature and those chosen for the study are reviewed below. The resulting quantitative data were analysed statistically using SPSS (version 13.0). The survey instrument contained four open questions which generated qualitative data. These were initially analysed using a content analysis approach also described below. A more inductive analysis followed, utilising the computerised NVivo tool (version 7), the results of which are reported in Chapter 6.

5.5.1 Organisational justice measures

Theoretical development requires measurement (Bacharach, 1989). In the field of organisational justice, Lind & Tyler’s (1988) book noted that theory development was limited and measurement poor. As Colquitt and Shaw (2005) stated, since then there has been further theoretical development but continuing calls for better measurement. In measuring organisational justice, Colquitt and Shaw (2005) described various choices that determine the design of justice measures:

- Type of justice (e.g. distributive, procedural, interactional).
- Source of justice – various rules underlie the justice types, and these have multiple sources, including the organisation and the supervisor.
- Context – what is the situation in which justice is assessed, e.g. performance evaluation, selection, compensation, downsizing?
- Direct or indirect – i.e. does the measure ask directly ‘how fair...’ or indirectly about the rules that foster a sense of fairness?
- Measurement repetition – e.g. indirectly by referencing multiple fairness rules, or directly by using synonyms for the word ‘fair’, e.g. just.
Colquitt and Shaw (2005) noted that contamination or ‘cross-pollination’ (Colquitt, 2001) of justice items has been a problem in a number of measures, e.g. a distributive justice measure that contains items such as an individual’s ability to express views (procedural justice), or the treatment received from an authority figure (interactional justice). They also noted the problem of deficiency in that a measure may omit important justice rules, or in terms of sources, may focus on decision-making agents rather than organisational systems or visa versa.

Colquitt and Shaw produced a useful review of organisational justice measures, appending a number of representative examples (2005: 142-147) and commenting on scales by Folger et al. (1979), Price and Mueller (1986), Konovsky et al. (1987), Folger and Konovsky (1989), Moorman’s (1991), and Sweeney and McFarlin (1993). The Paterson et al. (2002) measure was also reviewed in the process of choosing a scale for this study.

The Colquitt (2001) measure is a more recent indirect organisational justice scale, and was chosen for this study because it is the most comprehensive, covering well all the defined dimensions of organisational justice without cross-pollination. It includes questions on procedural (7 items), distributive (4 items), and interactional (9 items) justice. The items (Table 5.1 below) are based on construct definitions from the key works in the literature. Interactional justice is split using respect/propriety and truthfulness/justification criteria into interpersonal and informational justice following the terminology of Greenberg (1993), and these have been shown by statistical analysis to be separate dimensions (Colquitt, 2001). The measure is flexible for use in different contexts by changing the [outcome] part of the instructions, and for examining multiple sources of justice by altering the instructions and/or item stems (e.g. procedural justice items can be made to refer to a human authority figure or an organisational system). The measure was validated in the original paper (Colquitt, 2001) and by Ambrose & Schminke, 2003 (in the latter study the two interactional justice facets were combined due to the context).

Analysis of data from 16 independent samples \(n = 2,331\) individuals from a range of contexts revealed good reliability for the four scales, with correlation and factor analysis supporting a four dimensional model (Colquitt and Shaw, 2005).
<table>
<thead>
<tr>
<th>Type of justice</th>
<th>Measure item</th>
<th>Rule name</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributive justice</td>
<td>The following items refer to your (outcome). To what extent: 1. Does your (outcome) reflect the effort you have put into your work? 2. Is your (outcome) appropriate for the work you have completed? 3. Does your (outcome) reflect what you have contributed to the organization? 4. Is your (outcome) justified, given your performance?</td>
<td>Equity Equity Equity Equity</td>
<td>Leventhal (1976b) Leventhal (1976b) Leventhal (1976b) Leventhal (1976b)</td>
</tr>
</tbody>
</table>

All item use a 5-point scale with anchors of 1 = to a small extent and 5 = to a large extent.
Table 5.1 (continued)
Organisational Justice Measure & Items
(Colquitt, 2001, see also Colquitt & Shaw, 2005)

<table>
<thead>
<tr>
<th>Type of justice</th>
<th>Measure item</th>
<th>Rule name</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Informational Justice</td>
<td>The following items refer to (the authority figure who enacted the procedure). To what extent: 1. Has (he/she) been candid in (his/her) communications with you? 2. Has (he/she) explained the procedures thoroughly? 3. Were (his/her) explanations regarding the procedures reasonable? 4. Has (he/she) communicated details in a timely manner? 5. Has (he/she) seemed to tailor (his/her) communications to individual’s specific needs?</td>
<td>Truthfulness Justification Justification Justification Justification</td>
<td>Bies &amp; Moag (1986) Bies &amp; Moag (1986) Shapiro et al. (1994) Shapiro et al. (1994) Shapiro et al. (1994)</td>
</tr>
</tbody>
</table>

All item use a 5-point scale with anchors of 1 = to a small extent and 5 = to a large extent.
Procedural justice items 1 and 2 in Colquitt's (2001) measure reflect the process control and decision control concepts of Thibaut and Walker (1975). Items 3 to 7 reflect the procedural justice rules of Leventhal (1980), namely consistency, bias suppression, accuracy, correctability, and ethicality. Leventhal's representation criterion is omitted by Colquitt (2001), in keeping with Lind and Tyler's (1988) observation that it is included under process control and decision control. Further procedural justice criteria have been proposed (e.g. neutrality, trust and standing, (Tyler, 1989); updated by Lind (1995) to neutrality, benevolence and status recognition) but are not reflected in the measure because they were deemed by Colquitt (2001) to be subsumed under other items of procedural or interactional justice. In particular, he viewed trust as a correlate of procedural justice.

The distributive justice items of Colquitt (2001) reflect the equity rule as conceptualised by Leventhal (1976b), which holds that outcomes for an individual are distributively fair if they are in accordance with/proportional to the contributions/inputs of that individual. To make the scale as general as possible, other allocation rules (e.g. equality, need) were omitted, and the items used are similar to other measures in the literature such as Moorman (1991), Price and Mueller (1986), and Sweeney and McFarlin (1993).

The interpersonal justice items of Colquitt (2001) contain Bies and Moag's (1986) respect (items 1-3) and propriety (item 4) criteria, and the informational items, Bies and Moag's (1986) truthfulness (item 1) and justification (items 2-5) criteria. The informational justice items are also influenced by Shapiro et al. (1994), who showed that explanations were seen as more adequate when they were reasonable (item 3), timely (item 4) and specific (item 5). The managerial responsibilities of Folger and Bies (1989) were not included in the measure since they were either already covered or because they overlap with procedural justice criteria.

Colquitt (2001) undertook two validation studies, the first in a university setting, and the second in a field setting. Both validated a 4-factor structure for the measure with procedural, distributive, interpersonal and informational justice as separate dimensions. Predictive validity was demonstrated using structural equation modelling, which showed that the different justice dimensions predicted different
outcomes (e.g. leader evaluation, rule compliance, commitment), and added support to treating them as distinct constructs. In addition, the results demonstrated that the measure can be used with both the instrumental and relational models of justice as described by Lind and Tyler (1988).

So, the comprehensiveness of the Colquitt (2001) measure and its good validation rendered it the organisational justice instrument of choice for this study. Minor changes to the wording of some items were made (compare Table 5.1 with the instrument used in the study shown in Table 6.1 and Appendix B) for purposes of clarity, for examples:

Item 1: "Have you been able to express..." changed to "Were you able to express..."

Item 8: "Does your (outcome) reflect..." changed to "Did your outcome from the downsizing procedures reflect..."

Item 12: "Has (he/she) treated you in a polite manner?" changed to "Did your manager/supervisor treat you in a polite manner?"

5.5.2 Trust measures

A number of ways of measuring intra-organisational and interpersonal trust are available. However, as McEvily and Tortoriello (2005) showed in their review of 119 measures, the majority have only been used once so there is little consistency or overlap, and few are well validated. This is partly due to the wide diversity of trust targets (e.g. managers, subordinates, peers, team members, etc.) and the use of items that do not transfer easily to other targets or contexts. As Dietz and Den Hartog (2006) pointed out in their review of 14 measures, the lack of repeat testing of these instruments suggests a lack of satisfaction with them and, citing Curall and Judge (1995), what agreement has been reached on the concept of trust has not been operationalised in empirical research. The problem it seems is that trust is such a multi-dimensional construct that the available measures emphasise certain dimensions, or try to capture multiple dimensions and become complex or lack reliability. Given that measurement of a construct needs to be linked to how it is defined, measurement of trust is further complicated by the fact that many studies use measures that are inconsistent with their chosen definition (Gillespie, 2003).
The Mayer et al. (1995) and Dietz and Den Hartog (2006) models of trust are the most comprehensive with several dimensions. In considering how to measure such multi-dimensional constructs, Dietz and Den Hartog (2006) argued that:

- Each of the components is a significant and separable element of the decision to trust and each should therefore have its own measure.
- The source of evidence for the trustor's judgement should be clear.
- The referent being trusted needs to be defined since employees distinguish between different referents (e.g. line manager, overall management, etc.) and have different relationships with each.
- Different work-based situations (domains) need to be considered since a trustor may trust a person to do one thing but not another.

Dietz and Den Hartog (2006) warned against using negated items since in the trust literature low distrust does not necessarily mean high trust as trust and distrust are viewed as distinct constructs by some researchers rather than as opposite poles of a continuum (Lewicki et al., 1998, as discussed in Chapter 3). Rather, items should reflect a positive experience at least at the level of knowledge-based trust. In their view, direct use of the word 'trust' is best avoided as individual conceptions of what it means vary since it covers such a broad range, and also to ask someone if they trust another person can be perceived as an emotive challenge and therefore lead to distorted responses.

Dietz and Den Hartog (2006) reviewed 14 interpersonal intra-organisational trust measures used in studies from 1995 to 2004, appending the itemised measures. The 14 included the measures of McAllister (1995), Mayer and Davis (1999), Brockner et al. (1997), and Gillespie (2003), but not that of Cook and Wall (1980) or Morgan & Zeffane (2003). They observed that most of the measures focus on the belief element of trust, i.e. the respondent's assessment of the referent's trustworthiness. Few assess the respondent's intention to act; none tapped actual trust-inspired risk-taking behaviours, although some assessed 'post-trust' behaviours such as organisational commitment and intention to remain. Gillespie's (2003) measure assesses the 'decision to trust', although was designed to be used in combination
with a ‘belief’ measure. Its items are worded as behavioural intentions and split evenly between ‘reliance’ and ‘disclosure’.

Of the content of trust belief, integrity and then benevolence are the most common elements itemised in the measures reviewed. Surprisingly, competence (ability) is omitted or marginalised in many of the measures. So is predictability, although neither does this feature as prominently in conceptualisations of trust.

In terms of sources of the respondent’s beliefs about the referent, most of the measures assume interpersonal sources, in particular the trustor’s perceptions about the conduct and character of the trustee (with an emphasis on past conduct over character). A few of the measures tapped the trustor’s pre-disposition to trust. A couple investigated the nature and quality of the relationship with the trustee.

The measures reviewed cover a number of different work-based relationships including: employee/immediate manager(s), employee and immediate work colleague, employee and employer/management, employee and the rest of the organisation, between departments, and multiple relationships within the organisation. Dietz and Den Hartog (2006) pointed out that asking a respondent to assess the trustworthiness of a large group of people and express it as a composite view has its difficulties, and is not in keeping with Mayer and Davis’ (1999: 124) requirement for trust that “the trustee must be specific, identifiable and perceived to act with volition”.

The affect-based and cognition-based trust distinction made by McAllister (1995) although supported by factor analysis, is not widely used in other measures of trust. McAllister’s (1995) affect-based scale clearly focuses on relational trust but uses language that I think may be perceived as over relational in a work context (e.g. ‘We have a sharing relationship’) or too researcher orientated (e.g. ‘...we have both made considerable emotional investments...’). Overall, the measure seems to me to be aimed at a professional setting, assessing trust between co-workers/peers in a flattish structure.

Mayer et al.’s (1995) influential model of trust (described in Chapter 3) was operationalised in a delegation context by Schoorman et al. (1996), and also in a
performance appraisal context by Mayer and Davis (1999). The latter measure comprises four sub-scales: trust, ability, benevolence and integrity. The three latter factors of trustworthiness were found to be distinct from each other and from trust itself. However, how the former combine to influence trust, according to Mayer and Davis (1999) appears to be complex and idiosyncratic. This scale was also tested by Davis et al. (2000), and further adapted by Mayer and Gavin (2005) for use with two levels of management, enhancing the reliability of its trust sub-scale. The results revealed the trustworthiness factors were significantly and positively correlated to trust. The original trust sub-scale was expanded to seven items by Schoorman and Ballinger (2006), further improving its reliability (Schoorman et al., 2007).

Examining the Mayer and Davis (1999) measure critically, I think the trust sub-scale reduces trust to a willingness to be vulnerable, and uses extreme statements. The ability sub-scale is similar to the confidence in management (capability) sub-scale of Cook and Wall (1980 – see below), and the benevolence and integrity sub-scales are similar to Cook and Wall’s (1980) faith in management (intent). However, the integrity sub-scale has a lot of overlap with organisational justice, particularly procedural and interactional justice. There is little on predictability. The content of the trust sub-scale is general trust with a hint of the intention to act.

In terms of a person’s propensity to trust, the Rotter (1967) Interpersonal Trust Scale (ITS) is the most well known. There are shorter adaptations by Mayer & Davis (1999), Schoorman et al. (1996), and Kiffin-Petersen and Cordery (2003). Such scales need to be used in conjunction with a more comprehensive trust measure.

The Cook and Wall (1980) Interpersonal Trust at Work (ITW) scale (Table 5.2) is an older but still utilised measure of trust. It was designed to test the trust of mutually dependent work groups within an organisation in two dimensions: (i) faith in the intentions of others, and (ii) confidence in the ability of others (i.e. integrity and capability). It was designed for blue collar employees, asking them to consider these dimensions in relation to peers and to management. This yielded four scale sub-sets labelled: faith in peers, confidence in peers, and faith in management, confidence in management. The items in each sub-scale access the trustworthiness of the referents (management or peers).
### Introduction
I shall read to you some statements which express opinions that people might hold about the confidence and trust that can be placed in others at work, both fellow workers and management. Would you use this scale to say whether you agree or disagree with each statement, and to consider how much you disagree or agree with them.

<table>
<thead>
<tr>
<th>Type of trust</th>
<th>Measure item</th>
<th>Rule name</th>
<th>Trust content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthiness (Trust in management)</td>
<td>1. Management at my firm is sincere in its attempts to meet the workers' point of view.</td>
<td>Faith in intentions of</td>
<td>Integrity</td>
</tr>
<tr>
<td></td>
<td>2. Our firm has a poor future unless it can attract better managers.</td>
<td>Confidence in actions of</td>
<td>Competence</td>
</tr>
<tr>
<td></td>
<td>4. Management can be trusted to make sensible decisions for the firm's future.</td>
<td>Confidence in actions of</td>
<td>Competence/predictability</td>
</tr>
<tr>
<td></td>
<td>6. Management at work seems to do an efficient job.</td>
<td>Confidence in actions of</td>
<td>Competence</td>
</tr>
<tr>
<td></td>
<td>7. I feel quite confident that the firm will always try to treat me fairly.</td>
<td>Faith in intentions of</td>
<td>Integrity/ benevolence/predictability</td>
</tr>
<tr>
<td></td>
<td>12. Our management would be quite prepared to gain advantage by deceiving the workers.</td>
<td>Faith in intentions of</td>
<td>Integrity</td>
</tr>
<tr>
<td>Trustworthiness (Trust in peers)</td>
<td>3. If I got into difficulties at work I know my workmates would try and help me out.</td>
<td>Faith in intentions of</td>
<td>Benevolence</td>
</tr>
<tr>
<td></td>
<td>5. I can trust the people I work with to lend me a hand if I needed it.</td>
<td>Faith in intentions of</td>
<td>Benevolence</td>
</tr>
<tr>
<td></td>
<td>8. Most of my workmates can be relied upon to do as they say they will do.</td>
<td>Faith in intentions of</td>
<td>Predictability</td>
</tr>
<tr>
<td></td>
<td>9. I have full confidence in the skills of my workmates.</td>
<td>Confidence in actions of</td>
<td>Competence</td>
</tr>
<tr>
<td></td>
<td>10. Most of my fellow workers would get on with their work even if supervisors were not around.</td>
<td>Confidence in actions of</td>
<td>Integrity</td>
</tr>
<tr>
<td></td>
<td>11. I can rely on other workers not to make my job more difficult by careless work.</td>
<td>Confidence in actions of</td>
<td>Competence/predictability</td>
</tr>
</tbody>
</table>

Response choices:
1. No, I strongly disagree; 2. No, I disagree quite a lot; 3. No, I disagree just a little; 4. I'm not sure; 5. Yes, I agree just a little; 6. Yes, I agree quite a lot; 7. Yes, I strongly agree.
The Cook and Wall (1980) measure was validated by two interview studies with blue collar workers. All were male, full-time employees in the manufacturing sector up to the level of foreman, half from large companies (more than 300 people), and half from companies with up to 300 employees. The sample was from 20 sampling areas across the UK, with 390 for the first study and 260 for the second. The confidence in peers sub-scale was revealed as inconsistent between the two studies and showed less reliable test-retest reliability. However, the trust in management sub-scales (faith in management intentions, confidence in management capability) were found to be stable and reliable, with coefficient alphas between 0.69 and 0.79. In terms of trust content, their main focus is integrity and ability, but the items on intentions also include aspects of predictability and benevolence.

In both Cook and Wall (1980) studies, mean scores for overall trust were above scale mid-point, and above scale mid-point for both trust in management sub-scales. Factor analysis revealed the management and peer sub-scales to be distinct. But there was no attempt to differentiate within these between intent and capability – factor loadings were shown to be similar. Correlations revealed employee age to be positively \( r = 0.21 \) correlated with faith in management. Trust scales correlated positively with organisational commitment and job satisfaction. The faith in management sub-scale gave the highest correlations with other scales. Faith in management and confidence in management correlated negatively with anxiety.

Given the large number of trust scales and their generally low repeat testing and validity, and the converging but as yet unresolved common definition of trust, I decided to choose a simple rather than large and complex trust measure, and therefore settled on that of Cook and Wall (1980). In support of this, their trust in management sub-scale clearly has as its referent management. The measure focuses on the trustworthiness of the referent, which is the dominant aspect in most academic conceptualisations of trust, and is how trust is most commonly understood in the workplace. Most researchers have operationalised trust “as an expectation or belief that one can rely upon another person's actions and words, and/or that the person has good intentions toward oneself” (Dirks & Ferrin, 2001: 451); the Cook and Wall (1980) measure does this. It includes references to all four of the key aspects of trustworthiness, namely: integrity, ability, benevolence and predictability.
It is relatively simple in its number of items (6), and in the language used. It has been used in a UK context and validated through a number of studies (e.g. Cook & Wall, 1980; Gould-Williams, 2003; Kiffin-Petersen & Cordery, 2003), and the fact that it is still in use is a testament to its utility. I chose this scale over more recent measures such as Mayer and Davis (1999) and McAllister (1995) as being simpler and as having more understandable language for a work setting. I chose it over Gillespie's (2003) scale, which focuses on the 'decision to trust', since the latter, for completeness, also needs an accompanying 'belief' scale, and its output is not a certain behavioural response because a respondent's assessment of his or her decision to trust in necessarily speculative.

One issue with the Cook and Wall (1980) ITW scale, given the debate about trust and distrust as separate dimensions (discussed in Chapter 3), is its use of two negated items (22 and 26, Appendix B). I chose to leave these items negated since I wanted, for validity and comparison purposes, to use the Cook and Wall scale in its original form. Additionally, since measurement of trust and distrust separately is currently not advanced, I had no intention of measuring distrust.

Since the Cook and Wall (1980) measure was designed for use with blue collar workers, I changed the wording of some items slightly for more general use (e.g. 'workers' to 'employees'; 'firm' to 'company'). The measure was also supplemented by some items from Brockner et al. (1997) to investigate the difference between trust in line manager/supervisor and trust in management overall (Table 6.1, Appendix B).

5.5.3 Content analysis

Content analysis is a way of analysing documents and texts that quantifies content in terms of predetermined categories systematically and in a reproducible manner (Bryman and Bell, 2003). As defined by Berelson (1952: 18); “Content analysis is a research technique for the objective, systematic and quantitative description of the manifest content of communication.” It aims to be objective by assigning the data to categories that are established at the outset so as to exclude the researcher's biases as much as possible. It is systematic through applying the established rules consistently so that if another researcher completed the same analysis the results should be the
same. As Bryman and Bell stated, content analysis is rooted in quantitative research strategy “in that the aim is to produce quantitative accounts of the raw material in terms of the categories specified by the rules.” (2003: 194). It is also concerned with discovering what lies beneath the superficial indicators of the content, in Berelson’s words, “the manifest content” (1952: 18). Whereas Berelson applied his definition to communication, content analysis has been successfully applied to all manner of written information including transcripts of interviews and qualitative case studies, and even visual images of various types (Bryman and Bell, 2003).

In content analysis, what is counted depends on the research questions posed. Words (or phrases or sentences), subjects, themes, significant actors, or dispositions (e.g. whether actors are favourably or negatively disposed towards a particular view) can all be counted. On deciding what dimensions will be counted, a coding schedule is created that lists the dimensions (e.g. gender), and a column for denoting codes. A coding manual lists, for each dimension, the possible codes that can be applied (e.g. 1 = male; 2 = female). The text or document is then analysed and the schedule completed with the respective codes. The codes can then be transferred to a computer data file and analysed with a statistical software package such as SPSS.

In Study 1, content analysis was used for the initial analysis of the qualitative data from the open questions (items 31, 32, 33 and 36). The technique was employed to investigate the frequency of occurrence of references to theoretical dimensions of justice and trust, and respondents’ stances (dispositions) in relation to these dimensions. For item 31, the coding schedule was constructed using theoretical dimensions of organisational justice, Table 5.3 (1), and responses analysed as to whether the respondent expressed a positive, neutral or negative disposition towards that dimension of justice. For items 32 and 33, the coding schedule was constructed using two dimensions of trust: trust in line manager/supervisor, and trust in the organisation, Table 5.3 (2). Responses were analysed as to whether the respondent’s trust decreased, stayed the same, or increased. For item 36, the coding schedule included the themes of organisational justice and trust, and a column to record when other themes were mentioned. Given the nature of the responses, two other themes were included in the coding schedule: comments on the survey itself, and comments on the outplacement company whose database provided the sample; Table 5.3 (3).
### Table 5.3
Coding schedules used for content analysis of Study 1 qualitative data

1. Coding schedule for Item 31 of Study 1 survey instrument: "How fairly do you feel you were treated when your organisation underwent downsizing?"

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Non-specific comments on overall fairness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Distributive justice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Procedural justice control</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Procedural justice procedures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procedural justice (3 + 4)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Interpersonal justice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Informational justice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interactional justice (5 + 6)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals (items 1-6)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Coding schedule for items 32 and 33 of Study 1 survey instrument, respectively: "How was your trust in your immediate line manager/supervisor affected by the downsizing? How was your trust in the organisation affected by the downsizing?"

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>1. Decreased</th>
<th>2. Did not change</th>
<th>3. Increased</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Trust in line manager/supervisor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Trust in organisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals (items 1 and 2)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Coding schedule for item 36 of Study 1 survey instrument: "Is there anything else you would like to tell us?"

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Comments on organisational justice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Comments on trust in line manager</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Comments on trust in the organisation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Other comments (e.g. management, downsizing)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Comments on the survey or its questions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Comments on outplacement company*</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*The organisation that provided access to its database of clients.
5.6 Study 2 interview guide and interview procedure

The interview guide developed for data collection in Study 2 is described below, followed by the interview procedure used.

5.6.1 Interview guide

The results from the organisational survey of Study 1, coupled with the Study 2 research objectives outlined above were used to design the interview guide (see Appendix C). The interview guide was constructed along the lines suggested by King (2004a) using a series of open questions to encourage the participant to express their perceptions and experiences on a number of topics related to the research objectives, each with optional probing questions to investigate topics further. Concrete examples were sought to encourage the participants to focus on their own real experiences rather than abstract generalities.

The interview guide questions were designed to understand, through interaction with the participant, the issues raised by the research objectives. In order to appear logical to the participants, the guide was ordered with:

- A very open question to start with to make clear to the participant that it is their views and perspectives being sought, and to see what themes emerge first.
- Questions that pick up various themes related to downsizing with probes to investigate issues related to trust and justice theories. Sometimes these start with a closed question (e.g. ‘Did your feelings about/perceptions of the organisation change as a result of the downsizing experience?’) followed by an open question (e.g. ‘If so, how?’) so as to avoid a leading question that assumes the participant’s feelings did change.
- An opportunity for the participant to say what could have been done differently.
- An opportunity to tell a story or relate an anecdote about their experience.
- At the end, an opportunity to add anything else that is important to them.

The rationale for the questions used in the interview guide is shown in Table 5.4 below, detailing how they were designed to help meet the research objectives.
Table 5.4
Interview guide questions and research objectives addressed

<table>
<thead>
<tr>
<th>Interview question (excluding probes)</th>
<th>Data likely to be obtained</th>
<th>Research objective addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How would you describe your experience of the downsizing event?</td>
<td>The participant’s overall reflection on the downsizing and key emerging themes.</td>
<td>Objectives 4-7: dominant perceptions of the experience, key themes including justice and trust.</td>
</tr>
<tr>
<td>2. Did your feelings about/perceptions of the organisation change as a result of the downsizing experience? If so, how?</td>
<td>Resulting perceptions of the organisation and key variables involved, which may include trust and justice.</td>
<td>Objectives 7 &amp; 6: participant’s relationship with the organisation and other consequences of downsizing. If and how trust and justice are involved.</td>
</tr>
<tr>
<td>3. Did your feelings about your immediate line manager change as a result of your downsizing experience? If so, how?</td>
<td>Resulting perceptions of line manager and key variables involved, which may include justice and trust.</td>
<td>Objective 5 &amp; 6: participant’s relationship with line manager, including trust and other consequences.</td>
</tr>
<tr>
<td>4. How did you feel about the way you were personally treated and communicated with during the downsizing process?</td>
<td>Participant’s views on how they were treated interpersonally.</td>
<td>Objective 4: Understand justice perceptions &amp; compare with interactional justice theory.</td>
</tr>
<tr>
<td>6. Do you think you would feel differently if your outcome had been different? If so, how?</td>
<td>Participant’s views on their outcome.</td>
<td>Objective 4: Understand justice perceptions &amp; compare with distributive justice theory.</td>
</tr>
<tr>
<td>7. Do you think the downsizing event could have been handled differently? If so, how?</td>
<td>Learning points &amp; advice from participant.</td>
<td>Objectives 6 (&amp; 8): what managers should be aware of and ways of handling downsizing more positively.</td>
</tr>
<tr>
<td>8. When people ask you about this downsizing experience, is there a particular incident, story or anecdote that comes to mind? If so, what is it?</td>
<td>Particular incident, story or anecdote from participant; a dominant memory.</td>
<td>Objectives 4-7: insight into a dominant memory or key theme.</td>
</tr>
<tr>
<td>9. Do you think your perceptions of the downsizing event have changed over time? If so, how?</td>
<td>Reflections on how perceptions may have changed over time.</td>
<td>Objectives 4 &amp; 5: impact of time on key variables, e.g. trust and justice perceptions.</td>
</tr>
<tr>
<td>10. Is there anything further you would like to add?</td>
<td>Confirmation of responses and/or additional comments.</td>
<td>Objectives 4-7: confirmation of themes or additional themes.</td>
</tr>
</tbody>
</table>

For the full interview guide see Appendix C.
Question numbers in Table 5.4 are those of the amended version of the guide rather than the pilot (Appendix C has both versions). The guide was used flexibly in the interviews; to give some structure and focus to the conversations, but not followed slavishly or to the exclusion of what the participants viewed as most important.

Question 8 of the amended interview guide asks participants if they recalled a particular incident, story or anecdote in relation to their downsizing experience. Storytelling has been recognized as "an important organizational phenomenon in its own right", able to give "access to deeper organizational realities, closely linked to their members' experiences" (Gabriel & Griffiths 2004: 114). Stories are emotionally and symbolically charged narratives that do not merely present information or facts, but serve to enrich and infuse facts with meaning (Gabriel, 2000). They make facts interesting and humanise them. So, as Gabriel & Griffiths stated, "the requirement of accuracy is relaxed in the interest of making a symbolic point" (2004: 14). In making such a point, the person's interpretation or deeper understanding is demonstrated. Giving participants the opportunity to retell their recollection of a particular incident in this way was an attempt to capture any symbolic meaning they may have attached to the incident, perhaps typifying for them something important about their experience.

5.6.2 Interview procedure

I chose interviewing as the method for data collection because I viewed it as a good way of accessing participants' perceptions and feelings, and of being able to interact with them to explore how they understood their experiences, and why they held the views they did. Saunders et al. (2007) described three categories of interviews: structured, semi-structured, and unstructured or in-depth. This study used semi-structured interviews – described by King (2004a; 2004b) as qualitative research interviews – which are non-standardised since the questions and themes covered in each interview may vary and the interview can be adapted to the flow of the conversation. Such semi-structured interviews have some structure through an interview guide similar to that described in 5.6.1 above, typically containing a number of questions/themes and possible follow-up probing questions. I chose semi-structured interviewing for this study because it was important to be able to probe
responses (to understand the causal links made by participants), and also to be able
to follow the conversation and explore emerging issues/themes of importance to the
participant, in addition to exploring a participant’s responses to existing theory
through some prepared questions. To this end, the interview guide was used flexibly.

In terms of epistemological assumptions, the interviews were designed and
conducted on both realist and phenomenological bases. Realist in that Study 1 had
generated a number of issues warranting further study, so that some of the interview
questions of Study 2 were designed to investigate these issues and provide data that
could be compared with and throw additional light on the results of the quantitative
survey. But also phenomenological in enabling the interviewee to express issues of
concern to them, and having the flexibility to explore different levels of meaning. A
phenomenological slant was provided through including some questions that invited
the interviewee to express issues of most importance to them, and in having an
overall ‘light’ semi-structured design. Additionally, the interviews were conducted
with space to explore issues arising from the interviewee’s agenda, probing of such
issues, and the invitation towards the end of each interview to supplement discussion
with insights so far not discussed.

The interviews were conducted one-to-one to enable the participant to convey their
views in a non-threatening environment through a personal conversation, and to
enable me as the interviewer to focus on a number of themes and give full attention
to the responses of the participant. The majority of interviews were conducted face-
to-face (two were conducted over the phone for logistical reasons) to create a
personalised environment where the participant would be able to express their views,
feel listened to and appreciated. It also enabled me to monitor the atmosphere
produced by the interaction, and to observe the body language of the participant.

To encourage participants to share their views, perceptions, feelings and experiences,
and to prevent my own presuppositions, prior knowledge, and personal relationships
hindering data collection, the interview procedure described in Table 5.5 below was
followed. Each interview (starting with two pilot interviews) was viewed as a
learning process in itself and used to inform and improve subsequent interviews.
| Opening (before the substantive part of the interview): a welcome and thanks to the participant for their willingness to take part, brief context setting reminding the participant of the purpose of the research and of this interview, and confirming their agreement for the interview to be recorded. The previously agreed right to confidentiality and anonymity was reiterated. The participant’s right not to answer any question was emphasised, and that the interview could be stopped if they wished. |
| Some rapport-building conversation to gain the participant’s confidence as well as establish my own credibility. |
| Open questions to encourage the person to share their views and expose what was most important in their experience. |
| Probing questions to explore issues, find out ‘why?’ they had come to a particular view, and to probe particular theoretical areas. |
| Potentially sensitive questions, i.e. those that sought responses about the personal impact of downsizing on the respondents (the personal treatment they received, their involvement, their personal outcome) were addressed in the middle of the interview, giving time before for some rapport and trust to have been built up, and also time afterwards for exploration or to handle emotions. |
| Avoidance of multiple questions (confusing) and leading questions (loaded with the interviewer’s presuppositions). |
| Avoidance of theoretical jargon (e.g. terms like procedural justice); instead, attempts were made to ground questions in the real-life experiences of participants (e.g. how involved did you feel in the downsizing process?) |
| A neutral voice tone was used, and care was taken with non-verbal behaviour so as not to create bias in the way the participant might respond, nor to demonstrate bias in the way I interpreted and/or reacted to responses. An open posture was adopted, with neutral but not uninterested responses. |
| Time for participants to talk about issues of most importance to them, unless they digressed well away from the overall subject, in which case I steered the interview back to the subject with a further question. |
| Careful listening and where necessary, probing to understand what was really important to the participant, and to pick up comments that are significant to the research questions. |
| Occasional summarising and/or paraphrasing back to the participant what I heard to check understanding/interpretation. |
| Remaining aware of intense emotions or stress displayed by the participant and, if so, giving necessary space and support. |
| ‘Gentle’ control of the interview to keep it within the boundaries of the subject, deferring questions to myself until the end, using brief summaries and/or a subsequent question to move the interview forwards. |
| Opportunity at that end for the participant to add any further points, |
| A closing statement that reassured the participant of confidentiality and anonymity, what would happen to the data collected, details of a summary of the research that they would receive, and a final thank you at the end. |
| Completion of bio data by participant. |

Table 5.5

Interview procedure
The interviews were transcribed in full from the interview recordings, and notes also added describing my observations of the atmosphere during the interviews, and of the participants' attitude, behaviour and body language. It was decided not to request or offer participants the opportunity to check the accuracy (or acceptability) of the transcripts, partly because care was taken to transcribe accurately from the recordings, but mostly because of the danger that participants might (on hearing their candid responses) wish to alter or censor their contribution, thus potentially distorting or watering-down the data. Rather, confidentiality and anonymity were assured and participants promised a copy of summarised findings, and this was acceptable to all participants.

5.7  Study 3 group interview guide and facilitation

The method of data collection for Study 3 was based on focus group interviews, directed by an interview guide, and facilitated by the researcher.

5.7.1  Focus group interview guide

A set of questions was created as a focus group interview guide (Appendix D), with questions designed, through interaction with the focus group, to understand the issues raised by the research questions and illicit the views and ideas of the group. In order to appear logical to the participants, the guide followed this order:

- An opening to set the context and, as an 'icebreaker', an invitation for participants to introduce themselves.

- An opportunity for participants to describe their experiences of downsizing. This served as a 'warm-up' exercise to help people relax and relate more easily to each other, and as a method for them to express their individual experiences of downsizing and thereby 'voice' negative emotions.

- Questions phrased in an 'appreciative inquiry' way (Watkins & Mohr, 2001; Cooperrider, 1990) so as to focus attention on constructive suggestions and best practice (rather than what went wrong), and to generate positive ways to handle downsizing. This technique proved useful in keeping participants focussed on the research question of how to handle downsizing more positively (see Chapter 8).
• An open question at the start of each section to make clear to participants that it is their views/perspectives being sought, and to see what themes emerge first.

• An opportunity for each participant to record their individual views before group discussion so that the full range of views is captured before the influence of the group discussion and dynamic.

• An opportunity for the group to discuss emerging ideas and generate collective insights and/or contrasting views.

• At the end, an opportunity to add anything else that is important to them.

The rationale for the questions used in the focus group interview guide is shown below in Table 5.6. Question numbers refer to those in the first draft of the guide used in the pilot; those in parentheses refer to the amended guide following the pilot (both versions are shown in Appendix D). The guide was used flexibly in the subsequent focus group interviews; to add some structure and maintain the focus to the discussion, but not followed slavishly or to the exclusion of what the participants viewed as most important to them, or what emerged through group discussion.

Pictorial representation was used in conjunction with question 2.2. As Stiles (2004: 138) stated “Images can be a novel, ice-breaking and insightful way of surfacing latent constructs. They reveal what words alone cannot, since they place participants in an unfamiliar situation: breaking down mindsets and challenging the reluctance to verbalize.” An image can be a mental (inner picture) or a physical representation of an object. In the latter case, images can be expressed as pictures, words or numbers, and where these are indirect/abstract representations they can be termed symbols (Stiles, 2004). In this study, image drawing was used to encourage participants’ to express their individual feelings about the downsizing they had experienced. To avoid misinterpretation, after the exercise participants were asked to explain their view of the themes/meanings that their images were intended to portray. In the exercise, participants were invited to draw ‘pictures, diagrams, or symbols’ thus giving a choice of image type to encourage those who lacked artistic confidence, and to enable creative expression.
Table 5.6
Research questions tackled by focus group interview guide

<table>
<thead>
<tr>
<th>Research question (summarised)</th>
<th>Questions (amended)</th>
<th>Data likely to be obtained</th>
<th>Relevance for study (research objective 8)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How can individuals best cope with a downsizing event in their organisation?</td>
<td>2.1, 2.2, 3.1 (2.1, 2.2, 3.1)</td>
<td>Coping strategies for individuals facing downsizing</td>
<td>Compare with downsizing literature</td>
</tr>
<tr>
<td>For individuals who survive a downsizing event, how can they maintain or rebuild trust and a positive relationship with the organisation?</td>
<td>3.1, 3.2 (3.1, 3.2)</td>
<td>Advice useful for individuals continuing to work in an organisation post downsizing</td>
<td>Compare with justice, trust and psychological contract theory</td>
</tr>
<tr>
<td>For individuals who leave their organisation due to a downsizing event, how can they maintain or rebuild a positive stance towards their future?</td>
<td>3.1, 3.3 (3.1, 3.2)</td>
<td>Advice useful for individuals facing redundancy</td>
<td>Compare with downsizing literature</td>
</tr>
<tr>
<td>How can managers fulfil their role for the organisation but also ensure people are treated reasonably?</td>
<td>4.1 (3.1, 3.2)</td>
<td>Ways for managers to balance their responsibilities</td>
<td>Compare with justice theory</td>
</tr>
<tr>
<td>How can managers maintain the trust of employees during downsizing?</td>
<td>4.1, 4.2 (3.1, 3.2)</td>
<td>Ways of keeping the trust of employees</td>
<td>Compare with trust theory</td>
</tr>
<tr>
<td>How can managers implement downsizing in ways that are perceived as fair and humane?</td>
<td>4.1, 4.3 (3.1, 3.2)</td>
<td>Ways for managers to undertake downsizing in ways that are seen as fair</td>
<td>Compare with justice theory</td>
</tr>
<tr>
<td>How can managers help employees retain a positive relationship with the organisation during downsizing?</td>
<td>4.1, 4.4 (3.1, 3.2)</td>
<td>Ways for managers to help maintain commitment and related variables such as performance</td>
<td>Compare with psychological contract theory</td>
</tr>
<tr>
<td>How can organisations maintain trust during downsizing?</td>
<td>5.1, 5.2 (3.1, 3.2)</td>
<td>Strategy/policy suggestions to maintain trust</td>
<td>Compare with trust theory</td>
</tr>
<tr>
<td>How can organisations ensure fairness during downsizing?</td>
<td>5.1, 5.3 (3.1, 3.2)</td>
<td>Ways to keep employees' perceptions of organizational justice positive</td>
<td>Compare with justice theory</td>
</tr>
<tr>
<td>How can organisations maintain/recreate a positive relationship with employees?</td>
<td>5.1, 5.4, 4.4 (3.1, 3.2)</td>
<td>Ways of maintaining or restoring the psychological contract</td>
<td>Compare with psychological contract theory</td>
</tr>
<tr>
<td>What generalised guidelines that would be helpful for organisations, managers &amp; individuals during downsizing?</td>
<td>All, 6.1, 6.2 (4.1, 4.2)</td>
<td>Generalisable guidelines for organisations, managers &amp; individuals</td>
<td>Compare with downsizing literature</td>
</tr>
</tbody>
</table>

2.1 refers to question numbers in pilot interview guide; (2.1) refers to question numbers in amended interview guide (see Appendix D).
The focus group interviews were conducted in a more phenomenological than realist way, i.e. with the aim of deepening understanding of the issues rather than setting out to confirm theories or the findings of quantitative studies. This was reflected in the focus group interview guide, which comprised a series of open questions along the objective of the study, allowing the conversation to follow the interests and ideas of the participants and the group. Sometimes following the initial question, probing questions were used to dig deeper, explore related issues and, when raised by the group, follow up comments on justice or trust. The first (pilot) focus group, designed to test/improve the interview procedure, also provided useful data in its own right.

5.7.2 Facilitation

The role of the interviewer of a focus group, usually termed facilitator, is to keep the group focused on the topic by generating interest, creating a conducive and ‘safe’ environment (i.e. where participants are not afraid to speak, and can be open and honest), and encouraging everyone to participate, but to avoid leading the group towards particular conclusions. As described by Stewart and Shamdasani (1990: 69) it involves “balancing the requirements of sensitivity and empathy on the one hand, and objectivity and detachment on the other”. In terms of the characteristics and skills to facilitate well, I think Karger’s (1987: 54) description sums it up well:

“The best facilitator has unobtrusive chameleon-like qualities; gently draws consumers into the process; deftly encourages them to interact with one another for optimum synergy; lets the intercourse flow naturally with a minimum of intervention; listens openly and deeply; uses silence well; plays back consumer statements in a distilling way which brings out more refined thoughts or explanations; and remains completely nonauthoritarian and nonjudgemental. Yet the facilitator will gently guide the proceedings when necessary and intervene to cope with various kinds of troublesome participants who may impair the productive group process”.

In Study 3, to encourage participants to share their views and ideas, and to prevent my own presuppositions, prior knowledge, and personal relationships hindering data, the facilitation procedure described in Table 5.7 below was adopted.
Table 5.7

Focus group interview facilitation procedure

- Opening (before the substantive part of the interview): a welcome and thanks to the participants for their willingness to take part, brief context setting, reminding the participants of the purpose of the research and of this focus group interview, and confirming their agreement for the discussion to be recorded. The previously agreed right to confidentiality and anonymity was reiterated. The participants' right to refuse to answer any question was confirmed, and that the interview or recording could be stopped if they wished. The role of the facilitator was clarified.

- Open questions to encourage participants to share their views and expose what was most important in their experience.

- The opportunity for individual views to be recorded before group discussion.

- Probing questions to explore issues, find out 'why?' they had come to a particular view, and to probe particular theoretical areas.

- Avoidance of multiple questions (confusing) and leading questions (loaded with the facilitator's presuppositions).

- Avoidance of theoretical jargon (e.g. terms like procedural justice). Rather, attempts were made to ground questions in the real-life experiences of participants (e.g. 'How can organisations ensure that the downsizing is perceived as fair?').

- An open posture and friendly approach was adopted to create a convivial atmosphere, with neutral but interested responses to participants' comments so as not to influence the discussion with my own views.

- Time for participants to talk about issues of most importance to them, unless they digressed too far from the overall subject, in which case the discussion was steered back to the subject with a further question.

- Careful listening and where necessary, probing to understand what was really important to the participants, and to pick up comments that were significant to the research questions.

- Occasional summarising and/or paraphrasing back to the group to check their and my own understanding/interpretation.

- Remaining aware of intense emotions or stress displayed by any of the participants and, if so, giving necessary space and support.

- 'Gentle' direction of the discussion, keeping it within the overall boundaries of the subject, ensuring all were able to participate, controlling overly dominant participants when necessary, and using brief summaries and/or a subsequent question to move the discussion forwards when a topic was exhausted.

- An opportunity at that end for the participants to add any further points, and to share what they had learnt.

- A closing statement to reassure participants of confidentiality and anonymity, what would happen to the data collected, details of a summary of the research that they would receive, and a final thank you.

- Completion of bio data by participants.
The environment in which a focus group interview is held has been shown to influence group interaction, particularly factors such as room size, decoration, territoriality, personal space, and spatial arrangements (Stewart & Shamdasani, 1990). The environment for the Study 3 interviews was carefully arranged to put participants at ease and to encourage engagement, as described in Chapter 8.

5.8 Ethics of the research process

Ethics in research is to do with the rights of those who are the subjects of research or who are affected by its results (Saunders et al., 2007), and involves designing, undertaking, and reporting research in ways that are moral and responsible with reference to accepted moral principles and norms of behaviour (Blumberg et al., 2005). The research of this thesis was undertaken ethically, complying with the University of Surrey’s ethical code of conduct and cognisant of the standards expected of those invited to take part.

At the outset of all three studies, the confidentiality of individual participants and their organisations was assured, and it was made clear that the results would be used for academic purposes. These commitments have been honoured.

At the invitation stage of Studies 2 and 3, the purpose and topics of discussion were clearly communicated verbally and then in writing via an e-mail, and participants advised that the interviews would be audio-recorded. The names used in reporting the results (Chapters 7 and 8 respectively) are fictional, although genders have been kept. Interviewee’s were asked to sign a consent form and all complied.

During interviews, as interviewer (Study 2) and facilitator (Study 3), I was cognisant of participant’s feelings, and honoured the commitment to stop the interview (or its recording) at any point (this occurred on a couple of occasions). Interview participants of these studies were promised a copy of the results, and this commitment was met.

In Study 2, one ethical consideration was whether to approach the organisation formally to undertake the research, or to approach individuals more informally (half
of whom had already left the organisation). The advice of a senior HR manager in the organisation who had been involved in the downsizing process was that a formal approach was unnecessary and may be turned down because it was a formal approach, and that as long as the organisation itself was not named in any of the reporting, it would be acceptable to invite selected individuals to be interviewed. This informal approach was adopted.

5.9 Reflections on/limitations of the research process

5.9.1 Study 1

Overall, the scales used provided useful data, and the sample size ($n = 477$) was large enough to generate reliable results. However, respondents were almost all from large organisations (89.7%) and from a limited number of sectors, and mostly white - a more balanced representation from large, medium and small organisations, and a greater spread of sectors and ethnicities would have been preferred.

The trust scale used could be improved – greater precision is needed on referents (e.g. supervisor or management as a whole), and a wider scope needed to cover the various dimensions of the trust concept (the measures used focussed on trustworthiness of the trustees). As the literature makes clear (e.g. Dietz & Den Hartog, 2006; Lewicki et al., 2006), there is general need for improved trust measures so that they more clearly reflect trust definitions, take into account different types of trust and trust development, and are able to distinguish between trust and distrust.

The distributive justice sub-scale only considered equity, not other criteria such as equality or need.

Most of the people in the sample were casualties of downsizing (i.e. made redundant or left the organisation through other mechanisms); the sample size of survivors (those remaining with their organisation) was small, and too small to reliably differentiate management from non-management.
5.9.2 Study 2

The interview guide, used flexibly, worked well: it had enough space for themes important to participants to emerge (e.g. psychological contracts, strong emotions) and yielded comments on areas of theoretical interest (justice and trust).

The technique of encouraging participants to recall an incident, story or anecdote that typified their experience was particularly fruitful.

For the case study, it would have been useful to interview some of new people who came into the organisation as others were leaving. Additionally, a further perspective would have been gained by interviewing someone in the 'executioner' role (i.e. setting strategy and policy, and making the decisions about people) since the senior managers interviewed were mostly implementers of what was decreed higher up.

5.9.3 Study 3

The positive interaction of the focus group participants led to good discussion and rich outputs, and individual exercises allowed each participant to express their views before being influenced by the group dynamic. The deep experience of the participants generated rich discussion and helpful ideas, but the focus groups could have been more representative of younger people working in organisations.

The techniques of inviting participants to list their lasting impressions and to draw images of how the downsizing felt proved useful in teasing out negative comments, and in representing emotions in simple but powerful ways. The *appreciative inquiry* approach to the main part of the discussion proved helpful in keeping it focussed and in generating positive responses to research objective 8.

The original interview guide used for the pilot proved to be a little too structured with too many questions – it was simplified for the subsequent focus group interviews and the result was livelier discussion focussed on issues of importance to the participants.
The research of this thesis has been undertaken using a mixed methods approach. Study 1, a quantitative organisational survey, adopted a predominantly deductive, quantitative approach to investigate existing theories of justice and trust in the context of downsizing (research objectives 1-3). It utilised a survey strategy to test a number of hypotheses, with corresponding methods such as representative sampling, a questionnaire based on established scales, and statistical analysis of the results. Qualitative data from several open questions were analysed using both content analysis, and a qualitative technique to identify themes.

Study 2, an interview-based study took an inductive, qualitative approach, using a case study of a particular downsizing event (Study 1 had shown that context was important in relation to downsizing) to explore ‘why’ participants held the views they did (research objectives 4-7). The resulting data were analysed qualitatively, identifying themes that arose during the interviews; those related to justice and trust, and other more emergent themes.

Study 3, a focus group interview-based study, was also inductive in approach, utilising focus groups to discuss and generate ideas on handling downsizing more positively (research objective 8). The interviews were facilitated with a ‘light touch’ to allow themes of importance to the participants to emerge.

Studies 1, 2 and 3 are reported in chapters that follow; 6, 7 and 8 respectively.
6. **STUDY 1: WHAT EMPLOYEES THINK WHEN ORGANISATIONS DOWNSIZE – AN ORGANISATIONAL SURVEY**

6.1 **Introduction**

6.1.1 **Design and purpose**

Study 1 adopted an organisational survey strategy, designed as illustrated on Figure 6.1 below, which follows the outline, modified slightly, of Gray (2004: 104).

This study was designed primarily as quantitative, enabling the use of correlations and other statistical techniques to yield some generalisable results. However, a number of open questions were included to yield further information as a commentary on the statistical results, and to guide subsequent planned qualitative studies. The open questions yielded a fruitful set of qualitative data, which have been analysed using a variety of techniques.

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*Figure 6.1: Organisational survey design*

- **Research objectives:**
  1. To understand how employees' perceptions of organisational justice are affected by downsizing.
  2. To understand how an employee's trust in their line manager and in the organisation are affected by downsizing.
  3. To determine how employees' perceptions of organisational justice and feelings of trust are related.

- **Research objectives & hypotheses:**
  - 3 hypotheses

- **Identify independent & dependent variables:**
  - Independent variable: organisational justice (4 dimensions)
  - Dependent variable: trust (2 dimensions)

- **Decide on preliminary analysis approach:**

- **Choose survey method:**
  - Questionnaire survey
  - Pilot survey
  - Pilot sent to HR managers in large organisation, n = 3
  - Invitations by e-mail to all individuals on outplacement consultancy database

- **Choose data processing method:**
  - Adjusted wording & clarified instructions

- **Internet format:**
  - MAIN SURVEY
  - Explanatory e-mail

- **Design questionnaire:**

- **Amend questionnaire and sample/sampling:**
  - Amended cover letter & clarified instructions

- **Pilot e-mailed to random selection from outplacement consultancy database, n = 12**

- **People who have experienced downsizing, from range of UK organisations, accessed via outplacement consultancy database: >9,000 people**

- **515 responses, 38 rejected, n = 477**

- **Structure and wording:**

- **Edit, code and tabulate data:**
  - Descriptive & inferential statistics applied to quantitative data

- **Write up results:**
  - Content & qualitative analyses applied to open question responses

*Outline modified from Gray, 2004: 104*
The purpose of Study 1 was to address research objectives 1-3 of the overall thesis, namely:

1. To understand how employees' perceptions of organisational justice are affected by downsizing.
2. To understand how an employee's trust in their line manager and in the organisation are affected by downsizing.
3. To determine how employees' perceptions of organisational justice and feelings of trust are related.

To achieve this purpose, Study 1 set out to test three specific hypotheses (see Subsection 6.1.2 below) related to the variables under scrutiny (primarily dimensions of organisational justice and trust in management) across a range of organisations of different sizes and sectors in the UK, and with people of different organisational levels and different outcomes with respect to downsizing. The study was deliberately broad to obtain a generalised view of the relationship between organisational justice and trust in organisations that have undergone downsizing, and to highlight areas of particular interest that could be further investigated in a subsequent, more qualitative study (Study 2, reported in Chapter 7). Study 1 was also designed to test published organisational justice and trust measures in a UK setting, ascertaining the validity of their constructs and the dimensions that comprise them.

Access to the sample was provided by a UK based outplacement consultancy that regularly deals with organisations and individuals experiencing downsizing. I approached the consultancy through a business relationship with one of their consultants, and the consultancy, perceiving mutual benefit in learning from the overall results of the research, granted access to their database. The Study 1 survey instrument was loaded onto an internet tool developed in conjunction with the outplacement consultancy and e-mailed by them to the individuals on the database. The opening screen containing the invitation is shown on page B-1 of Appendix B.

6.1.2 Hypotheses

The Study 1 instrument was designed to test the following hypotheses:
1. Organisational justice is an antecedent of trust.

2. Of the different dimensions of organisational justice, interactional justice has the strongest link to employees' trust in line management, and procedural justice the strongest link to employees' trust in the organisation as a whole.

3. Employees' experience of and role in the downsizing directly affects their perceptions of justice and their feelings of trust:

   3.1 Those involved in the implementation of downsizing regard it as fairer and have higher levels of trust in management and the organisation than those who are not involved in the implementation.

   3.2 Those who have been made redundant regard the downsizing process as less fair and display lower levels of trust in management and the organisation than those who have survived.

6.2 Method

6.2.1 The survey instrument

Study 1 used the questionnaire instrument shown in Appendix B as the method for data collection. It was devised from published scales of organisational justice and trust - sources are shown on Table 6.1 - and has been more fully described in Chapter 5. The instrument was piloted and some minor alterations made before its use in the survey (Section 6.3 below). The instrument itself comprised:

- Twenty quantitative questions on organisational justice using a 5-point Likert scale. Items 1 to 20 were based on Colquitt's organisational justice scale (2001). The wording was modified slightly to reflect a UK rather than USA setting, and to relate them to the context of downsizing. The 'authority figure' was described as 'line manager/supervisor'.

- Ten quantitative questions on trust in management using a 7-point Likert scale. Items 21 to 26 are from the Cook and Wall (1980) ITW scale, specifically the sub-scale relating to trust in management (3 items on faith in management intent, 3 items on confidence in management capability) using their anchoring of the scale. Items 27 to 29 are from Brockner et al. (1997) to explore the difference...
between trust in management generally and trust in a respondent’s line manager/supervisor. Item 30 was added to give further information on trust in a respondent’s line manager.

- Four open questions gave participants the opportunity state in their own words their thoughts about: the fairness of the downsizing, how their trust in their immediate line manager/supervisor and the organisation was affected, and any further comments (items 31 to 33 and 36 respectively).

- Two questions on the survey itself – to find out how easy to complete and how easy to understand the survey was – items 34 and 35 respectively.

- Two questions to ascertain whether the participant would be willing to be re-contacted about the survey and, if so, a request for an e-mail address (items 37 and 38 respectively).

- A request for demographic information on the respondent and the organisation where they experienced downsizing (see pages B-7 and B-8 of Appendix B).

6.2.2 The procedure

The instrument was set up on the outplacement consultancy’s internet survey tool for ease of use – this gave direct access to the questions by ‘clicking’ on a line of text in the e-mail sent to potential participants. Sampling was undertaken using the outplacement consultancy’s database and is described in Section 6.4 below.

The internet tool was set up with a screening question at the beginning ‘Do you or have you worked in an organisation that has undergone downsizing?’ (see page B-1 of Appendix B). Those who responded affirmatively were invited to continue; those responding negatively were thanked for their interest. Items 1 to 30 of the survey instrument yielded quantitative data that were downloaded into an Excel spreadsheet and imported into SPSS (version 13.0) for statistical analysis (reported in Section 6.5 below). The four open questions (items 31 to 33, and 36) prompted a large number of responses, which were initially subjected to content analysis, and then imported into NVivo (version 7) for a more inductive analysis (reported in Section 6.6 below).
Table 6.1

Measures used in Study 1

<table>
<thead>
<tr>
<th>Organisational justice dimension*</th>
<th>Measure item</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural justice</td>
<td>1. Were you able to express your views and feelings during the downsizing procedures?</td>
<td>Colquitt, 2001</td>
</tr>
<tr>
<td></td>
<td>2. Did you have influence over the decisions arrived at by the downsizing procedures?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Were the downsizing procedures applied consistently?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Were the downsizing procedures free from bias?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5. Were the downsizing procedures based on accurate information?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6. Were you able to appeal against the decision arrived at by the downsizing procedures?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. Did the downsizing procedures uphold ethical and moral standards?</td>
<td></td>
</tr>
<tr>
<td>Distributive justice</td>
<td>8. Did your outcome from the downsizing procedures reflect the effort you put into your work?</td>
<td>Colquitt, 2001</td>
</tr>
<tr>
<td></td>
<td>9. Was your outcome from the downsizing procedures appropriate for the work you completed?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10. Did your outcome from the downsizing procedures reflect what you contributed to the organization?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11. Was your outcome of the downsizing procedures justified, given your performance?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13. Did your manager/supervisor treat you with dignity?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14. Did your manager/supervisor treat you with respect?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15. Did your manager/supervisor refrain from improper remarks or comments?</td>
<td></td>
</tr>
<tr>
<td>Informational justice</td>
<td>16. Was your manager/supervisor candid in his/her communications with you?</td>
<td>Colquitt, 2001</td>
</tr>
<tr>
<td></td>
<td>17. Did your manager/supervisor explain the procedures thoroughly?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18. Were your manager’s/supervisor’s explanations regarding the procedures reasonable?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>19. Did you manager/supervisor communicate details in a timely manner?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20. Did your manager/supervisor seem to tailor his/her communications to individuals' specific needs?</td>
<td></td>
</tr>
</tbody>
</table>

*The dimensions actually determined by this study are shown in Section 6.5.2.

All items were measured using a 5-point scale:
1. Not at all.
2. To a small extent.
3. To some extent.
4. To a large extent.
5. Completely.
Table 6.1 (continued)

Measures used in Study 1

<table>
<thead>
<tr>
<th>Trust dimension*</th>
<th>Measure item</th>
<th>Source</th>
</tr>
</thead>
</table>
| Trust in         | 22. Our company has a poor future unless it can attract better managers.  
| management       | 23. Management can be trusted to make sensible decisions for the firm’s future.  
| capability       | 24. Management at work seems to do an efficient job.                                                                                               | Cook & Wall, 1980           |
| Trust in         | 21. Management at my company is sincere in its attempts to meet the employees’ point of view.  
| management       | 25. I feel quite confident that the company will always try to treat me fairly.  
| intent           | 26. Our management would be quite prepared to gain advantage by deceiving the employees.                                                        | Cook & Wall, 1980           |
| Trust in         | 28. Management can be trusted to make decisions that are also good for me.  
| management       | 29. I trust the management to treat me fairly.                                                                                                     | Brockner, et al., 1997     |
| Trust in line    | 27. I can usually trust my line manager/supervisor to do what is good for me.  
| manager          | 30. My line manager/supervisor can be relied on to keep his/her commitments to me.                                                                | Brockner, et al., 1997     |
|                  |                                                                                                                                                                                                             | This study                  |

*The dimensions actually determined by this study are shown in Section 6.5.2.

All items were measured using a 7-point scale:
1. No, I strongly disagree.
2. No, I disagree quite a lot.
3. No, I disagree just a little
4. I’m not sure.
5. Yes, I agree just a little.
6. Yes, I agree quite a lot.
7. Yes, I strongly agree.
6.3 Pilot study

6.3.1 Pilot study instrument and sample

Prior to the pilot study, the instrument had already been developed through a number of iterations in discussion with supervisors and colleagues. The purpose of the pilot study was to improve it further, checking that the questions were understandable and easy to complete, ensuring that the internet tool (developed in conjunction with the outplacement consultancy and managed by them) functioned correctly, and eradicating typographical errors.

Data for the pilot study were gained in two ways. Firstly, from a randomised sample of the outplacement consultancy’s database, a number of people were invited by e-mail to respond to the internet-based survey. Fourteen responses were received, of which twelve were acceptable, i.e. the respondents had answered in the affirmative to the screening question of whether or not they work/had worked in an organisation that had undergone downsizing. Of these respondents, eight were male, four female, and all were from large organisations. Eleven were white, and all had experienced downsizing within the last year. As regards sector, five were from financial intermediation, the others from a range of sectors including manufacturing, IT and professional services. All of the respondents had left their organisation as a result of the downsizing, eight were managerial, four non-management.

Secondly, responses were obtained from three selected Human Resource/Training Managers in a large corporation in the energy sector whose function was undergoing reorganisation and downsizing. One of the three had decided to leave the organisation through voluntary redundancy, the other two wished to remain with the organisation. One was male, two female; all were white.

6.3.2 Pilot study results

Overall, the respondents found the questionnaire quite easy to complete and quite easy to understand, responses to these questions yielding mean scores of 3.92 and 4.00 respectively on a 5-point Likert type scale.
One person stated; "I think some of the questions could have been a little more decisive. There are areas that absolute no's were applicable, not to a small extent". This comment was reflected in how items 1-20 (on organisational justice) had been answered: 'To a small extent' and the next point on the scale were used heavily (yielding an overall mean score of 1.98 on the 5 point Likert scale), but points 3 and 4 were not used at all, and point 5 ('To a large extent') used a little.

There were some comments to the effect that the distributive justice questions were not very applicable if a person had opted for voluntary redundancy.

The points on the scale for the questions 21 to 30 on trust were fully used (from 1 = No, I strongly disagree to 7 = Yes, I strongly agree). Clearly, this was viewed as a more strongly anchored, clearly labelled scale than that for organisational justice.

Some of the respondents commented that the survey took longer than 10 minutes to complete. Ten out of the twelve respondents responded to the open questions yielding some rich data; candid comments about their experiences, how they perceived they were treated in terms of fairness, and how their trust in their line manager and the organisation as a whole was affected.

In response to the pilot study, the scaling of items 1 to 20 on organisational justice was amended to anchor it more firmly and to clarify the points on the scale. The following labels were used: 'Not at all; To a small extent; To some extent; To a large extent; Completely'. Minor changes were made to the wording of some questions and to that of the introductory paragraphs to each set of questions to improve clarity. The invitation was amended to indicate that the survey would take about 15 minutes to complete. The revised instrument used in the full study is that shown in Appendix B.

6.4 Sample

The sample surveyed was from the database of a UK based consultancy organisation that provides advice and support on outplacement, career transition, resourcing and recruitment across all sectors. Their database at the time (9,094 people from nearly
200 UK companies) contained the e-mail addresses of all those who had used their services, some of whom had experienced downsizing. People were invited to take part in the survey by an e-mail describing the purpose of the survey, indicating that it was being conducted for doctoral research, that the names of individuals and organisations would not be divulged, and that the results would be used for academic purposes (page B-1 of Appendix B).

Of the population to whom the survey was e-mailed, 515 people responded, of whom 477 work or had worked in an organisation that had undergone downsizing, which was 5.25% of the total database. Whilst this is a small response rate compared to the whole database, the opening screening question made it clear that only those who work/had worked in an organisation that had undergone downsizing should respond.

The sample population was predominantly white (92.7%), from large organisations (89.7%), of whom 82% had experienced downsizing within a year of the study, 14% within 2 to 3 years. Most (82.6%) were made redundant, 15.1% survived and continued to work within their organisation, and 2.3% experienced a different outcome. A range of levels was represented, described as non-managerial (46.3%), managerial (42.8%) and senior executives (8.6%), and 2.3% unclassified. Respondents varied in age between 21 and 60, the most common ages being between 41 and 50 years old. A similarly wide spread of years of service with individual’s respective organisations was represented, the most common being 6-10 years. The gender split was 67.5% men, 32.5% women.

A range of industrial sectors (defined by the UK Standard Industrial Classification of Economic Activity UK SIC (92), National Statistics; www.statistics.gov.uk) was represented, although most organisations were from four sectors:

- Financial intermediation (37.7%) – including banks and insurance companies.
- Manufacturing (18.0%).
- Real estate, renting and business activities (13.2%) – mostly IT, business consultancy, and research and development.
- Transport, storage and communication (8.4%).
Several other sectors were represented (e.g. wholesale and retail trade; electricity, gas and water supply) but all at less than 5% of the total number of respondents.

Respondents unsure as to which sector definition to use were invited to tick ‘other’ and add a description. From the descriptions submitted, all ‘other’ responses were successfully re-categorised under the existing headings.

Respondents were asked to indicate their situation with regards to the downsizing using one of 5 descriptions:

• A non-managerial employee who was made redundant (40.7%).
• A non-managerial employee who was not made redundant (5.7%)
• A manager/supervisor whose job it was to help implement downsizing decisions, and who was made redundant (27.0%).
• A manager/supervisor whose job it was to help implement downsizing decisions, and who was not made redundant (5.7%).
• A senior executive who made the strategic decision to downsize and presided over its implementation (3.1%).

A large number of respondents completed the ‘none of the above’ box and added their own description. Most of these descriptions fell under two further categories:

• A manager/supervisor who played no role in the downsizing, and was made redundant (9.6%)
• A senior executive who was not involved in the strategic decision to downsize or its implementation, and was made redundant (5.3%).

To complete the set, a further two categories were added (leaving only 2.3% unclassified):

• A manager/supervisor who played no role in the downsizing, and was not made redundant (0.4%).
• A senior executive who was not involved in the strategic decision to downsize or its implementation, and was not made redundant (0.2%).
6.5 Quantitative results

6.5.1 Respondents' comments on the survey

Respondents' comments were invited through three questions:

Item 34: How easy did you find this survey to complete?
Item 35: How easy did you find this survey to understand?
Item 36: Is there anything else you would like to tell us?

Responses to items 34 and 35 were both captured on 5-point Likert-type scales anchored by 'Very difficult' and 'Very easy'. The results yielded mean scores of 4.06 and 4.21 respectively, and modes of 4 and 5 respectively. These were an improvement on the mean scores from the pilot study, which were 3.92 and 4.00 respectively. From these results it was apparent that most respondents found the survey quite easy or very easy to complete, and quite or very easy to understand.

Of the 195 people who responded to item 36, 57 commented on the survey itself (comments on issues raised by the survey are discussed below). 44 of these survey comments were negative, 13 neutral or positive. The negative comments mostly fell into the following categories:

- The survey questions were not totally relevant to everyone's situation, for examples: their experience of downsizing was not straightforward, or there were several types of managers involved rather than a single line manager/supervisor, or they exited through voluntary redundancy or early retirement rather than compulsory redundancy and there was no way of indicating this. Clearly, organisational and personal contexts of downsizing affect how people respond, a point picked up through the open questions and discussed in Section 6.6 below.

- Clarity of some of the questions, particularly with regards to outcomes (presumably items 8-11 on distributive justice), and levels of management.

- The section on trust (items 21-30) was phrased in the present tense, which was confusing for some respondents who had already left their employer.

- Not all respondents could select an answer that best suited their views; some would have liked to have responded with 'Don't know' or 'Not applicable'.
Of the positive comments, 3 people mentioned that the opportunity to complete the survey was to them of therapeutic value, for example:

"Survey has been a bit of a cleansing process too to finally get it off my chest and move on from the experience."

6.5.2 Validity and reliability

Factor analysis was used to test the validity of the organisational justice and trust dimensions used in the structure of the questionnaire.

As described in Chapter 5, organisational justice was split into four dimensions, and the questions used from the Colquitt (2001) measure were arranged in these four dimensions. Factor analysis results from this study revealed four distinct dimensions, but arranged slightly differently to Colquitt (2001), as shown on Tables 6.2 and 6.3.

The results confirmed strongly the distributive justice dimension (items 8-11). However, the procedural justice dimension defined by Colquitt (2001) was divided into two dimensions by this study. Firstly, procedural justice concerned with the influence or control exerted by the individual on both the process (process control, voice) and the decision (decision control, choice), termed here procedural justice control. Secondly, procedural justice concerned with the procedures themselves, termed here procedural justice procedures.

The results did not support two separate dimensions of interpersonal and informational justice proposed by Colquitt (2001). Rather, factor analysis showed these dimensions to be indistinguishable, and hence in the results that follow the single dimension of interactional justice is used.

Reliability of the interactional justice, distributive justice and procedural justice procedures dimensions was shown to be high, including all the items used in the survey (Cronbach's alpha scores of 0.93, 0.90 and 0.88 respectively).
Table 6.2
Construct validity: factor analysis* of organisational justice dimensions

<table>
<thead>
<tr>
<th>Organisational justice items from questionnaire</th>
<th>Factor loadings</th>
<th>Com² Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Factor 1</td>
<td>Factor 2</td>
</tr>
<tr>
<td>Interactional justice</td>
<td>0.93</td>
<td></td>
</tr>
<tr>
<td>13: dignity</td>
<td>85</td>
<td>-</td>
</tr>
<tr>
<td>12: politeness</td>
<td>84</td>
<td>-</td>
</tr>
<tr>
<td>14: respect</td>
<td>84</td>
<td>-</td>
</tr>
<tr>
<td>17: procedures explained</td>
<td>78</td>
<td>-</td>
</tr>
<tr>
<td>18: explanations reasonable</td>
<td>78</td>
<td>-</td>
</tr>
<tr>
<td>19: timely communication</td>
<td>76</td>
<td>-</td>
</tr>
<tr>
<td>15: no improper remarks</td>
<td>71</td>
<td>-</td>
</tr>
<tr>
<td>20: tailored communications</td>
<td>68</td>
<td>-</td>
</tr>
<tr>
<td>16: candid communications</td>
<td>66</td>
<td>-</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>0.90</td>
<td></td>
</tr>
<tr>
<td>10: contribution</td>
<td>-</td>
<td>89</td>
</tr>
<tr>
<td>9: work completed</td>
<td>-</td>
<td>83</td>
</tr>
<tr>
<td>11: performance</td>
<td>-</td>
<td>82</td>
</tr>
<tr>
<td>8: effort</td>
<td>-</td>
<td>80</td>
</tr>
<tr>
<td>Procedural justice procedures</td>
<td>0.88</td>
<td></td>
</tr>
<tr>
<td>4: free from bias</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3: applied consistently</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>5: accurate information</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7: ethical standards</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>Procedural justice control</td>
<td>0.68</td>
<td></td>
</tr>
<tr>
<td>(6: able to appeal – omitted)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1: able to express views</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2: influence decisions</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*Exploratory factor analysis with varimax rotation. Numbers are magnitudes of the factor multiplied by 100. * Denotes communality.

Table 6.3
Organisational justice dimensions

<table>
<thead>
<tr>
<th>Dimensions after Colquitt (2001)</th>
<th>Dimensions suggested by this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpersonal justice (items 12-15)</td>
<td>Interactional justice (items 12-20)</td>
</tr>
<tr>
<td>Informational justice (items 16-20)</td>
<td>Distributive justice (items 8-11)</td>
</tr>
<tr>
<td>Distributive justice (items 8-11)</td>
<td>Procedural justice control (items 1 &amp; 2; item 6 omitted as unreliable)</td>
</tr>
<tr>
<td>Procedural justice (items 1-7)</td>
<td>Procedural justice procedures (items 3-5, 7)</td>
</tr>
</tbody>
</table>
Table 6.4

Construct validity: factor analysis* of trust dimensions

<table>
<thead>
<tr>
<th>Trust in management items from questionnaire</th>
<th>Factor loadings</th>
<th>Factor Com*Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Factor 1</td>
<td>Factor 2</td>
</tr>
<tr>
<td>Trust in management personal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27: line manager does what's good for me</td>
<td>87</td>
<td>-</td>
</tr>
<tr>
<td>30: line manager keeps commitments</td>
<td>87</td>
<td>-</td>
</tr>
<tr>
<td>29: management treat me fairly</td>
<td>79</td>
<td>40</td>
</tr>
<tr>
<td>28: management decisions good for me</td>
<td>71</td>
<td>46</td>
</tr>
<tr>
<td>25: confident company will treat me fairly</td>
<td>69</td>
<td>44</td>
</tr>
<tr>
<td>21: management meets employees' view</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>(omitted due to cross-loading)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust in management general</td>
<td>0.73</td>
<td></td>
</tr>
<tr>
<td>23: management make sensible decisions</td>
<td>-</td>
<td>84</td>
</tr>
<tr>
<td>24: management do an efficient job</td>
<td>-</td>
<td>81</td>
</tr>
<tr>
<td>22: poor future unless get better managers</td>
<td>-</td>
<td>-59</td>
</tr>
<tr>
<td>26: management prepared to deceive employees</td>
<td>-37</td>
<td>-53</td>
</tr>
</tbody>
</table>

*Exploratory factor analysis with varimax rotation. Numbers are magnitudes of the factor multiplied by 100.
* Denotes communality.

Table 6.5

Trust dimensions

<table>
<thead>
<tr>
<th>Dimensions after Cook &amp; Wall, 1980; Brockner et al., 1997</th>
<th>Dimensions suggested by this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust in line manager (items 27 &amp; 30)</td>
<td>Trust in management personal (items 25, 27, 28, 29 &amp; 30; item 21 omitted due to cross-loading)</td>
</tr>
<tr>
<td>Trust in management (items 28 &amp; 29)</td>
<td>Trust in management general (items 22-24, &amp; 26)</td>
</tr>
<tr>
<td>Trust in management intent (items 21, 25, 26)</td>
<td></td>
</tr>
<tr>
<td>Trust in management capability (items 22-24)</td>
<td></td>
</tr>
</tbody>
</table>
The procedural justice control dimension with the three items used in the survey was shown to be unreliable (Cronbach's alpha of 0.59). However, with item 6 removed (the question about correctability), the dimension reliability improved to an acceptable level (Cronbach's alpha of 0.68), hence for the results that follow this dimension comprises responses to items 1 (process control) and 2 (decision control).

Factor analysis for the trust questions revealed two dimensions (Tables 6.4 and 6.5). The first dimension, trust in management personal, relates to trust in management as it affects the individual trustor. It includes the two items on trust in line manager/supervisor; however factor analysis revealed that these were not distinguishable as a separate dimension statistically from items about trust in management (unlike the findings of Tan and Tan (2000), who were able to distinguish between trust in supervisor and trust in organisation). The trust in management personal dimension includes items about management intent. In terms of trust content it focuses on benevolence and integrity, to a lesser extent predictability. It yielded a Cronbach's alpha of 0.90.

The second dimension, trust in management general, relates to trust generally in management, particularly their trustworthiness in terms of competence, and to a lesser extent predictability, but also in their truthfulness in dealing with employees, i.e. integrity. It yielded a Cronbach's alpha of 0.73.

6.5.3 Descriptive statistics

The descriptive statistics results revealed some variations for different dimensions of organisational justice (Table 6.6).

Procedural justice control was the least favourably perceived dimension of organisational justice with a mean score of 1.95 (on a 1 to 5 scale) and a strongly positively skewed distribution. Of the two items that comprise this dimension (item 1, process control and item 2, decision control), the latter has a particularly low mean score (1.55) indicating that respondents felt that they had little influence over the decisions that had been made.
Table 6.6
Descriptive statistics

1. Organisational justice

<table>
<thead>
<tr>
<th>Organisational justice dimensions</th>
<th>Mean</th>
<th>SD</th>
<th>Variance</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interactional justice</td>
<td>3.29</td>
<td>1.10</td>
<td>1.21</td>
<td>-0.28</td>
<td>-0.98</td>
<td>464</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>2.00</td>
<td>1.09</td>
<td>1.19</td>
<td>0.91</td>
<td>-0.28</td>
<td>471</td>
</tr>
<tr>
<td>Procedural justice procedures</td>
<td>2.51</td>
<td>1.09</td>
<td>1.18</td>
<td>0.39</td>
<td>-0.84</td>
<td>457</td>
</tr>
<tr>
<td>Procedural justice control</td>
<td>1.95</td>
<td>0.97</td>
<td>0.94</td>
<td>1.12</td>
<td>0.67</td>
<td>477</td>
</tr>
</tbody>
</table>

These dimensions were measured on a 5-point Likert-type scale anchored at 1 = Not at all and 5 = Completely.

2. Trust in management

<table>
<thead>
<tr>
<th>Trust in management dimensions</th>
<th>Mean</th>
<th>SD</th>
<th>Variance</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust in management personal</td>
<td>3.18</td>
<td>1.56</td>
<td>2.45</td>
<td>0.30</td>
<td>-1.00</td>
<td>473</td>
</tr>
<tr>
<td>Trust in management general</td>
<td>3.31</td>
<td>1.36</td>
<td>1.84</td>
<td>0.40</td>
<td>-0.45</td>
<td>474</td>
</tr>
</tbody>
</table>

These dimensions were measured on a 7-point Likert-type scale anchored by 1 = No, I strongly disagree and 7 = Yes, I strongly agree.
The dimension *procedural justice procedures* had a mean score of 2.51 illustrating that on the whole people thought the procedures themselves fairer than their opportunity to have their own say relative to the procedures.

The *distributive justice* dimension had a mean score of 2.00 (on a 1 to 5 scale), showing that overall respondents perceived justice with regard to their personal outcomes negatively. Within this dimension, distributions for all items were strongly positively skewed, particularly the responses to item 10 on whether or not a person's outcome was justified given their performance.

*Interactional justice* was the most positively perceived justice dimension, with a negatively skewed distribution and a mean score above the mid-point (3.29). Within interactional justice, the items that yielded the most favourable responses were 12 and 15 regarding whether the line manager treated people in a polite manner and whether he/she refrained from improper remarks or comments (mean scores of 3.70 and 3.89 respectively); these both refer to interpersonal treatment. Mean scores for all but one of the interactional justice items were above 3 on a 1 to 5 scale, hence overall, perceptions of interactional justice were more favourable than unfavourable. The exception was item 20 about line manager's tailoring communications to specific needs, which yielded a mean score of 2.65.

The dimension *trust in management general* had a mean score of 3.31 compared to 3.18 for *trust in management personal* (Table 6.6). Both mean scores were less than 4 on a 7-point Likert scale, hence employee feelings of trust in management as measured by both dimensions were more unfavourable than favourable. Trust in management general showed a slightly positively skewed distribution.

The two items with the highest mean scores in the dimension *trust in management personal* (items 27 and 30, mean scores of 3.43 and 3.55 respectively) refer to trust in one's line manager/supervisor rather than management or the company. The lowest mean score (2.77) of this dimension was for item 28; 'Management can be trusted to make decisions that are also good for me'. The overall distribution for this dimension was positively skewed, with a spike at 1.0.
The highest mean score for the trust in management general dimension was for item 26 referring to management's truthfulness to employees (mean score of 3.66), and the lowest (mean score 3.02) for item 22 referring to the quality of managers.

6.5.4 Inferential statistics

Each of the justice dimensions showed a positive and significant correlation ($p < 0.05$ in all cases) to the others (using Pearson correlation), albeit at weak to moderate strengths (Table 6.7, Figure 6.2 below).

The dimension procedural justice procedures was moderately correlated to procedural justice control ($r = 0.46$), distributive justice ($r = 0.49$) and most strongly to interactional justice ($r = 0.56$).

The dimension procedural justice control was moderately correlated to distributive justice ($r = 0.41$) but had only a weak correlation with interactional justice ($r = 0.31$). Interactional justice had only a weak correlation with distributive justice ($r = 0.34$).

Trust in management general had a significant, strong positive correlation with trust in management personal ($r = 0.62, p < 0.05$).

Trust in management general showed the following positive and significant ($p < 0.05$ in all cases) correlations with the dimensions of organisational justice:

- Procedural justice procedures ($r = 0.50$).
- Interactional justice, ($r = 0.40$).
- Distributive justice, ($r = 0.36$).
- Procedural justice control ($r = 0.35$).

Strong and significant ($p < 0.05$) correlations were demonstrated between trust in management personal and both interactional justice ($r = 0.65$) and procedural justice procedures ($r = 0.63$). Trust in management personal had significant and moderately strong correlations with procedural justice control and distributive justice ($r = 0.37$ and $0.45$ respectively, $p < 0.05$ in both cases).
### Table 6.7
Pearson correlation

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<th>3</th>
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<th>6</th>
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<td></td>
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<td></td>
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<td>0.34**</td>
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<tr>
<td>3. Procedural justice procedures</td>
<td></td>
<td>0.56**</td>
<td>0.49**</td>
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<td></td>
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</tr>
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<td>4. Procedural justice control</td>
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<td>0.41**</td>
<td>0.46**</td>
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<td>0.45**</td>
<td>0.63**</td>
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<td>6. Trust in management general</td>
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<td>0.36**</td>
<td>0.50**</td>
<td>0.35**</td>
<td>0.62**</td>
</tr>
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</table>

0.46 = correlation coefficient, $r$

### Figure 6.2
Relationships between variables: Pearson Correlation

- **Procedural justice control**
- **Procedural justice procedures**
- **Interactional justice**
- **Distributive justice**
- **Trust in management general**
- **Trust in management personal**

0.46 = correlation coefficient, $r$

$p < 0.05$ for all correlations
Linear regression was used to investigate if dimensions of organisational justice were predictors of dimensions of trust in management. *Trust in management personal* and *trust in management general* were treated as dependent (criterion) variables and the four dimensions of organisational justice as independent (predictor) variables. The results, shown in Table 6.8, revealed that *interactional justice, procedural justice procedures, and distributive justice* were significant predictors of *trust in management personal* (Beta values of 0.42, 0.28, and 0.15 respectively). The Beta scores showed that the strongest predictor of *trust in management personal* was therefore *interactional justice* (Figure 6.3 below).

Linear regression results showed that *procedural justice procedures, procedural justice control, interactional justice, and distributive justice* and were significant predictors of *trust in management general* (Beta values of 0.29, 0.15, 0.15, and 0.10 respectively). The strongest predictor of *trust in management general* was therefore *procedural justice procedures* (Figure 6.4 below).

T-tests and ANOVA tests were used to investigate whether there were differences in results between different populations (e.g. males and females, managers and non-managers, age groups, etc.). Independent t-tests for the four dimensions of organisational justice and the two dimensions of trust in management showed no significant difference between male and female respondents.

One-way ANOVA tests on the four dimensions of organisational justice and the two of trust in management showed no significant differences between respondents of different age groups and no significant differences between respondents with different years of service within their organisation. Since some of the numbers of respondents in the age groups were small, the data were re-coded into two age groups (16 to 40 and 41 to 65) and an independent t-test run; again, no significant differences were revealed. However, when the years of service were re-coded into two groups (short service; less than 1 year to 10 years, and long service; 11 years to greater than 25 years), one difference was found: for *trust in management general*, the mean score of those with short service was marginally lower than that of those with long service, 3.21 compared to 3.46 respectively (equal variances assumed, \( t = -2.011, \text{df} 472, p = 0.045, 2\text{-tailed} \)).
### Table 6.8

**Linear regression**

**Dependent (Criterion) Variable: Trust in management personal**

Using linear regression (enter model) a significant model emerged: $F_{4,436} = 132.784, p < 0.0005$. Adjusted R square = 0.545.

<table>
<thead>
<tr>
<th>Independent (Predictor) Variable</th>
<th>Beta</th>
<th>$p$</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural justice control</td>
<td>0.66</td>
<td>0.083</td>
<td>Not significant</td>
</tr>
<tr>
<td>Procedural justice procedures</td>
<td>0.28</td>
<td>&lt;0.0005</td>
<td>Significant</td>
</tr>
<tr>
<td>Distributive justice</td>
<td>0.15</td>
<td>&lt;0.0005</td>
<td>Significant</td>
</tr>
<tr>
<td>Interactional justice</td>
<td>0.42</td>
<td>&lt;0.0005</td>
<td>Significant</td>
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</table>

**Dependent (Criterion) Variable: Trust in management general**

Using linear regression (enter model) a significant model emerged: $F_{4,437} = 45.669, p < 0.0005$. Adjusted R square = 0.288.

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<tr>
<th>Independent (Predictor) Variable</th>
<th>Beta</th>
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<th>Significance</th>
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<tbody>
<tr>
<td>Procedural justice control</td>
<td>0.15</td>
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<td>Significant</td>
</tr>
<tr>
<td>Procedural justice procedures</td>
<td>0.29</td>
<td>&lt;0.0005</td>
<td>Significant</td>
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<tr>
<td>Distributive justice</td>
<td>0.10</td>
<td>0.040</td>
<td>Significant</td>
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<tr>
<td>Interactional justice</td>
<td>0.15</td>
<td>0.003</td>
<td>Significant</td>
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</table>
Figure 6.3

Relationships between variables:
Linear regression (trust in management personal)

Procedural justice control

Procedural justice procedures

Interactional justice

Distributive justice

0.15 = correlation coefficient, Beta
p < 0.05 for all correlations

Figure 6.4

Relationships between variables:
Linear regression (trust in management general)

Procedural justice control

Procedural justice procedures

Interactional justice

Distributive justice

0.15 = correlation coefficient, Beta
p < 0.05 for all correlations
Since 92.7% of the respondents were white there were insufficient responses from other ethnic groups to make any meaningful statistical comparisons using a one-way ANOVA test. When the data were recoded into two groups, white and non-white, an independent t-test revealed no significant differences, except in the mean scores for trust in management general; 3.27 and 3.98 for white and non-white respectively (equal variances assumed, t = -2.866, df = 468, p = 0.004 two-tailed).

The majority of respondents (428, 89.7%) were from large organisations, the remaining 49 from small to medium sized organisations. A one-way ANOVA test showed that organisation size had no significant impact on respondents' views, and an independent t-test on responses from people of large versus small to medium-sized organisations confirmed this.

A one-way ANOVA on the timing of the downsizing did not give reliable results since the number of respondents for some of the groups was too small. When the groups were re-coded into two groups (within the last year versus 2 to greater than 4 years ago), there was no significant difference except for distributive justice, where the mean scores were 1.93 and 2.32 respectively (equal variances assumed, t = -3.018, df = 469, p = 0.003 two tailed).

A large number of industrial sectors were represented in the survey, although many of them only by a few respondents. The data were recoded into 4 sectors: (i) manufacturing, (ii) financial intermediation, (iii) real estate, renting and business activities, and (iv) all other sectors. A one-way ANOVA test revealed no significant differences in the mean values of the variables by sector.

A one-way ANOVA test comparing the various situations of respondents (e.g. a manager who was made redundant compared to a manager who was not made redundant) revealed some significant differences. However, the numbers of respondents in some of these groups was very small (e.g. 15) hence the results cannot be regarded as reliable. Hence, the data were re-coded in three ways to investigate the most interesting aspects of respondents' situations, and to ensure sufficient numbers in each group to yield reliable results:
- Those made redundant versus those not made redundant.
- Those with a role in the redundancy process (decision making and/or implementation) versus those with no role.
- Management versus non-management.

For those made redundant versus those not made redundant, an independent t-test revealed significant differences in a number of variables. In all dimensions of organisational justice except interactional justice, the mean scores for those made redundant were lower than those not made redundant. This was particularly marked for distributive justice (1.90 as compared to 2.57) and procedural justice control (1.87 as compared to 2.40). For interactional justice, there was no significant difference. For both dimensions of trust, mean scores for those made redundant were lower than for those not made redundant (Table 6.9 below).

An independent t-test for those with a role in the redundancy process versus those with no role revealed significant differences; the mean scores for all variables (except interactional justice) were higher for those with a role in the redundancy process than those with no role. This was most pronounced for procedural justice control (2.34 compared to 1.72), less pronounced for procedural justice procedures (2.64 and 2.41 respectively) and least pronounced for distributive justice (2.14 and 1.92 respectively). The mean scores for interactional justice, 3.35 and 3.24 respectively, were not significantly different.

An independent t-test for management versus non-management revealed no significant differences between the mean scores of the variables, except for procedural justice control, where the mean score for management was significantly higher (2.17) than for non-management (1.69). Re-coding the data into three levels: non management, management and senior management, a one-way ANOVA test confirmed a significant difference between the levels for procedural justice control, and a Scheffe post hoc test gave mean scores of 1.69 for non-management, 2.08 for management, and 2.63 for senior management (NB. the sample size for senior management was low at 40).
Table 6.9

Situations of respondents

<table>
<thead>
<tr>
<th>Variable</th>
<th>Situation</th>
<th>n</th>
<th>Mean</th>
<th>Equal var. t assumed?</th>
<th>df</th>
<th>p</th>
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NB. Organisational justice dimensions measured on 5-point scale, trust dimensions measured on 7-point scale.
Table 6.9 (continued)

Situations of respondents

<table>
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<tr>
<th>Variable</th>
<th>Situation</th>
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<th>df</th>
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</table>

NB. Organisational justice dimensions measured on 5-point scale, trust dimensions measured on 7-point scale.
6.6 Qualitative results

Four open questions (items 31, 32, 33 and 36) were included in the organisational survey to provide some commentary of the quantitative results and to identify themes that could be further investigated in a subsequent qualitative study. Most participants responded to these questions, many in some detail. These data were initially analysed using a content analysis approach (as described in Chapter 5), and then further organised and analysed more inductively using the computer-based tool NVivo.

6.6.1 Content analysis

Firstly, in relation to item 31, evidence of organisational justice theory was sought by analysing the responses for the various dimensions of organisational justice using a content analysis approach.

The coding schedule shown in Table 6.10 (1) was constructed, using organisational justice theory, including the factors identified in the quantitative study (marked *). References to dimensions of organisation justice were counted according to respondents' dispositions towards these dimensions (i.e. negative, neutral or positive). This analysis gave an indication of the occurrence of comments that could be matched to dimensions of organisational justice, and relative numbers of positive, negative and neutral comments.

For all of the organisational justice dimensions, the majority of respondents' perceptions were negative. Only for the item 'non-specific comments on overall fairness' were more positive than negative responses recorded.

By this content analysis, distributive justice and procedural justice showed similar patterns to the quantitative analysis, i.e. most of the comments were negative. Splitting procedural justice into procedural justice procedures and procedural justice control (as determined by the quantitative analysis) revealed fewer comments about the latter and a greater proportion of positive comments than for procedural justice procedures (whereas the quantitative analysis had shown procedural justice control to be the least favourable dimension of organisational justice).
Table 6.10
Content analysis of Study 1 qualitative data

1. Coding schedule for Item 31: How fairly do you feel you were treated when your organisation underwent downsizing?

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<td>1. Non-specific comments on overall fairness</td>
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<td>63</td>
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<tr>
<td>2. Distributive justice*</td>
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<td>58</td>
</tr>
<tr>
<td>3. Procedural justice control*</td>
<td>23</td>
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<td>10</td>
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<td>4. Procedural justice procedures*</td>
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<td>127</td>
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<td>5. Interpersonal justice</td>
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<td>203</td>
</tr>
</tbody>
</table>

*Factors identified in the quantitative analysis.

2. Coding schedule for Item 32: How was your trust in your immediate line manager/supervisor affected by the downsizing? Item 33: How was your trust in the organisation affected by the downsizing?

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>1. Decreased</th>
<th>2. Did not change</th>
<th>3. Increased</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Trust in line manager/supervisor</td>
<td>176</td>
<td>205</td>
<td>11</td>
</tr>
<tr>
<td>2. Trust in organisation</td>
<td>260</td>
<td>123</td>
<td>3</td>
</tr>
<tr>
<td>Totals (items 1 and 2)</td>
<td>436</td>
<td>328</td>
<td>14</td>
</tr>
</tbody>
</table>

3. Coding schedule for Item 36: Is there anything else you would like to tell us?

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. No</td>
<td>-</td>
<td>56</td>
<td>-</td>
</tr>
<tr>
<td>2. Comments on organisational justice</td>
<td>16</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>3. Comments on trust in line manager</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>4. Comments on trust in the organisation</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5. Other comments (e.g. management, downsizing)</td>
<td>29</td>
<td>12</td>
<td>1</td>
</tr>
<tr>
<td>6. Comments on the survey or its questions</td>
<td>44</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>7. Comments on outplacement consultancy**</td>
<td>0</td>
<td>0</td>
<td>13</td>
</tr>
</tbody>
</table>

**The organisation that provided access to its database of clients.
The majority of the responses that referred to *interactional justice* were negative, whereas in the quantitative analysis (Section 6.5.3 above) the mean score was marginally positive. This could be simply due to the fact that of those who referred to interactional justice dimensions (about a quarter of the total number of respondents), it was mostly those who were negative about this who felt strongly enough to comment. This concurs with the findings of Poncheri et al. (2008) that those who respond to open-ended questions in surveys tend to be the more dissatisfied, thus the contributions tend to be disproportionately negative in tone.

Content analysis revealed that the highest number of comments referred to *distributive justice* (187, of which 124 were negative), followed by *interactional justice* (155, of which 109 were negative), and then *procedural justice procedures* (141, of which 104 were negative).

Whereas the quantitative results (Section 6.5 above) failed to differentiate between interpersonal and informational justices (the two dimensions of interactional justice proposed by Colquitt, 2001), these could be distinguished from the qualitative data; some statements were clearly concerned with interpersonal treatment, others with issues of communication and information.

Content analysis was also applied to the responses to items 32 and 33 on trust, as shown on Table 6.10 (2). The analysis of comments on how trust in a person’s immediate line manager/supervisor was affected revealed that for most who responded (205), it did not change. However, of these respondents, 57 commented that trust was already low. For those who stated that trust decreased (176), 13 of these respondents commented that it was already low and got worse. Only 11 (2.8%) of the respondents stated that trust in their line manager/supervisor increased.

The analysis of comments on how trust in the organisation was affected revealed a much more negative picture, with 260 responses indicating that trust had decreased. Of these respondents, 18 stated that it was already low and got worse. Of the 123 who stated that there was no change in their trust: 39 stated that trust in the organisation was already low, 72 that it had not changed, and 12 that it was high and didn’t change. Only 3 respondents (0.8% of the total) stated that trust had increased.
Item 36 was an open question inviting further comments. Content analysis of this item is shown on Table 6.10 (3). There were a total of 195 responses to this question (40.9% of total number of survey responses), 56 of which stated they had nothing further to add. So, 139 people actually commented. Of these, 57 respondents commented on the survey itself (reviewed earlier). There were 42 responses of a general nature mostly referring to experiences of management or redundancy, of which 29 (69.0%) were negative. There were 20 comments that referred to justice or fairness in some way, 16 (80.0%) of which were negative. As regards references to trust, there were 5 comments about trust in the organisation (all negative) and 2 comments about trust in one’s line manager (one positive, one negative). There were also 13 responses about redundancy/outplacement support received from the outplacement organisation, all of which were positive.

6.6.2 Inductive analysis

NVivo (version 7) was used as a tool for a more inductive analysis, allowing themes to be highlighted from the responses. The data were prepared for import into NVivo by downloading them from Excel into Word, and using the Headings tool to highlight questions (Heading 1) and identify respondents (Heading 2). Spellings and basic grammar were corrected, and sentences in capitals changed to sentence case (except where capital letters were used for emphasis). Company names were extracted and replaced by [company name]. These cleaned Word documents were then imported into NVivo.

Clearly, this was not a pure inductive process since the open questions had specifically asked about three things: fairness, trust in immediate line manager/supervisor, and trust in the organisation. But from these starting issues, many participants took the opportunity to express their views and feelings, often going beyond or deeper than the original scope of the questions. Using NVivo, an array of nodes was identified, resulting in commonly recurring themes and sub-themes, some of which were directly related to justice or trust constructs, others of which were not. The results for each of the four open question items are described below, and a summary of the dominant themes and sub-themes together with illustrative quotations are contained in Appendix E.
6.6.3 Item 31: How fairly do you feel you were treated when your organisation underwent downsizing?

A number of respondents stated that they had been treated fairly, and from their comments sub-themes of fair process, fair outcome, fair interpersonal treatment, and adequate information and communication emerged, these closely matching Colquitt’s (2001) four dimensions of organisational justice, i.e. procedural, distributive, interpersonal and informational respectively. As typical examples:

“Overall, I was treated very well, and certainly the processes were very thorough and strictly adhered to”. (An example of fair process – procedural justice).

“Personally, completely fairly, particularly by my line manager, who was excellent.” (An example of fair interpersonal treatment – interpersonal justice).

“Communicated to as honestly as possible.” (An example of truthful communication – informational justice).

As the examples above show, there were statements on interpersonal treatment and on communication/information, supporting Colquitt’s (2001) split of interactional justice into two dimensions of interpersonal and informational justice respectively.

A few respondents linked their perceptions of fairness to the fact that it fitted well with their personal circumstances or plans, for example; “Very – I asked to be made redundant as I had other plans. They did me a favour!”

Some stated that as far as they were concerned it was fair because they were involved in the strategic decisions or implementation, for example; “Totally; I was closely involved with most of the decisions and with the subsequent processes.”

As reported in the content analysis (Sub-section 6.6.1 above), there were a larger number of comments reflecting unfair treatment, illustrating sub-themes of unfair process, unfair outcome, unfair interpersonal treatment, and a lack of adequate information and communication, again matching well four dimensions of organisational justice. Under unfair process (procedural justice), there were comments about the organisation’s deceit, it going through the motions, decisions
being made with no involvement, and lack of transparent criteria, a typical example being: "Not very fairly at all. Told I was being made redundant and that this was my last day."

Under the sub-theme of unfair personal treatment (interpersonal justice), there were comments about a lack of respect and dignity, being treated as a number to be discarded, and of no longer being trusted. As a typical example; "We were no longer viewed as employees or human beings, simply a group of people who could no longer be trusted."

In addition there emerged the sub-themes of a lack of dialogue, and a lack of appreciation, including a sense of betrayal after loyal service, typified by the statement; "Undervalued, used and cast aside." Such comments hinted at a breach of the employment relationship (psychological contract) by the organisation, also noted in responses to items 32 and 33 below, and further explored in Study 2.

There were some comments that expressed a mixed assessment of fairness, e.g. the redundancy payment was fair but the reason given unfair, different treatment was received from different people, or the outcome decision was perceived as unfair but the process as fair, for example; "Unfairly in regard of choice of individuals to be made redundant, but then fairly in terms of managing the exit process."

Some stated it was not so much an issue of fairness as of company strategy, or of corporate forces that was outside of anyone's control, or even that the organisation made no attempt at fairness, an example being: "I don't think that it came down to being 'fair'. The company was acquired and I would say 80% of the employees were made redundant; it was a done deal at the corporate level."

**6.6.4 Item 32: How was your trust in your immediate line manager/supervisor affected by the downsizing?**

There were many comments referring to a loss of trust in the respondents' line managers, most of them referring to a total breakdown of trust with terminology
such as "obliterated"; "ceased to exist"; I will never trust him again". Many respondents linked this loss of trust to a loss of respect for their line manager.

For those who said trust was unaffected, it was sometimes because the manager was also caught up in the process as a victim, or was not involved in the decisions. Some said their manager acted openly and honestly, was trustworthy, or provided information and support. For some, there was trust in their immediate line manager but no-one above.

Of those who said that their trust was not affected, some had a distrustful relationship to start with and their opinion was either confirmed by the downsizing or their trust decreased further, as typified by the example; "Did not trust him before and even less after."

A few respondents expressed that their trust in their line manager actually increased, linked to a good working relationship, personal support, or the fact that the manager was also affected by the downsizing. For example; "He was a huge ally during the process and my trust in him increased."

Many expressed comments that reflected the personal impact on them such as feelings of betrayal, a reduction in loyalty and commitment to the organisation, anger, and changed (less trusting) attitudes overall. For typical examples:

"Destroyed. I felt totally let down, betrayed, and humiliated."

"My attitude towards employers in is now much more mercenary than before. My loyalty to an employer can only be bought over time, now, whereas before it was almost automatic."

There were a few comments that it was not a matter of trust but that managers were just carrying out a necessary business process, as illustrated by the example; "People do what they have to do."
6.6.5 Item 33: How was your trust in the organisation affected by the downsizing?

The main theme was of a loss of trust in the respondents' organisations; either a reduction in trust or a total breakdown of trust with terminology such as "totally destroyed"; "it disappeared". Some said that, given the choice, they would never work for that organisation again.

Some respondents linked their reduction of trust to misinformation or lying, poor personal treatment of people or a lack of respect, for example: "Badly – people around me were treated poorly." Some linked it directly to what they perceived as unfair treatment (see below).

Of those who said their trust in the organisation was unaffected, some had a trusting relationship with the organisation to begin with and, because of acceptance of the need for downsizing or good handling or it by the organisation, their trust remained. For a typical example; "Not affected – it was anticipated and had been clearly communicated over a long period of time."

However, for many who were distrustful before the downsizing, their organisation's handling of it just confirmed their views or reduced their trust further. Only one or two said that their trust in the organisation had increased.

There were a large number of comments that referred to a changed (more negative) view of their respective organisations by respondents, revealing themes of betrayal, hypocrisy, dishonesty, and a lack of fairness (justice) on the part of the organisation, for example; "they will have to work very hard to reinstate trust as there were some travesties of justice which are difficult to forget."

Many spoke of their loyalty being unrewarded. Others that they would boycott the company's products as a result. These themes point to a damaged relationship between employees and their organisations caused by the actions of the latter, expressed directly by some through comments such as:
"I now think of an employer as one does any other partner in a contract. They are supplying money in return for my work, with an employment contract outlining the requirements of each party. Nothing extra is required, nor expected by either party."

"It is pointless being emotionally committed to a company (with all that entails) because it is not reciprocated."

These comments clearly point to respondents having shifted their relationship with their respective organisations to a more transactional one, and can be interpreted as them perceiving a breach of the previous psychological contract by the employer to which they have reacted by withdrawing emotional and discretionary commitment.

6.6.6 Item 36: Is there anything else you would like to tell us?

A number of respondents explained the situation of their particular downsizing and how this had an effect on their answers, e.g. it happened in stages; the line manager was not involved; it was a merger or takeover; jobs were outsourced; it was more organisational restructuring than downsizing; it was an office relocation; the company was sold, etc. Others referred to their particular personal circumstances, e.g. whether they were made redundant or volunteered, or the effect of their level in the organisation. These comments clearly point to the context as being important.

There were comments about the survey itself, e.g. some of the questions could have been clearer or they didn’t apply in the respondent’s situation. Some were appreciative of the survey and found it therapeutic, others requesting that the results remain confidential with respect to them and their organisations. The role of HR and the issue of diversity were mentioned as important during downsizing and, in the views of these respondents, should have been mentioned specifically in the survey.

The need for support was expressed, and there were many appreciative comments of the support received from the outplacement consultancy through which the survey had been conducted; clearly this type of professional support helps those leaving an organisation through downsizing recover their confidence and self-esteem, as well as provide the practical assistance to find another job.
A number of sub-themes referred to the effects of downsizing. For example, the effect of experiencing *multiple events*, and the effect of *time* (both of these themes also emerged in Study 2). For some, their feelings/perceptions remained unchanged, for others they altered with the passing of time, the contrast illustrated by:

"It is some 2 years since my experience, but I can still feel the anger at the mismanagement. It is very damaging."

"It's 6 months since I left – and I am surprised at how my views have altered looking back."

Interestingly, downsizing not only affects the individuals caught up in it, but it also rebounds on the culture of the organisation, as commented by one respondent: "I would suggest that culture is sometimes a victim of downsizing, particularly if it's handled very badly". This can be through management acting differently, and/or through the reactions of employees who remain. As reflected in the responses to items 32 and 33, downsizing caused in some a cynical lack of trust, and can be interpreted as one symptom of the 'survivor syndrome', a term often used to describe the negative feelings, attitudes and behaviours experienced or exhibited by those remaining after downsizing (Brockner, 1988; Clarke, 2005).

Some people reflected on the effect and tension of playing a dual role; being both an implementer of the downsizing and a potential or actual victim of it, which can be "very difficult and stressful". The poor treatment of people, particularly lack of respect and humiliation, was again highlighted.

As well as the themes and sub-themes described above, what is clear from the qualitative data collected through the responses to items 31, 32, 33 and 36 is that the *contexts* that people found themselves in were very varied in terms of the downsizing event (e.g. a takeover, or reduction due to commercial pressures), the way it was decided, organised and handled (the organisation’s processes and management), and the personal circumstances of the individuals affected (e.g. did they want to leave to take up a new opportunity or early retirement, or was redundancy for them a personal disaster). So, downsizing context has an impact on how it is perceived.
The quantitative results of this study revealed a four-dimensional structure for organisational justice: distributive justice, procedural justice control, procedural justice procedures, and interactional justice. This corresponds to the differentiation in the literature between distributive, procedural and interactional justice. However, the study did not support Colquitt's (2001) split between interpersonal and informational justice. One possible explanation is the contextual setting (UK, downsizing), which has been raised as a concern in establishing construct validity in organisational justice research (Greenberg, 1990; Paterson, Green, & Cary, 2002; Colquitt & Shaw, 2005). Additionally, in contrast to Colquitt's (2001) one dimension of procedural justice, this study distinguished two dimensions: procedural justice control corresponding to Thibault and Walker's (1975) process and decision control items, and procedural justice procedures corresponding to Leventhal's (1980) procedural justice rules (except the correctability item that was unreliable in this study, and the representativeness item that was omitted in Colquitt's (2001) measure since it was covered in the procedural justice control items).

However, in the qualitative data collected from the open questions (items 31, 32, 33 and 36), a split between interpersonal and informational justice could be made since some of the comments were clearly about interpersonal treatment, others specifically about the quality of communication and information received during the downsizing.

The quantitative results revealed two dimensions of trust in management: trust in management general (trust in their competence and integrity), and trust in management personal (how trust affects the individual trustor, trust in managers' benevolence and integrity). These do not directly correspond to Cook and Wall's (1980) split between capability and intent, nor with trust in management or organisation versus trust in immediate line manager/supervisor (Brockner et al., 1997; Tan & Tan, 2000). However, trust in management personal contains items of trust in management intent and of trust in immediate line manager. The two trust dimensions were strongly correlated. These results underline the need for better trust measures called for by Lewicki et al. (2006), linked to clear definitions and able to distinguish between different referents (e.g. line manager or the organisation).
Clearly, study respondents who had experienced downsizing perceived their say and influence on the process (procedural justice control) negatively, the fairness of the actual procedures negatively (procedural justice procedures), and the fairness of their personal outcomes negatively (distributive justice). Only in their personal treatment by line managers/supervisors (interactional justice) were their perceptions of fairness overall more positive than negative. Paterson et al. (2002) also reported interactional justice with higher mean scores than other justice dimensions in a downsizing study, and underlines the positive impact individual managers can have by treating employees respectfully and communicating with them openly.

Research which examined qualitative comments and their relationship with quantitative survey ratings (Poncheri et al., 2008) found that: dissatisfied employees were more likely to provide comments than their more satisfied counterparts; open-ended responses were disproportionately negative in tone; and, for most of the survey dimensions they studied, the length of comments increased as they became more negative in tone. These findings help explain the pattern of open question responses in this survey. For example, content analysis of the qualitative data on justice (item 31) revealed more negative than positive responses on all dimensions of organisational justice, and the longer responses tended to be the most negative.

The comments themselves revealed the negative perceptions of many that processes were unfair (even deceitful, immoral or illegal), outcomes unfair, personal treatment shoddy, and communication, information and dialogue lacking. However, some spoke of fair outcomes, processes and treatment, or looked favourably on their outcome because it fitted with their personal plans. Others commented that they were treated fairly in some respects but not others. In addition, the theme of a lack of appreciation, linked to a sense of betrayal after loyal service emerged from the comments. Clearly, some respondents interpreted their perceived unfair treatment as a breach by the organisation of its commitment to them (hence linking justice and psychological contract breach; Morrison and Robinson, 1997). This theme came out even more strongly in the responses to items 32 and 33 on trust (see below).

The quantitative data for trust in management revealed mean scores below the midpoint, and the qualitative data contained many comments intimating a decrease in
trust, for some it being obliterated. The latter demonstrates a movement in terms of degrees or types of trust from IBTIKT to CBT, or in some cases to no trust or even active distrust (Lewicki & Bunker, 1996; Dietz & Den Hartog, 2006).

However, the qualitative data also revealed that for many people trust did not change – for some of these it was already low, but for a good proportion, trust was present (presumably due to a good prior relationship) and a maintained during the downsizing. This underlines the importance of prior or initial trust, noted by Robinson (2006) in that it can moderate the relationship between psychological contract breach and subsequent trust. The comments in response to item 32 revealed that this was due to factors such as the manager acting openly and honestly, providing information and support, or also being a victim of the process. A few commented that their trust in their manager actually increased.

Responses to open question item 32 revealed that the trust of most respondents in their organisation was affected very negatively (much more so than trust in an individual’s line manager) as a result of the downsizing experience. Comments referred to a changed (more negative) view of respondents’ respective organisations, revealing themes of betrayal, hypocrisy, dishonesty and a lack of fairness on the part of the organisation. Some commented that their loyalty had gone unrewarded and that they had correspondingly altered their commitment to their organisations as a result. It is apparent from these comments that a breach of the implicit employment relationship (psychological contract) was felt by many – they believed the unwritten but tacit obligations of reciprocal loyalty had not been honoured; hence they had measured the state of the psychological contract by, in words by Guest et al. (2004), ‘Delivery of the deal’. Some linked this breach of relationship and their decline in trust directly to perceived unfair treatment, as one respondent stated; “they will have to work very hard to reinstate trust as there were some travesties of justice which are difficult to forget.” Such comments illustrate the linkages employees make between perceived (in)justice, the psychological contract and their trust in the organisation.

These findings on trust and the psychological contract are similar to those of Robinson (2006), who found that initial trust was negatively related to psychological contract breach, i.e. those with high initial trust may overlook breaches whereas
those with low initial trust actively search for them, both groups interpreting events to confirm existing beliefs and attitudes.

The quantitative results supported hypothesis 1, that organisational justice is an antecedent of trust. The strongest predictor of trust in management general was procedural justice procedures. This corresponds to previous work suggesting that procedural justice (as compared to distributive justice) is a more significant predictor of higher order issues such as organisational commitment to a system and trust in its authorities (Lind & Tyler, 1988; Folger & Konovsky, 1989; Sweeney & McFarlin; 1993). As described above, the qualitative data also support a strong link between justice and trust in the organisation as a whole.

The quantitative results showed that the strongest predictor of trust in management personal was interactional justice. These two constructs were strongly correlated, not surprisingly since interactional justice describes perceived fairness of treatment by a line manager/supervisor, and trust in management personal describes how trust in management (including line managers) affects an individual.

The results of this study concur with the findings of Connell et al. (2003) that in manager-subordinate relationships, procedural justice (along with perceived organisational support and transformational leadership) is a predictor of trust. Although not in a downsizing context, they used items from Cook and Wall's (1980) trust in management sub-scale, and recorded means for trust in managers and procedural justice of 3.37 and 3.40 respectively (SDs of 1.65 and 1.35 respectively) on a 7-point scale. They found a significant positive relationship of correlation between procedural justice and trust in managers ($r = 0.71$, $n = 275$, $p < 0.05$), and regression showed that procedural justice (together with perceived organisational support and transformational leadership) significantly influenced trust in managers ($\beta = 0.28$, 0.33 and 0.31 respectively, $p < 0.001$).

Hypothesis 2: Of the different types of organisational justice, interactional justice has the strongest link to employees' trust in line management, and procedural justice the strongest link to employees' trust in the organisation as a whole. This hypothesis was not directly testable since the trust dimensions identified did not differentiate
trust in line management from trust in the organisation as a whole. It was however, supported in part by the qualitative data. Comments on the whole were more favourable concerning personal treatment and trust in line management, some actually linking good treatment by their manager with their continuing trust in him or her. Trust in the organisation was commented on by most respondents as having decreased, directly attributed by some to injustice, although not only to poor process (procedural justice) but also due to unfair outcomes (distributive justice) and shoddy personal treatment (interactional justice).

Hypothesis 3, that employees' experience of and role in the downsizing directly affects their perceptions of justice and their feelings of trust, was supported for all dimensions except interactional justice. Those made redundant perceived the downsizing procedures, their influence over those procedures and their personal outcomes more negatively than those not made redundant (although the perceptions of the latter group were also rather negative). This is similar to the findings of Paterson et al. (2002). They also expressed lower levels of trust in management. It is perhaps not surprising that those made redundant expressed markedly more negative views on distributive justice than those not made redundant, since most of the former perceived their outcomes as less favourable (not all though, since for some redundancy was welcomed).

Similarly, those with no role in the downsizing process expressed more negative views on the justice and trust dimensions than those with a role. This was most pronounced for procedural justice control; those with no role in the process presumably felt they had less control over the process and the decisions. They also expressed lower levels of trust in management. A few of the qualitative data comments by those who had a role in the process (either as strategic decision makers or implementers), stated that as far as they were concerned, it was fair.

That interactional justice was not significantly different between these groups suggests that interactions with individual managers (who were in many cases, judging from the open question responses, not seen as to blame and often also caught up in the negative outcomes themselves) in many instances continued positively,
presumably based on existing positive relationships that were reinforced by the managers' behaviour during the downsizing.

Overall, the results support the proposed model of Figure 6.5, showing the various dimensions of organisational justice acting as antecedents of trust in management (with *procedural justice procedures* the strongest predictor of *trust in management general*, and *interactional justice* the strongest predictor of *trust in management personal*). Whether or not an employee has a role in the downsizing, and their own personal outcome appear to act as moderators upon all dimensions of organisational justice except *interactional justice*. Whether a person was a manager or not acted as a moderator upon *procedural justice control* only.

![Figure 6.5 Proposed model of Study 1 findings](image)

The qualitative data revealed some additional themes.

- *Lack of appreciation/betrayal* – linked to a perceived breach of the employment relationship (psychological contract) by the organisation (discussed above).

- *Time* – the effects of time on perceptions of downsizing – for some, views changed over time, for others their views of the downsizing hardened with time.
Multiple downsizing events – some respondents who had experienced downsizing before commented that this altered their reactions when it happened again.

Organisational culture – the effect on the organisation’s culture of management acting differently and the attitudes/behaviours of remaining employees.

Dual role – the tension and stress of those caught up in a dual role, i.e. implementer of downsizing and a potential or actual victim of it.

A number of issues arose that warranted investigation in subsequent qualitative investigations. First, to investigate further the correlation between trust in management personal and interactional justice highlighted in this study. Second, to understand more the different perceptions exposed in this study between survivors and casualties of downsizing, and also between those with a role in the downsizing process and those with no role. Third, to further explore the change in trust as a result of downsizing, and how much is this due to perceptions of organisational justice. Fourth, to explore the effect of time (after downsizing) upon perceptions of justice and feelings of trust. Fifth, to explore these issues within a single context.

6.8 Conclusions and further research

6.8.1 Conclusions

This study confirmed the organisational justice constructs of distributive justice, procedural justice and interactional justice found in others studies (summarised by Greenberg and Colquitt, 2005). The data indicated a division of procedural justice into two dimensions: procedural justice control and procedural justice procedures. This was an important finding; most others studies report procedural justice as a single dimension. However, the quantitative data did not support dividing interactional justice into the dimensions of interpersonal justice and informational justice (contrary to the empirical findings of Colquitt, 2001), although the qualitative data showed that these distinctions could be made from respondents’ comments.

Hypothesis 1, that organisational justice is an antecedent of trust, was supported by linear regression results that showed various dimensions of organisational justice to be predictors of trust in management. It was also supported by qualitative analysis of
responses to the open questions which revealed that overall, respondents felt that they were treated unfairly during downsizing and this was matched by a corresponding decrease in their trust in both line management and the organisation, for some resulting in no trust and/or distrust.

Testing of hypothesis 2 was not directly possible using the quantitative data since trust in line manager/supervisor and trust in management/the organisation were not separately distinguishable dimensions. The qualitative data revealed that both trust in line manager/supervisor and trust in the organisation were decreased by the downsizing, the latter more negatively than the former. Some respondents linked their trust in their line manager directly with personal treatment received from him/her (the interpersonal part of interactional justice), thus offering indirect support of hypothesis 2. Additionally, some respondents linked their decrease in trust in the organisation with perceived injustice, however not only because of bad process (procedural justice, as hypothesised) but also due to unfair outcomes and poor personal treatment (i.e. distributive and interactional justices, respectively).

Two dimensions of trust in management were differentiated: trust in management personal and trust in management general. The former was most strongly linked to interactional justice; the more fairly a person perceived they were treated by their line manager/supervisor, the higher their personal trust in management. (NB. This trust variable includes elements of trust in line manager). The latter was most strongly linked to procedural justice procedures; the more fairly a person perceived the organisation’s procedures, the higher their trust in management generally.

Hypothesis 3.1 was supported; that those involved in the implementation of downsizing regarded it as fairer and had higher levels of trust in management than those who were not involved in the implementation. This was also borne out by the qualitative data where comments revealed that those involved in strategic decisions about downsizing and/or its implementation, viewed it as fair. Only the dimension interactional justice showed no significant difference, presumably because this is more strongly linked to respondents’ views of their particular line manager/supervisor.
However, no significant difference between perceptions of justice and trust were found when responses were analysed in the categories of non management, management and senior management, except for *procedural justice control*, which demonstrated higher values with increasing organisational level, corresponding with greater influence.

Hypothesis 3.2 was supported, that those who were made redundant regarded the downsizing process as less fair and displayed lower levels of trust in management than those who survived. Only the dimension *interactional justice* showed no significant difference, presumably because this is more strongly linked to respondents' views of their particular line manager/supervisor.

Clearly, having a role in the decision making/implementation of the downsizing, and one’s own outcome with regard to the downsizing significantly affected perceptions of justice and trust. These considerations overrode management level in the organisation for most variables. In the proposed model of Figure 6.5, they are shown as moderators in the relationship between organisational justice and trust.

Industrial sector and organisational size had little or no effect on perceptions of justice and trust. Nor did respondents' gender, age, ethnic origin, or years of service. Regarding the timing of the redundancy event, *distributive justice* was perceived less favourably by those having experienced redundancy most recently, suggesting that feelings of unfairness regarding one’s outcome may lessen over time. The qualitative data were equivocal on the effect of time; some comments suggested that perceptions changed to become more favourable over time, others that they hardened.

The qualitative data revealed a strong theme of a *lack of appreciation* linked with feelings of *betrayal*, some respondents articulating how their relationship with the organisation had been reshaped (negatively) by the experience. Other themes that emerged from these data were: the effect of *multiple downsizing experiences* upon individual reactions; the damaging effects of badly handled downsizing on the *organisational culture*; and the *dual role* experienced by some (e.g. implementer of downsizing and a victim of it).
The qualitative data also highlighted the effect of the downsizing context upon participants' reactions and responses to the survey, some commenting in detail on their particular context and its relationship to their responses. Clearly, the context can vary enormously and from various perspectives, such as the strategic context (e.g. was it a takeover, an office relocation, the closing of a department, or an overall reduction in numbers due to competitive pressure?), the organisational context (the policies and approaches of the particular organisation), and the personal circumstances of the individuals affected (e.g. did they leave voluntarily or were they forced? Was it early retirement? Did they have other plans?).

So, were research objectives 1-3 for the overall thesis achieved through this study? Certainly the results yielded useful information on how employees' perceptions of organisational justice (objective 1) and employees' trust in their manager/the organisation (objective 2) are affected by downsizing, although with reference to the latter objective, it was not possible to distinguish between trust in line manager and trust in the organisation. Relationships between various dimensions of organisational justice and trust were established (objective 3). In addition, data from the open questions of Study 1 yielded insightful information on research objective 4, exemplifying some reasons why employees view organisational justice and trust in the ways they do when their organisations undergo downsizing.

This study was written up as a developmental paper and, following double-blind refereeing, accepted by the British Academy of Management (Curran, Gore, & Foster, 2006) to be presented at the BAM 2006 annual conference in Belfast.

6.8.2 Further research

Time appears to have an effect on employees' feelings of trust and perceptions of justice. A longitudinal case study would shed light on how these constructs vary over time (before, during and after a downsizing event).

This study focussed primarily on employees in large organisations. Are employees' reactions to downsizing in small/medium sized organisations similar to those observed in large organisations?
The qualitative data revealed how some interpreted what has happened during downsizing as the organisation failing to appreciate them and even betraying them, i.e. breaching commitments of its implicit employment relationship with them (the psychological contract). This impact on the psychological contract is further investigated in Study 2. Alongside employees' reactions, the study also suggested an impact on the organisation's culture. Other themes identified (e.g. the experience of multiple downsizing events and the dual role played by some managers) are picked up and further investigated in the qualitative studies that follow.

The importance of downsizing context was highlighted by the study. Whilst individual circumstances will always be varied, investigating the effects of the context of an actual downsizing event is possible by researching a particular event within a single organisation. This in part was the methodological justification for Study 2, where a restructuring and downsizing event which occurred in the HR function of a large organisation was studied, as reported in Chapter 7.
7. STUDY 2: WHEN DOWNSIZING HAPPENED HERE – AN INTERVIEW-BASED CASE STUDY

7.1 Introduction

This chapter reports Study 2 of the research, an interview-based case study aimed at investigating the experiences of the survivors and casualties of one particular downsizing event from their perspectives. This first section describes the study design, including purpose, contextual context and research objectives. Sections 7.2 to 7.4 describe the method, sample, and pilot interviews. The results of the case study interviews are reported in Section 7.5 and, in Section 7.6, the results of several other interviews undertaken for comparison, triangulation and generalisability purposes (labelled 'non-case study'). The results are discussed in Section 7.7, and conclusions and recommendations for further research documented in Section 7.8.

7.1.1 Study design

Study 2 adopted a qualitative research design utilising a case study strategy with interviewing as the primary method in order to capture and understand the perceptions, views, issues and feelings of those who had experienced the same downsizing event. Whereas the overall PhD is focussed on justice and trust when organisations downsize, this study started from a more open position, seeking to find out what topics would emerge from participants' experiences and, if justice and trust were among them, to understand the meaning and priority given them by participants. Whilst theoretical frameworks for both organisational justice and trust exist, a qualitative approach opens the way for theory generation and development in interactive response with the data collected. A key aspect of Study 2 was to explore why people respond to downsizing in the ways they do, which required a more interactive approach than can be achieved through quantitative research.

From Study 1, it was apparent that the context in which variables such as organisational justice and trust are perceived and experienced is important. Variations in the macro organisational context in which these constructs are measured (e.g. performance appraisal, recruitment and selection, job evaluation,
organisational change, downsizing, etc.) have been found to have an impact on how they are perceived (Greenberg & Colquitt, 2005). Similarly, within the setting of organisational downsizing, there are a range of contexts, for example enforced redundancies versus voluntary redundancies, minimum consultation versus involvement in the process, 'clear your desk today' versus 'work out your notice'. A case study approach was adopted to narrow the downsizing context to a single event within one organisation.

The case study was conducted within a single function (Human Resources) of a large multi-national organisation that had recently undergone downsizing. The sample was taken from the UK based part of the organisation, and participants selected using a matrix that included survivors and casualties of the event from various organisational levels. Recognising that the case study by its design focused on one organisation and one downsizing situation, a sample of participants from other sectors/organisations (termed 'non-case study') was interviewed to triangulate themes identified in the case study to see if they were generic and therefore more widely generalisable. This proved to be a valuable exercise since it indeed verified some generic themes, in addition to revealing converse effects to the case study when downsizing is handled differently (see Section 7.6). As described in Chapter 5 on methodology, Maxwell’s (1996) model of qualitative research design was used (Figure 5.2), and in line with this, the study’s purpose, conceptual context, research objectives, method and validity are described below.

7.1.2 Purpose

For any research study, a clear purpose is necessary, particularly in qualitative research where its more open, exploratory approach can lead to diversions far from the research topic, or to the collection of masses of peripheral and unnecessary data. A clear purpose helps to keep the study focused on what is relevant to the overall research objectives, guides other design decisions, and articulates the justification for the study. Maxwell (1996) described 3 types of purposes: research, practical, and personal, and his scheme is used below.
The *research purpose* of this study was expressed in thesis research objectives 4-7 of the thesis:

4. To understand why employees view organisational justice and trust in the ways they do when their organisation undergoes downsizing?

5. To determine the consequences of employees' perceptions of organisational justice and their trust in management/the organisation.

6. To identify what organisations and managers should be aware of when they decide on and implement downsizing.

7. To determine how downsizing affects employees' views of their relationship with their organisation, and how this is related to perceptions of justice and feelings of trust.

In terms of *practical purpose*, the study aimed to yield a deeper understanding of the impact of downsizing on employees, managers and their organisations, and thereby offer insights to help equip people and their organisations to handle it more effectively in the future. My *personal purpose* stems from experience of downsizing (described in the reflective analysis, Appendix A); it was to generate a greater understanding of downsizing, of employees' reactions to it, and insights into managing it better.

7.1.3 *Conceptual context*

Conceptual context comprises the concepts, assumptions, beliefs and theories that support and inform the research. For this study the conceptual context has been established by the survey of literature described in Chapters 2 to 4, and added to by Study 1 of this thesis. The literature review summarises existing theory and research on organisational justice and trust, and the way these concepts have been linked to and explored in the context of downsizing.

Study 1, which investigated employees' perceptions of organisational justice and trust in a range of UK organisations in which downsizing had occurred, lent support to some of the theories outlined in the literature review (e.g. that various dimensions of organisational justice are predictors of trust), and added further insights such as of
the dimensions of organisational justice studied, only interactional justice was perceived overall as more positive than negative.

As Maxwell stated (1996: 29) "Any view is a view from some perspective, and therefore incorporates the stance of the observer". Hence, particularly in a qualitative study with considerable interaction, it is important to recognize and articulate one's own perspective in order to identify its impact on the study. Maxwell (1996) suggested writing a 'research experience memo'. Other authors have suggested alternative reflexive techniques. For this study, a reflective analysis in the form of a list of my beliefs, expectations and assumptions is shown in Appendix A.

7.1.4 Research questions

Research questions attempt to explain specifically what the study is attempting to learn or understand. Since this study was a case study, the questions were particular to this situation and context. However, some generalisation was possible based on the fact that the downsizing event described had certain typical features. It could also be described as an 'extreme' case in some ways (as noted in Chapter 5), which brought to the fore participants' reactions with more strength than probably would have been the case in a less extreme event. The research questions developed were primarily (using Maxwell's terminology, 1996) realist rather than instrumentalist in that they sought to understand the perceptions, feelings and meanings that the participants had attached to their experience, rather than the effects of downsizing on employees. The questions were designed as process rather than variance questions, i.e. focused on how things happened rather than on the differences between variables. However, whilst the interview guide opened with process questions ('how?'), they were often followed by variance questions (e.g. 'why?').

To achieve research objectives 4-7 set out above, the research questions posed (and operationalised in the interview guide, Appendix C) were:

- How did selected employees in the HR function of this large UK multi-national company experience the downsizing event that occurred in 2005/6?
• How did their perceptions of the organisation and its managers change as a result? Why did they think this was? What part did their perceptions of fairness and feelings of trust play?

• How did the perceptions/feelings of those who left the organisation (casualties) differ from those who stayed (survivors)? Why do they think this was?

• How did personal treatment affect their perceptions of the event?

• How did involvement in the process of downsizing affect their perceptions and feelings of the event?

• How did their personal outcome affect their perceptions of the event?

• Were participants aware of their perceptions and feelings changing over time?

• How did this downsizing event compare to other such events that participants had experienced in this organisation?

• How do participants think that it could have better handled?

7.2 Method

The process set out by King (2004a: 14), slightly amended was followed:

• Creating the interview guide.
• Recruiting and preparing participants.
• Carrying out the interviews.
• Reflecting on the interviews and analysing the transcripts.

The development of the interview guide has been described in Chapter 5; both the pilot version and the amended version used in subsequent interviews are shown in Appendix C, pages C1-C2 and C4-C5 respectively.

7.2.1 Recruiting and interview procedure

Each participant was invited to take part in the study individually, either face to face, by telephone or by e-mail, with explanation of the overall context of the doctoral research, how this study would contribute, and the type of questions they could expect in the interview. All interviews were voluntary. One person declined to be
interviewed. Participants were assured of confidentiality and anonymity for themselves and their organisations, and that the material collected would be used for academic purposes. Examples of invitation emails, and the information sheet, confirmation letter and confidentiality statement used with participants are shown in Appendix C, pages C-6 to C-9.

Where possible, the interviews were conducted in a quiet and private place, and lasted between 30 and 50 minutes each. They were recorded, with the participant's permission, using a digital recorder. Brief notes were also made by the interviewer as a way of maintaining concentration, to signify to the participant the importance of their comments, and as a back up to the audio-record should that fail.

7.2.2 Analysis

Thematic analysis (Holliday, 2002) was undertaken on interview transcripts (typically 5000-7,000 words, see example in Appendix F) using a categorizing technique of coding, from which a number of themes were defined. The coding followed a process of attaching labels to 'chunks' of text of varying sizing (e.g. a word, a phrase, a sentence, a whole paragraph) so as to assign "units of meaning" (Miles & Huberman, 1994: 56) to the material, displaying the researcher's understanding of the data through "a particular logic or conceptual lens" (Miles & Huberman, 1994: 57). The coding scheme was established using the transcript of interview 1 (pilot) by marking off units of text that cohered because they touched on the same theme. Recurring themes were named and given a shorthand label - a code.

The scheme included, from the outset, codes for aspects of justice and trust, since a number of the questions had probed theory in these areas; "a provisional "start list" of codes prior to fieldwork" (Miles & Huberman, 1994: 58). Other themes emerged from the interview transcript. The number of themes, hence the coding scheme, was expanded with the subsequent interviews, as shown on Table 7.1. As the analysis of transcripts progressed, contrasting groups were compared (e.g. survivors versus casualties) as suggested by Strauss (1987) to sensitise the researcher to what was different about them, and thereby generate further codes.
Various coding schemes have been suggested in the literature, summarised by Dey, 1993. From an inductive approach, Strauss (1987) suggested starting with conditions (indicated by words such as because or since), interactions among actors, strategies and tactics, and consequences (indicated by phrases such as as a result of, or because of). Miles & Huberman (1994) described methods part way between a priori and inductive approaches that create a general scheme that codes domains rather than being content specific, e.g. Lofland (1971): acts, activities, meanings, participation, relationships, and settings. Similarly, Bogdan and Biklen (1992) suggested: setting/context, definition of the situation, perspectives, ways of thinking about people and objects, process, activities, events, strategies, relationships and social structure, and methods. Whilst no one of these schemes was used per-se in this study, these lists of categories proved useful in building the coding scheme.

Operational definitions were given to each code, and they were named so as to be close to the concept they were describing. Two informed academics checked the coding of the pilot transcripts which led to some revisions/additions. The coding was mostly in sentence or multi-sentence chunks, with one code per unit, although in some instances more than one code was applied to a given unit (e.g. a descriptive and one of the more inferential codes). The codes were written in the left hand margin of the transcripts, whilst marginal notes were added to the right hand margin: ideas, emerging themes, new interpretations, leads, questions, issues to be followed up, etc. Not all the material was coded – the focus was on that material related to the research objectives and corresponding questions. Since coding is a form of both initial and continuing analysis (Miles & Huberman, 1994), it was undertaken from the outset and used to guide subsequent data collection and analysis.

7.2.3 Validity

The framework for testing validity issues described by Maxwell (1996) and summarised in Chapter 5 was used to identify and deal with issues of validity.

Each interview was recorded and transcribed thereby ensuring an accurate record of the conversation and the assimilation of 'rich' data. Following the interview, I also
recorded observations concerning the interaction (atmosphere, body language), and on how the interview guide helped/hindered the process.

The design was to interview sixteen people. If after conducting these interviews, the same things continued to be heard and little or no new information emerged, then this number would be deemed appropriate. This was in fact the case. Equal numbers of 'survivors' (those who stayed with the organisation) as 'casualties' (those how left) were interviewed to keep the study balanced in terms of data collection.

Whereas the choice of participants was influenced by my personal relationships and access, within this population care was taken to ensure a spread in terms of level and role in the organisation, age, gender and service (as discussed under sampling in Section 7.4 below). In this way, data were not unduly biased by those interviewed.

In the interviews, I used my relationship with the participants to make it easier for them to be candid and share their views rather than to influence them with my views. I used my knowledge of the organisation to inform interpretations of the data collected rather than to build strong presuppositions.

Domination by the researcher's own frameworks and hypotheses was guarded against by asking open questions, avoiding leading and closed questions, and allowing interviewees to express their own perspectives. 'Member checks' (asking for feedback on the data and conclusions from the people under study) were used to rule out misinterpretation of interviewees' views and perspectives.

In terms of generalisability, the results can be generalised internally to the UK based HR department of the organisation in question since the sample was representative of a variety of levels and outcomes. The findings can be generalised externally for similar downsizing events in large organisations handled in a similar way. The fact that the results of the non-case study interviews (from a variety of organisations and different downsizing contexts), yielded some of the same themes lends weight to wider generalisability. Also, theory development from this study enables generalisation to be tested wider still.
### Table 7.1

#### Study 2 coding scheme

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>TR-GEN</td>
<td>Trust general</td>
</tr>
<tr>
<td>TR-ORG</td>
<td>Trust in the organisation</td>
</tr>
<tr>
<td>TR-MGT</td>
<td>Trust in management</td>
</tr>
<tr>
<td>TR-LMR</td>
<td>Trust in line manager</td>
</tr>
<tr>
<td>TR-LOS</td>
<td>Loss of trust</td>
</tr>
<tr>
<td>TR-PER</td>
<td>Trust in peers (1)</td>
</tr>
<tr>
<td>JU-GEN</td>
<td>Justice (fairness) general</td>
</tr>
<tr>
<td>JU-DIS</td>
<td>Distributive justice</td>
</tr>
<tr>
<td>JU-PRO</td>
<td>Procedural justice</td>
</tr>
<tr>
<td>JU-INT</td>
<td>Interactive justice</td>
</tr>
<tr>
<td>DE-EMO</td>
<td>Description of emotions (1)</td>
</tr>
<tr>
<td>OB-EMO</td>
<td>Observation of emotions (3)</td>
</tr>
<tr>
<td>DE-PRO</td>
<td>Description of process (1)</td>
</tr>
<tr>
<td>DE-STR</td>
<td>Description of strategy (1)</td>
</tr>
<tr>
<td>DE-EXP</td>
<td>Description of experience (1)</td>
</tr>
<tr>
<td>PE-ORG</td>
<td>Perceptions of the organisation</td>
</tr>
<tr>
<td>RE-ORG</td>
<td>Relationship with the organisation</td>
</tr>
<tr>
<td>PE-MGT</td>
<td>Perceptions of management</td>
</tr>
<tr>
<td>RE-MGT</td>
<td>Relationships with management</td>
</tr>
<tr>
<td>PE-LMR</td>
<td>Perceptions of line manager</td>
</tr>
<tr>
<td>RE-LMR</td>
<td>Relationship with line manager</td>
</tr>
<tr>
<td>PE-SEL</td>
<td>Perceptions of self (4)</td>
</tr>
<tr>
<td>PE-SUR</td>
<td>Perceptions of survivors (7)</td>
</tr>
<tr>
<td>PE-CAS</td>
<td>Perceptions of casualties (19)</td>
</tr>
<tr>
<td>PE-EXE</td>
<td>Perceptions of executioners (21)</td>
</tr>
<tr>
<td>CO-ORG</td>
<td>Communication by the organisation</td>
</tr>
<tr>
<td>CO-MGT</td>
<td>Communication by management</td>
</tr>
<tr>
<td>CO-LMR</td>
<td>Communication by line manager</td>
</tr>
<tr>
<td>TE-PEO</td>
<td>Treatment of people by organisation</td>
</tr>
<tr>
<td>CN-ORG</td>
<td>Consequences for the organisation</td>
</tr>
<tr>
<td>CN-EMP</td>
<td>Consequences for employees (1)</td>
</tr>
<tr>
<td>CH-PER</td>
<td>Change in perceptions (1)</td>
</tr>
<tr>
<td>CH-REL</td>
<td>Change in relationship (3)</td>
</tr>
<tr>
<td>CH-ORG</td>
<td>Organisational change (1)</td>
</tr>
<tr>
<td>CH-CUL</td>
<td>Change in culture (1)</td>
</tr>
<tr>
<td>AC-DIS</td>
<td>Dishonest action (1)</td>
</tr>
<tr>
<td>AC-DIF</td>
<td>A different action could have been taken (2)</td>
</tr>
<tr>
<td>SU-PER</td>
<td>Support from peers (2)</td>
</tr>
<tr>
<td>SU-ORG</td>
<td>Support from org (2)</td>
</tr>
<tr>
<td>SU-MGT</td>
<td>Support from management (3)</td>
</tr>
<tr>
<td>SU-FAM</td>
<td>Support from family (2)</td>
</tr>
<tr>
<td>SU-EXT</td>
<td>Support from external advisors/organisations (15)</td>
</tr>
<tr>
<td>SU-PER</td>
<td>Support from self (15)</td>
</tr>
<tr>
<td>DI-ORG</td>
<td>Division of community in organisation (3)</td>
</tr>
<tr>
<td>ST-EXP</td>
<td>Stories of the experience (3)</td>
</tr>
<tr>
<td>CM-PER</td>
<td>Personal commitment (4)</td>
</tr>
<tr>
<td>CT-PER</td>
<td>Personal control (5)</td>
</tr>
<tr>
<td>CT-MGT</td>
<td>Management control (5)</td>
</tr>
<tr>
<td>EV-MUL</td>
<td>Multiple events (13)</td>
</tr>
</tbody>
</table>

Codes/descriptions in bold represent the provisional start-list.
Numbers in parentheses indicate the interview from which this code was added.
Two interviews were conducted as pilots primarily to test the interview guide, and the lessons learned used to amend to guide. However, since the amendments to the guide were few, and the data obtained very rich, the results from both pilots were incorporated into the study. The participant names referred to below (and throughout the study) are fictional to protect confidentiality, although genders are actual.

The first pilot interview was with Anna (labelled P1), who had been involved as a Senior HR Manager in implementing the downsizing process in the case study organisation. Her age band was 46-50, service band 16-20 years, and she did not leave the organisation during the process.

The interview lasted about 50 minutes and, overall, the interview guide used in the pilot (Appendix C, pages C-1 and C-2) was judged to have worked well. The interviewee willingly related experiences in response to the open questions so that many of the probing questions were unnecessary since Anna spoke about the issues without further prompting. She became quite emotional at one point necessitating a pause to give her time to recover.

In terms of my own performance as the interviewer, I was aware of asking a number of leading questions that were probably unhelpful; I made a conscious effort to avoid this practice in subsequent interviews. At the close of the interview I shared some of my own experience of downsizing as an expression of empathy with the interviewee.

Observing the interviewee during the interview, she was candid, cooperative, open and responsive throughout. She became emotional at one point; clearly she had been deeply affected by the downsizing and recalling it was painful. She was concerned to convey the depth of feeling and her sense of being treated badly. It seemed to be therapeutic for her to talk about the experience. She expressed that she had changed her personal relationship with the organisation as a result of the experience.

Following the interview, adjustments were made to the interview guide as detailed in page C-3 of Appendix C, with the amended guide shown in pages C-4 and C-5.
The second pilot interview was with Dave (labelled P2), an experienced professional in a large multi-national corporation head quartered in the UK, in the finance sector. He was in the age band 46-50, with 27 years service, and was made redundant during the downsizing process. This interview was part of the 'non-case study'; one of several peripheral samples taken for comparison and generalisability purposes (see 7.4 below). No further changes were made to the interview guide. A number of additional themes were noted and added to the coding scheme (Table 7.1).

7.4 Sample and organisational context

7.4.1 Sample

As Miles & Huberman (1994) stated, qualitative sampling is often driven by theory (either up front or progressively as grounded theory is built) rather than a concern for representativeness, i.e. to answer the research questions. However, in order to understand this issue it is necessary to view how it was experienced by people with varied outcomes and different roles/influence, hence the variation in the sample. Correspondingly, sampling was undertaken in a purposeful way (Maxwell, 1996), since, as Miles and Huberman (1994: 27) pointed out, with small sample sizes "random sampling can deal you a decidedly biased hand". Maximum variation sampling was used to capture different situations experienced by employees in the downsizing (e.g. Survivor or Casualty) versus various levels of employees (e.g. Manager, Professional, or Support), as shown on the sampling matrix (Table 7.2). A conscious attempt was also made to sample various roles played in the downsizing (simplified as Strategic, Implementer and Recipient - defined below), and to have a spread of ages, service and gender. Sixteen case study interviews were planned.

There was a degree of conceptually-driven sequence sampling in that the outcomes of some interviews influenced the choice of people for the next interviews, and of snowball or chain sampling (Miles & Huberman, 1994) whereby interviewees recommended others. The sampling was to a certain extent convenience sampling in that personal relationships gave access to the initial interviewees, and to a certain extent opportunistic in that it was influenced by the accessibility and availability of contacts and new leads. Participants' attributes are shown in Table 7.3 below.
Table 7.2

Study 2 sampling matrix

<table>
<thead>
<tr>
<th>Level</th>
<th>Casualties</th>
<th>Survivors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Voluntary</td>
<td>Enforced</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>P10, P15</td>
<td>P11, P19</td>
</tr>
<tr>
<td>Manager</td>
<td>P5</td>
<td>P3, P17</td>
</tr>
<tr>
<td>Professional</td>
<td>P6</td>
<td>P2*, P8</td>
</tr>
<tr>
<td>Support</td>
<td>P20</td>
<td>-</td>
</tr>
</tbody>
</table>

The numbering (P1, P2, etc.) relates to each participant and indicates the sequence in which they were interviewed. * indicates pilot interview. Italics (P2) indicate non-case study.

Table 7.3

Attributes of Study 2 participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age band at time of downsizing</th>
<th>Service at time of downsizing</th>
<th>Role at time of downsizing</th>
<th>Role in downsizing</th>
<th>Status after downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1-Anna</td>
<td>46-50</td>
<td>16-20</td>
<td>Senior HR manager</td>
<td>Implementer</td>
<td>Survivor: New job</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Recipient</td>
<td></td>
</tr>
<tr>
<td>P2-Dave</td>
<td>46-50</td>
<td>26-30 (27)</td>
<td>Accounting professional/ manager</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td>P3-Mel</td>
<td>46-50</td>
<td>16-20</td>
<td>HR manager</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Implementer</td>
<td></td>
</tr>
<tr>
<td>P4-Jane</td>
<td>46-50</td>
<td>16-20</td>
<td>HR advisor/ team leader</td>
<td>Recipient</td>
<td>Survivor: New job</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Implementer</td>
<td></td>
</tr>
<tr>
<td>P5-Tom</td>
<td>41-45 (43)</td>
<td>16-20 (20)</td>
<td>Senior L/OD consultant/ team leader</td>
<td>Recipient</td>
<td>Casualty: Voluntary</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Implementer</td>
<td></td>
</tr>
<tr>
<td>P6-Kate</td>
<td>31-35 (33)</td>
<td>6-10 (8.5)</td>
<td>L &amp; D specialist/ team leader</td>
<td>Recipient</td>
<td>Casualty: Voluntary</td>
</tr>
<tr>
<td>P7-Naomi</td>
<td>51-55</td>
<td>16-20 (19)</td>
<td>HR administration</td>
<td>Recipient</td>
<td>Survivor: Same job</td>
</tr>
<tr>
<td>P8-Josh</td>
<td>51-55 (52)</td>
<td>16-20 (19)</td>
<td>Senior L &amp; D specialist</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td>P9-Andrea</td>
<td>36-40 (37)</td>
<td>6-10 (9)</td>
<td>D &amp; I mgr/ specialist</td>
<td>Recipient</td>
<td>Survivor: Same job</td>
</tr>
<tr>
<td>P10-Jack</td>
<td>51-55 (51)</td>
<td>26-30 (30)</td>
<td>Senior HR manager</td>
<td>Implementer</td>
<td>Casualty: Voluntary</td>
</tr>
</tbody>
</table>

The numbering (P1, P2, etc.) relates to each participant and indicates the sequence in which they were interviewed. * indicates pilot interview. Italics (P2) indicate non-case study. Names are fictional. L & D = learning and development; D & I = diversity and inclusion; OD = organisation development.
Table 7.3 (continued)

Attributes of Study 2 participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age band at time of downsizing</th>
<th>Service at time of downsizing</th>
<th>Role at time of downsizing</th>
<th>Role in downsizing</th>
<th>Status after downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>P11-Lois</td>
<td>51-55</td>
<td>21-25</td>
<td>Senior regional HR manager</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td>P12 - Susan</td>
<td>41-45</td>
<td>11-15</td>
<td>D &amp; I manager/ Specialist</td>
<td>Recipient</td>
<td>Survivor: Same job</td>
</tr>
<tr>
<td>P13 - Clare</td>
<td>31-35</td>
<td>2-3 (3.5)</td>
<td>HR specialist (planning/resourcing)</td>
<td>Recipient</td>
<td>Survivor: Same job</td>
</tr>
<tr>
<td>P14 - Peter</td>
<td>36-40</td>
<td>16-20</td>
<td>Senior regional HR manager</td>
<td>Strategic (partly) Implementer Recipient</td>
<td>Survivor: Same job</td>
</tr>
<tr>
<td>P15 - Paul</td>
<td>41-45</td>
<td>6-10</td>
<td>Operations director</td>
<td>Recipient</td>
<td>Casualty: Voluntary</td>
</tr>
<tr>
<td>P16 - Jo</td>
<td>36-40</td>
<td>16-20</td>
<td>Organisation development consultant</td>
<td>Recipient</td>
<td>Survivor: New Job</td>
</tr>
<tr>
<td>P17 - Clive</td>
<td>(i) 46-50 (ii) 51-55</td>
<td>(i) 6-10 (ii) 2-3</td>
<td>Manager, professional</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td>P18 - Daniel</td>
<td>(i) 31-35 08/98 (ii) 36-40 Late 2001 (iii) 41-45 Late 2006</td>
<td>(i) 11-15 (ii) 16-20 (iii) 21-25</td>
<td>Technical manager Training &amp; standards mgr Training &amp; standards mgr</td>
<td>Recipient</td>
<td>Survivor: (i) New job; (ii) Same job; (iii) New job</td>
</tr>
<tr>
<td>P19 - Steve</td>
<td>46-50</td>
<td>4-5</td>
<td>Senior HR manager</td>
<td>Recipient</td>
<td>Casualty: Enforced</td>
</tr>
<tr>
<td>P20 - Janice</td>
<td>21-25</td>
<td>1-2</td>
<td>HR administrator</td>
<td>Recipient</td>
<td>Casualty: Voluntary</td>
</tr>
<tr>
<td>P21 - Joan</td>
<td>56-60</td>
<td>&gt;30</td>
<td>Senior manager, academic, consultant</td>
<td>Strategic, Implementer</td>
<td>Survivor: Same job</td>
</tr>
</tbody>
</table>

The numbering (P1, P2, etc.) relates to each participant and indicates the sequence in which they were interviewed. * indicates pilot interview. Italics (P2) indicate non-case study. Names are fictional. L & D = learning and development; D & I = diversity and inclusion; OD = organisation development.
Study 2 included peripheral sampling of five interviewees from other organisations/sectors (non-case study). This was primarily for comparison and triangulation purposes; to see what similar/different themes occurred and thereby inform further the generalisability of the results. These interviewees were also selected using the sampling matrix shown in Table 7.2, and are labelled in italics on the table (e.g. P2).

The Casualties (i.e. those who left the organisation) were denoted as either Voluntary or Enforced; the Survivors (those who stayed in the organisation) as having a New Job in the organisation or the Same Job. This information was collected from the participants using the form show in Appendix C (page C-7). The different roles (degrees of involvement) in the downsizing process were also taken into account since they did not always correlate to organisational level – denoted as Strategic (input to the strategic decision to downsize, and/or influence over the process); Implementer (implementer of the process, and/or input to local decisions); and Recipient (no influence over process or decisions, essentially ‘done to’).

The representatives of different levels were denoted as:

- Senior Manager – a senior role (e.g. HR manager of a department or business unit) usually with strategic influence.
- Manager – a middle management or team leader role with responsibility for managing others.
- Professional – a generalist or specialist HR role (e.g. HR Adviser, Learning & Development Advisor).
- Support – an HR support role (e.g. HR Assistant).

7.4.2 Organisational context

The case study was set within a particular organisational context, described below. Whilst the precise chain of events (and participants’ interpretation of the organisation’s intent) may be disputed by some, I have attempted to give a factual overview of the key events, the processes employed, and the timelines.
The case study was set within the HR function of a UK head quartered multi-national organisation. A new Head of HR was appointed in March 2005, interpreted by most as being brought in to ‘sort out’ HR which, on the admission of many of the case study participants, was not performing well. Following a strategic review, it was announced that HR was to undergo a process of ‘transformation’. It was stated that the function was not ‘fit for purpose’ because it did not have the right people or processes in place. Within the first month or so (June 2005) there was a rapid change-out of the HR leadership – the majority of the former leaders (HR Vice Presidents) were made redundant and left very quickly (most within a week or two of being told). Their rapid departure created a great deal of concern in the lower ranks.

From July 2005 the process slowed to one of assessment and selection – all other professional HR staff were assessed by external consultants (psychologists not HR specialists) and the data (together with reports from internal managers) used by internal selection panels of senior HR managers to decide who would be offered positions in the new organisation, layer by layer from the top down. The criteria used for selection were weighted towards generalist rather than specialist HR skills and experience. Individuals could express a wish to leave and be considered for voluntary redundancy terms. Those not offered positions were made redundant. This process was lengthy (covering the second half of 2005 and the first half of 2006) and created huge uncertainty. Meanwhile, other HR staff were being recruited, some to fill the senior positions left by those made redundant at the start of the process. There was formal communication about the changes – views on this were mixed: some participants said it was clear and professional, others that it was scripted. There was consultation with feedback provided by the HR leadership on the questions raised. Staff had the right of appeal on decisions made to a regional HR Vice President.

7.5 Case study results

The thematic analysis of the qualitative data from the case study using the coding scheme described above yielded a number of themes (shown in the text below in bold italics), including those related to organisational justice and trust (as expected from the interview guide questions), together with a number of themes that emerged during the interviews; Figure 7.1 below.
Figure 7.1 Themes from Study 2: case study data

**Themes related to organisational justice and trust**

- **Distributive justice** – perceptions varied according to personal outcomes.
- **Procedural justice** – process had right ingredients but didn’t always match decisions made, poor consultation, “slash & burn” of senior team.
- **Interactional justice** – all shocked by poor treatment, viewed as “brutal”
- **Trust in organisation/managers** – described as a “violation of trust”, attributed to the way people had been treated by the new HR leadership. Trust in individual managers varied.

**Emergent themes**

- **Breach of relationship** (between employees & the organisation) – due to poor treatment & concerns about process, result – more transactional.
- **Strong negative emotions** – shock, disbelief, anger, hurt, rejection, fear.
- **Counter-cultural** – different in style & approach to previous downsizings.
- **Support of peers** – employees became closer, supported each other.
- **Tacit acceptance by senior managers** – “nobody had the guts to” step in.
- **Survivors’ experiences** – felt stressed, nervous, guilty, “potential target”.

7.5.1 The common message

The common message from the case study participants was that they agreed with the strategic premise that the HR function needed to change, and most thought that the changes instigated were in the right direction (e.g. to improve the systems, enhance capability) but they disagreed with the view of the new leadership that “the whole of HR... was rubbish, so by association you were rubbish” (Lois), and with the way that people, particularly the exiting senior leaders, were treated. Peter’s comment was typical; “the direction of where we were going was, was right, but the way we did it and the values attached to some of it I found deeply troubling”. It was the treatment of people that he and others found particularly worrying.

Anna stated that “there was an element of dishonesty” in that all the problems were laid at the feet of those who were previously involved. Jack, a senior manager who left voluntarily, said of the message that “the quality of, of talent in the function was... poor. I just didn’t believe that”. Others saw this as a ploy by the new leadership to justify clearing out the previous senior HR managers. Tom thought that the initial communication set it up as a “burning platform”, that “everything’s
broken”, thus legitimising radical change. The new HR leadership were seen as having a huge impact on the process and brought in a very counter-cultural approach (from the financial services sector) of rapid exits with little acknowledgement of past contribution. Tom saw the function move towards a command and control style, and correspondingly, Kate said that “it started to feel different... you could sort of sense people were being frozen out of the decision making”.

The changes were enacted and some of the survivors thought that the HR function was stronger for it, but that it resulted in a lowering of trust in the new leadership and the HR function, and a different employment relationship. Clare expressed well what many other participants had intimated:

“...whilst you've got a more capable HR organisation you've also got a more disengaged HR organisation. And you've got um capable people who don't necessarily trust all of the organisation that they're part of”.

For most of those interviewed (survivors as well as casualties) it was a negative experience largely due to how it was undertaken, typified by statements such as:

“I struggle to find words to put it in a positive light” and “Everyone seemed to be suffering” (Mel).

“I think everyone agrees with what was done. Where they disagree is how it was done” (Jo).

7.5.2 Themes related to organisational justice

The theme of justice was clearly represented. This was expected since several interview guide questions had been designed to probe fairness concepts in relation to downsizing. However, the participants voiced their views on this topic with little prompting. Typical quotations from leavers and survivors are shown in Table 7.4.

Views on distributive justice varied mostly according to the personal outcomes that participants had experienced and/or desired: enforced leavers who wanted to stay largely viewed their outcome as unfair (e.g. Mel, Josh); so did some of those who
actually wanted to leave (Lois, Steve). Those who volunteered to leave were glad of the opportunity but some admitted they would have felt bitter, disappointed or betrayed had they not been offered a role (e.g. Tom, Kate, Janice). Both Lois and Janice, although they wanted to leave, did not think their outcomes were fair in that they were offered roles below their experience.

Those who survived viewed their outcomes as fair, although some expressed some ‘survivor guilt’ but this was more to do with how leavers had been treated than the outcomes they had received. On balance, they felt that most of the decisions had been correct, but that some had been unfair due to the apparent policy to ‘clear-out’ the previous leadership, and at lower levels, mis or non-representation at selection panels. Hence, in terms of distributive justice theory (Deutsch 1975; Leventhal, 1976a, 1976b), equity seems to have been the predominant factor (rather than equality or need), which fits with the organisation’s performance orientated culture; those remaining believing they merited it and, on the whole, regarding those who had been made redundant as deserving of it. Those forced out disagreeing with the verdicts given them, believing they too were strong performers.

Negative perceptions of procedural justice were voiced by leavers and survivors alike. Whilst the process comprised a number of the right ingredients (e.g. formal communications, assessment of staff against criteria, consultation, right of appeal, documentation, etc.), it did not always correlate to the decisions made, this process-decision link being key for good procedural justice (Thibaut & Walker, 1975).

The majority in the HR function were subjected to an assessment and selection process, the rigour and fairness of which was questioned by Tom and others since it was, in part, undertaken through one-to-one interviews with external consultants who had no HR expertise. The subjectivity of the process was highlighted by several participants; it favoured outgoing rather than reflective personalities, could be manipulated and, as expressed by Jo, resulted in "some very strange subjective statements being made about people that then became huge issues". In addition, although never actually stated, the assessment emphasised generalist HR skills (e.g. providing an HR service for a given population) so that some who had specialist skills (e.g. training) felt it was loaded against them from the start.
Another problem with the process highlighted by a number of participants was their poor representation at selection panels - not many of the selection managers knew the people they were making judgements about and therefore relied on the data from the assessment company, or on the new HR leadership's view, and that, as Peter said, "could have been based on a err two minute conversation, err or a third hand piece of data on somebody, or um sort of a, a you know bumping into someone in the lift".

It didn’t help that before the process for the majority of staff had really got underway, most of the senior team had been made redundant in a short time period. Many participants doubted the fairness of the process; some even questioned its legality. Steve, a senior casualty, viewed it as a deliberate tactic by the company to completely change the face of HR by clearing out the existing leadership team. Even though he was happy with his personal outcome, he thought it was a process that "lacked consultation" was "without heart and dignity".

The assessment led some staff to a negative self analysis; Jane said it made her "really question my capability". Naomi said that the process made her feel "disgusted" and "dirty". However, for some like Kate, who early on had chosen to leave, the assessment was positive and confidence building.

Most participants spoke of a lack of influence or control, even those involved in the process as implementers at a senior level. Since perceived control has been shown to help employees cope with downsizing (Brockner et al., 2004), its absence here explains some of the negative feelings generated. It was attributed to a dictatorial style by the new HR leadership, who were perceived as having preconceived views of people and the function, and a strategic agenda to ‘change out’ many of the existing employees whom they viewed as part of the past, which they saw a negative light. At the same time new people were being recruited in ways that seemed to bypass normal selection procedures, as Naomi noted cynically "we had the feeling that the people coming in were people that were known shall we say". Josh echoed others in saying that survivors with long service "now felt that they were second class citizens", and several participants attested to a 'them and us' culture,
Table 7.4
Case study quotations: organisational justice themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>“...a lot of the decisions that were made I felt were the right decisions” but that “the way it was done was, was pretty, pretty nasty” (Tom; voluntary casualty).</td>
<td>Distributive justice</td>
</tr>
<tr>
<td>“For 98 or 99% it was fair. I think at a few top levels it was changed to get the desired outcome” (Andrea; survivor).</td>
<td></td>
</tr>
<tr>
<td>“...it’s not the outcome that’s the problem for most people. So why be unnecessarily obnoxious about it?” (Steve; enforced casualty).</td>
<td></td>
</tr>
<tr>
<td>Of the overall process: “...they dressed it up to look like it was fair, the process” (Mel; enforced casualty).</td>
<td>Procedural justice</td>
</tr>
<tr>
<td>“I wasn’t convinced by the... so called rigour of the selection process, having a, an external who wasn’t an expert in my discipline doing a psychological assessment of me, and that psychological assessment seeming to carry most of the weight of um, of the selection process” (Tom; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>“...it wasn’t an equal playing field” (Jo; survivor).</td>
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</tr>
<tr>
<td>Of the process for senior leadership: “...a huge dramatic gesture of slash and burn” (Anna; survivor).</td>
<td></td>
</tr>
<tr>
<td>Some decisions “were definitely down to personality and that didn’t feel fair at all” (Clare, survivor)</td>
<td></td>
</tr>
<tr>
<td>“None of those had an assessment so it said to me their, their fate had already been determined” (Jack; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>“...it was harsh actually because it was ‘clear your desk’ type stuff akin to the financial services sector” (Lois; senior enforced casualty).</td>
<td></td>
</tr>
<tr>
<td>On employees’ influence/control: “I was implementing other people’s decisions” (Anna; survivor).</td>
<td></td>
</tr>
<tr>
<td>“The amount of control in the last 18 months when I was in the company was... it seemed like you couldn’t do anything of your own volition” (Josh; enforced casualty).</td>
<td></td>
</tr>
<tr>
<td>On the consultation and appeal process: “...the strength of what was happening was so strong that it almost seemed a waste of energy to even try and stand against it” (Mel; enforced casualty).</td>
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</tr>
<tr>
<td>“...just going through the motions”; “it didn’t feel like the employee interests were really respected” (Kate; voluntary casualty).</td>
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</tr>
</tbody>
</table>
Table 7.4 (Continued)

Case study quotations: organisational justice themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interpersonal treatment:</strong></td>
<td>Interational justice</td>
</tr>
<tr>
<td>Interpersonal treatment:</td>
<td></td>
</tr>
<tr>
<td>&quot;...brutal”; “It was just diabolical...just dreadful” (Anna; survivor).</td>
<td></td>
</tr>
<tr>
<td>&quot;I was offended, I was... quite hurt, by the way I, not just heard, but the way I saw people being treated&quot; (Tom; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>&quot;It didn’t value the people that were in there even though four months earlier it did”; “the way it treated certain people... I find it hard to forgive” (Jack; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>&quot;The way in which people left the organisation could have been done in a less traumatic way. The stories you hear in the building are worrying” (Andrea; survivor).</td>
<td></td>
</tr>
<tr>
<td>&quot;...where’s treating people with respect around here, has that gone out the window?” (Naomi; survivor).</td>
<td></td>
</tr>
<tr>
<td>&quot;...fairness is about... making sure that... how they go is consistent with how others, the best practice of others that, that have left before” (Jack; voluntary casualty).</td>
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<tr>
<td><strong>On support by managers:</strong></td>
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<tr>
<td>On support by managers:</td>
<td></td>
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<tr>
<td>Some HR people “had a really hard time of it because their line manager was going through a deeply emotional experience too, and, and ended up exiting the organisation” (Clare; survivor).</td>
<td></td>
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<tr>
<td><strong>Communication of information:</strong></td>
<td></td>
</tr>
<tr>
<td>Communication of information:</td>
<td></td>
</tr>
<tr>
<td>&quot;...if your line manager wasn't in the new future then you wouldn't necessarily get information” (Kate; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>&quot;...it always felt like a big secret and that you never really knew what was happening... it was just not very transparent really” (Janice; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td><strong>On communication of personal outcomes:</strong></td>
<td></td>
</tr>
<tr>
<td>On communication of personal outcomes:</td>
<td></td>
</tr>
<tr>
<td>&quot;...it was a face-to-face... in the meeting room next to the team that I worked in and it was a glass meeting room so that everyone could see... it was a bit surreal really because it was nine o’clock in the morning and then you just go back to work and carry on, again in an open plan office” (Mel; enforced casualty).</td>
<td></td>
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<tr>
<td>&quot;They had a script” and it was “Very cold, very black and white” (Jane; survivor).</td>
<td></td>
</tr>
<tr>
<td>&quot;I'd actually seen my name on an organisation chart... I was never actually told officially” (Naomi; survivor).</td>
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</tbody>
</table>
Consultation and appeal processes were seen as having only limited effect – a 'going through the motions', which, as the literature makes clear, can backfire (the 'frustration effect'; Folger, 1977) if employees perceive them as an insincere attempt at placation whilst the organisation pushes through its agenda, which seems to have been what participants thought in this case. These processes were not engaged in by many because of fear, as Jane’s comment typifies; “people have become very, very concerned about speaking out because we’ve heard of people being in trouble for speaking out”. However, consultation did result in some procedural changes when the legality of certain issues was challenged. A number of participants mentioned that they had heard that top management (including the company’s Chief Executive) had said that this type of process would not be repeated elsewhere, which they took as reinforcing evidence that it had not been a fully satisfactory or fair process.

In terms of interactional justice, whilst both survivors and casualties understood the organisation’s strategic need to make some changes, all were condemning of the poor treatment of people (see typical comments on Table 7.4). Some found support in their line manager (e.g. Tom), whereas others found the opposite, particularly if their manager was preoccupied with his or her own future (e.g. Janice, Clare).

The most commonly raised issue of interpersonal treatment was related to the ‘clear your desk’ type rapid exits of senior staff without assessment, adequate explanation, or recognition. Even though these people were kept on the books for their notice periods and given large redundancy payments, this was not seen as adequate compensation because it did not recognise their contribution, give them time to adjust, or compare well with past treatment. Why this approach? Some said to please the new HR leadership, others that it was to expel the previous leaders in a way “designed to cause waves in the organisation” (e.g. Steve). Some (e.g. Jo) felt that the senior casualties had to go quickly to minimise disruption, although many commented on its destabilising effect and its negative impact on trust in the function.

Communication, another aspect of interactional justice, was also cited as a problem; many participants viewed it as a secretive, non-transparent process, and that you only got information if you were linked to a manager who was part of the future. Some commented that the way they were communicated to about their personal outcomes
was poor (see typical quotations, Table 7.4). Steve’s comments sum up the approach: all he wanted was a “proper conversation” rather than “summoning you to an appointment one afternoon, giving you 15 minutes, firing you, then calling in the outplacement consultants was frankly pathetic, it was from a different era”. So, in terms of interactional justice theory (Bies & Moag, 1986), whether this type of justice is viewed as two dimensions (interpersonal and informational; Greenberg, 1993) or not, its various elements were perceived by participants as very poor.

7.5.3 The theme of trust

Trust as a theme was raised by questions in the interviews, however, as with justice, most of the interviewees needed little prompting since their trust (in the organisation, and for some, in particular managers) had been deeply affected by their experiences.

Trust by participants in management generally, and particularly in the HR function declined, as demonstrated by the typical comments on Table 7.5. Trust in individual line managers varied depending on individual managers’ behaviours and existing relationships (probable evidence of the effect of prior trust; Robinson, 2006); for some it remained strong or increased, for others it deteriorated.

There were contrasting views on trust in the organisation as a whole; for some it remained positive (e.g. Tom), for others it had declined or, as Jo commented, changed to “a different kind of trust”, focussed more in relationships with colleagues and particular leaders than the organisation. The latter revealed a divergence of employee trust for some; a more relational trust in particular individuals, and a more calculative trust in the organisation. Some commented that the lack of trust placed in them by the organisation had contributed to their decline in their trust.

From the interview data, the reduction in trust in the function/organisation can be interpreted as moving from complete or strong trust (IBT/KTB, depending on its prior level) to low trust (CBT) and for many (particularly enforced leavers and even some survivors, e.g. Jane, Anna) to no trust at all or to distrust (Lewicki & Bunker, 1996; Dietz & Den Hartog, 2006). To avoid confusion in the interviews, the issue of ‘distrust’ was not raised specifically, but it was detected through comments
Table 7.5
Case study quotations: trust themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust in management generally and the HR function: It was “a violation of trust”; “The atmosphere was one of a kind of destruction of trust”; “I stopped trusting people”. She spoke of her trust in the organisation as having “Gone to a different place and stayed there” (Anna; survivor).</td>
<td>Trust</td>
</tr>
<tr>
<td>“I know that we didn’t really trust the new HR leadership because, you know, some of their, the things that they did were pretty shocking actually, and there were undertones of things that were verging on illegal” (Kate; voluntary casualty).</td>
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<tr>
<td>“...trust in the function is the lowest that I have ever seen it... in twenty, thirty plus years I’ve never seen it so low” (Josh; enforced casualty).</td>
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<tr>
<td>“I guess I trust them less, mainly because, you know, the way I was treated... I don’t think I have any trust anymore, and I, I’m certainly behaving I think very differently” (Jane; survivor).</td>
<td></td>
</tr>
<tr>
<td>Trust in individual managers: “I wouldn’t have felt... that I could have trusted the people that I worked around in the sense of I don’t think that the communication was always honest and open” (Janice; voluntary casualty).</td>
<td></td>
</tr>
<tr>
<td>“I wouldn’t trust this particular [HR] organisation as far as I could throw it... But I trust my boss and my immediate boss implicitly” (Naomi; survivor).</td>
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</tr>
<tr>
<td>“I used to be loyal I think to the company, and now I’m loyal to certain leaders who I respect and have a relationship with, and I would do anything for them and I want to make them succeed” (Jo; survivor).</td>
<td></td>
</tr>
<tr>
<td>Trust in the organisation: “I think trust is an absolutely huge issue, and it, it’s at the core of this... I think the second that the sort of first person was put in a taxi and you were shocked by it, you realised that there’s almost nothing personal anymore, and it could happen to me at any point”. “there was just huge suspicion and fear at the time... that’s your issue of trust actually” (Jo; survivor)</td>
<td></td>
</tr>
<tr>
<td>“So very little trust was actually placed in the organisation and, so if you like little, little trust was given back” (Jack; voluntary casualty).</td>
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<tr>
<td>“I think trust comes with the feeling of being involved, err having input, um having clarity, err and I, I guess all of that wasn’t there... it was being done to us” (Susan; survivor).</td>
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</table>
expressing fear and scepticism. Some employees (particularly some of the survivors, e.g. Susan, Clare, Jo) seemed to hold some trust in the function/organisation (albeit diminished) alongside distrust, i.e. they were willing to stay and expressed some confidence in the improvements made, but they remained fearful and wary (cf. trust/distrust descriptions in Chapter 3; Lewicki et al., 1998; Saunders & Thornhill, 2004).

7.5.4 Emergent themes

There were a number of additional themes that emerged strongly (i.e. that were not in response to particular questions) during the interviews including breach of relationship, negative emotions, the counter-cultural nature of the change, support from peers, tacit acceptance by senior executives, and survivors' experiences.

The strongest of these emergent themes, expressed by casualties and survivors alike, was of that of a breach of relationship between the organisation and the individual, largely brought about by shoddy treatment by the organisation (low interactional, and to some extent, procedural justice), and perceived as a reneging of the organisation's obligations to the individual despite the individual's loyalty and commitment. As typified by Mel's comment; "I feel in some way let down, or that they reneged in that agreement". Participants saw this (as demonstrated by the typical comments on Table 7.6) as resulting in a loss of their trust, and a changed perception of the organisation and their relationship with it (i.e. an amended psychological contract, often a result of downsizing; Amundson et al., 2004).

For some (e.g. Jo), loyalty was now to certain respected leaders rather than to the company (corresponding to their focus of trust), and/or to their own cause by thinking about and protecting themselves. Many attested to a more transactional/less personal relationship with the organisation with less willingness to give discretionary effort, and less commitment to the function and the organisation overall. However, some (e.g. Susan, Jane, Jo) said that their personal commitment to do their jobs well had persisted because of their professionalism, personalities and own work ethics.

Despite the breach in the relationship, the past and ongoing loyalty of some people in the HR function meant that "they were like lambs to the slaughter" (Anna).
### Table 7.6

Case study quotations: emergent themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>“My feelings about [Company X] have changed forever”; “It’s a more transactional relationship. It’s a less sentimental relationship” (Anna; survivor).</td>
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<tr>
<td>“Any relationship I have in the future with an employer will be different because of what I learned from this experience”; “it’s made me grow up a bit”. (Mel; enforced casualty).</td>
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<tr>
<td>“I have no psychological contract with [Company X] now” (Andrea; survivor).</td>
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<tr>
<td>“...you have a very different sort of contract, mental contract with the company, very different to the one you had before... are we being more selfish, are we thinking more of what’s in it for me?... I think [Company X]’s definitely lost some loyalty” (Jo; survivor).</td>
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<tr>
<td>“...it kind of gave me a wakeup call to think about me, rather than to keep thinking of [Company X]” (Susan; survivor).</td>
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<tr>
<td>“...it probably did change the level of sort of deep affiliation that I have with the company”. “People are very much more transactional-based” (Peter; survivor).</td>
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<tr>
<td>My relationship with the function has certainly changed... there’s an element of me personally feeling less committed”. She was now less willing to do things beyond her job, rather an attitude of, “keep your head down, stay focused” (Susan; survivor).</td>
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<tr>
<td>“I felt utterly desperate”; “hacked off”; “I’ve remembered how angry...” (Anna; survivor).</td>
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<tr>
<td>“I was just in my own little nightmare really” (Mel; enforced casualty).</td>
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<tr>
<td>“I want to leave that wretched place, I can’t stand it... I just felt, oh I can’t cope with this any longer” (Lois; enforced leaver).</td>
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<tr>
<td>“I remember just sort of feeling a bit sick”. (Kate; voluntary casualty, on hearing someone else’s news).</td>
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<tr>
<td>“...in a very short space of time things just went right the way downhill in terms of feelings of fear... feelings of disbelief” (Susan; survivor)</td>
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<tr>
<td>“...absolutely hugely stressful” because they “removed all your trusted people who you could talk to” (Jo; survivor).</td>
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<tr>
<td>“...there was a fear culture... that prevented people to saying I don’t agree with this” (Jack; voluntary casualty).</td>
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</table>

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Table 7.6 (continued)

Case study quotations: emergent themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;...it was almost like, they were going to be made an example of, and therefore everybody should be very afraid&quot; (Tom; voluntary casualty).</td>
<td>Strong negative emotions</td>
</tr>
<tr>
<td>&quot;...there was just huge suspicion and fear at the time&quot; (Jo; survivor).</td>
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<tr>
<td>&quot;...it was a very, very different style and approach that was being brought in&quot; (Josh; enforced casualty).</td>
<td>Counter-cultural</td>
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<td>&quot;...very fast people were on different paths&quot; (Anna; survivor).</td>
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<tr>
<td>The appointment of the HR leadership signalled “something very uncharacteristic in terms of how they’d historically behaved” (Steve; enforced casualty).</td>
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<tr>
<td>On developing people in-house versus buying then in: “It's a clash of value sets” (Peter; survivor).</td>
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<tr>
<td>&quot;...the other interesting thing is how... in the face of all that was going on, how people be, became much closer to each other, much more protective of each other, much more sharing information” (Susan; survivor).</td>
<td>Support of peers</td>
</tr>
<tr>
<td>&quot;...it strengthened err a number of relationships with people that I knew within the organisation” (Josh, enforced casualty).</td>
<td>Tacit acceptance by senior executives</td>
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<tr>
<td>&quot;...the supporters of the function... were very absent” (Jack; voluntary casualty).</td>
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<tr>
<td>&quot;...after seeing quite clearly the way it was going, and they did absolutely nothing, and that's what makes me think it was partly the organisation” (Mel; enforced casualty).</td>
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<tr>
<td>&quot;...nobody had the guts to [step in]” (Lois; enforced casualty).</td>
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<tr>
<td>&quot;Even those who were staying... had guilt or, or were stressed because of work overload... Everyone seemed to be suffering” (Mel; enforced casualty).</td>
<td>The experience of survivors</td>
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<tr>
<td>&quot;...there’s maybe a bit of survivor guilt in there” (Clare; survivor).</td>
<td></td>
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<tr>
<td>&quot;...people were really fed up with the way they were treated, and had no guarantee that this wouldn’t happen again in the future” (Janice, voluntary casualty).</td>
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<tr>
<td>&quot;[Many survivors] feel it quite a lonely experience, they’re not sure who they can turn to” (Peter, survivor).</td>
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<tr>
<td>&quot;I just don’t want to be seen... You don’t want to stand out for good or bad things – if you stand out you’re a potential target” (Andrea; survivor).</td>
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</table>
Even casualties such as Mel who were deeply negative about the experience said “I would still defend them if someone else rubbished them”.

Clare’s comments showed how multiple downsizing events can affect an employee’s relationship with an organisation. Clare had experienced a similar event in her previous (first) organisation, where she was deeply committed. The fact that her loyalty was not rewarded made her realise that “you can’t unconditionally give and expect to get that in return from an organisation”. On joining Company X she refrained from full engagement, reflecting “I don’t think I had a very deep psychological contract” with them. She decided to use the experience to develop her portfolio of skills rather than build a long-term career, and hence was less affected when this downsizing occurred.

Another strong theme to emerge was that of strong negative emotions caused by the experience, whether casualties or survivors: surprise, shock, disbelief, anger, hurt, rejection, distress, and fear. Such emotions, often associated with downsizing (Thornhill & Saunders, 1998), were typified by the quotations on Table 7.6. Most of these emotive reactions were connected to how poorly participants perceived they and/or their peers had been treated, indicative of a breach of the relationship and of their trust. The link of strong negative emotions with perceived betrayal of trust supports the notion that trust is not only a rational construct but also has an affective component (Lewis & Weigert, 1985; McAllister, 1995). There was a lowering of the self-esteem of casualties and survivors, with little support provided.

Fear was an emotion expressed by many of the participants, caused by the rapid exit of the senior team, and reinforced by the way comments made by HR managers or staff quickly got back to the new leadership team. It prevented people giving feedback. Some thought this was a deliberate strategy so as the new HR leadership could make the changes they deemed necessary without challenge.

Part of the surprise participants experienced was due to the dramatically different and counter-cultural way in which this restructuring/ downsizing was handled compared to previous similar events; whereas in the past there had been some level
of engagement with staff, this time it was very top-down and centralised with, according to some participants, only ‘lip service’ paid to communication and involvement (Table 7.6). The perception that it was strongly counter cultural contributed to the perceived breach of relationship. In Peter’s view (a senior manager), it was a different philosophy; whereas Company X’s previous approach had been one of in-house development, the new HR leadership had chosen to buy in capability. Many viewed the newly hired people as less caring and more ruthless.

The support of peers was cited as one of the important coping mechanisms that participants used to help them through the experience (see typical quotations on Table 7.6), and, for leavers, getting external help, e.g. outplacement consultants. Such support is cited in the literature as being important in helping employees through downsizing (e.g. Amundson et al., 2004).

One of the disappointments that led some to lose trust in the whole organisation or of particular senior people was the tacit acceptance by senior executives outside the HR function of what was going on. This made some suspect it was instigated by them. Josh indicated that some senior managers must have felt guilt since he revealed ‘I literally had... a senior executive [A Director] come up to me and apologise for the outcomes on behalf of the organisation. I was astounded’.

The experience of survivors was mostly negative, as typified by the quotations on Table 7.6: expressions of guilt, wondering if they had made the right decision to stay, loneliness, nervousness, fear about the future. These are similar to typical survivor reactions reported in the literature (e.g. Clarke, 2005; Nair, 2008). Andrea, herself a survivor, described some who stayed as “the walking wounded” because they were unhappy and struggling, and the fact that nobody seemed concerned about the “collateral damage” that had occurred. Of the eight survivors interviewed, three had left the organisation within a year or so of the event; five had left within three years. From follow-up conversations, for most it was due to continued unhappiness.

Those who left the organisation still generally held to their views of what had happened, some reliving strong emotions such as upset or anger (e.g. Mel, Steve). Some felt their feelings had mellowed since, as Jan said, “time’s a big healer”.

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7.5.5 Participants’ stories

Many participants told stories, or gave examples or anecdotes of what they had experienced in response to item 8 of the interview guide, and often in their answers to other questions. The stories and examples were rich in meaning, the majority making negative points related to the treatment metered out to them or others.

Several stories featured the new HR leadership, seen as responsible for the poor way downsizing had been undertaken. In two particularly vivid examples, the experience was compared to the atmosphere of fear created by Nazi Germany (Table 7.7). Other examples recalled the poor ways messages were delivered to individuals.

As stories that characterise the event for participants, the depth of negativity that permeate most of them (from survivors and casualties alike) is a strong message about how the downsizing was experienced and has been remembered.

7.5.6 Could it have been done differently?

In response to item 7 of the interview guide, most participants thought that the downsizing could have been handled differently, particularly through a more consultative/collaborative and less brutal approach; there could have been much more engagement and listening and, as Lois expressed, it “could have been done more humanely”. There should have been honesty in what the initial agenda actually was – a changing out of the previous leaders.

The process could have been fairer and more robust, i.e. not so dependent on assessments by external psychologists who had no knowledge of HR or the organisation, or the judgement of HR managers (many of whom were new) on selection panels who did not know those being discussed. Leavers could have been treated with dignity and respect, recognising their past contribution and “preserving people’s dignity and confidence... making people feel good despite bad things or difficult things happening” (Mel).
Table 7.7
Case study quotations: participants’ stories

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>“All I can remember is... feeling a bit like when the Nazis invaded and truck loads of people being taken off to some horrible place where you might never see them again” (Mel; enforced casualty).</td>
<td>Negative atmosphere of fear</td>
</tr>
<tr>
<td>“...it's not a fair analogy because the outcome didn’t bear comparison, but it’s the type of atmosphere created in Nazi Germany in the 30s. And there were people who denied what was going on. There were people who tried to fight what was going on. There were people who hid from what was going on” (Steve; enforced casualty).</td>
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<tr>
<td>“...there was just huge suspicion and fear at the time. So there was people being sort of being misquoted or misrepresented. So you had to be incredibly careful who you spoke to because things would get straight back to [the new leadership]” (Jo; survivor).</td>
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<tr>
<td>“...the classic is me turning up at eight o’clock in the morning... and being handed this list and seeing my job on it as a demotion'; 'I'm a vital part of the process to get these letters sorted and to get the thing to happen, and yet there isn’t enough care, nobody gives a damn, to actually make sure that my bit is right” (Anna; survivor).</td>
<td>Poor delivery of messages</td>
</tr>
<tr>
<td>“I think that was just really, really poor, the fact that as a new person I found out that my job's at risk of redundancy from an e-mail sent to the HR community” (Janice, voluntary casualty).</td>
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</table>
The change was hindered and people's self-esteem and confidence lowered by the fact that “there was no acknowledgement of anything being any good... so everything was criticised” (Jo). This ‘rubbishing’ of the past, together with special treatment for newcomers encouraged a ‘them and us’ mentality. Clare spoke of a division of ‘in-group and out-group’ between the new hires and existing staff, and of mistrust of the new managers. Peter said “there's a real split” and that “to some extent, I, I had to be careful who I trusted and who I didn't trust”.

The whole process could have been shorter; as Jack said “the pressure it put on people, um uncertain about their futures, I thought just was, was far longer than I'd ever, ever seen”. Some viewed the rapid exit of the senior leaders (even though it was handled badly) as a good thing because at least it was done quickly. Clare thought that reorganisation should have happened first, followed by a fair process of application for the jobs, rather than the capability assessment going on at the same time as the organisation design. Junior staff were similarly reorganised but without going through the assessment – Clare thought this was not done well and that “that's where a lot of the pain still lingers on in the organisation”.

Items mentioned above such as engagement of employees, a clear and robust process, and honest communication are amongst the good downsizing practices reported in the literature (e.g. Mishra et al., 1998; Brockner et al., 2004), which Study 3 explores in more detail.

7.5.7 Observations of participants' attitudes and reactions

Table 7.8 below shows the case study participants listed in order of their current ‘general attitude’ as they reflected on the downsizing (from mostly positive, through mixed, to mostly negative) as judged by the researcher from their answers to questions, reactions and body language during the interviews. The varied personal outcomes of the participants seemed to have had the greatest effect on their attitude.

1. Most positive were the voluntary casualties i.e. those who took control and decided on their own futures: they still viewed organisation in a largely positive way but had some misgivings about the way people were treated. Tom’s response was typical; “...it was positive in that it was my choice to go. I felt very,
very empowered... most of the negatives were about how I... saw other people being treated”. His positive attitude was due to “Making my own decision rather than being the victim of someone else’s decision”. Also in this group was Clare, a survivor on the periphery of the process (she was not doing an HR job at the time but was subjected to the assessment), with short-service who had experienced downsizing elsewhere, and Lois, a senior manager who was an enforced casualty but who had actually decided she wanted to leave.

2. Those displaying more mixed feelings were mostly survivors who agreed with the strategic direction of the restructuring and thought that improvements had resulted, but who felt bad about the way it had been done, particularly how casualties had been treated. This appears to demonstrate ‘survivor guilt’.

3. Negative attitudes were displayed by survivors who no longer trusted the HR function, had mixed feelings about the organisation, and had markedly adjusted their psychological contracts to be more transactional. Most negative of all were involuntary casualties who were upset about the ways they had been treated, and who viewed their outcomes as unjust. They had a negative view of the HR function, a diminished view of the organisation, and had adjusted their psychological contracts to be more transactional with new employers.

There did not seem to be a very strong link between participants’ general attitudes and their roles in the downsizing. However, from the researcher’s personal knowledge of the participants, it is possible that personality had an impact. Whilst this has not been categorised or measured in any formal way, the more outgoing and confident characters tended to have more positive attitudes, the more reflective and self-analytical more negative attitudes, although this was not fully consistent.

During the interviews many participants displayed deeply-felt emotions through what they said, and by becoming more serious, sometimes watery-eyed. Some participants became distressed and broke down in tears with comments such as:

“I’m going to cry” (Anna; survivor). “We might have to stop this... I can’t believe it’s still so painful” (Mel; enforced leaver).
<table>
<thead>
<tr>
<th>Attitude</th>
<th>Participant &amp; outcome</th>
<th>Role in downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mostly positive</td>
<td>P5: Tom – Voluntary casualty</td>
<td>Recipient, Implementer</td>
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<tr>
<td></td>
<td>P10: Jack – Voluntary casualty</td>
<td>Implementer, Recipient</td>
</tr>
<tr>
<td></td>
<td>P13: Clare – Survivor: same job (on periphery)</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P6: Kate – Voluntary casualty</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P11: Lois – Enforced casualty (pleased to go)</td>
<td>Recipient</td>
</tr>
<tr>
<td>Mixed</td>
<td>P16: Jo – Survivor: new job</td>
<td>Recipient, Implementer</td>
</tr>
<tr>
<td></td>
<td>P12: Susan – Survivor: same job</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P7: Naomi – Survivor: same job</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P14: Peter – Survivor: same job</td>
<td>Strategic, Implementer, Recipient</td>
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<tr>
<td></td>
<td>P20: Jan – Voluntary casualty</td>
<td>Recipient</td>
</tr>
<tr>
<td>Mostly negative</td>
<td>P8: Josh – Enforced casualty</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P4: Jane – Survivor: new job</td>
<td>Recipient, Implementer</td>
</tr>
<tr>
<td></td>
<td>P9: Andrea – Survivor: same job</td>
<td>Recipient</td>
</tr>
<tr>
<td></td>
<td>P1: Anna – Survivor: new job</td>
<td>Implementer, Recipient</td>
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<tr>
<td></td>
<td>P19: Steve – Enforced casualty</td>
<td>Recipient</td>
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<tr>
<td></td>
<td>P3: Mel – Enforced casualty</td>
<td>Recipient, Implementer</td>
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7.6 Non-case study results

The five non-case study interview transcripts were analysed using the same coding scheme as those of the case study, and the resulting themes summarised on Figure 7.2 below. A number of similar themes to the case study were represented, for examples those related to *justice* and *trust*, an *employee's relationship with the organisation* (but not always as in the case study, breached), and *negative emotions*.

There were some further emergent themes, for examples *multiple downsizing events* and the *strategic role of executioner*. The context of downsizing, as demonstrated in Study 1, was shown to have an effect on the results. The way the downsizing was handled in terms of its process and the personal treatment of people was again shown to have important effects on recipients' attitudes. In the case study this was mostly in a negative way, whereas in some of the non-case study interviews positive effects were also observed as the result of good personal treatment and/or process.

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**Figure 7.2 Themes from Study 2: non-case study**

*Themes related to organisational justice and trust*

- *Distributive justice* – varied according to context & desirability of a particular outcome by employee.
- *Procedural justice* – varied according to how it was handled. 'Fair process' effect, i.e. good procedure moderated perceptions of outcome.
- *Interactional justice* – large variation according to personal treatment.
- *Trust in organisation/managers* – trust was strong & stayed strong, or weak and stayed weak, or it declined.

*Emergent themes*

- *Employee's relationship with the organisation* – varied: e.g. loyalty "swept away", or "deeply relational psychological contract" intact.
- *Negative emotions* – shock, anger, fear, stress.
- *Support mechanisms* – family, colleagues, friends, professional help.
- *Reactions of survivors* – having leavers around too long was distracting.
- *Multiple downsizing events* – it gets easier with subsequent events.
- *Strategic role of executioner* – isolating; "executioner angst".
7.6.1 Themes related to justice

Reactions to personal outcomes – *distributive justice* – varied according to context and whether the outcome was desired or not.

Dave felt “aggrieved” at his outcome because he was told that he didn’t have the required skills to take the business forward yet just the year before he had been rewarded with a good bonus and a pay rise. He was put on ‘garden leave’ and given a generous package. Whilst he felt that the organisation was not completely honest with him (that there was an underlying agenda to get rid of long-term employees for pension fund reasons), he recognised that organisations at times have to lose staff and that those who are chosen to go aren’t going to like it; “there isn’t a kind or a fair way of doing it, it just has to be, it just has to be done as, as cleanly as possible”. On the positive side, it helped him realise there is life beyond a company and that it can act as “a bit of a kick... up the backside” to do something else.

In contrast, Paul, who left voluntarily, felt that his exit was fair both in terms of his personal outcome, and the way it was handled.

Clive thought that the first time he was made redundant the outcome was probably unfair, because some time before he had warned the Board about a sensitive issue and felt that this was held against him when the time came to downsize.

Dan’s case illustrated well the effect of an employee’s circumstances on their reactions to downsizing. He had experienced three such events, the first two when, due to personal circumstances at the time, he didn’t want to leave, the third when he was much more relaxed about it because “this last time I didn’t have really any worries or concerns, I guess, previous experiences that I’ve been through, I didn’t particularly want to leave err, things went down to the wire as to whether I would stay or go. Err, that’s quite a different feeling”.

The downsizing event in Joan’s organisation was similar in some ways to the case study scenario – there was a need to raise standards and change the working culture, and this required the replacement of some personnel. However, in this situation those
involved in driving the change (including Joan), were very open about what was happening; they held one-to-one conversations with all staff about the changes and offered them a leaving package if it was deemed (on a number of clear criteria) that they would not thrive in the new culture. Although people were angry and upset since in this particular organisational context (an academic institution) such events were uncommon, most of those invited to leave accepted the deal offered. There was a sense that people were being invited to manage their own futures rather than being made compulsorily redundant, although as Joan admitted "it was kind of an offer you can't refuse". But the fact that one person did refuse the offer and stayed on (accepting the new standards) showed that the approach was genuine.

The various contexts and different ways of handling downsizing highlighted in the interviews revealed different reactions to the downsizing process; perceived procedural justice. Dave described his enforced redundancy experience as "rather quick" (in total, an hour and a quarter); he was asked to go to an interview room, given the news and a letter, and "then escorted to the door and had my pass taken and goodbye, you know, and we'll send your stuff on". Even though he worked in the investment banking part of the finance sector where rapid exits are not uncommon, he was shocked and angered by this treatment, with no warning after 27 years of working with the company. He had no involvement with the process and felt it was very impersonal and harsh, and made him "feel helpless".

Paul thought the process of his voluntary exit was handled very satisfactorily, made easier because he had chosen to go; "Because... I was the leader in my departure um, it made me feel a bit, well more confident and... I think I'd perhaps felt more of a victim if I'd, if they had asked me to go rather than me volunteering to go". The 'perceived control' of making a voluntary decision to leave seems to have moderated perceptions of the process and, as in the case study, resulted in a more positive ongoing attitude (similar to findings of Brockner et al., 2004).

Clive described the downsizing process of his first enforced redundancy as a cutting exercise, so even though there was a consultation process, "it was the bare minimum". However, notice periods and due process were honoured because, in his view, they were an 'ethical organisation'.

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For Dan, in his last downsizing, which involved the merger of two companies, he described it as fair because "the mechanisms were put in place to be fair", e.g. all positions were advertised and everyone had the opportunity to apply. There were safeguards against favouritism, e.g. managers had to gain approval of their boss before appointments were made, and personnel representatives from both companies were present at interviews.

Joan described the process in her organisation, which she helped design, as fair because "the criteria were very clear and it was very transparent, so I think nobody felt personally sort of victimised". It was well funded so leavers were offered generous deals and their pensions were made up to when they would have retired.

Personal treatment and communication (interactional justice) were perceived differently depending on each individual's experience. Dave felt that his outcome had not been explained to him, other than him not having the necessary skills, and that he was at a disadvantage because he "was probably too shell-shocked to ask the right questions at the time".

Clive, in his first enforced redundancy experience, thought he was treated reasonably fairly but that it was made negative through his interactions with his line manager; the experience of being given the news was; "I was just cut off like a dead limb". He felt the conversation was hindered by a lack of trust; "he would probably have handled it better if there had been a little bit more trust, from him to me". By contrast, when he was made redundant by his next organisation, even though the mechanics were the same, it was a very different experience because his boss gave him prior warning and "he was as straight with me as he could be". In addition, those who had recruited him apologised, so he left feeling very positive about the organisation. This demonstrates the powerful moderating effect of interactional justice: done badly, it creates negative impressions of the whole experience and strong emotions (as in the case study); done well, it does the opposite.

Dan regarded his personal treatment as very fair, and that he was treated in an understanding way by his boss. Joan said that all the staff (leavers and survivors) had a one-to-one conversation with the boss. In preparation for this, the boss practiced
the conversations through role-plays to ensure a clear and consistent message on the changes underway and the consequences for each individual concerned.

The above examples show that, in contrast to the case study, when process and treatment of people are handled well (procedural and interactional justices respectively), people's perceptions of outcomes (distributive justice) and their reactions to the whole experience are more positive.

7.6.2 The trust theme

The theme of trust was present and depended to some extent on existing relationships, to some extent on the context of the downsizing. For Paul, a director of a small company, it was an action by his boss that he felt breached an agreement between them that led to a breakdown in trust, and eventually to him choosing to leave; "I felt let down because of that, and therefore um I did lose an element of trust in... him particularly". So in this case, the loss of trust was not due to perceived unfair downsizing outcome, process or treatment, but attributed to an action by the MD deemed to have broken a prior agreement; the tacit understanding that Paul thought he had, through the MD, with the organisation (i.e. the psychological contract) had been changed without his consent. Broken promises and non-delivery of obligations are common ways for psychological contracts to be breached (Guest & Conway, 2002; Guest, 2004).

Clive's trust in the first organisation that made him redundant didn't change because "it was as shaky as ever". He accepted that, in this particular organisation, and at his senior level, his job could go at anytime. So when it did, he did not experience any great breach of psychological contract or change in relationship with them. If they had kept him he thought that he would have remained committed; "they'd have had loyalty from me the same as before". This example shows the understanding of the employment deal is crucial – if it has not been set up by the organisation as a 'job for life', then when change happens, employees' expectations are not dashed.

Dan's trust in and relationship with the organisation was strong before the downsizing events; "It's an organisation you know and have respected and been
well treated that, that I think you, you're prepared to work hard”. It remained so after because he deemed himself “lucky to work for an organisation that's treated its employees very well and, and even those that are leaving”, who were given generous packages and outplacement help. His trust in management and his line managers was similarly strong due to their transparent and open style of management. However, a takeover associated with a third downsizing by an organisation with a more secretive culture and a different set of values meant that he had not yet invested full trust in the new organisation.

7.6.3 Emerging themes

As with the case study, there were a number of themes that emerged outside of those prompted directly by interview questions, including employee's relationship with the organisation, negative emotions, support mechanisms, survivors' reactions, multiple downsizing events, and the strategic role of executioner.

The different contexts revealed variations in how people viewed their relationship with the organisation. Dave said that his loyalty was “all swept away”, and that his trust of his line managers and the organisation changed to “mistrust and scepticism”. This had affected his relationship with his next employer; “I don't feel I'll be able to give a hundred percent loyalty any other firm to that extent ever again”, and he felt he would now have to hold himself back for self-protection. He said if he ever went back to his previous employer it would be with open eyes, recognising that the 'job for life' mentality had gone and that organisations did not reciprocate loyalty. However, he commented that his antagonism against the organisation had mellowed (some eighteen months later) because “time moves on, it's a healer”.

Paul’s breach of relationship with the organisation was through his boss, the MD; whom he believed had deceived him. At the time he admitted he lost some motivation and became disillusioned (loss of commitment is a typical reaction to psychological contract breach; Rousseau, 1995), but felt he maintained his performance. If he worked for an organisation in the future he would adopt a different attitude; committed but more aware and more cautious (i.e. a more transactional relationship; Rousseau & Parks, 1993).
Joan recognised that some of the survivors changed their relationship with the organisation, but this was because the organisation had changed so much that everyone had to adjust. She thought that her own "deeply relational psychological contract" with the overarching parent organisation remained intact. She reflected that overall, the reaction was different in an academic institution compared to a commercial business because this type of event was rarer in academia, and also because academics have a different relationship with an organisation to start with since in much of their work, they are working for themselves (publishing papers, building reputations, etc.) rather than the organisation. Hence, she felt that the downsizing did not have the same impact as reported in industrial downsizings of the 1990s, which led people to perceiving a breach of their psychological contracts. Joan therefore concluded that "the issues are context bound". This concurs with findings elsewhere in this thesis that the context of each particular downsizing event has an impact on how it is experienced and perceived.

As with the case study interviews, there was a strong theme of negative emotions, including shock, anger, uncertainty and fear. Dave admitted to being devastated. He had not seen the event coming, and after been told, he said it was the uncertainty of what to next that was the worst part of the experience. He also felt angry; "I've jokingly said that if I'd had a machine gun in the first month or two I would have happily mown them down". Despite getting what he described as a reasonable settlement he thought "it still affects you deeply, mentally as well as... emotionally", although he recognised that these feelings had decreased over time.

Clive said of his experiences of enforced redundancy that it was stressful. He put this stress down to "Fear of the unknown" in relation to how you will pay the bills and maintain your family's standard of living.

Joan, as someone managing the downsizing event, described it as "Quite a rollercoaster" and as "personally quite unpleasant". She felt keenly people's reactions to her role in their outcomes; "People on the whole don't usually love people who chop them from jobs". The recipients were very shell-shocked, angry and upset. Despite a fair process and generous outcomes for those who left, there
were negative responses because it was an unusual event for an academic institution, and as Joan observed, people do not like to be told they are not performing well.

Non-case study participants described a range of support mechanisms that helped them. These included family, colleagues and friends. Paul and Clive found that professional help (e.g. from an outplacement company) was crucial. Clive also highlighted the need for self-help by being pro-active; “Don’t... sit at home biting your nails and worrying”, and by moving on psychologically; “You’ve got to just say well OK that’s life and let’s move on”. He handled the stress by interacting with colleagues and friends and by pursuing outside interests, but warned against relying too much on family members since in his view they needed to be protected from it.

Dan found that his Christian faith helped (to pray and be prayed for), and recognising, through experience of past events, that “it’s not the end of the world, it’s the starting of something new”. Joan, in her role of managing the process, provided independent consultants with whom staff could talk with confidentially and independently of the process. For her own support she relied on conversations with her boss; “we talked all the time... I think that was a really, really good thing... so neither of us ever had to bear it on our own”.

The reactions of survivors was a theme that emerged, particularly that it was made more difficult for them the longer it took for the leavers to leave. Dan noted the sadness of seeing work colleagues leave but thought that they needed go quite quickly for the benefit of the organisation since they created a huge distraction for those remaining. Similarly, Joan said of those who were leaving “I felt they were all here too long... the problem is until they go the organisation can’t get on with it”, although she acknowledged that leavers needed some time in their jobs to adjust to what was happening. She noticed that morale, which had declined, picked up once the leavers had gone and the new hires were in place.

The theme of multiple downsizing events, raised by Clare in the case study, was more clearly highlighted by two of the non-case study participants. Clive said he felt better about the downsizing/redundancy experience the second time because “I’d been through the hoop before and I knew exactly what I had to do, so there was less
sort of delving into the unknown”. Dan commented that having gone through the experience of downsizing twice before (and survived) helped, not least because he observed that most of those who had left were happy with the jobs they had got, which reassured him that there was life outside of his current organisation.

The strategic role of executioner, i.e. the person making the strategic decisions, designing and driving the process, was illustrated by one of the non-case study interviews. This theme did not emerge in the case study since this role was held near the top of the HR function rendering most of the other senior managers (including those interviewed) implementers with little strategic influence or control.

Joan, who was intimately involved in the strategy, process, and decisions about who stayed and went, identified her role as that of an ‘executioner’ rather than a survivor. She described her role as ‘isolating’, and thought that her colleagues felt that she had “personally betrayed them”. She said “there was a huge amount of discussion that went on about it from which I was entirely excluded”. As a result Joan described the event as one of the most personally difficult periods of her working life. She described her reactions as “executioner angst” rather than survivor guilt, i.e. coping with having to make decisions about people she had worked with for many years, and then reflecting on the consequences, feeling that whilst most got a good and fair deal, at least one person had been hard done by. When colleagues went silent as she walked by was seen by her as “the price I have to pay”. She felt that the right time to do such changes was when a new boss arrives “before they build relationships with people” since once personal relationships are formed downsizing becomes more difficult and less objective. I can understand the logic of this in facilitating greater management objectivity, yet I would argue from a moral perspective that managers should act cognisant of the people they are dealing with because this ensures that they treat them as human beings and not merely resources.

What helped Joan get through the event was her belief that the strategy was right, holding to the process (particularly not compromising on the standard of the new hires), and a mutually supportive relationship with her boss. Joan acknowledged that victims and survivors were undergoing their own reactions during the transition but that, in her view, she and her boss as executioners “paid the highest price”.

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7.6.4 Stories, good and bad

As with the case study, participants told stories, or gave examples or anecdotes of what they had experienced in response to item 8 of the interview guide. These were a mixture of negative and positive recollections and again attest to the strong impact of the downsizing experience, as the examples below show.

Dave, on being told about his redundancy and ushered from the building, in shock went for a drink with some friends. Not wanting to break the news to his wife on the phone, he waited until he got home but to his surprise (and his wife’s bewilderment) his desk contents had arrived home before he did. An example of gross insensitivity!

Dan told a story of how he was flown to Germany to have an interview with someone who sat just down the corridor from him in the same UK office in order to fulfil the requirements of due process; “it always seems to be a, a huge cost to, to weed out a few people in, in making a process fair”.

Joan related two stories both for her “deeply negative”. One was the exclusion experience of staff falling silent when she walked towards them, which she put down to “something that executioners experience”. The second was sitting alone in the office late at night worrying about the workload and thinking “what have we done?” when a lot of people had left and the new people hadn’t yet arrived.

7.6.5 Could it have been done differently?

Participants responded to item 7 in the interview guide about whether the downsizing could have been handled differently. Dave didn’t think it could have been done very differently because “there’s only so many ways you can tell someone they are not required anymore”, although he would have appreciated some advance warning, and a more adequate and honest explanation.

Clive, whose first experience of downsizing had been made more negative by poor interactions by his line manager, said that better interpersonal communication and more information would have helped.
Dan thought that such events took too long, causing uncertainty and stopping work, and the leavers should have left more quickly allowing the survivors to get on with it. Joan also commented that leavers should go more quickly. Of her own position as an executioner of the process, she felt that she had insufficient support and if she did it again would utilise someone externally for support. She made the point that although at the time those managing the process tried to do their best, "I don't think you can ever do this perfectly".

So, as with the case study, there are ways that downsizing can be improved, but as illustrated by the examples above, because it results in unwelcome change for some employees, it will not be a happy or fairly perceived experience for everyone.

7.7 Discussion

7.7.1 Case study

In the case study, perceptions of distributive justice were shown (as in Study 1) to be strongly linked to personal outcome, and perceived most positively if the individual had effectively created their own outcome by leaving the organisation voluntarily. That those who left voluntarily seemed to be most positive overall, having taken hold of themselves of the choices offered them. This seems to confirm the findings of Clarke (2005) that the perception of choice given by voluntary redundancy may be less psychologically damaging than being subjected to enforced retrenchment.

Investigation of the perceived fairness of the process (procedural justice) showed that an organisation can do seemingly all the right things in terms of procedural justice rules, but still be perceived as running an unfair process if these actions are seen as merely 'ticking boxes' and do not actually correlate with the outcomes people experience and/or observe. In the case study, such action by the organisation caused the 'frustration effect' noted by Folger (1977) whereby an apparently fair process is perceived as a way of seducing employees into accepting outcomes that suit the organisation, and thus is viewed negatively.
The way people were treated (*interactional justice*, and to some extent, *procedural justice*) was perceived very negatively by casualties and survivors alike, and vividly portrayed in some participants' stories. Ironically, this is perhaps the least difficult and least expensive demonstration of fairness available to an organisation. In this case study, it seems to be how the HR function went about this (e.g. rapid exits of senior managers, little recognition for past contribution, poor communication, little attention given to how and by whom employees were given news, etc.) rather than the treatment by individual line managers, many of whom were pawns in an event dictated from the top of the function. The sense of outrage caused by this *interactional injustice* supports the contention by Rep et al. (2006) that interactional justice tends to be particularly morally charged because it is linked to meaning and a person's dignity – in the case study the lack of respect and dignity afforded people was a common theme, flying in the face of previously experienced standards.

Linking the results of the case study together, it appears that the perceived unfair treatment (*interactional justice*) together with misgivings about the process (*procedural justice*), led to a perceived breach of relationship (i.e. psychological contract breach), resulting in a lowering of trust, and the expression of *strong negative emotions* associated with violation (e.g. anger). Given that in this organisation the prior psychological contract for many employees was *relational* (Rousseau & Parks, 1993), the trust involved would have been relational or even IBT, so that such a breach would threaten the trustor's identity and cause them to doubt the organisation's intentions, giving rise to negative emotions and making trust repair difficult (Lewicki et al., 2005).

Other consequences noted amongst survivors linked to the breach of relationship and loss of trust were a lowering of discretionary effort, and an increased tendency to leave. Participants’ varied personal outcomes (*distributive justice*) seem to have moderated the perceived contract breach: those who regarded their outcomes as favourable having a less severe view of what had happened; those who saw their outcomes as unfavourable, a very negative view of the event, lending credence to the tentative model shown in Figure 7.3 below. This overall flow of this model has similarities with that proposed by Robinson and Morrison (2000), and Tekleab et al. (2005). However, whereas Brockner & Wiesenfeld (1996) had procedural justice as
moderator of distributive justice perceptions, this model suggests, that in the context of this case study, distributive justice is acting as the moderator because the poor handling of procedural and interactional justice issues throughout the event appear to have taken centre stage in employees' thinking.

As suggested in the model of Figure 7.3, this study supports the notion that fairness perceptions can act as antecedents of trust (Brockner & Siegel, 1996; Lewicki, Wiethoff & Tomlinson, 2005). Also, as the interviews showed, prior levels of trust in the organisation or particular managers can affect, at least initially, how individuals perceive fairness (Lewicki et al., 2005). However, it seems that this 'trust capital' is quickly used up if the organisation is inept in its handling of fairness issues; when interviewees speak of a 'destruction of trust' which, having taken many years to build, is lost in a matter of months, it is evident that employees perceive they have been unjustly treated, and these perceptions drive how future trust is conceived.

Figure 7.3
A model linking justice & trust: Study 2 case study results

The results did not resolve whether trust and distrust are distinct constructs (Lewicki et al., 1998; Saunders and Thornhill, 2004) or simply opposite ends of a continuum
Both models can be supported from the data: the decline in trust expressed by many (especially enforced leavers and some survivors) can be interpreted as a shift from IBT or KTB to CBT or distrust on a single continuum (unidimensional model); the apparent holding of trust (albeit reduced) alongside distrust by some survivors possible evidence of the two-dimensional model. There was also evidence of employees exhibiting trust and distrust in different referents simultaneously, e.g. trust in line manager and peers but distrust in the HR function/organisation. The results supported the finding that trust has important effects on employees' work attitudes and commitment, and that in 'weak (uncertain) situations' like downsizing it has a significant effect on employees' reactions and behaviours (Dirks & Ferrin, 2001).

With reference to Mishra and Spreitzer's (1998) archetypes of survivor response model (referred to in Chapter 4), case study survivors were asked to plot themselves during the downsizing event and at the time of the interview (some 18 months to two years later). Their responses fell in all four quadrants of the model, some moving from overall negative reactions (i.e. fearful or cynical responses) to becoming more positive (obliging or hopeful responses), some from obliging to hopeful, and some becoming more negative (Figure 7.4, Table 7.9). Some experienced oscillation between some of these different reactions. The picture reveals that employees receiving essentially the same outcome can experience very different reactions. This is probably due to a number of variables: certainly due to their perceptions of how they and others were treated during the process, but probably also to levels of trust prior to the event, their own expectations, and perhaps individual personality. Susan reflected on the journey that she had travelled in terms of her attitude and saw it as going through her own change curve (i.e. from shock via negative feelings to eventual acceptance). By contrast, Anna was cynical during the event and remained so. Jane became less hopeful and more cynical as time elapsed.

The results did not wholly support Mishra and Spreitzer's (1998) propositions that if people perceive that the downsizing has been handled justly, and have trust in their management (prior to and during downsizing), in their primary appraisal, they view the downsizing constructively rather than destructively. All of the participants
expressed concern about the fairness of the process and how people were treated, and confessed to a lack of trust in the new management, yet some still had a constructive response, others a destructive response. Clearly, there are other factors at play; for some perhaps residual loyalty to the organisation, or predispositions to optimistic or pessimistic responses due to personality, or prior levels of trust/distrust, or the effect of strong emotional responses triggered by the event.

The factors that shape survivors’ secondary appraisal are, according to Mishra and Spreitzer (1998), empowerment and work redesign; their propositions being that if people feel empowered (prior to and during the downsizing), and that their jobs have more variety and autonomy, they will exhibit active rather than passive responses.

Due to the top down, autocratic nature of this particular downsizing event, the survivors interviewed referred to a decrease in empowerment and spoke little about work redesign. Rather, the attitude was one of ‘keeping one’s head down’ and getting on with the job so that you didn’t become a target, and of pulling back from
Table 7.9

Participants’ self-analysis against Archetypes of Survivor Response model (Mishra and Spreitzer, 1998)

<table>
<thead>
<tr>
<th>Participant</th>
<th>Question 1: Response during event</th>
<th>Question 2: Response 1.5-2 years after event</th>
<th>Researcher’s view from interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>P4: Jane</td>
<td>Hopeful at the beginning.</td>
<td>Obliging (60%), Hopeful (20%), Fearful (10%), Cynical (10%).</td>
<td>Fearful &amp; Hopeful.</td>
</tr>
<tr>
<td>P9: Andrea</td>
<td>During the event: Obliging 70%, Hopeful 30%.</td>
<td>Before left company, Hopeful 50%, Cynical 50%. 2 years on, left company, 60% Hopeful (at thought of future outside company), 40% cynical (towards the company).</td>
<td>Fearful &amp; Cynical</td>
</tr>
<tr>
<td>P12: Susan</td>
<td>Before outcome known, oscillated Cynical-Fearful. When outcome known, Fearful-Obliging, moving to Obliging as worked through personal change curve.</td>
<td>Moved to Hopeful about a year down the line, remained at Hopeful.</td>
<td>Mostly Hopeful, some Cynicism &amp; Fear</td>
</tr>
<tr>
<td>P13: Clare</td>
<td>50% Obliging (sheltered from it at time in shadow function), 40% Hopeful (saw it taking HR to a better place long term) 5% Fearful/5% Cynical.</td>
<td>40% Obliging/50% Hopeful/10% Cynical (and this is cynical rather than disgust/bad mouthing/retaliating).</td>
<td>Mostly Hopeful, some Cynicism.</td>
</tr>
<tr>
<td>P14: Peter</td>
<td>Throughout oscillating between Obliging (70%) and Hopeful (30%).</td>
<td>70% Hopeful, 30% Obliging.</td>
<td>Hopeful &amp; Fearful.</td>
</tr>
<tr>
<td>P16: Jo</td>
<td>Cynicism, then Hopeful but oscillating between Cynicism &amp; Fearful.</td>
<td>Fearful.</td>
<td>Mostly Hopeful, some Fear &amp; Cynicism.</td>
</tr>
</tbody>
</table>
networking or contributing extra discretionary effort beyond your own job. Figure 7.4 shows there were both passive and active responses initially, although four of the respondents moved from passive to active responses over time, perhaps reflecting gradual acceptance of the change and recognising (as most survivors did) that the overall results were positive (i.e. a higher performing, more professional HR function) even if they disliked the way it had been achieved.

Certainly, the case study confirmed the wide range of survivor attitudes and behaviours (mostly negative) consistent with 'survivor syndrome' reported by others (e.g. Kozlowski, et al., 1993; Brockner, 1988; Noer, 1993; Clarke, 2005). The influence of the perceived fairness of layoffs on survivors' reactions was certainly strong (as described by Brockner & Wiesenfield, 1993). It was also evident that unfair selection and/or treatment of leavers caused survivors to have negative attitudes towards the organisation and reduced organisational commitment (Brockner & Greenberg, 1990). Additionally, the case study was consistent with other studies (e.g. Folger & Konovsky, 1989) in suggesting that procedural justice was a more significant predictor of commitment and trust than distributive justice, since it was the unfairness in the process (and the treatment of people) that had the greatest effects on employees' reactions.

The issue of personal control came out more strongly with the voluntary leavers – those who took control themselves seemed to come through the experience with a more positive attitude, feeling better about themselves and the organisation. Personal control has been linked to empowerment in the workplace, reflecting aspects of the individual's relationship with their work such as meaning, competence, self-determination, and impact (Spreitzer, 1995). Those who chose to leave (some of whom were offered positions to stay) seemed to have empowered themselves: creating meaning for themselves by charting their own direction, believing in their own competence, determining (rather than allowing the organisation to determine) their own next steps, and maintaining confidence in their impact wherever they might work. Perceived control (Brockner et al., 2004) has also been shown to moderate survivor organisational commitment and job performance in studies in post-downsizing situations.
7.7.2 Non-case study

The non-case study interviews corroborated some of the themes found in the case study such as the sense of unfairness and negative emotions caused by unwelcome outcomes, bad process or poor treatment, and the change in relationship with the organisation coupled with a reduction in trust. However, they also introduced some different and additional themes, described below.

Whereas the case study was dominated by recipients’ negative reactions to poorly handled procedural and interactional justice issues, the reverse was true in some of the non-case study interviews, in which there were examples of survivors and casualties viewing their outcomes positively, or at least generously because of good procedural and interactional treatment. Thus, it seems that where these issues are handled well, they become the moderator on how people perceive their outcomes, as shown in Figure 7.5 below. This is an example of the ‘fair process effect’ noted by Folger et al. (1979) whereby greater satisfaction with outcomes results (even if they are negative for the recipients), due to a process that is perceived as fair.

Figure 7.5
A model linking justice & trust: Study 2 non-case study results
A person's initial level of trust in an organisation and/or its managers based on past experience seems to mediate their response to downsizing since it predisposes them to trust (or not) that the organisation will treat them fairly in the future. Of course, on the positive side there is only so long that a person will give an organisation the benefit of this 'trust capital' (as amply demonstrated by the case study where the effect of initial levels of trust were quickly obliterated by the way the event was handled and people treated). If the initial trust is low, it is more likely that future overtures by the organisation, even if well intended, will be greeted by a cynical, or at best a guarded response.

The non-case study illustrated that experience of multiple downsizing events helps people to cope with them. This may be because they have already gone through the process of adjusting their psychological contracts so that they expect less from an employer and are less naïve about what the deal is, and/or that having been through the shock and uncertainty of downsizing already, it is not as stressful the second or subsequent time.

The role of *executioner* was highlighted by one of the non-case study interviews. Research is sparse on the effects of downsizing upon those who decide upon, plan and implement downsizing (termed 'executors' by Gandolfi, 2008a). Such roles were not covered well in the case study, even though some senior managers were interviewed, because the strategic decisions over process and outcomes were held at the very top of the organisation so that even senior managers became implementers only. The non-case study interview of someone in a strategic executioner role highlighted a focus on ensuring the best outcome for the organisation (which in the extreme case can be the difference between survival and demise) and of doing one's best to see that employees are treated well and fairly. In terms of feelings, the interview showed that it can be a very isolating role, and those undertaking it need to find support mechanisms, since most of an organisation's efforts tend to go into dealing with casualties and, to a lesser extent, survivors rather than those initiating or implementing the changes.
7.7.3 Doing downsizing differently

There were some clear messages from the case study about what could have been done differently to improve the event. It was commonly thought that a more consultative/collaborative rather than a ‘top down, done to’ approach could have been adopted. The process should have been fairer and more robust, and employees, especially leavers, treated with dignity and respect. The past should not have been denigrated in the way it was, which contributed to causing a division between new hires and surviving staff. The process could have been run over a shorter time span (notwithstanding the undesirable effects of the extremely rapid exits of senior staff).

From the various contexts of the non-case study interviews, it was apparent that downsizing could also be improved by ensuring support is provided for all concerned (including those planning and implementing it), and by organisations/managers being honest and open in communication. These concur with good practice for handling downsizing (e.g. Thornhill et al., 1997; Mishra et al., 1998) and are corroborated by the results of Study 3 (Chapter 8).

Inviting interviewees to share a story, example or anecdote that for them typified the event proved a powerful way of accessing people’s most vivid or lasting impressions and understanding the meaning they gave to them (Gabriel, 2000; Gabriel & Griffiths 2004). For the case study most of these were deeply negative, including two that compared the feelings the event evoked to the atmosphere of fear in Nazi Germany during World War II! The non-case study interviews yielded a mixture of negative and positive recollections. The stories from both studies attested to the strong and memorable impact of downsizing experiences upon employees.

7.8 Conclusions and further research

7.8.1 Conclusions

In the case study, survivors and casualties alike thought that people were treated poorly due to the rapid departures of senior staff and a lack of recognition of their past contribution, and overall to a process that appeared to have the right ingredients
but was perceived as less than fair. In organisational justice terms, low procedural and interactional justices.

The magnitude of the feeling about procedural and interactional justice issues meant that these dominated people's perceptions of the event, seemingly more so than personal outcomes. Thus distributive justice seemed to act as moderator between perceptions of procedural/interactional justice and psychological contract breach, in contrast to some previous studies which have demonstrated procedural justice as a moderator of distributive justice perceptions.

The poor treatment of people was perceived as counter-cultural (and therefore unfair compared to previous downsizing events) and led to a relationship breach with the organisation, employees feeling that the organisation had reneged on its side of the employment deal and thus breached their psychological contract. The consequence was a reduction in trust in the HR function (particularly its senior leaders) and, for some, a reduction of trust in the organisation as a whole. Trust in individual managers varied according to existing relationships and prior levels of trust. For some trust diverged: lower (more calculative or distrust) in the function/organisation but higher (more relational) in particular individuals. Some survivors seemed to hold together both trust and distrust in the organisation.

Other consequences were (i) the widespread generation of negative emotions (e.g. shock, disbelief, anger, fear, stress, etc.) and amongst survivors, expressions of 'survivor syndrome' (e.g. low morale) and for some, 'survivor guilt'; (ii) lower levels of discretionary effort – although remaining personally committed to doing a good job and loyal to particular leaders, survivors were less willing to undertake work beyond their defined jobs, and (iii) higher tendency to leave the organisation.

The triangulation provided by the non-case study supported the negative perceptions of justice and trust associated with downsizing, and demonstrated how these act the other way when the people and/or process are handled better. For example, perceived high interactional justice was shown to moderate a negative personal outcome, and good process resulted in people leaving with a positive view of the organisation.

Existing levels of trust in managers/the organisation were shown to have an effect on
how individuals viewed downsizing: if positive beforehand, they were more likely to give the organisation the benefit of the doubt; if negative beforehand, they were more likely to use downsizing to justify or reinforce their existing low trust.

The non-case study results highlighted the impact of multiple downsizing events, which make it easier for individuals because they have experienced it before, and the executioner role (strategic decision maker/designer/implementer of the downsizing), which can feel very isolated and requires support.

Ways of doing downsizing better include involving people through consultation/collaboration, creating a fair and robust process and sticking to it, honest and open communication, not ‘rubbishing’ the past, treating people with dignity and respect (including recognising prior contributions), and explaining to them the reasons for their personal outcomes. It is also important to ensure all affected (leavers, survivors, managers handling downsizing, and those making strategic decisions) have adequate support. However, it still needs to be recognised that, even with the best of intentions and processes, downsizing remains a difficult change event and that people’s varied circumstances and personalities mean that they will react to it differently.

Were the overall research objectives 4-7 of the thesis met by Study 2? Yes, for the case in question, the results yielded significant insights on why employees view organisational justice and trust in the ways they do when their organisation undergoes downsizing (objective 4) – principally related to how they perceive they have been treated and what this means for the relationship they have with their organisation (objective 7). Various consequences of these perceptions (objective 5) were highlighted, and some of the things organisations and managers should be aware of when they decide on and implement downsizing identified (objective 6). In addition, item 7 of the interview guide (on how downsizing could have been handled differently) yielded useful information related to research objective 8 on handling downsizing more positively. Issues raised for further investigation by Study 1 such as the relationship between justice and trust, the different perceptions of survivors and casualties, and exploring downsizing within a single context, where addressed.
This study was written up as a developmental paper and, following double-blind refereeing, accepted by the British Academy of Management (Curran, Gore, & Foster, 2007) to be presented at the BAM 2007 annual conference in Warwick.

7.8.2 Further research

A number of areas of further research were suggested by this study, including investigating the experiences of 'executioners' in downsizing events, and the impact of personality on responses to downsizing. Additionally when a downsizing event results in a more transactional employee-organisation relationship, it would be useful to investigate further the effects on variables such as trust, employee relations, and individual and organisational performance. The terminology of 'survivors' and 'casualties' does not accurately enough convey the parties affected by downsizing—better ways of characterising these differing predicaments would increase clarity. This issue was further raised in Study 3 where alternative terms are proposed.

Taking its impetus from the largely negative responses of participants to downsizing demonstrated in this study (and in Study 1), Study 3 goes on to investigate ways in which downsizing can be handled more positively for all the stakeholders involved, and is reported in Chapter 8 that follows.
8. STUDY 3: HANDLING DOWNSIZING MORE POSITIVELY – A FOCUS GROUP STUDY

8.1 Introduction

This chapter reports Study 3 of the research, a focus group study to investigate ways in which downsizing can be handled more positively. This purpose stems from the results of Studies 1 and 2 which showed the largely negative reactions of employees to downsizing.

8.1.1 Research design

As described in Chapter 5, Study 3 adopted a qualitative approach to understand participants' views, perceptions and ideas on downsizing. It used focus group interviews as the primary research method to capture, through the individual contributions and the interaction of the group, views and ideas on how to handle downsizing more positively. The discussions were focused using an interview guide and facilitated by myself in such a way that as other issues emerged, they could be explored. An appreciative inquiry approach was adopted during the interviews in order to encourage constructive responses to the research objective of identifying ways of handling downsizing more positively.

As described in Chapter 7, Study 2 focused on a single context using a case study, based on the fact that Study 1 had revealed context was important in reactions to downsizing. However, Study 2 also demonstrated some more generalisable themes, some of which were reinforced by comparison with the non-case study interview data of the study. In Study 3, cognisant of these themes, focus group participants were invited to discuss a number of more generic issues that might be useful for organisations and individuals facing downsizing, and applicable to more than a single context. As in Study 2, Maxwell's (1996) model of qualitative research (Figure 5.2) was used to design the study, with the purpose and conceptual context guiding the research questions, and these in turn guiding the choice of method and validity considerations.
8.1.2 Purpose

Overall, Study 3 was designed to address research objective 8 of the thesis, namely: ‘To identify ways individuals, organisations and their managers can handle downsizing more positively so that downsizing and its outcomes are better for all stakeholders.’

In more detail, following Maxwell’s (1996) 3 types of purposes (research, practical, and personal), the research purposes of this study were to:

- Identify views and ideas from the experiences of participants that can be used to improve the way downsizing is handled by organisations, managers and employees.

- To investigate how constructs such as organisational justice, trust and psychological contracts are involved, and how they can be used constructively in handling downsizing.

In terms of practical purpose, this study aimed to yield some practical suggestions that could be subsequently acted upon by participants and, through publication, others working in organisations and concerned with downsizing.

The personal purpose stems from my experience of the traumas involved in downsizing (described in the reflective analysis, Appendix A) and, from the results of Studies 1 and 2 (which revealed many negative effects), the realisation that there are ways of handling it more positively, informed by theoretical perspectives such as those of organisational justice, trust and psychological contracts. The aim in this study was, using the experiences, views, ideas, and combined wisdom of participants working together in a series of focus groups, to produce suggestions/guidelines for handling downsizing more positively to the benefit of all the stakeholders involved.

8.1.3 Conceptual context

Chapters 2 to 4 have summarised and criticised existing theory and research on organisational justice, trust, and psychological contracts, and the way these constructs have been linked to and explored in the context of downsizing.
Study 1 lent support to some of the theories outlined in the literature review and added further insights. A number of themes emerged in the case study of Study 2, including the negative impact of perceived poor treatment of individuals (interactional, and to some extent procedural justice) that led to a repositioning of their psychological contracts with the organisation and a reduction of trust in the organisation by casualties and survivors alike.

Given that facilitating focus group interviews would involve significant interaction with participants, a reflexive analysis was undertaken to indentify my own perspectives and presuppositions going into the study (summarised in Appendix A).

8.1.4 Research questions

The purpose of bringing together participants with different experiences and from different organisations was to be able to work on some generalisable questions. The research questions developed were primarily (using Maxwell’s terminology, 1996) instrumentalist rather than realist in that they were designed to understand the effects of downsizing on employees (and from this, how it could be made more positive) rather than to understand the perceptions, feelings and meanings that the participants had attached to their experience (which was the emphasis in Study 2). The questions were designed as process rather than variance questions, i.e. focused on how things happened rather than on the differences between variables.

To achieve research objective 8, the following research questions were posed and operationalised in the focus interview guide (Appendix D):

- How can individual employees best cope with a downsizing event in their organisation?
- For individual employees who survive a downsizing event, how can they maintain or rebuild trust and a positive relationship with the organisation?
- For individual employees who leave their organisation due to a downsizing event, how can they maintain a positive view of the organisation, and maintain or rebuild a positive stance towards their future?
• How can managers fulfil their role for the organisation but also ensure people are treated reasonably and fairly?

• How can managers maintain the trust of employees during downsizing?

• How can managers implement downsizing in ways that are perceived as fair and humane by employees?

• How can managers help employees retain a positive relationship with the organisation during downsizing?

• How can organisations maintain the trust of employees during downsizing?

• How can organisations ensure fairness of outcome, process and interpersonal treatment?

• How can organisations maintain/recreate a positive relationship with employees such that organisational commitment does not decline?

• What generalised guidelines would be helpful for organisations, managers and individuals during downsizing?

8.2 Method

The focus group interview method, described in Chapter 5, was chosen for Study 3’s investigation to tap, in depth, the collective experience of a group of people with deep knowledge and experience of the subject. The effect of the group dynamic was intended to encourage the generation and building of ideas.

As in Study 2, the process of King (2004a: 14), slightly amended, was used. It entailed creating the focus group interview guide (already described in Chapter 5, and shown in Appendix D), recruiting participants, facilitating the focus group interviews, and analysing the transcripts and other outputs.

8.2.1 Recruiting procedure

Each focus group participant was invited to take part in the study individually, either face to face, by telephone or by e-mail, with explanation of the overall context of the PhD research, how this study would contribute, and the format of the focus group
interview (see example invitation e-mail, page D-5 of Appendix D). Once the person had agreed to participate, they were sent an e-mail confirming the date and venue of the focus group. At the event, they were asked to complete a confidentiality letter, and an information sheet (pages D-6 and D-7 respectively). They were assured of confidentiality and anonymity for themselves and their organisations, and that the material collected would be used for academic purposes.

8.2.2 Interview procedure and facilitation

The interviews were undertaken in a semi-structured way, i.e. using the interview guide flexibly so as to cover the research question topics as well as to follow the points raised by the group. Each interview lasted between 90 and 120 minutes.

To avoid undue influence or distractions from factors such as room and environment, the focus group interviews were conducted in a quiet and private medium-sized, plainly decorated seminar room at the University of Surrey, with seating arranged in a circle around a single table. There was a flipchart and refreshments to the side.

I acted as facilitator for each interview, using the facilitation procedure described in Table 5.7 of Chapter 5. I prompted the discussion with questions, managed the interactions, and recorded summarised comments on the flipchart. I was careful to avoid leading questions and, cognisant of the strong emotions that might be evoked by the topic, adapted pace and style to match the group.

The interviews were recorded with the permission of the participants. Other outputs included the flipchart notes, and various written pieces by the participants including:

- Each participant’s three lasting impressions of downsizing (warm-up exercise).
- Each participant’s sketched image of how downsizing felt.
- Post-it notes – individual responses to the question ‘How can downsizing be handled more positively?’ These were clustered into themes by participants.
- Forms completed by participants: bio information and a confidentiality letter.
8.2.3 Analysis

The recordings of the interviews were transcribed in full (from 12,500 to 15,500 words each, see example in Appendix G) as soon after the events as possible, and the written notes made during the discussions (on flip charts and post-its) typed up. Pictorial images were digitally photographed so that they could be reproduced. To these were added my observations regarding the atmosphere and group dynamics. I decided not to offer participants the opportunity to check the transcripts, partly because care was taken to transcribe them accurately, but mostly because of the danger that participants might wish to alter or censor their contributions, thus potentially distorting or watering down the data. Rather, anonymity of participants and their organisations was guaranteed and participants promised a copy of summarised findings, and this was acceptable to all.

Qualitative thematic analysis (Holliday, 2002) was undertaken on transcripts from the focus group interviews using a categorizing technique; the interview data were coded and a number of emerging themes listed. The coding followed a process of attaching labels to pieces of text of varying sizes as in Study 2 (Miles & Huberman, 1994). A coding scheme was created from the post-it exercise results and transcription of the pilot interview, and added to from the results of the subsequent interviews (Table 8.1). The following main lenses were used: (i) Ways of handling downsizing more positively, and (ii) Other emerging themes.

The outputs of exercises on each participant’s lasting impressions of downsizing and sketched images of how it felt (Figures 8.1-8.3) from the three focus groups were compared and themes drawn out and highlighted. The outputs of the post-it responses on handling downsizing more positively, already clustered by participants, were documented using PowerPoint and the clusters labelled (Figures 8.4-8.8). They were further analysed using the coding scheme, identifying common themes from the outputs of all three focus groups.

The transcripts of the discussions on handling downsizing more positively were analysed using the coding scheme. Some of these themes related directly to questions posed and existing theory, some emerged from the discussion.
Table 8.1

Study 3 coding scheme

1. Codes for handling downsizing more positively

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As an individual:</strong></td>
<td></td>
</tr>
<tr>
<td>IN-PSY</td>
<td>Psychological adjustment</td>
</tr>
<tr>
<td>IN-PSY-UND</td>
<td>Try to understand (e.g. context, necessity, what is happening).</td>
</tr>
<tr>
<td>IN-PSY-TTH</td>
<td>Think through (e.g. accept inevitable, prepare mentally for a range of options, avoid denial, etc.)</td>
</tr>
<tr>
<td>IN-PSY-LAH</td>
<td>Look ahead (e.g. focus on future, look for opportunities, plan)</td>
</tr>
<tr>
<td>IN-SSU</td>
<td>Seek support (e.g. colleagues, friends, family, external)</td>
</tr>
<tr>
<td><strong>As a manager:</strong></td>
<td></td>
</tr>
<tr>
<td>MG-LEA</td>
<td>Leadership.</td>
</tr>
<tr>
<td>MG-LEA-FUT</td>
<td>Clear picture of the future</td>
</tr>
<tr>
<td>MG-LEA-PLA</td>
<td>Strategic planning</td>
</tr>
<tr>
<td>MG-LEA-PAC</td>
<td>Pace</td>
</tr>
<tr>
<td>MG-COM</td>
<td>Communication</td>
</tr>
<tr>
<td>MG-COM-HON</td>
<td>Honest &amp; open</td>
</tr>
<tr>
<td>MG-COM-CON</td>
<td>Consult, engage</td>
</tr>
<tr>
<td>MG-SUP</td>
<td>Provide support to managers and staff</td>
</tr>
<tr>
<td>MG-SUP-MAN</td>
<td>Train &amp; coach managers</td>
</tr>
<tr>
<td>MG-SUP-STA</td>
<td>Support &amp; care for staff</td>
</tr>
<tr>
<td>MG-PPO</td>
<td>Provide policy &amp; process</td>
</tr>
<tr>
<td><strong>As an organisation:</strong></td>
<td></td>
</tr>
<tr>
<td>OR-LEA</td>
<td>Leadership.</td>
</tr>
<tr>
<td>OR-LEA-FUT</td>
<td>Clear picture of the future</td>
</tr>
<tr>
<td>OR-LEA-PLA</td>
<td>Strategic planning</td>
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<tr>
<td>OR-LEA-PAC</td>
<td>Pace</td>
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<tr>
<td>OR-COM</td>
<td>Communication</td>
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</tr>
<tr>
<td>OR-SUP-STA</td>
<td>Support &amp; care for staff</td>
</tr>
<tr>
<td>OR-PPO</td>
<td>Provide policy and process</td>
</tr>
</tbody>
</table>
Table 8.1 (continued)

Study 3 coding scheme

2. Other codes for general and emergent themes

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DN-REA</td>
<td>Downsizing reactions</td>
</tr>
<tr>
<td>DN-PRO</td>
<td>Downsizing process</td>
</tr>
<tr>
<td>DN-IMP</td>
<td>Downsizing impact on people</td>
</tr>
<tr>
<td>DN-IMM</td>
<td>Downsizing impact on managers</td>
</tr>
<tr>
<td>DN-IMS</td>
<td>Downsizing impact on self</td>
</tr>
<tr>
<td>DN-STR</td>
<td>Downsizing strategy</td>
</tr>
<tr>
<td>DN-KNO</td>
<td>Downsizing knowledge</td>
</tr>
<tr>
<td>DN-DEC</td>
<td>Downsizing decisions</td>
</tr>
<tr>
<td>DN-CON</td>
<td>Downsizing contracts</td>
</tr>
<tr>
<td>DE-EXP</td>
<td>Description of experience</td>
</tr>
<tr>
<td>CU-CLA</td>
<td>Culture clashes</td>
</tr>
<tr>
<td>JU-INT</td>
<td>Interactional justice</td>
</tr>
<tr>
<td>JU-PRO</td>
<td>Procedural justice</td>
</tr>
<tr>
<td>JU-DIS</td>
<td>Distributive justice</td>
</tr>
<tr>
<td>PC-CHA</td>
<td>Changes in psychological contracts</td>
</tr>
<tr>
<td>TR-CHA</td>
<td>Changes in trust</td>
</tr>
<tr>
<td>TR-BLG</td>
<td>Trust building</td>
</tr>
</tbody>
</table>
8.2.4 **Validity**

Validity issues (Maxwell, 1996; see Chapter 5) were identified and dealt with as described below.

Accurate records of the discussions were ensured by audio recording and carefully transcribing the interview proceedings, and typing other written outputs and observations soon after the events.

Three focus group interviews were planned and undertaken, the first also acting as a pilot with an observer present. By the third interview similar themes were recurring and I judged that further interviews would yield diminishing returns, so for the purposes of the study this number was deemed sufficient.

The selection of participants ensured that the three perspectives under study (individual employee, manager, and organisation) were represented. To counter bias by those who participated in the focus groups, the sampling (although influenced by my relationships and access) was undertaken carefully to ensure a spread in terms of levels and roles in different organisations, experiences of downsizing, age and gender. However, most of the participants were from large organisations and had long service with those organisations, hence themes from the results can be generalised within these contexts, or qualified if outside them. Representation of younger people was low (see 8.4.1 below).

To avoid my personal relationships with those interviewed from influencing their responses, I facilitated in a way (described in Chapter 5) that used these relationships to make it easier for participants to be candid and share their views. I endeavoured to use my knowledge of their organisations to inform my interpretations of the data collected rather than to build or support strong presuppositions.

To avoid my own frameworks and hypotheses dominating the interviews, open questions were used and leading and closed questions avoided, thus allowing participants to express their own perspectives. I checked my and the group’s understanding of points made by summarising and paraphrasing key points.
In terms of generalisability, the range of participants (representing various perspectives, experiences and organisations), the multiple interviews, and each group's work on clustering general themes rendered the study externally generalisable to a good extent, at least with people who have long experience in large UK organisations. The themes and guidelines that emerged are also corroborated by other studies (see discussion in Section 8.7).

8.3 Pilot focus group interview

The first focus group interview was conducted as a pilot to test the focus group interview guide (Appendix D) and process, and the facilitation procedure. Due to time constraints only three focus group interviews were planned, so from the outset it was my intent to use the data from the pilot in the study results; in the event, the quality of the discussion and the richness of the data collected fully justified this. An experienced academic acted as observer and gave me useful feedback, which together with my own observations yielded the learning points listed below.

The room layout, context setting and introductions helped to 'break the ice' and create a welcoming atmosphere. The warm-up exercise helped participants engage quickly in the process, and the drawing exercise highlighted strongly held feelings and generated good discussion. The post-it exercises on the main issue of how to handle downsizing more positively (viewed separately from individual, manager, and organisational perspectives) generated rich data which participants clustered into themes. All participants were involved in the discussion and the group dynamic was constructive. A break for refreshments taken at 8pm had a positive impact; the group chatted and relaxed during the break (about 10 minutes) and were more animated after it. Towards the end there was lively discussion on one topic (whether, in an environment of continual change, loyalty to the organisation was still important) but the atmosphere remained positive. A question added at the end; 'What have you learned from or has most struck you from this discussion?' generated some helpful closing comments from each participant.

The observer present noted the good interactions and positive behaviours of the participants during the early exercises, and subsequent willing participation in the
post-it exercises and discussion. However, it was noted that my facilitation of the focus group was unnecessarily controlling with too many questions and not enough time for open discussion. Whilst probing questions were used, they were mostly aimed at breadth rather than depth. My attention was sometimes focussed on writing on the flipchart rather than listening to participants’ responses.

Additionally, there had only been time to use about half of the questions in the interview guide, and discussion had been primarily focused around questions written on the flipchart. I recognised that the interview had been over-structured with too many questions from my perspective and not enough space for the focus group to pick up issues and carry them forward. This gave breadth of coverage of the issues but at the expense of depth and detail. There had not been enough time given to reflect on the post-it exercise outputs, nor probe emerging themes, and the break, whilst helpful, would have had more impact if taken earlier.

Correspondingly, the interview guide was simplified (both the pilot interview guide and the amended version are shown in Appendix D, pages D-1 to D-4) so that following the warm-up exercises there was a single post-it exercise with the main discussion time focussed around one simple question ‘How can downsizing be handled more positively?’ The clustered post-it output was used as a launch pad for discussion, and probing questions were used to explore themes that emerged. I sat with the group (rather than standing by the flipchart) so as to keep attention within the group rather than focussed on the chart. As a result, the second focus group interview ran more smoothly with enhanced group discussion on issues of importance to the participants. Except for a few minor adjustments, the third focus group was facilitated on the same lines as the second. Since the second and third interviews tackled essentially the same question as the pilot (albeit more simply), and since the pilot generated rich and interesting data with themes that were corroborated by the later two interviews, the data from the pilot were incorporated into the study results.
8.4 Sample

The participants of the focus groups were selected as people known to me as having experienced downsizing from a range of different viewpoints. So, sampling was undertaken in a *purposeful* way (in Maxwell's terminology, 1996) to populate each focus group with participants with experience of various perspectives of downsizing, and with the interest, motivation and capabilities to suggest ways of handling it more positively. Senior Managers, Managers, Individual Employees and HR Managers/Professionals were included. Various levels of influence in the downsizing process were also considered, including Strategic, Implementer, Recipient (as described in Study 2), and also that of Policy Formulator (i.e. involved in the formulation of policy (mostly HR) for a downsizing event). The different experiences of downsizing included Enforced Casualty, Voluntary Casualty, Survivor, and Early Retiree. The sampling was also *convenience sampling* in that personal relationships gave access to participants. Attributes of participants are described on Table 8.2 below.

Within each focus group, there existed by design a cross-section of organisational levels, roles, and gender, with experience in (mostly large) commercial and public organisations from different sectors (including energy, finance, technology, manufacturing and utilities) in the UK. Some participants had experienced downsizing very recently (within the last year), others several years ago, and some had experienced downsizing on multiple occasions.

Given my intention to include people with deep experience of downsizing from a wide range of viewpoints, and because of my own sphere of contacts, the resulting sample was not very representative of younger people. All participants in focus groups 1 and 2 were between 51 and 60 years of age. Focus group 3 had one person in the 26-30 age band, and two in the 46-50 band, the rest being 51 or over.

Of the focus group participants, two had taken part in Study 2; Jane from the case study and Dave from the non-case study.
Table 8.2
Attributes of Study 3 participants

Focus group 1

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age band</th>
<th>Current role</th>
<th>Experience of downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>FG1P1: Jonathan</td>
<td>56-60</td>
<td>Independent L &amp; D consultant, former L &amp; D &amp; HR manager</td>
<td>Policy formulator, implementer, recipient, survivor: new jobs (mostly); &amp; casualty; early retirement (enforced). Multiple events. Large multi-national.</td>
</tr>
<tr>
<td>FG1P2: Amanda</td>
<td>56-60</td>
<td>Part-time office manager, former HR professional</td>
<td>Policy formulator (minor), implementer, recipient, survivor: same jobs; &amp; casualty: voluntary. Multiple (5) events. Large multi-national.</td>
</tr>
<tr>
<td>FG1P3: George</td>
<td>60+</td>
<td>Retired, former project, operations &amp; senior manager roles</td>
<td>Strategic, implementer, recipient, survivor: same job; casualty: early retirement (voluntary). Multiple events. Large multi-national.</td>
</tr>
<tr>
<td>FG1P4: Oliver</td>
<td>51-55</td>
<td>Administrator in local government, former manager</td>
<td>Implementer, recipient, casualty: voluntary. Large organisations.</td>
</tr>
</tbody>
</table>

Focus group 2

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age band</th>
<th>Current role</th>
<th>Experience of downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>FG2P1: Margaret</td>
<td>51-55</td>
<td>Management consultant, former head of HR</td>
<td>Strategic, policy formulator, implementer, recipient, survivor: same job &amp; casualty: voluntary. Large multi-national.</td>
</tr>
<tr>
<td>FG2P2: Frank</td>
<td>56-60</td>
<td>Management consultant, former senior manager &amp; head of HR</td>
<td>Strategic, policy formulator, implementer, recipient, casualty: voluntary. Large multi-national.</td>
</tr>
</tbody>
</table>

NB. Names of participants are fictional, genders actual.
Table 8.2 (continued)

Attributes of Study 3 participants

Focus group 3

<table>
<thead>
<tr>
<th>Participant</th>
<th>Age band</th>
<th>Current role</th>
<th>Experience of downsizing</th>
</tr>
</thead>
<tbody>
<tr>
<td>FG3P1: John</td>
<td>26-30</td>
<td>Electronics engineer</td>
<td>Recipient, casualty: enforced.</td>
</tr>
<tr>
<td>FG3P3: Sam</td>
<td>61-65</td>
<td>Retired, former trade union official</td>
<td>Influenced policy formulators &amp; implementers, supported recipients. Left himself through retirement.</td>
</tr>
<tr>
<td>FG3P4: Joanne</td>
<td>51-55</td>
<td>Self-employed accounting consultant</td>
<td>Recipient, casualty: voluntary (twice) with small companies.</td>
</tr>
<tr>
<td>FG3P6: Jane</td>
<td>46-50</td>
<td>HR/ER professional</td>
<td>Implementer, survivor; same job and new job. Multiple (5) events. Large multi-national.</td>
</tr>
</tbody>
</table>

NB. Names of participants are fictional, genders actual.
The focus group size was set at six participants; small enough given the complexity of the topic and to ensure everyone had the opportunity to participate; large enough to yield a range of perspectives and generate productive discussion.

8.5 Results

8.5.1 Introduction

This section includes results of all three focus groups (i.e. the pilot and the two subsequent interviews), organised into three main sections. First, the outputs of the lasting impressions exercise, which was designed as a warm-up to capture the views uppermost in participants’ minds on their experiences of downsizing, as well as give them an opportunity to voice negative opinions before moving on to the ‘appreciative inquiry’ approach of the main research question. Second, the outputs of the sketched images exercise, designed to encourage participants to encapsulate how they felt about the downsizing. Third, the outputs from the discussion of the main research question of handling downsizing more positively, divided into main themes and emergent themes. The last section describes my observations of participants’ attitudes and some reflections on the process. Quotes from written outputs are given in single quotation marks, non-italicised (‘written quote’), those from transcribed discussions italicised (“transcribed quote”). Key themes that came out of the sessions are headed in bold italics (themes), sub-themes in non-bold (sub-themes).

8.5.2 Lasting impressions

These themes resulted from inviting participants to jot down three lasting impressions of the downsizing(s) they had experienced. Numbers in parentheses denote the number of comments on a particular theme, for example, (11).

The impact on people was the strongest theme. Part of this impact comprised the emotions (dread, foreboding) and uncertainty involved when waiting to hear your personal outcome (4). When outcomes were known, the impact on individuals included reactions such as shock, anger, breakdown, feelings of loss, crestfallen faces and relief (11). Quotations that typify these responses are shown on Table 8.3.
Table 8.3
Focus group quotations: lasting impressions

<table>
<thead>
<tr>
<th>Quotations that typify participants' responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;I can well remember one person, telling him, telling him that he was not going to be err in the company and he just broke down in tears&quot; (George).</td>
<td>The impact on people</td>
</tr>
<tr>
<td>Frank described a &quot;shared feeling of loss&quot; because the event shook the &quot;whole identity&quot; of the work community.</td>
<td></td>
</tr>
<tr>
<td>&quot;[The] raw emotion you have to deal with... a lot of anger, a lot of frustration&quot; (Sam).</td>
<td></td>
</tr>
<tr>
<td>The experience of survivors:</td>
<td></td>
</tr>
<tr>
<td>“...having to deal with others who were feeling it in quite a severe way, that's the 'survivor syndrome', the old problem... about the people who err were really suffering, in some cases for two or three years noticeably afterwards... They felt... a big strong feeling of guilt” (Jonathan).</td>
<td></td>
</tr>
<tr>
<td>“...will I be next?” (Margaret).</td>
<td></td>
</tr>
<tr>
<td>“[It] should have been me rather than you” (Expression of 'survivor guilt'; Mark).</td>
<td></td>
</tr>
<tr>
<td>Impact on managers:</td>
<td></td>
</tr>
<tr>
<td>“...sometimes it seemed as hard for the manager delivering the message as it was for the recipient” (Ian).</td>
<td></td>
</tr>
<tr>
<td>“...emotional fatigue” and “...totally draining” (George).</td>
<td></td>
</tr>
<tr>
<td>“...the thing that fails is good communication” (Gordon).</td>
<td>Communication</td>
</tr>
<tr>
<td>“...there’s some sense the unfairness, and unfairness in quotes because you know, I understand how the... decisions are made, but the sort of sense of unfairness about the choices that are made and to an extent what sometimes appears to be the complete arbitrariness of those decisions” (Nicole).</td>
<td>Process of downsizing</td>
</tr>
</tbody>
</table>

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The experiences of *survivors* featured strongly, including guilt (4). Additionally, as Sam said, there was also "the uncertainty, the mistrust" of surviving employees, together with added work pressure or new duties such as multi-tasking, and the worry and fear of it recurring. For some this translated into an increased tendency to look for/accept jobs outside the organisation. The reactions of employees described above echo those noted in the literature, which mostly focuses on survivors (e.g. Thornhill & Saunders, 1998; Clarke, 2005), and have been described by terms such as ‘survivor syndrome’ and ‘survivor guilt’ (Brockner, 1988; Brockner et al., 1986).

The *impact on managers* was mentioned, including the stress, emotional fatigue and challenge to the integrity of managers in making people redundant, particularly if they were also at risk (4). As raised in Study 1, this highlights the ‘dual role’ some managers find themselves in; implementer of downsizing and a potential victim of it.

Thoughts about the *future* also featured – a new start or what’s next? (3). As discussed below, this is part of the psychological adjustment that helps people get through downsizing, and also reflects the varied personal situations of individuals; for example, some will welcome being made redundant, to others it is a disaster.

It was agreed by all participants that *communication* was very important, yet often employers were inconsistent, secretive, and seemingly unable to be open (5). An important element of communication is *delivering the message* – telling staff of their fate; how well it is done has a big effect on how it is received (3) which, in terms of organisational justice theory, can be interpreted as the moderating effect of interactional justice (Daly & Geyer, 1994).

The third strong theme was the *process of downsizing*. In particular, *leadership* of the process, which can bring the management team together. It is helped if senior management support it but goes wrong if leadership is confused. Leaders need to balance employees' expectations and the organisation’s needs (4). For some (3), the process was characterised by an apparent *arbitrariness*, and thus unfairness in relation to the decisions made (procedural justice). For some, a key part of the process was *support* (or its lack) to individuals: financial, practical & emotional (4).
In the literature, process, leadership and communication are reported as key issues that determine how downsizing is perceived by employees, and crucial ingredients of good downsizing practice (e.g. Thornhill et al., 1997; Saunders & Thornhill, 1999).

8.5.3 Sketched images of how it felt

These themes resulted from inviting participants to sketch an image (picture, diagram or symbol) showing how they had felt during the downsizing experience. A selection of these images is shown in Figures 8.1-8.3. The strongest theme was that of mixed emotions, with images showing the varied reactions to downsizing, either the differing reactions of various people or the mixed emotions of the same person; several images contained faces to depict happiness/questioning or anxiety/opportunity or excitement/fear (5).

Figure 8.1 Examples of sketched images of how participants felt about the downsizing(s): Focus group 1

One image showed a leaver questioning his identity, as described by Frank; “You know, I used to be somebody quite important”. As Margaret summed up; “people feel happy, people feel sad, people feel confused... it’s dependent on the process, the managers, the communication, the lot really”.

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Figure 8.2 Examples of *sketched images* of how participants felt about the downsizing(s): Focus group 2

Figure 8.3 Examples of *sketched images* of how participants felt about the downsizing(s): Focus group 3
Negative personal impact was shown in images representing shock, being squeezed, or a devastating impact (4). As Nicole, a casualty of downsizing, captured it in her sketched image (Figure 8.1); "So that's really why I've drawn that, which is a person bent over with a fist punching them in the stomach, because that last one, the sense of shock, is that's where it, where I feel it."

A brighter future was illustrated by the sun representing an ending but also new opportunities (3). As Oliver said of his picture (Figure 8.1), "it's an end of something, but it's also the sun rises again, there's something else, so there's that, I didn't know what but, I still had that positive view at the end of it".

The downsizing process featured in images (4) representing the arbitrariness of decisions (a dart board with darts landing randomly, see Figure 8.3), the importance of clarity, a perceived lack of influence, and the tension between organisational and individual needs (shown as a tug of war in Figure 8.2).

8.5.4 Handling downsizing more positively – main themes

The outcomes of all three interviews have been categorised into two broad headings: individuals experiencing downsizing, and managers/organisations implementing it. The outputs from the post-it exercises are shown in Figures 8.4-8.8, and the themes from these and subsequent discussion are described below, with typical quotations shown in Tables 8.4 and 8.5. First, individuals experiencing downsizing need to make psychological adjustments, and seek emotional and practical support.

Psychological adjustment involves individuals trying to understand by asking questions and seeking to grasp the context and what it means for them. It also involves thinking through what is happening by preparing mentally for a range of options, avoiding denial, accepting what is inevitable, and being gentle on self. Looking ahead is also important, which involves individuals planning and thinking about what they want to do; 'Focus on the opportunities it presents you'. One form of this is to express an interest in leaving, which is a form of taking control, e.g. through discussing options with a manager ahead of time. However, as Sam pointed
out, for the unskilled and those lacking in confidence, "lifting their sights is a... problem" and they may need more support.

**Figure 8.4 What individuals facing/undergoing downsizing can do to help themselves through it: Focus group 1**

<table>
<thead>
<tr>
<th>Try to understand</th>
<th>Concentrate on the future</th>
<th>More time for hobbies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Try to understand how you fit in the big picture</td>
<td>What else would I be good at</td>
<td>Look ahead</td>
</tr>
<tr>
<td>Ask questions</td>
<td>Plan for next stage</td>
<td>Move house, change lifestyle</td>
</tr>
<tr>
<td>Seek to understand the context &amp; necessity of situation</td>
<td>Focus on the opportunities it presents you</td>
<td>Do something I've always wanted to do but never had the time</td>
</tr>
<tr>
<td>Try to understand what is happening</td>
<td>Thought through</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Think through</th>
<th>Look ahead</th>
<th>Seek support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accept any 'inevitables'</td>
<td>Look for people who can provide support &amp; encouragement</td>
<td>Talk with colleagues/friends</td>
</tr>
<tr>
<td>Be gentle on self &amp; recognise the range of options</td>
<td>Look for support outside</td>
<td></td>
</tr>
<tr>
<td>Avoid denial, 'it won't happen'</td>
<td>Be clear what 'support' you need</td>
<td>Seek 'soul' partners</td>
</tr>
<tr>
<td>Prepare mentally for a range of possible outcomes</td>
<td>Think through what you can do if you are 'downsized'</td>
<td>Talk with family</td>
</tr>
<tr>
<td>Think about how you can do if you are 'downsized'</td>
<td>Think of sources of support you need</td>
<td>Think about how you will feel &amp; how you will support yourself</td>
</tr>
</tbody>
</table>

Seeking emotional and practical support is about thinking 'about how you will feel and how you will support yourself'. It involves finding support from colleagues, friends, family, professionals, and union. Receiving the support of colleagues going through the same experience can be helpful, but people have to be wary of conversations where "all you do is go down and down, and isn't it awful?" (Nicole).

The needs for psychological adjustment and emotional support during downsizing are not surprising given the often negative psychological, emotional (and behavioural) responses documented of employees, particularly survivors (e.g. Thornhill & Saunders, 1988). Helping employees to look ahead and make plans (whether inside or outside of the organisation) can help meet their need for perceived personal control (Spreitzer & Mishra, 2002; Brockner et al., 2004) as a way of dealing with change and uncertainty.
Insights from the focus group discussions suggested that the effects can be long-lasting, as George said; “although that, all of that is eight years ago plus for me, it’s all very real emotionally in a sense or psychologically, it’s all very real, just behind the eyes somewhere... it changes you... marks you”. However, the point was also made that as the initial impact recedes, attitudes can change, as Colin said; “once they’ve been a through what I would sort of call the, a sort of bereavement process, they may take a completely different attitude and accept the justice of it”.

Additionally, downsizing will not be positive for everyone because, as George stated; “some of the things you are trying to rationalise are mutually contradictory”. This reflects the complex mix of organisational and individual needs, and varied individual circumstances, which inevitably exist. These can create tension, as Colin explained; “What’s just to the organisation as a whole... won’t appear to be just to the individual who’s been told... that their skills are no longer required.”

Second, managers and organisations administering downsizing need to give attention to leadership and communication, support, and policy and process.

Leadership and communication are demonstrated through creating and disseminating a credible picture of the future. Although it is generally accepted that it is now not often possible for organisations to guarantee jobs for life, it helps to be able to offer some stability at the end of the downsizing event. Communication needs to be continual and clear, and include future direction, plans, process and policy, and an explanation for what is happening; ‘Communicate extraordinarily well throughout’. Margaret and several other participants rated two-way communication as the most important factor in handling downsizing positively.

Leadership and communication need to be characterised by honesty & openness. Whether or not leaders are believed depends on their track record. It is not only about telling the truth but also, as George put it, “not to knowingly mislead people”, and if you cannot disclose some information then to say ‘I know but I can’t tell you’. If the truth is not forthcoming, including a credible explanation of events, employees become cynical and/or fearful, and in interactional justice terms, feel that they are being treated unfairly (Spreitzer & Mishra, 2002).
Figure 8.5  What *managers* can do to handle downsizing more positively: Focus group 1

**Communicate**
- Continual communication
- Information flow
- Keep people informed & don't forget about them
- Ensure 'communication' on issues when arise

**Tell the truth**
- Be truthful
- Never knowingly mislead

**Process, policy & support**
- Be consistent in approach to all staff
- Ensure you have a clear plan for those staying
- Check new structure can deliver what is promised

**Tell the truth**
- Be prepared to tell the truth as far as possible
- Tell the truth
- Dialogue

**Treat people well, be available**
- Ask people how they are
- Be resilient & available
- Check new structure can deliver what is promised

**Be able to give a sense of future direction**
- Communicate the future
- Communicate the plan & the context
- Encourage change as a matter of course
- Include downsizing & overall policy approach to it in their vision

**Be clear about what they plan & do**
- Be aware of personal issues, yours & staff
- Be prepared to answer questions

**Be prepared for emotions & have some support for self**
- Be available
- Be sincere

**Deal with people (not units of production)**
- Ensure full 'open door' access for staff to talk with you
- Be proactive in making contact

**Be open to ideas from consultation**

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Figure 8.6  What the *organisation* can do to handle downsizing more positively: Focus group 1

**Communicate the future**
- (Try to) ensure that terms meet needs
- Encourage career change within the organisation
- Support in place: Outplacement

**Process, policy & support**
- Process clearly defined
- Develop a clear process & criteria
- Have downsizing & elements in employee benefits
- Construct process in which exit is only one part

**Be open to ideas from consultation**
- Allow time for the individual to reposition
- Consult & be available
- Senior team available to talk & listen
Managers also need to promote dialogue, which involves engaging and involving leavers and stayers in what is happening, and being open to ideas from consultation and negotiation. Again, this assists employees in working out their own futures and, for those staying, helps retain (or rebuild) organisational commitment (Thornhill et al., 1997), and manage changing employment relationships (Amundson et al., 2004).

UK employment law stipulates a period of consultation (for downsizing events that involve a threshold number of people) for the employer and employees (or their representatives) to discuss options, which is designed to ensure some dialogue. However, if this is perceived by employees as the organisation merely going through the motions for compliance purposes it can have a negative rather than positive effect on perceptions of the employer (the ‘frustration effect’; Folger, 1977), as Joanne experienced; “we thought the consultation was just a sham, nothing was going to change in that consultation period. What’s the point of having it?”

Leavers and stayers need emotional, practical and financial support (e.g. outplacement, training, help with CV writing, stress counselling, etc.) since the aftermath of downsizing is “very much like bereavement” (Mark) and “You have to care for people” (Margaret). This involves being available, treating people as individuals, and helping them sort out their own plans. Such care (often viewed as the organisation dealing with employees fairly), as well as helping people through a difficult time, signals to stayers that this remains an organisation worth working for and thus influences their commitment to it (Brockner, 1988).

Managers need support in delivering the message to individuals. This can be through training and rehearsing it beforehand. They also need emotional support since it is personally draining and sometimes very challenging, as George found “Another lasting memory for me is having my integrity, my honesty challenged”. Margaret made the point that the most senior managers that can get forgotten because “it’s expected that they will cope” yet it can be some of them who “are most damaged”.
<table>
<thead>
<tr>
<th><strong>Quotations that typify participants’ responses</strong></th>
<th><strong>Theme</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>“[I had] already set my eyes, my sights elsewhere” (John).</td>
<td>Psychological adjustment</td>
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<tr>
<td>“…well if it’s going to happen then I would like to try and take control of it and have some control over my destiny” (Gordon).</td>
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<tr>
<td>“I had quite a few shoulders to cry on if I needed them [family, work friends]” (Dave).</td>
<td>Emotional and practical support</td>
</tr>
<tr>
<td>“It's, can they paint a credible picture of the future that is engaging and, and that I feel I can buy into?” (Nicole).</td>
<td>Leadership and communication</td>
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<tr>
<td>“You need more than just survival. You need some raison d'être” (Oliver).</td>
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<tr>
<td>“Communicate a clear message and in a trustful way” (Margaret).</td>
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<tr>
<td>“[As managers we show we] have the respect for them [the staff] when we tell them the real reason for what’s happening… why they’ve copped it or whatever” because people “can see through… rubbish when they’re being told” (Ian).</td>
<td></td>
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<tr>
<td>“…if you feel the company’s being honest, that helps you when you move on… because you know… where… you stand, and why things are happening” (Joanne).</td>
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<tr>
<td>Support to managers: “…how that individual feels is often about how well that manager um actually delivered that message” (Margaret).</td>
<td>Support (given to and by managers)</td>
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<tr>
<td>“I’ve never done this before, God I feel inadequate” (Frank).</td>
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<tr>
<td>Support given by managers: “So that the individual could feel that they had been considered individually” (Frank)</td>
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<tr>
<td>“…they treated me as a human being not a number” (Jonathan).</td>
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<tr>
<td>“…when you’ve been battered in a redundancy situation, the last thing you’ve got is confidence” (Sam, speaking of unskilled staff).</td>
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<tr>
<td>“…a well thought through process actually made people feel that it was a bit more fair” (Margaret).</td>
<td>Policy and process</td>
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<tr>
<td>“[It’s being] clear about… the process… the timetable… how people are going to be judged… and then stick to that” (Gordon).</td>
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<tr>
<td>“…providing there is a proper procedure, clearly understood, and laid down, and agreed by both parties before all this happens… this is where we come down to fairness, everyone understands exactly what process you’re going to go through” (Sam).</td>
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</table>
Clear policy and process: these include consultation, meaningful negotiation, a transparent selection process and criteria, full information including clarity on options and financials, implemented at the appropriate pace (to avoid rumours and limit damage) with consistent application so that the 'process is fair and seen to be fair'. Colin experienced downsizing in two very different organisations, one process managed very secretively, the other openly. Whilst conceding that secrecy is needed at times, he concluded of the second event that "the process was much healthier being an open one". Sam, from his union experience emphasised the importance of having agreed procedures in place before any downsizing (see quotation, Table 8.4).

It is not surprising that policy and process were highlighted as very important in handling downsizing since they enhance perceptions of fairness (procedural justice theory) and thereby influence how employees respond (Mishra & Spreitzer, 1988). They have the most impact on how the organisation is viewed overall (Cropanzano & Randall, 1993), and can moderate employees' perceptions of outcomes (Lind & Tyler, 1988). Where possible it can also be helpful to limit the impact – if some jobs are unaffected, it may be possible to avoid putting everyone through the uncertainty, as Joanne commented, "we went through all that, and... we were never at risk".

8.5.5 Handling downsizing more positively – emergent themes

In addition to the main themes described above, a number of other themes emerged during the group interview discussions including: differing reactions to downsizing, the apparent arbitrariness of decisions, the changing nature of psychological contracts, a different type of trust, and cultural clashes.

There are differing reactions to downsizing depending on factors such as timing, career, and family circumstances. Many of the participants, themselves leavers, stayers or managers of the process, spoke of their own reactions to downsizing. Compare the positive reaction of John, a young engineer made redundant at a fortuitous moment in his career, to that of Dave, left devastated after 27 years service (see quotations on Table 8.5). Participants pointed out that, because of the nature of downsizing which often involves difficult (sometimes imposed) change, it will never be regarded as wholly positive or totally fair. Oliver, part of a management team
closing offices and laying staff off said “the end of the sequence was of course that I switched my own lights out”, although he was happy to get the redundancy payment and leave. Nicole, a casualty of downsizing, spoke of her senses of dread and apprehension waiting to hear the decision, and of unfairness and shock as she digested her own fate and that of others. Even some of those who were happy to leave described feelings of rejection or a loss of self-esteem (see quotes, Table 8.5).

Different types of jobs also add to the mix of reactions, for example those involved in projects where you have to lay people off at the end tend to be expecting it. However, there is still a sense of outrage if employers try to terminate someone’s contract early, as Margaret commented “they get really upset if their contract comes to an end... seriously upset if it’s not done properly”. The point was made that although it is a different relationship, it is still important that the termination is handled in a way that leaves the company and the individual feeling good about it. As Mark said, “if people are employed... they have expectations”, which include “clarity of communication, recognition, trust”. Even if you knew it was a hire-and-fire company, if they make you redundant you will still experience loss, as Colin expressed it; “I still have pride in what I’m doing. I still... have my own dignity and everything else. And why have they chosen me rather than him?” Some participants noted that downsizing was not always a bad thing, in fact it was at times necessary from the organisation’s viewpoint, and at times fortuitous for the employee.

The apparent arbitrariness of decisions was raised in all three focus groups, as already highlighted under the lasting impressions and sketched images sections above, and typified by the quotations shown on Table 8.5. This is more likely to happen where there is no clear process, or where the process amounts to merely going through the motions for the organisation to be seen to be doing the right thing. In terms of organisational justice theory, it clearly refers to the nature of the decision making process, and thus reflects negative perceptions of procedural justice. In particular, arbitrariness infringes the consistency rule of procedural justice; that procedures should be consistent across time and persons (Leventhal, 1980).
Figure 8.7  Ways that downsizing can be handled more positively: Focus group 2

**Communicate clear message**
- Ensure leadership team work together to decide how it will be done (not just HR)
- Justice seen to be done
- Clear, open, fair process
- Process is fair & seen to be fair
- Openness

**Strategy/planning**
- Proactive planning to avoid rapid swings
- Maintain links to retain access to skills & knowledge & a sense of community
- Compassion shown through process

**Train & coach managers**
- Managers delivering message must buy into it
- Communicate extraordinarily well throughout
- Managers that have to give the individual a message so they are equipped to do it well
- Train managers that have to give the individual a message so they are equipped to do it well
- Visible signs of things working out 'ok'
- Pace
- Do it fast – don’t leave people hanging
- Swift but not ‘hurried’ process
- But move as quickly as possible to let people know their position
- Involve & engage people in future
- Involve all involved in discussing the desired future
- Ensure key potentially – ve people are engaged
- Involve stakeholders & leavers together to identify job opportunities
- Facilitate individuals to look at the future to see their role in it or not

**Support for management**
- Support for management
- Trust that managers will do their best for their people
- Involve & engage people in future
- Involve all involved in discussing the desired future
- Ensure key potentially – ve people are engaged
- Involve stakeholders & leavers together to identify job opportunities
- Facilitate individuals to look at the future to see their role in it or not

**Needs of the individual cared for**
- Provide support to those leaving: time off work with pay to find work; writing CVs; training
- Help with job seeking
- Treat people as individuals
- Compassion shown through process
- Support
- Supportive process for victims
- Think about the people who remain behind – care for them
- Supportive process for victims
- Needs of the individual cared for

Figure 8.8  Ways that downsizing can be handled more positively: Focus group 3

**Communications**
- Keep communications on a regular basis
- Everyone told ‘at risk’ – good people moved on – better explanation of plans
- Consistent treatment of employees i.e. Voluntary redundancy
- Consistency in management approach – better briefing of managers so they can deal with queries correctly
- Keep the message consistent
- Negotiate meaningfully
- Make selection process fair & transparent
- Inform earlier – less shock value
- Provide full information
- Redeployment options
- Information/ process
- Listen to alternatives; methods of work; products/ services
- More considerate approach to individual employees who are fearful
- Help with job seeking
- Be sensitive to those left
- Less secrecy
- Trust individuals to not cause disruption
- Less openness
- Be open with people
- Be honest – tell it like it is
- More considerate approach to individual employees who are fearful
- Have an escape route available for those good people caught in the wrong place

**Fairness**
- Ensure key potentially – ve people are engaged
- Involve stakeholders & leavers together to identify job opportunities
- Facilitate individuals to look at the future to see their role in it or not
- Prove opportunities for people to sort out their own future e.g. Job centres
- Involve & engage people in future
- Involve all involved in discussing the desired future
- Ensure key potentially – ve people are engaged
- Involve stakeholders & leavers together to identify job opportunities
- Facilitate individuals to look at the future to see their role in it or not

**Consistency**
- Consistency in management approach – better briefing of managers so they can deal with queries correctly
- Keep the message consistent
- Expression of Interest (EOIs) against the individual
- Never use
- Conduct a ‘fair’ consultation (not a sham consultation)
- Demonstrate fairness
- Be clear about the financials & support options available
- Act quickly once process is underway
- Information/ process
- Listen to alternatives; methods of work; products/ services
- More considerate approach to individual employees who are fearful
- Help with job seeking
- Be sensitive to those left
- Less secrecy
- Trust individuals to not cause disruption
- Less openness
- Be open with people
- Be honest – tell it like it is
- More considerate approach to individual employees who are fearful
- Have an escape route available for those good people caught in the wrong place

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Table 8.5
Focus group quotations: handling downsizing more positively – emergent themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I couldn’t believe... when you talk of redundancy, how it does affect so many people in so many different ways” (Amanda).</td>
<td>Differing reactions to downsizing</td>
</tr>
<tr>
<td>“[The distinction between] people... ending their careers, being happy to leave after a long time, versus people that have been there two, three, four or five years who want to stay and don’t have that opportunity” (Mark).</td>
<td></td>
</tr>
<tr>
<td>“…for me personally it’s been quite a... bonus because I was already looking at changing career so the um, the redundancy is actually helped me do that” (John).</td>
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<tr>
<td>“I was told one morning I was leaving that day err, which was obviously not very positive” (Dave).</td>
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</tr>
<tr>
<td>“I really wanted to go, [so] it seemed a bit sort of odd to feel rejected, but I did”. (Joanne, who volunteered to leave).</td>
<td></td>
</tr>
<tr>
<td>“...when you’re told you’re no longer needed... it’s quite a blow to your... self-esteem” because “so much of our jobs define a lot of who we are” (John, who wanted to leave).</td>
<td></td>
</tr>
<tr>
<td>“So all you can say is as long as you’ve followed the process, business is a game actually. You might not like to think it isn’t, but it is. A game to make money, it’s a Monopoly game.” (Nicole).</td>
<td>The apparent arbitrariness of decisions</td>
</tr>
<tr>
<td>“…it seems like a very haphazard choice as to who stays and who goes at times. And it tends to be musical chairs. Err if you’re in the wrong place at the wrong time, well that’s it, your number’s up” (Gordon).</td>
<td></td>
</tr>
<tr>
<td>“…individuals accept downsizing now” and that “it’s all about portable people” (Amanda).</td>
<td>The changing nature of psychological contracts</td>
</tr>
<tr>
<td>“…when I spoke to them they’ll say I think I’ve got another couple of years here before I move on” (Amanda, on new graduates).</td>
<td></td>
</tr>
<tr>
<td>“So it’s a different type of trust and a different type of commitment but it’s not what I would have known for example in the company in the first 25 years I was in the company, where the trust and commitment there was very much, you could call it two-way loyalty. But that changed, and, and I don’t want to say it’s for the better or not, because it, the business environment changed so the relationship changed” (George).</td>
<td>A different type of trust</td>
</tr>
</tbody>
</table>

Amanda described it as a “definite shift” of focus; “I’ve gone from working for an organisation to working for my boss”.

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Focus group quotations: handling downsizing more positively — emergent themes

<table>
<thead>
<tr>
<th>Quotations that typify participants’ responses</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>To maintain or rebuild trust, “...one of the things you can do is to try and do as much as you can to... help the people look for a future that suits them” because “you trust in the organisation that is trying to do its best for you” (Margaret).</td>
<td>A different type of trust</td>
</tr>
<tr>
<td>“Say what you’re going to do and then do what you say” (Mark).</td>
<td></td>
</tr>
<tr>
<td>“...there’s either trust or distrust already” (Ian).</td>
<td></td>
</tr>
<tr>
<td>“You’ve got to trust that people are going to remain the same way as they were before and not suddenly change because of this” (Margaret).</td>
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<tr>
<td>“It takes twenty years to build but you can destroy it just... like that” (Ian).</td>
<td></td>
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<tr>
<td>“...consistency, honesty, fairness, support, communications, etc. If you can manage that well, morale may take a dive but actually trust still stays there” (Gordon).</td>
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<tr>
<td>“...you can improve morale. But... trust once lost is very difficult to... re-establish” (Joanne).</td>
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<tr>
<td>“I think trust is a very difficult thing these days because I think everybody knows that when push comes to shove they’re dispensable, and a company will dispense with their services if they don’t need them anymore, um and they won’t hesitate to do it. And I just think you have to, to a certain extent take the same approach. While you’re with a company you work hard, sure. But you have to always bear in mind that, you know, you need to put yourself first because they won’t” (Joanne).</td>
<td></td>
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<tr>
<td>Managers’ behaviour and trust: “It’s a question of do you actually trust the people [managers]... in what they say, they’ll actually walk the talk?” (Oliver).</td>
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<tr>
<td>“...if they see a consistent approach of what you’ve been like before then they’re more... likely to maintain trust” (Amanda).</td>
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<tr>
<td>“...openness demonstrates trust, demonstrates justice” (Colin).</td>
<td>Cultural clashes</td>
</tr>
<tr>
<td>“...they were bringing people over from a different country to, to instigate a downsizing process, they didn’t even know the laws of... the land” (Amanda).</td>
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Participants of all three focus groups recognised the **changing nature of psychological contracts** in many organisations as the business environment has changed. Participants mentioned that some younger employees of organisations now manage their careers by anticipating moving every couple of years, and that it is necessary for organisations to embrace constant change rather than regarding every downsizing as a separate project after which everything goes back to a stable state.

Frank, who spent a long career with a single company, spoke of there always being another interesting opportunity and that "**your career would be organised pretty much by management**". However, from the 90s onwards things changed and when he spoke about career prospects to a young graduate he was shocked when she responded with words to the effect; "**Don't be so... arrogant, who do you think you are? Saying that you're going to organise my career... I'm in charge of my career, I will decide when I move on and when I don't move on**". This example illustrates different relationships an employee can have with an organisation (coupled to different underlying psychological contracts), and the trend away from 'paternal' care by the company towards employees taking responsibility for their own careers.

The latter trend was echoed by John, a young man made redundant, who said that his company didn’t guarantee a job for life but would help train/retrain people and fund their training for a year after leaving – he spoke positively about the organisation, although his experience was mitigated by the fact that he already had plans to go. However, a not-so-positive view of this trend was offered by Jane, an HR professional, who commented that she had for the first time felt the need to join a union because the old deal (of reciprocal loyalty) was no longer seen as valid, and that trust had declined so much that more formal representation was necessary for ongoing protection of rights.

Nicole thought that managers could help employees maintain a positive relationship with the organisation; "**if you're authentic and consistent and listen to them, and are there to talk to them**". But it was recognised that in the early stages of a downsizing a lot of people will not have a positive relationship because they disagree with their outcome or the way they perceive they have been treated.
All three focus groups discussed the issue of younger people joining organisations with a different set of expectations and managing their careers more flexibly. For example, George spoke of his three sons (now in their thirties) who had each worked for more than four companies, sometimes moving every couple of years. George recalled a conversation with one of them; "I said, I wouldn't hire you... you can't hold down a job... he said, dad, there are no more people left like you that worked 40 years for a company".

However, the destabilising effect of constant change was also mentioned, and the fact that this will not generate the loyalty felt by people in the past for organisations. It was recognised that an "enduring sense of loyalty" was a particular perspective of those who had spent a long time in one organisation, and that with more rapid change people might experience "loyalty to them whilst you're there" (Nicole).

Clearly, downsizing prompts employees to examine their psychological contract with the organisation, particularly if they think obligations have been reneged upon. In cases where there existed a perceived prior commitment about security of employment, on the announcement of downsizing, the psychological contract has in fact changed (Amundson et al., 2004).

Linked to discussion of psychological contracts, participants commented on a different type of trust – that trust is not now necessarily based on reciprocal loyalty (in trust language, the employee’s belief in the organisation’s integrity and benevolence; Mayer et al., 1995, and the organisation’s commitment back through job security) but on factors such as being communicated with honestly and valued, and focussed on particular people (e.g. an employee’s boss) rather than the organisation (see Amanda and George’s comments, Table 8.5). In terms of trust theory, (and as found in Study 2), this suggests the diverging of an employee’s trust between different referents: a more relational trust or IBT with particular individuals but a more calculative trust (CBT) with the organisation (trust types as defined by Lewicki & Bunker, 1996; Rousseau, et al., 1998; Dietz & Den Hartog, 2006). Additionally, some participants seemed to have some trust in the organisation (albeit diminished) alongside some distrust, perhaps as a self-protection mechanism (cf. Joanne’s comment, Table 8.5).
Sam gave a union perspective that the breakdown in trust was wider than employer-employee; it can affect whole communities where a large organisation or industry undergoes downsizing, resulting in increased crime, drug abuse and other anti-social behaviours; "the lack of trust starts to extend... it's like a cancer, it grows".

To maintain or rebuild trust, it is important for managers and organisations to help people find their own best futures and to be consistent in words and actions. However, as Ian commented (Table 8.5), existing levels of trust influence how employees interpret events (Robinson, 2006), and some organisations scupper such trust by suddenly withdrawing their trust in those employees. As well as the negative effect on the leavers, it also denudes the trust of those who remain because they will think "that means they don't trust any of us" (Colin). Trust is lopsided in that it takes a long time to build but can be lost quickly (Ian's comment, Table 8.5) and be replaced by distrust (Kramer & Tyler, 1996). In one focus group, trust was differentiated from morale; the participants thought it was possible to maintain trust even if morale fell, and that whereas you can improve morale, trust once lost is much harder to rebuild (Lewicki et al., 2005; see quotations, Table 8.5).

Downsizing, particularly if resulting from a merger or an acquisition, can cause the interfacing of different organisational and/or national cultures with their particular attitudes, behaviours and values, causing cultural clashes. For example, it is likely that propensity to trust differs across cultures (Schoorman et al., 2007). Thus cultural diversity adds further complexity (e.g. differences in psychological contracts and expected treatment, variations in employment law, etc.) to an already explosive mix!

8.5.6 Ways of improving the downsizing process

From a strategic viewpoint, one focus group discussed the need for organisations to engage in more proactive manpower planning to avoid rapid swings that can result in downsizing to be quickly followed by recruitment. Such a practice would supplement well the measures listed by Cascio and Wynn (2004) for downsizing responsibly, the strategic planning mentioned by Gandolfi (2008a), and the considerations needed when making the decision to downsize (Mishra et al., 1998).
Participants agreed that the active engagement of all staff in discussions about the future (those who stay and those who leave) would make the experience more positive, wherever possible supporting staff to determine their own futures. More rigorous knowledge management of the lessons learnt would also help improve downsizing practice, as pointed out by the following quotations:

"There's no after action review of any of them. Everybody just said oh thank God that's over" (Nicole).

"...we're almost creeping out of the Stone Age on this... I think companies are going to have to pay more and more attention to the longevity of their operation and these repeat downsizings" (Jonathon).

"...it's amazing that this part of an organisational process is so, still so badly managed" (Gordon).

A number of participants commented that a downsizing process that appears rigorous, in reality can be a 'box ticking exercise'. If things are done merely to comply with employment law or people are "made to jump through the hoops just... for them [the organisation] to be seen to be fair" (Joanne), it is likely to create a cynical response from employees (the 'frustration effect'; Folger, 1977).

8.5.7 Observations of participants' attitudes and reflections on the process

The overall atmosphere at all three focus group interviews was relaxed and convivial, helped by the room layout and the context setting, introductions, warm-up, a clear process, and sensitive facilitation. The invitation for participants to describe their experiences of downsizing, including their lasting impressions and their sketched images acted to draw out negative comments and feelings. This was a helpful way of 'clearing the air' before moving on to the main question of how to handle downsizing more positively. Here, the appreciative inquiry approach helped keep the discussion focussed on the question, and generated positive ways forward. The post-it exercises produced useful data that were easily clustered by the participants into meaningful themes. A break for refreshments rejuvenated the group.
The dynamics of each group were positive and, where differences of view were expressed, handled by the participants with politeness and respect with only minimal facilitator intervention. Participants in each group expressed that they still felt deep emotions about their downsizing experiences and I as facilitator was sensitive to this.

8.6 Discussion

8.6.1 Interpreting the results

It should be emphasised that due to the age profile of the focus group participants (mostly 46-60), the discussion of results below mostly reflects the views of mature people who have worked for many years in organisations. This perspective has the benefit of their experience (key, given the purpose of this study) but lacks much representation of younger views, which were highlighted by participants as sometimes being different in their attitudes to employment (see comments on psychological contract below). This finding in itself was important and is picked up in section 8.7 under recommendations for further research.

Reflection by focus group participants on their experiences of downsizing – their lasting impressions and sketched images of how it felt – revealed that experiencing downsizing from an individual employee perspective can be a traumatic event for those who leave and those who remain with an organisation. It also proves to be a stressful and emotionally draining experience for those administering it; at the senior strategic level of making decisions on direction, policy and process, and for managers at all levels in implementing the process, including telling people of their individual outcomes.

The results of the focus groups highlighted some powerful messages about the impact of downsizing: it causes uncertainty and dread as people wait to hear, and feelings of shock, loss and relief as people learn of their outcomes; for some a sense of unfairness of the apparent arbitrariness of decisions, for others hope of a new future. The uncertainty (and perhaps the fact that others are making decisions that affect them) does seem to bring into sharper focus issues of fairness as suggested by Van den Bos (2001). Some survivors take a long time to recover, sometimes
experiencing 'survivor guilt' as they reflect on the fate of colleagues who left and compare themselves in equity terms (Brockner et al., 1986).

Downsizing is laden with emotion. Some participants' reflections of their experiences related to the poor handling of downsizing but some were related to the process of change itself which is uncomfortable and evokes an emotional response, especially if there is loss involved. So it is not surprising that some employees feel negative towards the organisation or that their outcome is unfair. It appears unfair to some because others are making decisions about them with which they may disagree.

These observations on the impact of downsizing match those recorded in the literature (summarised by Thornhill & Saunders, 1998). Insights from the focus group discussions suggested that whilst some effects can be long-lasting, attitudes towards a downsizing event, particularly its fairness, can vary over time (Fortin, 2008) as the person comes to terms with the change. Longitudinal studies on reactions to downsizing would help shed further light on the effect of time.

Additionally, downsizing will not be positive for everyone because the organisation's needs may not coincide with each individual's needs, and the fact that individual circumstances are varied means that downsizing will affect people in very different ways. This represents the tension between different stakeholders, and is currently not well articulated in the organisational justice literature which concentrates on perceptions from the employee viewpoint (Fortin, 2008).

So, whereas the downsizing experiences of many participants were negative, this was not the whole story. Some spoke of the new future that could be grasped after downsizing. Others of the fact that, for some people, leaving the organisation was not a bad thing because they were ready for early retirement or had another future beckoning and therefore welcomed the opportunity to leave. So the terms 'survivors' and 'casualties', commonly used in the literature, were challenged by participants because the former implies 'desirable' and the latter 'undesirable', which are patently not always applicable, in fact can be the very opposite. As a result, I prefer to use the terms 'stayers' and 'leavers', which are not loaded with presuppositions about the desirability or otherwise of the condition.
Some element of personal control during and after positively affected how both stayers and leavers viewed the downsizing event, which corresponds with the findings of Brockner et al. (2004) on perceived control, and suggests downsizing methods that give employees some control helps them handle it better.

The results highlighted some consistent themes of how to handle downsizing more positively. For individuals, it is important to make psychological adjustments by seeking to understand what is happening, thinking through the personal implications, and looking to the future. It is also important to seek out necessary emotional and practical support. These findings, summarised in Figure 8.9 below, correlate well with reported ways of personally managing change at work (Jones, 1995), and match the psychological 'change curve' that people experience when they encounter change that entails loss: following shock, their feeling of well being declines as they contemplate the loss, get angry or despondent, but the way up again is through coming to terms with the change (by making psychological adjustments similar to those noted above), helped along by the support of others.

Figure 8.9

Summarised results of focus group interviews on handling downsizing more positively

Individuals undergoing downsizing
- Psychological adjustment
  - Try to understand
  - Think through implications
  - Look ahead, take control
- Emotional & practical support
  - Seek support – family, friends, colleagues, professional advice

Organisations /managers administering downsizing
- Leadership & communication:
  - Create a picture of the future
  - Communicate – clearly, regularly
  - Honesty & openness
  - Dialogue – involve & engage
- Support:
  - Train & support managers
  - Support employees
- Policy & process
  - Clear policy & process
  - Consistent application
  - Appropriate pace
  - Limit the impact

Downsizing perceived & experienced as more positive by individuals, and by organisations & managers.
For managers and organisations, the results highlighted the importance of leadership and communication by: creating a credible picture of the future, communicating well and regularly, being open and honest, sensitively delivering messages, engaging in dialogue, involving and consulting; supporting managers handling the process, and stayers and leavers going through it; and by providing clear and consistent policy and process, run at the appropriate pace.

These results confirm earlier findings by Thornhill et al. (1997), particularly in management giving clarity of future direction, communicating clearly and honestly, implementing a logical, ordered process, and being sensitive and supportive to employees. They also support the findings of Amundson et al. (2004), for example on leaders providing information and being accessible and supportive to leavers and survivors alike. Mishra et al. (1998) emphasised that management, when implementing downsizing need to follow through on what has been promised and stick to timelines – this was echoed in participants’ comments about keeping to the process (so as to avoid the perception that decisions are arbitrary) and doing it at an appropriate pace. The results showed that dialogue with and involvement of employees was important, which links to a key point made by Cascio and Wynn (2004) that employees’ views should be sought early on. Clearly, the results of my study, together with practical guidance from the literature, indicate that downsizing can be handled more positively.

However, it was conceded in the discussions that many large organisations, despite experience of multiple downsizing events, do not always learn from them. More rigorous knowledge management of the lessons learnt would certainly help.

The focus groups did not challenge initial organisational decisions to downsize which, as Mishra et al. (1998) and Cascio and Wynn (2004) suggested, should not be taken until other possible alternatives have been investigated fully. Such longer-term strategic thinking (rather than using downsizing as default, short-term fix) could avoid the need for downsizing in some instances.

In terms of organisational justice, there will always be some recipients of downsizing who will deem their outcome unfair in a distributive sense, particularly if they are
asked to leave and wanted to stay or the opposite. They may seek to justify their position by their performance record, loyal service, or comparison to others. Yet from an organisational perspective, what to an individual appears unfair may to the manager seem fair (i.e. the process has been followed and on the given criteria, a judgement made and this person selected to stay or leave). This exemplifies the tension between organisational and employee needs and aspirations (pictured as a tug of war in Figure 8.2) – the needs of different stakeholders will not always coincide and neither will perceptions of distributive justice.

However, if the positive ways of handling downsizing above are noted, there is no reason why managers and organisations cannot undertake downsizing in ways that are perceived as fair procedurally and interactionally. As the literature shows (Chapter 2), these can moderate the way people feel about their outcomes. Procedural justice is reflected by the requirement for clear, open and consistently applied policies and processes. One striking finding from the focus groups was the recurring theme of the apparent arbitrariness of decisions. This flies in the face of people viewing the process as fair, since in a fair process the criteria on which decisions are made, and how they are made are transparent, understood, justifiable and consistent (Leventhal, 1980), not arbitrary. Perceptions of procedural fairness are also dented when organisations follow the letter of the law (e.g. a thirty day consultation period) without engaging in the spirit of it, i.e. consulting without real dialogue or the opportunity or intention for anything to change as a result. Such practices cause frustration (Folger, 1977) and cynicism.

The different social accounts that express interactional justice (Spreitzer & Mishra, 2002) were reflected by the strongly expressed need to be communicated to openly and honestly, particularly to be told by management a credible story of the need for downsizing (causal account); a vision for the future (ideological account); and for employees to treated well interpersonally, i.e. to be supported and treated with respect and compassion (penitential account). The example of Dave, who was made redundant with "no real explanation", revealed the impact of this – he left feeling unfairly treated with dramatically reduced trust in the organisation.
The points highlighted echo the findings of Thornhill et al. (1997) and Mishra et al. (1998), which similarly covered areas of leadership (creating a picture of the future, senior management support), open, honest and regular communication, a well planned process, and managers that are skilled in giving the appropriate support to survivors and leavers. In addition, the results suggested that as well as being open and honest, managers should not knowingly mislead, that knowledge from downsizing events should be captured and learned from, and that organisations should educate people to better handle continuous change, which brings us to the issues of psychological contracts and trust.

Trust, loyalty and psychological contracts emerged in all three focus groups as interrelated issues, perhaps reflecting the manner in which downsizing prompts people to challenge and often re-evaluate their relationship with an organisation (Thornhill & Saunders, 1998). Those who had spent many years in a single organisation observed that there had been a shift in the way they understood that relationship; it was no longer based on reciprocal loyalty since that was often not possible in the modern business environment. Rather, it was a different kind of relationship and a different kind of trust, based on factors such as value to the organisation, honest communication and sometimes focused on individual managers rather than the organisation as a whole. So, in terms of trust theory, the results suggested a divergence of employee trust between different referents. For some, trust in particular individuals became more important and more relational, whereas their trust in the organisation shifted the other way – from high, unquestioning trust (IBT or KBT) to a more calculative trust (CBT) or even distrust (using Dietz and Den Hartog’s (2006) unidimensional model). In some it seemed that whilst they retained trust in the organisation (albeit diminished), they also harboured some distrust (corresponding to the two-dimensional approach described by Lewicki et al. (2006) that views trust and distrust as separate constructs that can be held concurrently), prompted by their experience and viewed as necessary for self-protection.

The focus group participants reported that some younger people were joining organisations with different expectations to begin with, perhaps only intending to stay a short time, thus starting out with a different psychological contract – one more based on mutual value/convenience than mutual loyalty (Nair, 2008). Given the age
ranges of most of the participants (mostly between 46 and 60), unfortunately it was not possible to explore this topic further with young people themselves. Some organisations used to, and to a certain extent still do encourage people to plan for long-term employment; focus group participants thought that organisations would do better to be explicit about the actual deal they were offering so that downsizing, when it happened, was not viewed as evidence of the organisation reneging on its commitments or changing the deal because of adverse circumstances. This correlated with the findings of Thornhill et al. (1997), that where aspects of the psychological contract have changed (e.g. job security expectations), organisations should be clear with employees and consider "what can be offered to employees as a replacement" (1997: 89).

According to the literature, when people trust (or lose trust), they are making judgements about the trustworthiness of the trustee, assessing elements such as ability, benevolence, integrity (Mayer et al., 1995) and predictability (Dietz & Den Hartog, 2006). From the focus group interviews, of these elements, those questioned most were the organisation's integrity (that the organisation was not being open and honest, and/or had not kept its side of the deal that individuals thought they had with it), and linked to this, its predictability (that the organisation was not behaving as it had in the past). Some participants' experiences led them to question their organisations' benevolence, i.e. that the organisation no longer cared about them, or that they were losing out in a tension between the organisation's interests and theirs.

8.6.2 Applying the results

Reflecting on the results, some general guidance for practitioners dealing with downsizing emerged. Practitioners would be well advised to:

• Question the need for downsizing – have other alternatives been examined?

• Be clear what the ‘deal’ (which includes the psychological contract) with employees is, and manage any change openly so that if downsizing is necessary employees do not then view it as a reneging of prior understandings or promises.

• Recognise that employees may react differently to downsizing, even given the same personal outcomes – people need to be treated as individuals.
• Recognise that downsizing can be traumatic for people and what appears fair to the organisation may not be perceived as fair by an employee.

• As leaders, create a clear picture of the future, and a clear policy and process for the downsizing; communicate clearly, regularly, honestly and openly – these help retain trust, assure people that decisions will be as fair as possible (given the variety of stakeholder needs), and persuade survivors that the organisation is still worth working for.

• As managers and administrators, implement the process consistently and at an appropriate pace, deliver messages sensitively, and support employees throughout so that they perceive they are being treated fairly and sympathetically. In addition, remember that those implementing the process also need support and may need additional training.

• Engage with employees and help them to plan their own futures so that they are able move through the change more smoothly. However, consultation has to be real and two-way; if it becomes, or is viewed as a sham, perceptions of fairness and trust decline.

• Find ways to record and learn from downsizing events so that improvements are made and mistakes are not repeated.

8.7 Conclusions and further research

8.7.1 Conclusions

The impact of downsizing is often traumatic for leavers, stayers and those managing the process, and can be long lasting. However, similar individual outcomes can evoke very different reactions depending on personal circumstances, prior levels of trust and loyalty, expectations, and probably, personality. For this reason, I advocate the use of the terms 'leavers' and 'stayers', which do not have the negative or positive meanings associated with 'casualties' and 'survivors' respectively.

Downsizing can be made more positive by individuals as they adjust psychologically by seeking to understand what is happening, thinking the issues through for themselves, and looking to the future, and as they seek support from family, friends,
work colleagues and advisors. Denial and resisting the inevitable inhibit these coping mechanisms and increase the time a person takes to deal with the change.

Downsizing can be made more positive by organisations and managers leading in ways that provide a credible picture of the future, implementing a clearly understood process in a consistent way, communicating as openly as possible and honestly, creating opportunities for dialogue and involvement, sensitively communicating individual messages, and providing emotional and practical support to the staff affected by the downsizing (leavers and stayers) and the managers implementing it.

Whilst individuals may still react negatively to and view their personal outcome (distributive justice) as unfair, they are more likely to view it more favourably if the process (procedural justice) and their personal treatment (interactional justice) have been handled in the ways described above. People feel it is particularly unfair when decisions appear arbitrary, aspects of the process are perceived as merely 'going through the motions', or the delivery of individual messages is insensitive.

As an organisational process, downsizing is not, on the whole, handled well by organisations. Along with the suggestions given above, strategic consideration of alternatives, better forward manpower planning (both of which may avert some downsizing), and more rigorous knowledge management of what is learnt would yield improvements.

Through downsizing experiences, many participants have experienced a change in their psychological contract, recognising organisations can no longer give guarantees about long term job security, and becoming more resilient themselves in planning their own futures. This appears to be less of an issue for younger people who entered the workforce with different expectations of their organisation to start with, focusing their psychological contracts around mutual value and convenience rather than loyalty. Downsizing is less disruptive to employment relationships if organisations are clear about what the deal is (particularly if it has changed/is changing).

The existing trust between employees and their organisations/managers prior to a downsizing event has an effect on how people then view the process and its
outcomes. However, if management are not open and honest, and do not establish a clear and consistently applied process, trust that may have been established over many years, can decline rapidly. Aligned with the changing nature of psychological contracts and because of the deal that many organisations are now offering, the focus of trust for some has changed from the organisation and reciprocal loyalty to trust in individual managers and respect for mutual value. For some it is balanced with a dose of distrust as self-protection against being taken advantage of.

Study 3 was designed to address research objective 8 of the thesis: ‘To identify ways individuals, organisations and their managers can handle downsizing more positively so that downsizing and its outcomes are better for all stakeholders.’ This objective was met by producing a number of actions that individuals and managers/organisations can take to handle downsizing in ways that protect employees from unnecessary harm, maintain and/or rebuild trust, do less damage to the future organisation, and hopefully produce greater perceived and normative justice overall. The study results were used to generate some practitioner guidelines. In addition, Study 3 yielded further information related to research objectives 5-7, particularly on the consequences of downsizing and the issues managers should be aware of when deciding on and/or implementing downsizing.

This study was written up as a full paper and, following double-blind refereeing, accepted by the British Academy of Management (Curran, Gore, & Foster, 2008) to be presented at the BAM 2008 annual conference in Harrogate.

8.7.2 Further research

Strategic decisions to downsize were not strongly challenged in the focus group discussions; in most cases it was accepted that downsizing was necessary for the future of the organisation. However, the issues of more proactive manpower planning to avoid knee jerk downsizing decisions and widely fluctuating employee numbers, and of using consultation to explore alternatives to downsizing were raised. The process by which downsizing decisions are made/alternatives explored would be worthy of further investigation.
Judging from the experiences of implementers and recipients of downsizing, and despite nearly two decades of intensive use of downsizing strategies, organisations continue to handle a difficult process badly and often make it worse. It would be useful to find out why many organisations continue to adopt downsizing strategies that elicit more negative consequences than necessary, and apparently do not learn from their own or other organisations’ experiences.

The participants of this study were predominantly mature individuals with long experience in large organisations. It would be informative to conduct focus group interviews comprising a greater proportion of younger participants who, from the beginning of their working lives entered a more uncertain job market, hence may have had different expectations of their employers (psychological contracts) from the outset.

The limited number of participants involved in the focus group interviews puts limitations on the generalisability of the findings. As a follow on from this study, questioning a larger number and a wider cross-section of people (e.g. through a survey) on ways of making downsizing more positive, would be a good way of testing the findings.

Handling of downsizing cross-culturally (between different organisations, and different nationalities) adds further complexities such as cultural misunderstandings, different psychological contracts, and different expectations about how people should be treated, not to mention different employment legislation, and is clearly an area for further research.

Making the findings of this work available (suitably translated into practitioner language) to organisations, managers and individuals facing downsizing would contribute to the more positive handling of downsizing in organisations.
9. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

9.1 Summary

In line with the aim outlined in Chapter 1, this thesis has investigated employees' perceptions of justice and feelings of trust in managers/the organisation when organisations downsize. As set out in the aim, other emergent themes have been researched, and ways of handling downsizing more positively to the benefit of all stakeholders explored.

Chapter 2 described the organisational justice literature. Organisational justice offers a useful framework for studying employees' perceptions of fairness, and has been developed and widely used in management research over the past 25 years or so. The framework comprises three types of justice. First, distributive justice - the perceived fairness of outcomes - founded on and developed from equity theory. Second, procedural justice - the perceived fairness of the procedures put in place to make decisions about outcomes. This originated in the legal sphere and was appropriated and developed with a number of 'rules' for use in management research. Third, interactional justice - the perceived fairness of personal treatment and communication received - originally viewed as an aspect of procedural justice, it is now regarded by most researchers as a separate construct. Some researchers subdivide it into interpersonal justice and informational justice, although such a division was not supported by the quantitative results from Study 1 of this thesis.

As organisations and their employees have experienced changing relationships, trust has become a growth area in management research, and Chapter 3 described definitions and models of trust that have developed. Most conceive trust as a willingness to make oneself vulnerable to another based on one's view of the other's trustworthiness using items such as ability, benevolence, integrity and predictability. Investigating employment relationships inevitably touches on the unwritten expectations/obligations conceived between employees and their organisations, termed 'psychological contracts' (a component of which is trust), and the literature relating to this was briefly reviewed in Chapter 3.

The setting against which employees' perceptions of justice and trust have been explored is that of downsizing. This is for many a traumatic type of organisational change that brings to
the fore issues of justice and trust, as well as strong emotions, particular attitudes and behaviours, and for organisations, their managers and employees, often far reaching consequences. The literature on downsizing – how it is defined, implemented, received, and its effects – was described in Chapter 4.

The methodology utilised in this thesis was outlined in Chapter 5. It described the research rationale, philosophy, design, and background to the methods and instruments applied. The methodology followed a mixed methods design, commencing with a quantitative approach (Study 1, an organisational survey) to test various hypotheses related to established theories of justice and trust across many organisations in the UK. Finding that context was important, and wanting to explore some of the reasons behind employees' reactions, a qualitative approach (Study 2, an interview-based case study) was used to investigate perceived justice, trust and other emerging themes in a single downsizing event. Given the often negative reactions to downsizing and the difficulties faced by organisations to do it well, Study 3 took a qualitative approach and used focus group interviews to investigate ways of handling downsizing more positively.

Chapter 6 documented the method, results, discussion and conclusions from Study 1, an organisational survey of individuals who had experienced downsizing in a wide range of (mostly large) UK organisations. The study set out to answer a number of questions posed by research objectives 1-3; summarised as to understand how employees’ perceptions of organisational justice and their trust in their line manager/the organisation are affected by downsizing, and to determine how organisational justice and trust are related. To achieve these objectives, a number of hypotheses were tested using established scales of justice and trust. The study found that respondents perceived the downsizing procedures, their influence over those procedures, and their personal outcomes as largely unfair. Only their treatment by line managers/supervisors was perceived as more fair than unfair, presumably based on existing positive relationships. Various dimensions of organisational justice were found to be predictors of trust. Those involved in the implementation of downsizing regarded it as fairer and had higher levels of trust in management than those who were not involved. Those who were made redundant regarded the downsizing process as less fair and displayed lower levels of trust in management than those who survived. For the latter two findings, only the dimension interactive justice showed no significant difference, presumably because this is more strongly linked to respondents’ views of their particular line manager/supervisor.
Qualitative data from several open questions (Appendix E) largely supported the quantitative data, with many of the themes and sub-themes matching dimensions of organisational justice and trust. Whilst the split between interpersonal and informational justice proposed by Colquitt (2001) was not supported by the quantitative data, such a division could be seen in the qualitative data comments; some clearly referred to interpersonal treatment, others to issues of communication and information. In addition, the qualitative data generated several other themes including the lack of appreciation/betrayal felt by many respondents, articulated by some as a breach of the organisation's commitments to them (psychological contract); the effect of time – that for some, perceptions changed with the passage of time, for others they hardened; the effect of downsizing upon the organisation's culture; and the tension of playing a dual role (that of implementer and potential victim of downsizing).

In Study 1, the variation of responses was often linked to the context of the downsizing and/or the particular circumstances of the individuals concerned. Some downsizing situations were handled well, some were not. In some, there were high levels of existing trust, in others the opposite was true. Leaving the organisation was welcomed by some as a route to other opportunities or early retirement, although for most it was an unwelcomed disaster.

Study 2 aimed to address research objectives 4-7, namely to understand why employees perceived justice and trust as they did, and to determine the consequences of this for the organisation. Against the background of a single downsizing event, sixteen employees of the HR function of a large UK head-quartered multi-national organisation were interviewed; eight had left the organisation as a result of the downsizing, eight had stayed. The method, analysis, and discussion were described in Chapter 7, together with the conclusions, which showed that the poor way the downsizing was handled in terms of process (procedural justice) and personal treatment (interactive justice) led to many employees feeling that the organisation had reneged on its promises and changed its relationship with them (psychological contract breach), a lowering of trust (and in some, the generation of distrust), strong negative emotions, and modified behaviours such as higher tendency to leave and lower discretionary effort. For some, trust diverged: lower, more calculative trust in the organisation, yet more relational trust in particular managers.

Five non-case study interviews supported wider generalisability of some of the case study themes, and highlighted themes such as the role and reactions of ‘executioners’ (those who
plan downsizing and make decisions about who leaves and who stays), and the effect on employees’ reactions of multiple downsizing events. The non-case study also demonstrated that when downsizing is handled well (in contrast to the case study), it is possible for those affected negatively by it to regard their treatment as fair and to retain trust in the organisation and/or its managers.

Chapter 8 described the method, results, and findings of Study 3, a focus group interview-based study which sought to address research objective 8 of the thesis, namely to identify ways that downsizing can be handled more positively. The study showed that whilst downsizing can be a traumatic experience for organisations and employees, including the managers having to implement it, there are ways of making it more positive. For examples: by individuals adjusting psychologically (e.g. thinking through what it means for them, looking ahead) and seeking support; and by organisations providing leadership, open and honest communication, clear policy and process, sensitive handling of individuals, and practical and emotional support. What would also help is better manpower planning to hopefully avoid unnecessary downsizing, and better knowledge management of what is learnt through downsizing events so that good practices are retained and mistakes not repeated.

Other emerging themes included the perceived arbitrariness of decisions (reflecting poor procedural justice), the changing nature of psychological contracts (if not based on reciprocal loyalty anymore, organisations need to be clear upon what they are based) and for some, a divergence of trust between the organisation and particular managers (as in Study 2).

9.2 Conclusions and contributions to knowledge

9.2.1 How the research objectives were met

With reference to the research objectives 1-3 set out in Chapter 1, Study 1 showed that:

1. Employees’ perceptions of justice were affected by downsizing: perceptions of distributive and procedural justices overall were negative; only interactional justice overall was positive – responses to open questions suggested that this was due to existing positive relationships with line managers that were maintained or even strengthened through the downsizing. Involvement in the downsizing process and whether or not an
employee was made redundant appeared to have had moderating affects on justice perceptions. Additional contributions to knowledge were that (i) in the UK context of the study, interactional justice emerged as a single dimension, not the two justice dimensions (interpersonal and informational) of Colquitt, 2001; and (ii) in contrast to Colquitt’s (2001) one dimension of procedural justice, this study distinguished two dimensions: procedural justice control corresponding to Thibault and Walker’s (1975) process and decision control items, and procedural justice procedures corresponding to Leventhal’s (1980) procedural justice rules.

2. Employees’ trust in their line manager was not distinguishable from trust in the organisation in this study. However the results did reveal two dimensions of trust in management: trust in management general (trust in their competence and integrity), and trust in management personal (how trust affects the individual trustor, trust in managers’ benevolence and integrity). These do not directly correspond to Cook and Wall’s (1980) split between capability and intent, nor with trust in management or organisation versus trust in immediate line manager/supervisor (Brockner et al., 1997; Tan & Tan, 2000).

3. Justice was shown to be a predictor of trust. The strongest predictor of trust in management general was procedural justice procedures. This corresponds to previous work suggesting that procedural justice (as compared to distributive justice) is a more significant predictor of higher order issues such as organisational commitment to a system and trust in its authorities (Lind & Tyler, 1988; Folger & Konovsky, 1989; Sweeney & McFarlin; 1993). The qualitative data also supported a strong link between justice and trust in the organisation as a whole. The quantitative results showed that the strongest predictor of trust in management personal was interactional justice. These two constructs were strongly correlated, not surprisingly since interactional justice describes perceived fairness of treatment by a line manager/supervisor, and trust in management personal describes how trust in management (including line managers) affects an individual.

The qualitative data from the open questions yielded rich information on some of the reasons why employees view justice and trust as they do (thus in part addressing research objective 4), for example the lack of appreciation/betrayal felt by many respondents, articulated by some as a breach of the organisation’s commitments to them (psychological contract).
Study 2 addressed research objectives 4-7 and showed that:

4. In the case study, the poor procedural justice and personal treatment (interactive justice) led many employees to feel the organisation had reneged on its promises and changed its relationship with them (psychological contract breach), and thus their trust was reduced (more calculative). For some (particularly enforced leavers), it resulted in an absence of trust or distrust, whilst others (e.g. some stayers) seemed to hold reduced trust in the organisation alongside distrust (the latter perhaps as way of self-protection), and for some trust in particular managers was enhanced (more relational). Non-case study examples showed that with positive handling of downsizing, a good relationship with, and trust in, the organisation could be retained.

5. In terms of the consequences of employees’ justice and trust perceptions, downsizing was shown to have strong effects on employees’ emotions, attitudes (e.g. organisational commitment), and behaviours (e.g. tendency to leave and discretionary effort).

6. Clearly, what organisations and managers should be aware of as they decide on and implement downsizing include: the powerful effects of employees’ justice perceptions on their relationship with the organisation; the effect on trust in managers/the organisation if employees think the organisation has treated them unfairly and reneged on its obligations to them; the effects on employees’ emotions and work attitudes and behaviours.

7. As described above, employees’ perceptions of justice and feelings of trust are intimately linked to their relationship with the organisation. Study 2 revealed that perceived injustices led employees to believe that the psychological contract between them and their organisation has been breached by the organisation and thus the relationship damaged. One outcome of this was a lowering of their trust in the organisation.

Study 3 addressed research objective 8 and showed that:

8. Downsizing could be handled more positively by (i) individuals adjusting psychologically and seeking support; and (ii) by organisations/managers providing leadership, open and honest communication, clear policy and process, sensitive handling of individuals, and practical and emotional support.
In addition, Study 3 results yielded further information in relation to research objectives 5-7 since as the focus groups discussed handling downsizing more positively they considered the consequences of employees' perceptions of justice and trust, what managers should be aware of when downsizing, and what how the employees' relationship with the organisation can be tested during downsizing. The divergence of employee trust (lower towards the organisation, higher towards certain individuals) and the presence of distrust noted in Study 2 were also found in Study 3, further supporting the generalisability of these findings.

9.2.2 Overall conclusions

Overall, this thesis shows that employee perceptions of justice and trust are very important for the quality of relationships that employees have with their managers and organisations (which has implications for attitudes and behaviours such as discretionary effort, tendency to leave, etc.), and for their own well being since when people feel unjustly treated and that their trust has been betrayed, they can experience intense negative emotions. When downsizing occurs, perceptions of justice and trust come to the surface as people reflect on their outcomes, the way decisions have been made, and how they have been treated.

Can a downsizing realistically be managed in a manner that delivers justice and retains trust? Because of the nature of dramatic organisational change and the losses involved, and the tension between organisational and employee needs, it is not surprising, even if the organisation has done its best to be fair, that people feel aggrieved if their personal expectations have not been met. However, there are ways that downsizing can be made more positive for organisations and employees, underpinned by an understanding of how people perceive justice and trust. Justice can certainly be delivered and perceived as such in relation to downsizing process and personal treatment, even if particular individuals still disagree with their personal outcome. The latter can sometimes be less to do with justice as with personal desires and aspirations or reflect the very real tension between organisational and individual goals, in which case it may need an external party to determine if a particular outcome is just in a normative sense.

However, justice perceptions should not be misused by employers merely as a means to make unfavourable outcomes more palatable, but rather to ensure procedures are fair so that
outcomes are fair, and that people are treated fairly because they have a right (as human beings) to be treated fairly. Applied in this way perceived justice will be higher, and also closer to normative justice. Additionally, trust will be retained or restored which is good for the ongoing wellbeing of both employees and their organisations. Given changes in employment relationships (e.g. less job security), some distrust may also be generated. However, I think this may not always be a bad thing (as long as a certain level of trust also exists) because it can help prevent abuse of employees who previously had an unquestioning (perhaps naïve) trust in an organisation, and therefore may be a way of rebalancing the relationship which may have become lopsided because of changes made by the employer (often to the detriment of employees). So justice can be delivered during downsizing – maybe not perfectly, and not perceived as such by everyone – but perceptions of justice and justice itself certainly can be enhanced by the procedures put in place and the way downsizing is managed. Such an approach will also help retain, or if it has been damaged, rebuild trust.

9.3 Thesis strengths and limitations

9.3.1 Strengths

One of the strengths of this thesis is its sound theoretical basis in theories of organisational justice, trust and psychological contracts, and for its setting – an example of organisational change that highlights these concepts – that of downsizing.

The mixed methods approach also proved effective in accessing answers to ‘what’, ‘how’ and ‘why’ questions, and in providing triangulation of some of the key themes. As part of this methodology, an innovative choice of techniques encouraged expression of reactions and feelings. The use of participants’ stories (Study 2) proved to a powerful tool for tapping poignant examples or for typifying an event. The use of ‘lasting impressions’ and ‘sketched images’ in Study 3 helped bring to the surface the issues that had had most impact upon participants and their most strongly felt emotions. The use of ‘apprciative inquiry’ in facilitation led to many useful suggestions for handling downsizing more positively.

The write up of each thesis study as a paper that was double-blind refereed and accepted for subsequent BAM Conferences (Curran, Gore and Foster, 2006, 2007 and 2008 respectively)
added rigour to the presentation and interpretation of the results, and feedback from reviewers and conference attendees provided further insights which, where possible, were incorporated.

A further strength is that the topic is relevant to academics and practitioners alike, and is therefore more likely to find exposure to a wider audience; in addition to seeking academic publication, I have plans for a book aimed at practitioners.

9.3.2 Limitations

One limitation of this thesis is, because of the multi-faceted nature of the trust construct in the literature, the lack of reliable, well validated and widely accepted ways to measure it.

Another limitation is that the case and focus group studies have limited generalisability, although triangulation of some of the key themes between the three studies improved this.

Additionally, the case study, whilst deeply illuminating, only represented a single point in time; access to participants before, during and after the downsizing event in a more longitudinal design would have more adequately captured the development of reactions and their variation over time. The scope of this doctoral thesis did not allow enlargement of the research in this way, however a follow-up study could add a longitudinal dimension.

9.4 Recommendations for further research

Areas in which further research would shed more light on the topics covered have been outlined in the study chapters 6, 7 and 8, and include the questions posed below.

Why is it that organisations continue to handle downsizing badly, and how can existing knowledge and techniques such as better manpower planning and knowledge management be used to help and perhaps even prevent unnecessary downsizing?

What are the effects of time on employees’ trust and perceptions of justice in relation to a downsizing event? What are the effects of a more transactional employee-organisation relationship on issues such as trust, employee relations, performance and commitment?
Are the reactions of employees to downsizing in small to medium sized organisations similar to those encountered in large organisations mostly addressed in this thesis?

How do the psychological contracts of young people joining organisations today differ from long-serving employees, and would they react to downsizing any differently?

What are the impacts to employees’ responses to downsizing of (i) personality and (ii) the interaction of multiple cultures?

The mixed methods design also highlighted some areas for further research. For example, the development of more robust measures of trust for use in management studies.

9.5 Finally, does it matter?

So, in closing, this research demonstrates that it does matter how employees perceive the way they are being dealt with (i.e. fairly or not) by organisations and their managers because of the effects it has on ongoing relationships, trust, psychological contracts, attitudes, emotions, and behaviours. In fact, it is not only perception that matters; organisations should act towards employees in normatively just ways also. However, it is through the framework of organisational justice that we understand how employees perceive fairness and, when perceptions align strongly, that organisations get messages about how justly they are behaving in a normative sense.

It matters that individuals in organisations have trust in managers and the organisation, on whatever that trust is based, because without trust relationships falter and work attitudes and behaviours are impacted negatively. It matters that organisations are clear with employees about what the employment deal is, because when it comes to a crisis like downsizing, employee’s perceptions of fairness and notions of trust rapidly deteriorate if they believe they have been let down or deceived. It matters that managers dealing with employees during downsizing apply fair procedures and treat them with respect because that is there right as employees and as people. It is also good for the organisation in the long run, as well as allowing managers to sleep at night with a clear conscience.
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APPENDIX A

REFLECTIVE ANALYSIS

1. Research journey

I have undertaken this PhD research as a part-time student, managing my time between study and working as an independent training consultant. I commenced my studies in January 2004, having been registered directly as a PhD student. I underwent the MPhil to PhD transfer process in July 2006 by way of charting progress and obtaining feedback, and was duly upgraded following a meeting with internal examiners Professor Colin Hales and Professor David Goss, chaired by Professor Hans van der Heijden, and observed by Dr Julie Gore, on 18th July 2006.

In prior Human Resources & Training Manager roles over 23 years in a multinational corporation, I experienced and had to manage many organisational changes, including several downsizing events. I became interested in the effects of these changes on employees and managers and also in the ethical issues they raised and how they were dealt with. This led to my initial research idea of investigating the ethics of organisational change.

Embarking on my research in 2004, the first half of the year was spent reading about ethics in relation to organisational change with the aim of more clearly defining my research question. This led to a focus on organisational justice – the way employees perceive the fairness of their experiences in organisational settings – since this offered an established framework for tapping the ethical issues through personal perceptions but without making judgements about moral absolutes, which are difficult to ascertain when there a multiple perspectives and differing organisational and individual needs, aspirations and circumstances.

Reading of the antecedents and consequences of organisational justice perceptions led me to consider the concept of trust; perceptions of fairness effect and are impacted by the trust between the parties concerned. The interaction between
organisational justice and trust in the context of organisational change seemed a fruitful topic to explore.

As a context for investigating justice and trust, I found that organisational change was too wide, so I refined the context to that of downsizing, which represents for many a dramatic organisational change that brings to the fore issues of both justice and trust. During the latter part of 2004 and early 2005 I reviewed the organisational justice literature, and commenced reading about organisational and interpersonal trust, and downsizing. My reviews of these literatures of organisational justice, trust (and psychological contracts), and downsizing are described in Chapters 2, 3 and 4 respectively.

In the second half of 2005, as my research question and objectives became clearer, I designed a methodology to investigate them, as described in Chapter 5. I decided to undertake an organisational survey as Study 1 to test a number of hypotheses about justice and trust when organisations downsize in a UK setting. I obtained access to an outplacement consultancy with a large database of employees from UK organisations who had experienced downsizing. A pilot study was undertaken in November 2005 to test the survey instrument. The main study was undertaken in December 2005. The results were analysed during 2006, learning how to apply statistical tests during the process, and culminating in a development paper presented at the British Academy of Management (BAM) Conference in September 2006. This study is described in Chapter 6.

Study 1 highlighted a number of issues to follow up through a second study and, because the context of the downsizing event was shown to be important to employees' reactions, I decided to undertake this as a case study. Study 2 was conceived and designed in the autumn of 2006, with two pilot interviews in the fourth quarter, and subsequent interviews during 2007. Preliminary results were presented as a developmental paper at the BAM Conference in September 2007, and the results of some non-case study interviews added to compare themes and test the generalisability of findings. The full study is described in Chapter 7.
From the results of the first two studies, it was evident that downsizing affected employees’ perceptions of justice, their feelings of trust, their relationships with their organisations, and their emotions and behaviours, often in negative ways. A third study was designed in the fourth quarter of 2007 to investigate ways of handling downsizing more positively. Three focus group interviews were conducted in January 2008, the results analysed during the first quarter, and written up as a full paper for the BAM Conference in September of 2008. This study forms Chapter 8.

The second quarter of 2008 was used to complete the analysis and discussion sections of the three studies, revisit and update the literature review, clarify the overall research methodology and the rationale for choices made about specific methods, and shape the thesis into a coherent story that addressed the original research question and objectives. A summary, some general conclusions, and recommendations for further research are given in Chapter 9. The first draft was submitted at the beginning of the third quarter 2008 and, following feedback from supervisors and a number of adjustments, the PhD thesis submitted for examination in the first quarter of 2009. Following the viva examination in May 2009, some revisions were made and the thesis resubmitted and approved in February 2010.

2. Statement of personal values

My own statement of personal values is given below:

- I am concerned with how people are treated within and by organisations, particularly during times of rapid change.
- I have experienced the effects that downsizing and redundancy have on individuals and organisations and think that they can be handled in better and more positive ways.
- It is important to me that people who work in organisations are treated fairly (justly) by the people (in their roles as managers) and organisations that have power over them.
- I believe trust is necessary for people to work collaboratively, and for employees to have a constructive relationship with their organisation and the line managers that exercise the organisation’s authority.
• I follow a Christian ethic which I understand to equate to values such as consideration for the well being of others, honesty, the duty to work diligently for an employer, the right to be treated justly by that employer, and the enriching nature of relationships that enjoy mutual trust.

3. Reflective analysis for Study 2

My personal purpose for this study stems from experience of several major downsizing processes as a Human Resources Manager, and personal experience of exiting a downsizing organisation via voluntary redundancy. Having witnessed and experienced the impact it has on people (as employees, managers, or both), and subsequently reflected on how downsizing processes were conceived and implemented, I believe that downsizing can be done better, with more benefits and less detrimental effects for all parties concerned.

Study 2, as a qualitative interview-based study, involved a significant amount of interaction with the participants as the interviewer. Hence it was important to consider my own perspectives and their possible impact on the interviews and the subsequent interpretation of the data. The reflexive technique I used was to simply put down my own beliefs, expectations, and assumptions as I approached the study:

I believed from my experience that downsizing is usually viewed as a negative experience by those it is enacted upon, whether they survive the process or not. It is traumatic for the organisation since many employees face an uncertain future, and often those involved in implementing the process are also under the threat of losing their jobs.

I expected the people interviewed to be, to different degrees, hurt and angry by the downsizing event they had experienced, irrespective of their personal outcomes. I thought this could be for a number of reasons including: a perceived breach of trust, a perceived breach of (psychological) contract, or perceived unfair outcome and/or process and/or personal treatment.
I expected that those who lost their jobs involuntarily to be most angry and to feel that they had been hard done by and unfairly treated, and those who remained with the organisation to be less angry and have higher (but probably still negative) perceptions of fairness.

I expected those who voluntarily left the organisation to be more positive overall since they had exercised their own control of the situation.

I expected the trust all had in the organisation and its senior managers to have been reduced by the downsizing experience.

I expected the impact on relationships and trust with people’s immediate line managers to be varied and dependent on the existing relationship with/trust in that person, and how much influence that person had in the downsizing process and decisions.

From my knowledge of the organisation and the particular downsizing event, I expected people’s view of the downsizing process to be that it was well organized and followed a clear process, but that views on the decisions about people were adversely skewed by external involvement (a consultancy company was used in the selection process for who was to stay) and new management, and that the interpersonal treatment received was harsher than experienced in previous events.

I expected that those involved in the strategic decisions to downsize and the process by which it was done to be more positive about it, defending its necessity and its implementation.

I believed that the process had had a detrimental effect on survivors, resulting in them viewing their continuing employment and psychological contracts in more transactional ways than before.

I believed, from the literature and my own Study 1, that trust of employees in the organisation and its managers was related to how fairly employees perceived they
had been treated (in terms of personal outcome, and/or the process, and/or personal treatment).

I thought that middle managers were truly in the middle – having to make people redundant (on the strategy and orders of others) – and at the same time having to manage their own uncertainty and, for some redundancy, as the process was applied to them.

From a reflexive standpoint, I also recognised the need to consider the effect of my extensive knowledge of the organisation and my existing relationships with participants. Knowing most of the participants personally gave me the advantages of easy access and of good rapport. I was aware that this level of prior knowledge and personal involvement would have an effect on the choice of participants, the interviews, and my interpretation of the data. In an effort to prevent my presuppositions or familiarity from unduly influencing the collection of views and perceptions from participants, I thought carefully about the selection of participants (using maximum variation sampling), the interview technique (as described in Chapter 5) and, in my analysis of the data, endeavoured to given an even weight to the all the views collected.

4. Reflexive analysis for Study 3

Similarly to Study 2, my personal reason for undertaking this study stems from personal experience of downsizing – from viewing its impact on employees and organisations, and through leaving an organisation myself through voluntary redundancy. As a Human Resources manager, I was involved in designing downsizing processes at a strategic level, and in their implementation down to the detail of telling people they no longer had jobs. Reflecting on such experiences led me to believe that downsizing could be handled more positively than is currently the practice in many organisations, hence the rationale for Study 3.

Recognising that facilitating the focus group interviews would involve significant interaction with the participants and the potential to influence the dynamics of the group with my own perspectives and presuppositions (Maxwell, 1996), as a reflexive
I listed my own beliefs, expectations, and assumptions so that I was aware of them and their possible impact on the interviews and later data interpretation:

I believed from my experience (and the results of Studies 1 and 2) that downsizing is often viewed as a negative experience, more so by the casualties than the survivors, unless the casualties had wanted to leave.

I expected focus group participants to display a range of views on downsizing depending on their experiences of it, and the control they had over it.

I expected that those who lost their jobs involuntarily to be most negative and to feel that they had been hard done by and unfairly treated, and those who remained with their organisation to be less negative and have higher perceptions of fairness.

I expected those who voluntarily left their organisation to be more positive overall since they had exercised their own control of the situation.

I expected that levels of trust by participants in their organisations to have been affected by the downsizing, depending on how the event had been handled.

I expected the impact on relationships and trust with people's immediate line managers to be varied and dependent on the existing relationship with/trust in that person, and how much influence that person had in the downsizing process and decisions.

I expected that those involved in the strategic decisions to downsize in their organisations and the processes by which it was done to be more positive about it, defending its necessity and its implementation.

I believed that downsizing has an effect on survivors, resulting in them reviewing their continuing employment and psychological contracts depending on how the event has been handled and the personal impact on them.
I believed, from the literature and my own Studies 1 and 2, that trust of employees in the organisation and its managers was related to how fairly employees perceived they had been treated (in terms of personal outcome, and/or the process, and/or personal treatment).

I expected, due to the 'appreciative inquiry' design of the questions, that once people had expressed some of their negative emotions about their experiences, that the discussion could be facilitated towards constructive ideas and suggestions related to the study's purpose of finding more positive ways of handling downsizing.

I expected, from my literature review and Studies 1 and 2, that suggestions for positively handling downsizing would include items such as good communication, a clear and fairly implemented process, humane treatment by the organisation and managers including respect and care, the provision of various support mechanisms by the organisation, and individual coping strategies.

I personally knew the participants that I invited to help with the study. This gave the advantages of easy access and of good rapport through existing relationships, although limited the number and type of organisations covered by the study. I was aware that this level of prior knowledge and personal involvement would have an effect on the choice of participants, the facilitation of the focus group interviews, and my interpretation of the data. To prevent my presuppositions or familiarity from unduly influencing the collection of views and perceptions from participants:

- Selection of participants was undertaken with care (using purposeful sampling) to give a range of perspectives related to the purpose of the study and the research questions.

- The focus group interview technique was designed to give all participants the opportunity to share their views and for the group to determine which approaches would be most beneficial, with me as the researcher facilitating rather than leading the discussion, thereby allowing issues to emerge rather than dominating them with my own presuppositions.

- In the analysis of the data, I endeavoured to given an even weight to the views collected and the group's understanding and evaluation of them.
APPENDIX B: Study 1 survey instrument - survey on justice and trust in organisations that have undergone downsizing

Opening page with invitation as seen by addressees (outplacement company name blanked out)

The survey is designed to investigate your thoughts and reactions as an employee (worker or manager) in an organisation that has undergone downsizing. By downsizing we mean the reduction in size of an organisation by loss of jobs, usually involving the laying off (making redundant) of employees. If you have worked in an organisation that has undergone downsizing you will be aware of the effects that it has and the reactions that it evokes - please use this as an opportunity to have your say.

This survey is part of a post-graduate doctoral research study into justice and trust in organisations that have undergone downsizing, being undertaken by on behalf of Peter Curran at the School of Management, University of Surrey. Please be assured that all information provided will be held in the strictest confidence and only be used in aggregated form for academic purposes with no identification of individuals or their organisations.

Your response would be greatly appreciated and will help build a picture of the effects downsizing has on people's perceptions of justice and trust in organisations.

The survey should take no more than 15 minutes to complete.

Thank you for your time and attention.

* 1. Do you or have you worked in an organisation that has undergone downsizing?
   - Yes  - No
Please respond to the questions by ticking the box which best represents your view. Only tick one box for each question. The questions refer to your experiences in an organisation that underwent downsizing – if you have experienced downsizing more than once, please refer to your most recent experience.

Thinking about the *downsizing procedures* (by which we mean the procedures used to arrive at decisions about downsizing) in the organisation where you experienced downsizing, to what extent:

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<th>Question</th>
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<td>1. Were you able to express your views and feelings during the downsizing procedures?</td>
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<td>2. Did you have influence over the decisions arrived at by the downsizing procedures?</td>
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<td>3. Were the downsizing procedures applied consistently?</td>
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<td>4. Were the downsizing procedures free from bias?</td>
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<td>5. Were the downsizing procedures based on accurate information?</td>
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<td>6. Were you able to appeal against the decision arrived at by the downsizing procedures?</td>
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<td>7. Did the downsizing procedures uphold ethical and moral standards?</td>
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Thinking about the *outcome* (or result) of the downsizing procedures for you, **to what extent:**

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<td>8. Did your outcome from the downsizing procedures reflect the effort you put into your work?</td>
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<td>9. Was your outcome from the downsizing procedures appropriate for the work you completed?</td>
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<td>10. Did your outcome from the downsizing procedures reflect what you contributed to the organization?</td>
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<td>11. Was your outcome of the downsizing procedures justified, given your performance?</td>
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Thinking about how you were treated by the line manager/supervisor who enacted the downsizing procedures with you, **to what extent:**

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<td>12. Did your manager/supervisor treat you in a polite manner?</td>
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<td>13. Did your manager/supervisor treat you with dignity?</td>
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<td>14. Did your manager/supervisor treat you with respect?</td>
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<td>15. Did your manager/supervisor refrain from improper remarks or comments?</td>
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Thinking about the *information* provided by the line manager/supervisor who enacted the downsizing procedures with you, **to what extent:**

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<td>16. Was your manager/supervisor candid in his/her communications with you?</td>
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<td>17. Did your manager/supervisor explain the procedures thoroughly?</td>
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<td>18. Were your manager's/supervisor's explanations regarding the procedures reasonable?</td>
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<td>19. Did your manager/supervisor communicate details in a timely manner?</td>
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<td>20. Did your manager/supervisor seem to tailor his/her communications to individuals' specific needs?</td>
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Questions 21 to 30 are about your trust in the management, and in your line manager/supervisor (by which we mean the person to whom you immediately report/reported) in the organisation where you experienced downsizing. Indicate to what extent you agree or disagree:

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<td>21. Management at my company is sincere in its attempts to meet the employees' point of view.</td>
<td>No, I strongly disagree</td>
<td>No, I disagree quite a lot</td>
<td>No, I disagree just a little</td>
<td>I'm not sure</td>
<td>Yes, I agree just a little</td>
<td>Yes, I agree quite a lot</td>
<td>Yes, I strongly agree</td>
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<td>22. Our company has a poor future unless it can attract better managers.</td>
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<td>23. Management can be trusted to make sensible decisions for the firm's future.</td>
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<td>24. Management at work seems to do an efficient job.</td>
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<td>25. I feel quite confident that the company will always try to treat me fairly.</td>
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<td>26. Our management would be quite prepared to gain advantage by deceiving the employees.</td>
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<td>27. I can usually trust my line manager/supervisor to do what is good for me.</td>
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<td>28. Management can be trusted to make decisions that are also good for me.</td>
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<td>29. I trust the management to treat me fairly.</td>
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<td>30. My line manager/supervisor can be relied on to keep his/her commitments to me.</td>
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31. How fairly do you feel you were treated when your organisation underwent downsizing?

32. How was your trust in your immediate line manager/supervisor affected by the downsizing?

33. How was your trust in the organisation affected by the downsizing?

34. How easy did you find this survey to complete?

35. How easy did you find this survey to understand?

36. Is there anything else you would like to tell us?

37. Would you be willing to be re-contacted about this survey?

38. If you answered yes to Question 37, please give your e-mail address here: .................................................................
Information about you and the organisation you work for/have worked where you experienced downsizing

For statistical purposes, it would help us to know some information about you and the organisation you work for/worked for where you experienced downsizing.

39. Please indicate which of the following best describes your situation in relation to the downsizing you have experienced (if more than once, the most recent downsizing). Tick one box only:

- [ ] A non-managerial employee who was made redundant.
- [ ] A non-managerial employee who was not made redundant.
- [ ] A manager/supervisor whose job it was to help implement downsizing decisions, and who was made redundant.
- [ ] A manager/supervisor whose job it was to help implement downsizing decisions, and who was not made redundant.
- [ ] A senior executive who made the strategic decision to downsize and presided over its implementation.
- [ ] None of the above, describe here: .................................................................

40. Please indicate when the downsizing you experienced occurred (if more than once, indicate the most recent):

- [ ] Within the last year
- [ ] 2 to 3 years ago
- [ ] 3 to 4 years ago
- [ ] More than 4 years ago

41. How would you describe the size of the organisation (by which we mean the entire organisation) where you experienced downsizing?

- [ ] Small (0 - 49 employees)
- [ ] Medium (50 - 249 employees)
- [ ] Large (250 or more)

42. How many years have you/had you worked for the organisation where you experienced downsizing?

- [ ] Less than 1
- [ ] 2-3
- [ ] 4-5
- [ ] 6-10
- [ ] 11-15
- [ ] 16-20
- [ ] 21-25
- [ ] More than 25

43. Your gender:

- [ ] Male
- [ ] Female

44. Your age (years):

- [ ] 16-20
- [ ] 21-25
- [ ] 26-30
- [ ] 31-35
- [ ] 36-40
- [ ] 41-45
- [ ] 46-50
- [ ] 51-55
- [ ] 56-60
- [ ] 61-65

45. Your ethnic background:

- [ ] White
- [ ] Mixed
- [ ] Black or Black British
- [ ] Asian or Asian British
- [ ] Chinese
- [ ] Other
46. Please indicate the sector in which the organisation where you experienced downsizing best fits (tick one box only):

☐ Agriculture, hunting and forestry
☐ Fishing
☐ Mining and Quarrying
☐ Manufacturing
☐ Electricity, Gas and Water supply
☐ Construction
☐ Wholesale and retail trade
☐ Hotels and restaurants
☐ Transport, storage and communications
☐ Financial intermediation
☐ Real estate, renting, business activities
☐ Public administration and defence
☐ Education
☐ Health and social work
☐ Other community, social and personal service activities
☐ Private households with employed persons
☐ Extra-territorial organisations and bodies
☐ Other, please specify ...................................

Thank you for the time and attention you have given to complete this questionnaire.
1. Tell me about your experience of the downsizing event that occurred in 2005/6.

Probes:
- Overall, was it a positive or negative experience?
- What was the worst thing that you recall?
- What was the best thing that you recall?
- Did you have a role in the process? If so, what was it? Do you think it affected your outlook?

2. Did your feelings about/perceptions of the organisation change as a result? If so, how?

Probes:
- Why do think this was?
- Was your trust in the organisation affected? If so, what do you think caused this?
- By ‘organisation’, do you mean its senior management?

3. Did your feelings about your immediate line manager change as a result of your downsizing experience? If so, how?

Probes:
- Was your line manager involved in the decision about your personal outcome, or implementing someone else’s instructions?
- What effect do you think your manager’s involvement/non-involvement had?

4. Do you think the downsizing event could have been handled differently? If so, how?
5. How did you feel when you learned of what the downsizing meant for you? 
   Probes: 
   1. How did this come about? 
   2. Was it expected? 
   3. How well do you think you were communicated with? 
   4. How did you feel you were treated on a personal level? 

6. How involved did you feel in the downsizing process? 
   Probes: 
   • Do you feel that you had an input to the process? 
   • Do you feel you had any influence over the decisions made? 
   • How fair do you think it was? 

7. Do you think you would feel differently if your outcome had been different? 
   If so, how? 

8. What advice would you give to an organisation about to embark on downsizing? 

9. When people ask you about this downsizing experience, is there a particular incident, story or anecdote that comes to mind? If so, what is it? 
   Probes: 
   • Why this particular incident/anecdote/story? 
   • What is the point that you think it makes? 

10. Is there anything further you would like to add?
Changes made to the interview guide following the pilot interview

- Question 1 was changed to; ‘How would you describe your experience of downsizing…’

- A probe used with question 1 (about process) was transferred to question 5 in the amended guide, where it fitted better.

- Question 3: a probe about trust in line manager was added, so that questions 2 and 3 explore trust in organisation, and trust in line manager, respectively.

- Question 4: this was absorbed into amended question 7, since both explored how, from the participant’s view, the downsizing could have been handled differently.

- Question 5 was reworded to more clearly explore how participants felt about how they were personally treated and communicated with (amended question 4).

- Question 9 (question 8 on amended guide) inviting the interviewee to recall a particular incident, story or anecdote proved particularly fruitful.

- A further question (Question 9) was added to the amended guide to explore if and how participants’ perceptions had changed since the downsizing event.
Interview guide as amended following pilot and used in subsequent interviews

1. How would you describe your experience of the downsizing event?

*Probes:*
- Overall, was it a positive or negative experience?
- What was the worst thing that you recall?
- What was the best thing that you recall?

2. Did your feelings about/perceptions of the organisation change as a result of the downsizing experience? If so, how?

*Probes:*
- Why do you think this was?
- Was your trust in the organisation affected? If so, how and what caused it?
- By ‘organisation’, do you mean its senior management?

3. Did your feelings about your immediate line manager change as a result of your downsizing experience? If so, how?

*Probes:*
- Was your trust in your line manager affected? If so, how and what caused it?
- Was your line manager involved in the decision about your personal outcome, or implementing someone else’s instructions?
- What effect do you think your manager’s involvement/non-involvement had?

4. How did you feel about the way you were personally treated and communicated with during the downsizing process?

*Probes:*
- How well do you think you were communicated with?
- Did you receive adequate information and explanations?
- How did you hear about your personal outcome? Was it expected? Was it done face-to-face?
5. How involved did you feel in the downsizing process?
   Probes:
   • Did you have a role in the process? If so, what was it? Do you think it affected your outlook?
   • Do you feel that you had an input to the process?
   • Do you feel you had any influence over the decisions made?
   • How fair do you think it was?

6. Do you think you would feel differently if your outcome had been different? If so, how?
   Probes:
   • Do you think your outcome was fair?

7. Do you think the downsizing event could have been handled differently? If so, how?
   Probes:
   • What advice would you give to an organisation about to embark on downsizing?
   • How did this event compare to past experiences of such events?

8. When people ask you about this downsizing experience, is there a particular incident, story or anecdote that comes to mind? If so, what is it?
   Probes:
   • Why this particular incident/anecdote/story?
   • What is the point that you think it makes?

9. Do you think your perceptions of the downsizing event have changed over time? If so, how?

10. Is there anything further you would like to add?
Examples of invitation e-mails sent to participants (adapted to each person)

Example 1:
You may remember that I started some PhD research when I left [Company name] on organisations that downsize and the effects on people. I've got to the stage where I'm interviewing a number of people who have experienced a downsizing event recently, and wondered if, given your experience at [Company X] during 05/06, you would be willing to be interviewed.

The interview would take about 45 minutes, max 1 hour, and I would ask some open ended questions about how you experienced the downsizing (the overall experience, your thoughts about the process, if/how it changed your perceptions of the organisation, how you felt you were treated, etc.). It would be anonymous for yourself & the organisation and of course confidential. Let me know if you would be willing to help, and if so, we could fix a time and place convenient for you. Look forward to hearing from you. Peter

Example 2:
I'm currently undertaking PhD part-time, looking at experiences of people when they undergo downsizing/restructuring in an organisation. As one of my studies, I'm undertaking a series of interviews (including people who stayed and people who left an organisation during a single event) and would value interviewing you to hear of your experience during the [Company X] HR restructuring of a couple of years ago. The interview would take about 45 minutes, following a structure of 10 or so questions asking about your reactions to the event, how you felt it was handled, your perceptions of the organisation during that time, how fair you felt it was, etc. Your name and all responses would be kept anonymous as would any references to your previous organisation. I normally record the interviews then transcribe the text so I can compare the responses with the other interviews and highlight themes that emerge from the total of 20 interviews. I will forward a summary of result to participants when the study is complete.

So, if you are willing to be interviewed, happy to meet where it's convenient for you and when it's best for you. Many thanks. Peter
Form used to collect information from participants

INFORMATION ABOUT YOU

Name (will be kept confidential) ...........................................

At the time of the downsizing event:

When did the event occur? .......................................... 

Job title: ........................................ 

Role in organisation: ........................................ 

Years of service: Less than 1...... 2-3...... 4-5...... 6-10...... 11-15...... 16-20...... 21-25...... 26-30...... More than 30......


Gender: Female ...... Male........

If left organisation: Voluntary...... or Involuntary .......... 

If remained with organisation: Same job ...... or New job ........

Currently:

Job title: ........................................ 

Role in organisation: ........................................ 

Many thanks for your time and help.
Dear

RESEARCH ON EXPERIENCE OF DOWNSIZING IN ORGANISATIONS

Thank you for you for being willing to be interviewed about your experience of downsizing. This is part of my PhD research investigating the perceptions of people who work in organisations when downsizing occurs. It is aimed at finding out how and why people think and feel what they do when their organisation embarks on downsizing. The results will shed further light on what helps and hinders this process, and hopefully improve the ways employees, managers and organisations handle such events.

The interview will take around 45 minutes, certainly no more than 1 hour. Essentially it is to explore your experience of downsizing in the organisation where you work or used to work. I am interested in how you felt during the process (before, during, after) and your perceptions of the organisation and its managers throughout the experience.

Please note I need to conduct face-to-face interviews, which will be recorded for analysis. I assure you of confidentiality in your responses throughout the interview, and that the results will be used only for the purposes of my Ph.D research and associated academic publications. You can be assured of the anonymity of yourself and your organisation. Attached is a confidentiality agreement which elaborates these details for you to sign and date.

Once the research is complete, I will forward you a summary of the results and main conclusions

I look forward to the interview on

Yours sincerely,

Peter Curran
CONFIDENTIALITY AGREEMENT FOR PARTICIPANTS

I agree to participate in the PhD research project ‘Justice and trust when organisations downsize’. I understand the purpose and nature of this study, and I am participating voluntarily. I grant permission for interview data to be used in the process of completing a PhD degree, including a thesis and any future publications. I understand, to ensure confidentiality, my name, and the names of others who I may mention in the interview, will not be referred to within the text of the thesis. Nor will the organisation I work or worked for. I consent to the interview being recorded with the understanding that I may at any time, ask for the recording to be turned off.

Name of Participant: __________________________
Signature of Participant: ______________________
Date: ________________________________________
APPENDIX D
STUDY 3 FOCUS GROUP INTERVIEW GUIDE, PARTICIPANT INVITATION & FORMS

Focus group interview guide used in pilot interview

1. Introduction
Facilitator welcomes participants, describes any safety issues for the venue, gives brief context of the focus group discussion, outlines agenda for the focus group. Icebreaker – invite participants to introduce themselves (name, who work for/worked for, role).

2. Warm-up
2.1 Jot down three lasting impressions from downsizing(s) you have experienced. Describe to the group.
2.2 Draw an image (picture, diagram, symbol) to describe how you felt.
Question: Think about the downsizing event(s) you have experienced. Draw an image (picture, diagram, symbol) to show how you felt.

3. From the individual employee’s perspective:
3.1 As an individual employee facing and undergoing a downsizing process in an organisation, what can you do to help you through it?
• Individually, write ideas on post-its, one idea per post-it.
• As a group, display and cluster post-its,
• As a group, discuss themes from post-its, and other emerging themes.
3.2 You survived the downsizing:
• What would maintain your trust in and commitment to the organisation and its management going forwards?
• What would cause you to be fearful and/or cynical going forwards?
3.3 You didn’t survive the downsizing:
• What things helped you cope?
• What made it worse?
4. From the manager's perspective

4.1 What can managers do to handle downsizing in a more positive way?
- Individually, write ideas on post-its, one idea per post-it.
- As a group, display and cluster post-its,
- As a group, discuss emerging themes.

4.2 How can managers maintain the trust of staff whether these employees are staying or leaving the organisation?

4.3 What can managers do to ensure the downsizing is perceived by staff as fair and handled fairly (and that you wouldn't as a manager, be ashamed of)?

4.4 How can you help employees maintain a positive relationship with the organisation (i.e. still committed to its aims and willing to work hard)?

5. From the organisation's perspective

5.1 What can organisations do to handle downsizing in a more positive way?
- Individually, write ideas on post-its, one idea per post-it.
- As a group, display and cluster post-its,
- As a group, discuss emerging themes.

5.2 How can organisations downsize in ways that maintain the trust of managers and staff?

5.3 How can organisations ensure that the downsizing is perceived as fair?

5.4 Is a negative change in relationship between the organisation and its staff inevitable? If not, how can it be averted?

6. Suggestions/guidelines

6.1 Working as a group, what guidelines would you give to an organisation, manager, and individual about to experience downsizing? (Create a separate list for each).

6.2 Together, devise and draw an image (picture, diagram, symbol) to represent positive handling of downsizing from three perspectives (individual, manager, organisation).

6.3 Is there anything further anyone would like to add?
Focus interview guide as amended following pilot and used in subsequent interviews

1. Introduction
   To welcome and set the scene.
   • Facilitator to welcome participants.
   • Describe any safety/housekeeping issues for the venue.
   • Give brief context of the focus group discussion.
   • Mention recording of discussion.
   • Introduce observer (if present).
   • Outline agenda for the focus group.
   • Icebreaker – invite participants to introduce themselves and briefly say how they have encountered downsizing.

2. Warm up
   2.1 Jot down three lasting impressions from downsizing(s) you have experienced.
   2.2 Thinking about the downsizing event(s) you have experienced, draw an image (picture, diagram, symbol) to show how you felt.
      Describe lasting impressions and sketched image to the group.

3. Handling downsizing more positively
   3.1 Individual exercise: how do you think downsizing can be handled more positively?
      • Individually, write ideas on post-its, one idea per post-it.
      • As a group, display and cluster post-its.
      • As a group, discuss themes from post-its, and other emerging themes.
   3.2 Group discussion: So, how can downsizing be handled more positively?
      Probes (if necessary):
      • How can managers/the organisation maintain the trust of staff whether these employees are staying or leaving the organisation?
      • What can managers/the organisation do to ensure the downsizing is handled fairly and perceived by staff as fair?
• How can managers help employees maintain a positive relationship with the organisation?
• As an individual, how can you help yourself through downsizing?

3.3 Of the issues discussed, what would you say was the most important in handling downsizing more positively? (Ask each participant).

4. Conclusion
4.1 Summary of the discussion by facilitator.
4.2 What have you learnt/has struck you most from this discussion?
4.3 Is there anything further anyone would like to add?
Example of e-mail invitation to participants (adapted for each person)

Dear ..., 

I hope that you are well, and that all is well at work and home.

I have a request for your help. I'm currently undertaking a part-time PhD looking at aspects of trust and justice when organisations downsize. As part of my research, I am setting up a focus group study to look at ways of handling downsizing positively, from the varied perspectives of organisations, managers and employees. I wondered if you would be willing to be a participant (with 5 or 6 others) in a focus group discussion?

The focus group discussion will take around 90 minutes, and will be at the University of Surrey in Guildford:
- on [selection of dates] 2008 (let me know which date suits you best).
- at 7pm (let me know if an earlier or later time would better suit you).

Some light refreshments will be provided. I will give more detailed directions beforehand.

The discussion will be audio-recorded for analysis. The results will be used only for the purposes of my PhD research and associated publications. You can be assured of the anonymity of yourself and organisations mentioned. Once the research is complete, I will forward you a summary of the results and main conclusions.

I hope that you will be able to take part in one of these events and look forward to hearing from you.

Best wishes

Peter
Form used to collect information from participants

School of Management
www.som.surrey.ac.uk

Project Title: Justice and trust when organisations downsize

Researcher: Mr Peter Curran
Supervisors: Professor Mike Riley, Dr Julie Gore, Dr Doug Foster

Confidentiality agreement for participants

I agree to participate in the PhD research project ‘Justice and trust when organisations downsize’. I understand the purpose and nature of this study, and I am participating voluntarily. I grant permission for focus group interview data to be used in the process of completing a PhD degree, including a thesis and any future publications. I understand, to ensure confidentiality, my name, and the names of others who I may mention in the interview, will not be referred to within the text of the thesis. Nor will the organisation I work or worked for. I consent to the focus group interview being recorded with the understanding that I may at any time, ask for the recording to be turned off.

Name of Participant: __________________________
Signature of Participant: __________________________
Date: __________________________
Form used to collect information from participants

INFORMATION ABOUT YOU

Name (will be kept confidential)
..........................................................

Gender: Female..... Male..... Current job title:
..........................................................

Current role:
..........................................................

Years of service (at time of downsizing): Up to 1.9.... 2 to 3.9.... 4 to 5.9.... 6 to 10.9.... 11 to 15.9.... 16 to 20.9.... 21 to 25.9.... 26 to 30.9.... More than 31 ....


Experience of downsizing:
..........................................................

If Manager (Tick all that apply):
• Strategic decision maker in relation to the downsizing......
• Policy maker in relation to the downsizing......
• Implementer of the downsizing......
• Recipient of the downsizing......

If Human Resources Manager/Professional (Tick all that apply):
• Strategic decision maker in relation to the downsizing......
• Policy maker in relation to the downsizing......
• Implementer of the downsizing......
• Recipient of the downsizing......

If Professional (Tick all that apply):
• Implementer of the downsizing......
• Recipient of the downsizing......

When the downsizing happened, did you remain with the organisation ...... or leave ...... ?

If you remained with the organisation, was it in the Same job ...... or a New job ...... ?

If you left the organisation was it Voluntary .... or Involuntary .... or Early retirement .... or Another form of exit ..............

Many thanks for your time and help.
APPENDIX E

THEMES AND QUOTATIONS FROM STUDY 1 QUALITATIVE DATA

Item 31: How fairly do you feel you were treated when your organisation underwent downsizing?

<table>
<thead>
<tr>
<th>Theme</th>
<th>Sub-theme</th>
<th>Quotation (each paragraph represents a separate quote)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair treatment</td>
<td>Fair process</td>
<td>Very fairly. I was given the opportunity to apply for other positions and advised what options were open. The process was fairly transparent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overall I was treated very well, and certainly the processes were very thorough and strictly adhered to, overseen by HR.</td>
</tr>
<tr>
<td></td>
<td>Fair outcome</td>
<td>I was very fairly treated. I was given sufficient notice of the downsizing and full information on the financial package which at 96 weeks pay was very generous and gave me an early entry to the pension scheme with no loss of earned benefits caused by early entry as would have occurred if the company had required me to sign a new contract and delayed the downsizing to limit the impact of pension strain. They also provided useful support for new opportunities via an outplacement service for 6 months after leave date. Extremely fairly. We were given a lot of warning; allowed to negotiate on the terms of redundancy and received a very generous redundancy payment. I was able to have a very frank talk with my manager at a very early stage which led to a very acceptable outcome for me. My manager delivered what he said he would. What more can I ask.</td>
</tr>
<tr>
<td>Fair interpersonal treatment</td>
<td></td>
<td>Personally, completely fairly, particularly by my manager, who was excellent.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Treated as an individual and respectfully.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I think I was treated very well, I was supported by line manager who has also been my intermediator.</td>
</tr>
<tr>
<td>Information and communication</td>
<td></td>
<td>Communicated to as honestly as possible.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Good communication throughout the process, opportunity to ask questions at all times, clear guidelines on redundancy policies/timing.</td>
</tr>
<tr>
<td>Suited personal circumstances</td>
<td></td>
<td>I requested redundancy and although initially rejected after much pleading eventually it was granted. I was treated fairly by most and still given respect by senior management but my line manager seemed to take it very personally. I was referred to by her and other team members as 'scab' for leaving after the downsizing.</td>
</tr>
</tbody>
</table>
| Fair treatment | Suited personal circumstances | five years of committed service to the company.  
I wanted to leave, so it was perfect timing for me  
Very - I asked to be made redundant as I had other plans.  
They did me a favour!! |
| --- | --- | --- |
| Strategically involved or implementer | Totally; I was closely involved with most of the decisions and with the subsequent processes.  
Very fairly as I was the one who was implementing the downsizing. |
| Unfair treatment | Unfair process | Not very fairly at all. Told I was being made redundant and that this was my last day.  
Totally unfairly. It was equivalent to being hauled into Court, read the charges, convicted and sentenced without ever having had a chance to defend myself or rebut the charges. I was totally betrayed and miss-treated.  
Abominably. The only basis for redundancy was the cost of the individuals chosen. There was no assessment of the value delivered for the company in the past or potential for the future. The level of recompense offered meant that there was no point arguing.  
A process is put in place but the decisions regarding who will go and who will stay have already been made. The process is to protect the company not select the best people to stay.  
It was completely unfair, immoral and illegal. I was a consistent performer, was on my best year ever and was not the oldest employee nor was I the most recently hired. I was lied to and mislead and was chosen for dismissal primarily on political grounds in the guise of downsizing and cost-cutting. There was no regard for my track record, loyalty nor the fact that I had a young family to support. There was no warning or indication that I would be selected in this manner. There was no choice on my part.  
Totally unfairly. The selection for redundancy was based on management’s perceptions of competency rather than objective and transparent criteria. Judgements on competency were manufactured or exaggerated to justify a predetermined decision on who would go and who would stay.  
I believe that the company went through the "motions" but had decided what they were going to do anyway. |
| Unfair outcome | Wasn't fair in why but compensated accordingly in that £ was excellent.  
Poor - it was only done on personnel preference and then justified through any criteria.  
Unfairly - it was a political decision unrelated to performance. |
<table>
<thead>
<tr>
<th>Unfair treatment</th>
<th>Unfair outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Very badly - I took them to industrial tribunal (for unfair dismissal under guise of redundancy) and they settled in my favour with a handsome financial settlement 24 hours before the hearing.</td>
</tr>
<tr>
<td></td>
<td>There tends to be a strong element of being in the wrong place at the wrong time rather than any structured approach based on value or contribution to the firm.</td>
</tr>
<tr>
<td></td>
<td>No discussion, arbitrary cull. Performance not taken into account.</td>
</tr>
<tr>
<td></td>
<td>In monetary terms I was treated fairly in that what I received was equivalent to what others did. What was not fair or just was that my work was not acknowledged or appreciated. I felt I was just a number to be discarded at the whim of someone who didn't know me or care about me.</td>
</tr>
<tr>
<td></td>
<td>Having worked in the company for nearly 30 years, I was shown very little respect and appreciation for my position and commitment. Loyalty is a thing of the past.</td>
</tr>
<tr>
<td></td>
<td>My separation from the company, after 21 years, was handled in the most appalling manner. It was over two months before I had a reasonable understanding of the severance package and even then many questions remained unanswered. Overall I was treated very badly.</td>
</tr>
<tr>
<td></td>
<td>I feel that my line manager did not treat me with respect or dignity and in fact I feel she was not strictly honest and forthright.</td>
</tr>
<tr>
<td></td>
<td>We were no longer viewed as employees or human beings, simply a group of people who could no longer be trusted. We were treated like naughty children.</td>
</tr>
<tr>
<td></td>
<td>It was one of the worst and most traumatic experiences of my life.</td>
</tr>
<tr>
<td>Lack of communication</td>
<td>I felt I was treated fairly in terms of $$ paid. However, I was treated very poorly in the communication process.</td>
</tr>
<tr>
<td>Lack of communication</td>
<td>The lack of communication was deplorable, it was communicated without respect, we were treated like idiots.</td>
</tr>
<tr>
<td>Lack of dialogue</td>
<td>There was no dialogue until the decision was taken.</td>
</tr>
<tr>
<td>Lack of dialogue</td>
<td>We had no say in the decision to close our branch. It would have been nice to have had some input.</td>
</tr>
<tr>
<td>Lack of dialogue</td>
<td>Very badly. We were tricked into thinking we had some say in the decisions, but in actual fact we were just made fools of because the decisions had already been made.</td>
</tr>
<tr>
<td>Lack of appreciation</td>
<td>Totally unfairly given the time and effort I have spent working 12 hr days to turn things round only to find no appreciation.</td>
</tr>
</tbody>
</table>
| Unfair treatment | Lack of appreciation | Undervalued, used and cast aside.  
| I felt let down and betrayed by the company after 10 years loyal service  
| I suppose it was fair to me, but I don't think it had reflected all my commitment I had made to the company.  

| Mixed treatment | Some aspects fair, others not | Mixed, depending on the people concerned whom I had interaction.  
| Unfairly in regard of choice of individuals to be made redundant, but then fairly in terms of managing the exit process.  
| From a process point of view, I felt very fairly treated and well handled. The main reason that I was made redundant was that the company simply did not wish to continue to pay me at my current salary levels for the job in hand (one into which they had put me) - hence I felt that the reasoning was unfair.  
| With regard to compensation I feel I was treated very well, but overall the reasons for the downsizing were complete rubbish and not thought out properly. Communication and timescales were a complete shambles.  
| My line manager is totally fair and trustworthy. The new management who did the downsizing had their own agenda and did not take into account my experience and expertise outside my current job description.  
| Politically motivated, so not treated fairly at all. However, I wanted the redundancy so I was rather pleased with the outcome.  
| Treated according to all required procedures and treated with respect but given no opportunity to discuss reasoning or possible alternatives.  
| Downsizing was decided at company level, outside of UK. At this level the decision was biased and definitely not justified to UK management. At local level (in UK) the treatment was fair  

| Not a question of fairness | Company strategy | I don't think that it came down to being 'fair'. The company was acquired and I would say 80% of the employees were made redundant; it was a done deal at the corporate level.  
| More a vendetta with a new regime not respecting the position of the previous management.  
| This was a numbers game that little or no thought was given to the future of the company and its resourcing for vital specialist jobs.  
| Every attempt was made to limit the company's risk and costs in disposing of people. This was the only priority.  

E-4
Item 32: How was your trust in your immediate line manager/supervisor affected by the downsizing?

<table>
<thead>
<tr>
<th>Theme</th>
<th>Sub-theme</th>
<th>Quotation (each paragraph represents a separate quote)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of trust</td>
<td>Breakdown of trust</td>
<td>No longer trusted him. Complete breakdown. Ceased to exist. Totally lost trust and my respect as we were all deceived Obliterated. I had no trust, respect or confidence in my immediate line manager - something I was for my previous 12 years always confident I had. Eroded totally. All commitments and promises were broken =&gt; trust lost. I lost all confidence and trust in my line manager. I will never trust him again. It was destroyed. Evaporated. Terminally. Any trust was completely eradicated. Lost all respect. Completely lost and felt victimised and bullied. Lost and gone forever. Trust went out the window.</td>
</tr>
<tr>
<td>Trust not affected</td>
<td>Trusting relationship</td>
<td>Not affected at all - we had a good respect for each other. Immediate manager - trust was fine (he was also affected). But I didn't trust more senior management. I trusted him totally. My immediate Manager was extremely trustworthy and provided me with information as soon as it was available which helped me formulate my own plans The process for me was open and honest from the very beginning. I was also part of the process so the trust between myself and my manager was not impacted. If this had not been so open my view would be completely different. My immediate line manager was not involved in the decision process – indeed he was also 'downsized' - so my trust was unaltered.</td>
</tr>
<tr>
<td>Trust not affected</td>
<td>Trusting relationship</td>
<td>Not at all - he was extremely supportive, open and honest throughout the process. Not - he was downsized as well.</td>
</tr>
<tr>
<td>--------------------</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Distrustful relationship (remained negative or got worse)</td>
<td>I never trusted him to start with and my view of him never changed but it was substantiated by my redundancy. I didn't trust management in the first place and so their behaviour just reinforced my initial suspicions. Not at all - he behaved as I expected! Did not trust him before and even less after.</td>
<td></td>
</tr>
<tr>
<td>Growth in trust</td>
<td>Increased trust</td>
<td>Increased. We worked well together to make the best of a poor situation. He was downsized too - so probably an increase. Enhanced as I had an excellent working relationship. He was a huge ally during the process and my trust in him increased.</td>
</tr>
<tr>
<td>Personal impact</td>
<td>Feelings of betrayal</td>
<td>I felt betrayed and unwanted. I felt betrayed by her lack of effort to stop the steamroller, or defend her staff, and felt her feeble attempts to alleviate stress locally were prompted by guilt rather than real concern. I lost respect for her and lost trust completely. Destroyed. I felt totally let down, betrayed, and humiliated.</td>
</tr>
<tr>
<td>Reduced loyalty</td>
<td>I was shocked by the way I and my colleagues were treated. My attitude towards employers is now much more mercenary than before. My loyalty to an employer can only be bought over time, now, whereas before it was almost automatic. The lesson that was learnt is that no one can be trusted. It's always best to have a CV at the ready and be prepared for anything, organisations can and will get rid of you in a heart beat. The days of being fully committed and loyal to any organisation are long gone, if a better opportunity arises I will always consider taking it, I believe this is the only way to manage my career. Simply reinforced view of large organisations - there is no trust or loyalty to have with any management.</td>
<td></td>
</tr>
<tr>
<td>Anger and changed attitude</td>
<td>The deception involved and the &quot;spin&quot; they deployed really angered me. I am now very careful not to trust everyone completely.</td>
<td></td>
</tr>
<tr>
<td>Not a matter of trust</td>
<td>Necessary business practice</td>
<td>Trust does not come into it, we were only a number at the end of the day. People do what they have to do.</td>
</tr>
<tr>
<td>Theme</td>
<td>Sub-theme</td>
<td>Quotation (each paragraph represents a separate quote)</td>
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<td>-------------</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Loss of</td>
<td>Total breakdown of trust</td>
<td>Totally destroyed.</td>
</tr>
<tr>
<td>trust</td>
<td></td>
<td>It disappeared.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trust and belief was just totally shot. I could never go back even if they asked.</td>
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<tr>
<td></td>
<td></td>
<td>I could no longer trust in the organisation as they did not treat the bulk of their employees with respect.</td>
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<tr>
<td></td>
<td></td>
<td>It was shattered. I'd never trust that organisation again.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>My trust in the company is now nil, and I intend to take them to court.</td>
</tr>
<tr>
<td>Reduction</td>
<td></td>
<td>It was diminished - but not completely lost.</td>
</tr>
<tr>
<td>in trust</td>
<td></td>
<td>Trust is earned. The organisation has changed so much, trust must be lessened as a result.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>It bred an atmosphere of rumours and distrust - but then I think anything of this ilk will.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>The way I was treated caused me to lower my overall trust in the management.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Lack of openness lead to serious questioning about trust and good intentions.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Very damaged - lots of misinformation and empty promises used to prevent a revolt amongst staff at the time.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Due to the drawn out nature of the process I would say that it has been greatly affected in a negative way.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Badly - people around me were treated poorly</td>
</tr>
<tr>
<td>Trust not</td>
<td>Trusting relationship</td>
<td>Unaffected - there was a cash squeeze and people needed to go.</td>
</tr>
<tr>
<td>affected</td>
<td></td>
<td>Not affected - it was anticipated and had been clearly communicated over a long period of time.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I believe the downsizing was necessary for the organisation's future &amp; my trust in the organisation as a whole remains big.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not at all. I'm paid to do a job, I realise companies are constantly changing. My CV is always ready to be fired out!</td>
</tr>
<tr>
<td></td>
<td></td>
<td>I went through the classic change curve! Thus I was extremely angry at the parent company at first but once I got to know the people involved it abated and dissolved into acceptance.</td>
</tr>
<tr>
<td>Trust not affected</td>
<td>Distrustful relationship (remained negative or got worse)</td>
<td>I never trusted the management of the organisation anyway. My trust in the organisation, already low, was diminished further by the downsizing. I'm not sure I ever completely trusted them, but the downsizing made this worse Unchanged. Cynicism about the organisation is not new. I have learnt over the years not to trust organisations anyway, but the last downsizing experience has meant that I have no trust at all and intend to conduct my business dealings accordingly. What trust would that be? No trust left to give. Sadly confirmed my decreasing trust after several years and rounds of downsizing. Lack of trust due mainly to no clear explanation or deduction as to why certain groups/people where being affected.</td>
</tr>
<tr>
<td>Growth in trust</td>
<td>Increased trust</td>
<td>Given the way it was handled; my trust actually improved.</td>
</tr>
<tr>
<td>Negative view of organisation</td>
<td>Betrayal</td>
<td>I felt betrayed initially, but that's life these days in the corporate world, especially in global leading companies it seems. Betrayal. This was shared by other team members who also started to leave. I felt most let down as I have always championed them as a great company to work</td>
</tr>
<tr>
<td>Dishonesty</td>
<td>They have consistently lied and I have no doubt will continue to. Very damaged - lots of misinformation and empty promises used to prevent a revolt amongst staff at the time.</td>
<td></td>
</tr>
<tr>
<td>Unrequited loyalty</td>
<td>Considerably and left me dismayed that my loyalty and integrity had not been rewarded. Loyalty is no longer valued by the company directors My attitude to the organisation has changed with 26 years of loyalty counting for nothing. Totally. I learned that company loyalty is a one-way thing. Disappointed that there was no loyalty after 14 years service. I have lost my motivation and some of my loyalty.</td>
<td></td>
</tr>
<tr>
<td>View of organisation</td>
<td>Changed relationship</td>
<td></td>
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<td>-----------------------</td>
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<tr>
<td>It was completely eroded. I now think of an employer as one does any other partner in a contract. They are supplying money in return for my work, with an employment contract outlining the requirements of each party. Nothing extra is required, nor expected by either party. It is pointless being emotionally committed to a company (with all that entails) because it is not reciprocated.</td>
<td></td>
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<table>
<thead>
<tr>
<th>Hypocrisy</th>
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<tbody>
<tr>
<td>The company issues lots of corporate statements about its respect for individuals and the dignity with which it treats its employees. This is nothing more than corporate garbage. I realized the organisation said one thing and did another. Despite all their ethical statements, etc., they are lying hypocrites.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Boycott products</th>
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</thead>
<tbody>
<tr>
<td>I encourage my friends and relations to boycott the company’s products and services. I'd never work for them again and wouldn't recommend anybody does. I've also switched my policies to their biggest competitor.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lack of fairness</th>
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</thead>
<tbody>
<tr>
<td>The organisation has robust procedures in place to ensure fairness. However, I believe that fairness is also part of the culture, which came through in the openness with which I was treated. Opened my eyes to the lack of fairness (in some cases) as to who was downsized. I am trying to overcome my cynicism and be positive, but the experience was very demotivating for everyone, and they will have to work very hard to reinstate trust as there were some travesties of justice which are difficult to forget. Again, it was destroyed. The process and outcome flew in the face of everything they preached.</td>
</tr>
<tr>
<td>Theme</td>
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<tr>
<td>-------------------------------</td>
</tr>
<tr>
<td>Downsizing effects</td>
</tr>
<tr>
<td>Effect of time</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Effect on organisation culture</td>
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<td></td>
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<tr>
<td>Lack of trust</td>
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<td></td>
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<tr>
<td>Dual roles</td>
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<tr>
<td>Support</td>
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</tbody>
</table>
| Treatment of people | Lack of respect | Please reinforce to companies that in downsizing situations, people need to be treated with dignity and respect.  
It seems that all companies - organisations and Government organisations merely pay "lip service" to the concept of treating employees fairly and with respect.  
One of the few things I thought could have been handled better in the downsizing was that a few of my colleagues were rather heavy handedly escorted from the building which was unnecessary and of course a humiliating end of long associations for them. |
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Open, honest, inclusive</td>
<td>For future reference any company downsizing would get support and assistance from its employees if it is open and honest with them from the start and includes them in the procedures/negotiation and listens actively to them.</td>
<td></td>
</tr>
</tbody>
</table>
| Varying contexts | Organisational contexts | I was an employee (amongst 25 others) of an acquired organisation in a takeover situation.  
In my case it was more an organisational restructuring which led to elimination of some positions.  
What we are going through is not exactly a downsizing: simply all the central offices are being closed to be moved to the buying company's offices. We have all been offered a job there (if, of course, we are willing to move to different country). |
| Personal contexts | I think that your results should reflect whether the program was voluntary or compulsory as this difference in the decision base makes for a very different scenario. |
| Comments on survey | Clarity | I've left a couple of questions blank as they didn't make sense in my situation.  
Some of the questions were not that obvious. |
| Therapeutic | I also found it a little therapeutic.  
This survey gave me the chance to say what I really think from both head & heart. Thanks.  
Survey has been a bit of a cleansing process too to finally get it off my chest and move on from the experience. |
| Role of HR | The survey only asks about line manager involvement. What about HR's role in this. They are the ones who in my opinion cannot in any way shape or form be trusted. The role of HR seems to have shifted from protecting/helping employees to be completely engaged in protecting the company. |
| Diversity | You did not ask about diversity. Your report MUST reflect this issue in terms of impact of downsizing on BME groups, women and disabled staff etc. In short, is downsizing a subtle but harsh way to conduct 'cleansing' of organisations. |
APPENDIX F
EXAMPLE OF STUDY 2 TRANSCRIPT (INTERVIEW 1)

Date and time of interview: 13th October 2006, 11am.

Location: Small meeting room, [Company X] office.

Duration: 30 minutes and 49 seconds.

Interviewer (IR): Researcher Peter Curran.

Participant (P1): ‘Anna’; Current role: Manager of HR in [Company X] business in [Country A]; Title: HR Director, [Company X] [Country A].

At time of downsizing: Role: Manager of HR Operational Services in UK. Title: HR Manager. Gender: female; Age band: 46-50 years; Service band: 16-20 years. Sector: Energy (Mining and Extraction). Implementer/Recipient during the downsizing; Survivor: New Job.

Atmosphere during interview: Friendly, cordial, relaxed.

Participant’s attitude: Thoughtful and carefully articulated responses. Clearly emotional at times with some tears. Expresed anger as she recalled experiences but remained in control and friendly towards the interviewer. Candid and open throughout, attempted to answer all questions often adding further insights.

Summary of interview: Participant described the experience as a whirlwind, unpleasant, overall negative, but can now see some positive outcomes. Resulting relationship with organisation is more transactional, sees self as having grown-up in this respect (naive before), and relationship with new line manager now professional and not at all emotional. Communication about the participant’s own outcome was handled ‘diabolically’; handed list with her name on it as a demotion. Described process as not unfair (had fair elements, e.g. assessment, consultation, etc.) but brutal in speed of departure of people, particularly senior VPs, and also amounted to a ‘destruction of trust’. Some unfairness in that some selection decisions were influenced by just a few comments made by the person. Participant had an implementation role in process but no influence on decisions. Communication was handled poorly, no thought was given to engaging people, which had a negative effect on survivors. Believes the organisation could have got there by a less brutal route, with more consultation and collaboration. Thinks that the change in relationship of people with the organisation may have negative consequences in the future. Probably would have felt worse if not offered job; those who were made redundant experienced rejection as well. Story: incident when handed list with own job on it "there isn't enough care, nobody gives a damn, to actually make sure that my bit is right".

Overall, a disappointed, somewhat cynical survivor who’s trust and relationship with the organisation changed as a result of the event (less trusting, more transactional) and has not reverted to a more trusting, loyal position even over a year later.
Interview transcript: Chatted amicably together to start with, reiterated purpose of
the study, checked it was OK to switch the recorder on, started interview.

Interview word count: 5,100.

IR. OK, so, the first question is a very open question really is; How would you
describe your experience of, of the downsizing event that happened?

P1. Yea, that’s err, that’s quite, I find that quite difficult to do because now it’s
some time ago (Yea) in a way, so my perceptions of it have changed. Um, at the time
yea it was like being in a whirlwind, it was just, um, it was manic, it was
unbelievably busy and it was really unpleasant (laughs), (Yea, yea) so it was not
great. But, but at the same time I suppose that’s sort of what you expect with big
change (Yea). So I suppose I err had that in my head that I, I didn’t expect it to feel
different from that.

IR. So overall do you think that it was a, a positive or a negative experience?

P1. As an experience it was a negative one (Yea), um, I think that I, with distance I
can see there are some positive outcomes (Right). At the time (Yea) I, I felt it was ...
dire (Yea), really dire (Yea), um, and, and, and, and I think the premise of the thing and
its execution really grated with me (Yea).

IR. OK, so the, the strategic sort of premise behind it, (Yea) you found... (Yea).

P1. I think not, not so much that I couldn’t understand the strategic premise, um, I
just felt there was an element of dishonesty in it, (Right) um. It, I mean the strategic
premise was err, I suppose [Company X] needs to have a functioning um HR area. It
feels that its HR area isn’t functioning. It needs to make a radical shift to get it into
the right place, um and, and I think that was true (Yes). Um, but it, it was
disgenuous to imagine that it was solely a result of the people who were involved,
um, that [New HR VP] coming in had, I mean was given just a huge amount of
money that nobody in HR had ever been given before to sort things out (Yes), if you
see what I mean, and given a huge amount of support that nobody had been given
before to sort things out. So there was a kind of, um blame the past and yet I felt that
those failings were the failings of [Company X] as well as HR and there was no
acknowledgement of that (Yes, yes, yea), so...

IR. And what, what, you had a role in the process?

P1. Yea, I did.

IR. What was your role?

P1. Ah, my role was..., my role was the UK consultation, um so really the UK
transformation (Yea) essentially, though that bit, the transformation was sort of seen,
the change process was seen around two, two lines: one is kind of organisation, the
other um infrastructure. And, and infrastructure is sort of ongoing, so there’s still
something called HR transformation. But the organisation was always seen as a short
window, and um, I was asked to do the UK consultation with um UK employees,
um. So I did that, but that then involved sort of having, putting quite a lot of work

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together to support organi..., all the organisation decisions and, because of actually how it turned out it also involved a huge amount of work around the whole um, the inputs to selection, um, so we had an assessment process that touched everybody from D down to I, um, and for two months I was two times or three times a day at Windsor at the conference centre, front ending the assessment centre (Yea), as well as kind of (Yea) doing lots of um...(Yea).

IR. Did, did it help to b involved in the process? Did that help you kind of manage the experience yourself?

P1. Um, I think it probably did, in ah, in that people who weren’t involved found the experience disorienting (Yea) and couldn’t understand what was going on, and couldn’t find a path through it and so it felt for them like the world was gone mad. I understood what was going on, um, so that probably did help in some way (Yea), though at the time I felt utterly desperate (Yea), and, and, so, who knows what a worse picture would have looked like (both laugh), really, it might have felt even worse, (Yea), God yea.

IR. Why, why did you feel desperate? Because...?

P1. Because I felt it was so brutal. It was so brutal on people.

IR. The process itself was, was fair do you think? Or was it the way it was implemented brutal, or was the process brutal or...?

P1. I think the whole, the whole thing set off on a brutal path because, I suppose we have, [Company X] has some cultural norms around um how we behave with people (Yea) err and we set off on this tack where um, I don’t know, 80% of our vice presidents were ... sent home, within more or less a, a fortnight let’s say of being told that they were going to be sent home, they were gone (Yes, OK). Which is on, you know unknown in [Company X] experience (Yes) so that it felt like the, it started off with this huge dramatic gesture of slash and burn (Yea), um. Was the process fair? I, I, I’m not certain I that I know anymore what fair means in a corporate world (Yea). Um, it, it was, it was a process with quite a lot invested in it and it wasn’t unfair, um, so there were a lot of elements that were, were pretty well thought through and there were reasonable HR assumptions, you know there was, there was feedback from people who, line managers, there was an assessment of people’s capability and so on, and I don’t look around and think um, as I might have done at previous moments, I don’t look around and think we’ve hung on to people who really needed to go, um but I know we’ve got rid of people who we could have hung on to (Right). Um, so, so it was certainly a, a kind of grinding mill that got people out. But the atmosphere um was one of ... a kind of a destruction of trust. (OK, yea). I’m going to cry. (Yea, yea) Ooh, (ooh, yea), sorry (P upset, tears, recovers quickly).

IR. Yea, it was quite an experience, yea, yea, yea, yea.

P1. I think because, um. Interestingly, when I did the consultation at the front end I had a, I had a consultant um, kind of pushed at me by the leadership saying you need to work with this person. Ah, a very good consultant (Yes) on employee relations issues who kind of worked through the consultation (Yea) with me. And she was really worried about how the consultation was going to go (Yea) because she felt that
employee representatives would be very angry and wouldn't be collaborative and so on, and I knew, because I know my colleagues (Yes), that they would be, they were like lambs to the slaughter.

**IR.** Yea, yea because [Company X] people are like that (I laughs).

**P1.** Because [Company X] people are like that, you put them in a room (Yea) and they want to work together and they want to be helpful (Yea, yea) and, and, and they want to be reasonable, and they agreed things (Yes) that in a more combative employee environment (Yes) um wouldn’t have been agreed. And what I was kind of witnessing was (Yes), um, a process whereby over time, they said, they thought ‘Hang on it’s not as I thought it was’ (Yes, yes, yea).

**IR.** Yea, so, did, did your feelings or perceptions about the organisation change as a result of what (Mm) happened? Yea?

**P1.** My feelings about [Company X] have changed forever (Yea) yea. And...

**IR.** What, was that because of the trust thing, do you think?

**P1.** Yes, (Yea) yes. But, well, the other side to that coin is, that um, with reflection I feel, it, it was very, I was living in a paternalistic world (Right, yea) that did not reflect reality, and I was not dealing with the reality of working life, um, so ... it, the, the relationship that...I, I, I’ve come to think that the relationship that people had with [Company X] was not actually entirely a healthy one (Right). And that there is something to be said for people having much greater ownership of kind of their own story (Yea, yes) and, and not being I’m really committed to the organisation and I go the extra mile and whatever but actually (Yea), you know, everyone makes their own decisions (Yea, yea).

**IR.** So, err, how would you describe your change in sort of perception of the organisation?

**P1.** Um, um, I suppose it’s a more, um there’s a word for this I can’t remember, um but it’s a more transactional relationship (OK), it’s a less sentimental relationship (Yea). So, I know what [Company X] expects of me, and I know kind of what’s in it for me (Yes), um, but I, but I also know that it’s a relationship which is utterly finite and not, (Yes) and, and not an emotional relationship anymore (Yea, yea).

**IR.** Your own trust in the organisation, did that change?

**P1.** Um, Yes, yes, I suppose so, yes.

**IR.** In, in what way did that change?

**P1.** I stopped trusting people, or I, I really understood um, ... that, that it, I, I suppose, in the, in the past you um, for example with my boss, before um, he left err, as part of the process, you know I would really talk over with him how I was feeling about things, what I thought about things (Yes), and we had a relationship where we would be able to talk about that openly, and there was no threat to us doing our work and getting on with things (Yes). Um, it was possible to talk about things um, negatively but to be safe enough to know that it didn’t mean that we weren’t going to go on (Yea, yea), get on with it what have you um, and um, I understood that you
know, that's my issues and they're not issues (Yea) to debate with the company (Yea, yea). So it was (Yea) kind of made me withhold more of myself (OK, yea) and deflect it elsewhere (Yea).

IR. When, when you think about sort of trust or, or attitudes to the organisation, do you think about the senior management when you think about the kind of organisation, is that who you picture, err?

P1. I suppose in trust issues, yes, (Yea), yes, yes, in trust issues, I think about senior managers (Yea, OK).

IR. What about your, err, your feelings about your immediate line manager? Did, did they change as a result of, as a result of the experience?

P1. Um, well in the period we’re talking about I’ve had kind of a range of line managers (Right, yea). Yes, I suppose they must have done because, because as I said before the transformation I, I, I was fortunate, I had a great line manager and we had a very open relationship um, and he was immensely supportive, um. In fact during the transformation I was fortunate because I, I worked for someone who was a new hire, um, but he was a an extraordinary kind of people person (Yea), and um, and even still we had a fairly open relationship (Yea) and he respected confidences and things like that, um, but at the same time we didn’t know each other (Yea) and so there were, there were things that were not discussed, um. I now, now in the business it’s completely different (Yea). I have no expectations of [Manager Y], that, I have no expectations for her to care about me at all (Right). So I never ask that of her.

IR. And that, that changed as a result of what happened (Yea) really (Yea, yea), you kind of...?

P1. Yea, yea. Yea, you know it’s a professional relationship (Professional relationship) but it’s not an emotional thing. There’s not a kind of um warm fuzzy connection (Yea).

IR. Is that because it feels safer to do that now or, or that’s just the way you think (I, I think because I, I...) professional life is and?

P1. Um, I don’t think that it would be unsafe (Right) to, to um kind of disclose more of myself but I can see that I’m not certain what purpose I would be trying to serve with that (Right, OK, yea), and um, I’ve seen that I have to change my um, how I deal with things (Yes, yea). I think it’s made me um, and in a way that’s a good side, it’s I would say it’s made me grow up a bit, (Right) um, about how I manage myself. (Yes, yea, OK).

IR. Do you think the, the event could have been handled differently?

P1. Ah, yes, yes.

IR. In what, in what ways?

P1. Um well, I suppose I would, I would always want to go with something that’s more, um consultative, more collaborative (Yea), um.
IR. So at the strategic stage (Yea), more consultative and collaborative there (Yea) as opposed at the implementation? (Yea, yea).

P1. I suppose, I still reject the, the, the view that step change has to be brutal (Yea), but, but I don’t know, I don’t have any data to show that I’m right. (Yea). And when I look around at step change it seems to be brutal (Yes, yea). I don’t know (Yea). But I, I would want to think that it could be more collaborative, that it could be more embracing of, of different perspectives (Yea, yea).

IR. For, for your own personal outcome, err, was your line manager involved in that decision, err, (Um) in terms of getting another job in [Company X] or...?

P1. Yes, yes (Yea) he would, I guess if he thought I shouldn’t have another job in [Company X] I wouldn’t be here (Yea). Although you see, I was doing UK consultation. I was very conscious, um, I mean that’s the fair/not fair piece, that um, opinions were formed that informed selection about people, and, and people could quite easily be, you know, through what they said (Yes), which is kind of the trust thing, um could be suddenly, you know, exiled to Siberia, persona non grata, and you, that was it, you, you’d written your exit ticket by saying the wrong thing in the wrong forum (Yes). Um, but I was never flavour of the month but I was doing something that the transformation could not proceed without me doing that, and there was nobody else who would do it. (Yes). So, I always saw myself as someone that, I sort of knew I was safe because there was just no way that anybody was going to take the business risk of giving me the push (Right).

IR. When, when you were doing that did you know what you next, did you have your (Um) sort of next position?

P1. I was, I was approached by [Manager Z] about [Place] (Right) but in fact, at the time, I mean because I was so hacked off, I, I knew it was likely to be out there (Yea) um, but I, right up to the wire, I didn’t know if I would do it or not (OK, right, yea, yea). So I didn’t know if I wanted to be safe or whether I wanted to go down in flames kind of thing (Yea).

IR. Was there a point then when the job was offered, was...?

P1. Yea, the job was offered (Yea) and in the process we had um, seven days (OK, Right) to decide (Yea), and I decided on the seventh day (OK). So I was, it, it, you know, and probably even now I’m still deciding (Yea, yea).

IR. And was that part of the process handled well in terms of, you know, how you were offered the job?

P1. It was diabolical (OK, right, I chuckles). It really was, no, because, because um my part, because I was in the, the actual sort of doing bit, my team were accountable for getting the decisions from the leadership, turning them into letters (Yea) which the HR vice presidents would sign and would hand out to people; job offers or I’m sorry you haven’t got a job offer (Yea), or whatever, um, and we would then track these responses over seven days (Yes). So, probably the day after selection had happened, sort of, you know (Yea) a bit like choosing a pope in a hotel or whatever (Yea), um, I was summoned to a consultants office in London and the list was trust into my hands, um, including my job on that list, um with an offer at a demotion (Right).
IR. So this wasn’t a face-to-face conversation with the boss?

P1. There was no face-to-face conversation. There was a, a senior consultant who was working on the transformation with [New HR VP]. So here’s a, here’s the selection decisions. First off, someone who was working very closely with me on the project team was not on the list, had no offer (Yea). Um, and secondly mine was down as a demotion (Yea). The jury’s out with me about whether that was administrative error because there was a, an, an amount of incompetence around so it could have been an administrative error (Yea). At the time um, I felt like there’s no such thing as unintended (Yea) events, um but I refused to put the letters together if this person who was working for me didn’t have a job offer, um, and I rejected my job offer at that point and said I’m not interested (Yea) if this is what that offer is so you’d better get clear. But the worst part about it was we, we couldn’t get clear so we had this sort of week when we were generating the letters, I had a team, there were probably about five of us, and we worked literally, we were in Sunbury we were working until ten o’clock at night. And they couldn’t print my letter because they didn’t know what had to go on it and they were trying (Yes) to sort this out (Yes), without having to, you know, it was just diabolical (Yes) for them (Yes) and for me (Yes), it was just dreadful.

IR. And the, the other people who got letters (Yea), was that done by their boss or did they just get a letter, (Um), hard copy letter?

P1. Um, mixed, (Mixed) mixed (Yea, OK, yea). I would say, yea communication was um, was badly handled, and that’s sort of what you’d expect because so many of the vice presidents at that point were new (Yes), and they were having conversations and giving letters to people they’d barely spoken to (Yes, yea).

IR. OK, so you, you feel that communication wasn’t handled, was handled, handled badly, basically (Yea), and err, (Yea) yea?

P1. There was little, little thought about how (Yea) does this (Yea), little thought about that it mattered about how the process would be engaging (Yes, yea). And yet, extraordinarily in the first group of people, so the senior HR managers, let’s say F and above, um, we had virtu..., we had an option that people could opt for redundancy, we had virtually nobody turn down a job offer and go for redundancy, because we had a, I mean, an extraordinary thing really that we’d agreed that you could turn down the job offer and be given the package (Right, right). And I think, we only, the only people who got the package were the people who’d said up front I want it. Everybody else who got a job offer took it (yes), which is extraordinary (Yea). At G and below (Yea) that was completely different (Yea). Hundreds of offers were turned down and rejected and people walked, but, well not hundreds (Yea), that’s an exaggeration (Yea), but people, but, but in this group of people who probably had a longer, were older, had a longer time with [Company X] (Yes), then there was still great loyalty (Yea).

IR. So there was a willingness to stay err, but a feeling that the treatment of people wasn’t (Wasn’t important), that great? Yea, OK, OK.

P1. It didn’t matter (Yea).
IR. Do you think that had an effect on the people that ended up staying (Yes), in terms of...?

PI. People who ended up staying I think, um...because there's a sort of violation of trust issue um, people are not, people are very cagey (Yes), you only talk to people who you absolutely know (Right), you know (Yea), that you've known forever and you trust them (Yea), whatever. Um, but I, last week at conference there were like two hundred and fifty people in this bracket (Yes), over 50% of them are new. Of the under 50% who are old [Company X] there's probably only a small sub-section who I feel and they feel about me that we would have those conversations. So, is it representative, don't know? The ones I spoke with, every single one of them said, 'Um don't know if I made the right decision (OK), what am I doing here, really don't with happy with (Yes) kind of how things are' (Yea, yea). But then again if you were to talk with my team of junior team members, they'd be, they, they felt less of the brutality maybe, and they feel it was worth it, they feel they're in a better function. (Right, OK, yea, OK).

IR. Um, in terms of, um, my next question is about involvement in the process, but you obviously were involved in the process, so you felt involved, err, do you feel you had influence of the decisions that were made?

PI. No, not at all (OK), not at all. That was kind of like a different (Yea), a difference for me because all the way through the process I had to check in (Right), yea I could not do anything without checking in and getting [New HR VP] tick, um, or checking in with her proxy and getting their tick (Yea). We're going to do this, OK tick, we're going to do this, no I don't like that, um, and once or twice, I think there was, yea once or twice I pushed back on things and was totally overruled, um, so, I, I, I thought I was very highly paid pair of hands (Right) if (OK), you know, ultimately I was...(So it was controlled). It was not controlled and influenced by me (Right), it was at a level, you know, above that, and actually probably really controlled by [New HR VP] (Yea), not even by the other vice presidents (Yea).

IR. So you were really implementing other people's decisions.

PI. I was implementing others people's decisions and, and there wasn't an appetite for my inputs, if you will (Yes, OK, err).

IR. But the elements of the process would you say were by and large fair, err?

PI. Yes, so, I, I'm, I, in a way, um (in a ...), the godsend of consultation (Yea) is that um it's a real time process, and if you go into consultation and you're not in a position to agree things (Yes), then clearly consultation is a sham (Yea). So, we were in a position to um establish what the process would be and to establish how that was going to be fair, and, and all of that, and to agree certain things which I think from time to time were felt to be that I had stepped beyond the boundaries of what I was supposed to do (Right). But, but fortunately consultation because it is a dialogue (Yes) takes you to that point (Yea, yea, OK, um).

IR. Do, do you think you'd feel differently if your own outcome had been different? (I, I think...). So for example if you hadn't got a job, do you think you'd have felt differently to...?
Yes, because I had some good friends who didn’t have jobs and there feelings have been different, they’ve been on a different journey (Yes). Um, and, and... because the process felt opaque to a lot of people, then people who didn’t have a job found it very hard to understand, and understand why they didn’t have a job (Yes, right), and so there was a lot of rejection that obviously I didn’t experience (Yea). Um, and, and I can only assume that if I’d been in that category I would have felt the same (Yea, yea) um. And one, and one of the saddest things about it was (Yea) that, that very fast people were on different paths (Yea, yea), and so there was no (No time to adjust or to, yea), and, and, and suddenly your experiences diverged from people who, who you had been close to (Yea), and, and everyone was preoccupied with (Yes) their own story (Yea, yea, OK).

Um, you said your feelings had changed over time (Mm), because it’s a while now isn’t it, it’s a year or whatever since the event happened, err, in what way have they changed, err, have they...?

I can see that some of the outcomes (Yea), um are, are good for the function (Right) and are good for the organisation (Yea), um, err I come back to, you know, part of that is actually having the cash and the permission to do this sort of thing (Yes), but um, that the function has much greater status, um there’s enough clout and money behind making some big changes that needed to happen (Yes). Um like err, like err international mobility, you know really doing something with that or whatever um. So, so some of those things are good and what needed to happen (Yes), um. I, I don’t think I can ever look back and say but the way we got there is a way I, I can feel good about (Yea, yea, yea).

Do you think your trust in the organisation has kind of started to rebuild or has it just gone to a different place, and it’s stayed in a different place?

Gone to a different place and stayed there, I think I (Yea), I think I’ve construed working life completely differently as a result of (Yea) this really (OK, yea, OK).

Is there any err, any particular incident or story that when somebody asks you about the event that comes to mind, that you know that, as an example or an anecdote of you know, the experience you had?

Well I think the classic is me turning up at eight o’clock in the morning at [Location] and being handed this list and seeing my job on it as a demotion, and thinking (Yea) oh, and thinking oh my goodness you know, I’m a, in theory I’m a vital part of the process to get these letters sorted and to get the thing to happen (Yea), and yet there isn’t enough care, nobody gives a damn (Yea) to actually make sure that my bit is right, you know (P1 laughs) (So that whole...). Yea, and I thought gosh, well there (Yea) you know, if it can’t even be got right when there’s actually something in it for the organisation (Yea), to keep me motivated to finish this task (Yea), um how does that speak um about the overall attitude to people in this process? (Yea, yea, yea, OK).

So, err, what advice would you give to an organisation embarking on downsizing?
Pl. (Pause) I suppose I, I, some of my advice would be about um, being very clear about what you are doing and why, um (Yea). Some, I think ownership, some of my greatest anger was really reserved for outside the function, for the kind of um, sloping shoulders I saw of very senior managers in [Company X] who had allowed this situation to unfold and then blamed it on the function. And so I think there's something about (Yes) ownership and wanting to do things in the right way. I would certainly, um I would certainly want not to go in for kind of a night of the long knives but to start to engage in a dialogue about what's right (Yea) for the organisation (Yea), you know, in a, in a different kind of way, and, and look for routes to go for change in an involving sort of way for the people to whom the change is happening (Yea, yea).

IR. And that's because you, intrinsically you think that's obviously a better way of doing it? But also... people who...?

Pl. But also because I think, because I think um, particularly now err the relationship of the organisation with the individual is fundamental (Yea), and I think we've, we've, that is cooked now in HR because we've got over 50% of the senior managers are um external hires. People who are external hires at that level into an organisation like [Company X] are people who migrate a lot in their career (Yes). So you might say three to five years down the line how many of them will remain? So we are now a function where there will be high turnover (Yes), and we'll lose other people. Err, I mean, that's got a dollar implication in a business like ours which has got a long play to actually see results, it's got probably business results implications. Um, so I, I, I think it's err, err, it, you know, what, what are the implications of the relationship of the organisation with the individual (Yes), and what might it mean in your business results? (Yea, yea, OK, great, err).

IR. Any, anything, further you'd like to add, or...?

Pl. No, I think I've probably said too much anyway (Pl laughs).

IR. No, no, very candid, and err very, very helpful, err, err, that's great.

Pl. Ah, I've remembered how angry...(Pl laughs, smiles).

IR. Thank you, yea, thank you, I'll switch this off then, yea.
APPENDIX G

EXAMPLE OF STUDY 3 TRANSCRIPT (FOCUS GROUP INTERVIEW 2)

Date and time of interview: 16th January 2008, 7pm.

Location: SOM, University of Surrey, Guildford, Surrey.

Duration: 1 hour 40 minutes and 57 seconds.

Interviewer (IR): Researcher Peter Curran.

Participants: FG2P1, 2, 3, 4, & 5. FG2P1 ('Margaret'); FG2P2 ('Frank'); FG2P3 ('Colin'); FG2P4 ('Mark'); FG2P5 ('Ian').

Atmosphere during interview: Warm and friendly, interested.

Participants' attitudes: Helpful, thoughtful and conscientious about the topic.

Summary of interview: The interview commenced with an introduction, and participants were then invited to introduce themselves and to briefly mention their experience of downsizing. This was followed by asking them to jot down three lasting impressions of their downsizing experience(s), and to draw an image of how they felt. The focus group interview then moved onto focus on the main research question, that of handling downsizing more positively, and this was done in an 'appreciative enquiry' way. Firstly, participants were invited as individuals to write their ideas post-its, one idea per post-it. Members of the group clustered these into themes on the flipchart during the break. Then participants were invited as a group to discuss the resulting themes, and others that emerged in relation to handling downsizing more positively. The facilitator used some probing questions to follow up themes, and around issues from the literature such as maintaining trust, ensuring fairness/the perception of fairness, and maintaining/rebuilding a positive relationship with the organisation.

Focus Group Interview: Participants chatted amicably together on arrival with refreshments available. The facilitator started with a welcome and safety instructions, then reiterated the purpose of the study and how it fitted in with the overall PhD, checked it was OK to switch the recorder on, and started the focus group interview.

Interview word count: 15,475.

FG2P1. What if we said ‘no’?

IR. If you’d said ‘no’ well I’d have to make lots of notes, err (All laugh) (It’s interesting to know what...), (That’s justice). You know, which I’ve had to do in one or two interviews, not because people said ‘no’ but because my recorder didn’t work... (All laugh). But you kind of lose the, the eye contact because you’re trying to make notes and err. OK, so, thank you for that. If you want me to switch it off at any
point just say and I'll just switch it off, you know, ... I'm happy to do that. Um, OK, in terms of the journey for the evening, I've just got a few things just to get us started, err. But really, you know, the, the, the point of the evening is to hear from you, your views and comments on, on the issue err. So I'm doing, doing this now. I've got a little, little warm-up thing partly just to get you to introduce yourselves, and to say just a few comments about the sort of, the downsizing things that you've been involved with, err, and then just a little exercise, some of the impressions that you got from that. And then the main bit of the discussion around how can we handle downsizing more positively. Err, something on guidelines, and then we'll close by 8.30. So that's the, err, the format, OK? Err, so in, in terms of, in terms of warm-up, first I'd just like to ask each of you just to introduce yourself err, and say just a couple of words about err where you've come across downsizing, in what context, and how you were involved in it, you know, were you managing it? Was it being done to you? Both of those things. Err about that sort of thing. Is that OK?

FG2P1. Um, well my name is [FG2P1] Um, when I came across downsizing I suppose was for, was most... I started off as a chemist um, so I did my degree in chemistry. I then moved into HR and for most of it worked for [Company X], that's how I know [IR]. Um and for a fair bit of that we'd done downsizing at one time or another. At the end I was responsible for um, I was the head of HR for the research centre and at the stage at which I left, um we'd done, I think I worked out that I'd made about 300 people redundant, I mean not personally but been responsible for the HR teams that had. Um so, we looked at the strategy, we set the strategy for it, we, I was advising the management team. Um, I'm not, my memory isn't great, I can give you lasting impressions, but they will come from the viewpoint that I was actually responsibility for, to some extent, setting the strat., strategy (Yea), so it will be from the viewpoint that I was doing it from the best way I thought was possible (Yea). So I don't quite know the impact of it was in that, to that respect. So they were probably quite positive impressions (Yea) in some ways.

IR. Keep, keep the impressions, I'm going to ask you to write those down (OK) in a moment.

FG2P1. Right. Um, so that was it, I then took voluntary um redundancy, for a load of reasons. Um, and I couldn't even remember who did mine. Did you do mine? I can't actually remember (All laugh). I, I'm just thinking, I cannot actually remember who made me redundant or whether I did my own? (I think it was...), I have no idea, so as far as... (It's good isn't it...) the interesting thing, I just have absolutely no idea, but... But I may have done my own, I don't know. Um, so anyway, so then I got made redundant (All laugh). So I got made redundant. Since then we have been working um as consultants on the HR and, and err coaching side and err haven't directly been involved in err downsizing, although indirectly have. We clearly have with some of the people who've been coached, we've been coaching.

IR. OK, thank you [FG2P2]. [FG2P2]?

FG2P2. [FG2P2] also [Company X], err university apprentice from the age of whatever, 19 or something, man and boy, 29 years before I finally left. I was made redundant by [FG2P1]. (All laugh) We (He can at least remember), we, we originally we're in, we set up on our own as independent partners in HR consulting, how to
make people redundant or anything else if people are prepared to pay. But um long
term with [Company X], um oil refining, chemicals, industrial relations, dealing
with, with unions, err HR administration, came to [Town] in 83 and met [FG2P1] at
that time, who worked for me at that point, but I then was moved on to another
division of 400 service people who, who serviced the site, err with engineering and,
and estates management, computing. Um and then we went into the change
programme with [Company X] to change its culture, um which in, involved err
downsizing and some quite fundamental changes, which we orchestrated. And I was
part of the management team with [FG2P1] that actually set up...

FG2P1. As a manager rather than HR.

FG2P2. As, as a manager rather than as an HR person at that point, set
it all up. Made sure my own terms were right (All laugh), and left in 92, the year
before um that I was due to depart. It was part of a planned, a planned exit, which we
could see coming (Right), and from our, our privileged position, err, took a view of,
of um how it was working for people. But like [FG2P1] I have pretty positive
(Don’t...) impressions which I will give in a moment (All laugh).

IR. Thanks [FG2P2]. [FG2P3]?

FG2P3. Um [FG2P3]. I’m um by profession a chartered accountant sort of.
Principally worked for a number of um err smaller organisations um in FD or
whatever err um, in, in various operations, um and err sort of come across, we’ve
had to downsize those operations, reorganise those operations which did involve um
redundancies, um partly as um, um, one was a software company, which then was
subject to a, a buy out through a, um, um, a bank, and we needed to reorganise it and
so err took it on our backs to cut costs and such like. So that was the, the context of
that. And had to, sort of as part of the, the board um manage that, that process, and
be directly involved in one or two instances. Um I currently work for a, a charity.
And their um, just as I was joining they had a reduction of funding, and as a
consequence of that we had, we’ve had to um reduce that and reorganise that so I’ve
been involved in that organisation as well. I’ve also been um made redundant two or
three times through my career so um I’ve experienced that process as well.

IR. OK, thanks [FG2P3].

FG2P4. [FG2P4]. I’ve got a [Company X] background. I’m currently a business
coach, focussing very much on sharing knowledge across organisations and between
organisations. And, I guess I’ve never worked in an HR department but I’ve worked
closely with on several occasions um. I started off as a geophysicist in [Company X],
um but got involved in change management and played a number of different roles in
that I think. Worked with Peter particularly on downsizing and manpower planning
for [Dept], so I guess the industry in the UK had hired lots of geologists and
geophysicists and engineers in the late, late 70s and early 80s, and they’d grown up
together, and just like a, a super big university growing older together. Um, we’d
never downsized and suddenly we had to get rid of a third of the staff um, and that
was traumatic, um, it was traumatic not just for the people that were made redundant
but the people that remained behind, and particularly the mangers that had to do it
um. There were... part of my role was coaching people like [Name of senior
manager] to sort of hold the line once they'd agreed on a process and an approach, not, not to sort of make exceptions um. I, I think there were some other, with [IR], we, we, sort of, a subsequent round was focussed very much on what, what level should we be staffing the organisation at, and, and how do we manage peaks and troughs. So we were trying to be proactive so that we weren't going to sort of suddenly recruit 20% more graduates only to get rid of them two years later because whatever we said we kept hold of the people we knew, and, and let go of people we didn’t know so well so it was the junior people that tended to go. Um I think the other bit that perhaps I’ve got a contribution to make on, there, there is a knowledge management um angle to downsizing because when people go the knowledge goes out the window (Mm), and if you wait until you’ve told them they’re going they’re not, they're not very receptive to giving you the knowledge they have before they go, so, so I’ve done some stuff around that.

IR. OK, thank you [FG2P4]. [FG2P5]?

FG2P5. Um, [FG2P5]. Um, that’s ( Spells out name). (All laugh)... Um, I’ve worked for [Company Z] um for 36 years (Yes). A long stretch as Ronnie Barker would say. Um, and I suppose I’ve, I’ve, I’ve only, I’ve never been anywhere near an HR department, I’ve always been sort of...

FG2P1. Careful how you say that (All laugh). There was a definite tone in your voice (All laugh).

FG2P5. There wasn’t meant to be.

FG2P1. May not have been meant to be... (All laugh).

FG2P5. Err I’ve always been in um in branches or sales or corporate lend, lending or that kind of thing, and um I suppose I’ve come across it a few times. Um once there was a round of compulsory redundancies um in the mid 90s which um we had to implement, and that was err painful. That was followed by a reorganisation, which whilst I don’t think was downsizing as such, a whole raft of people had to apply for their own jobs and for other jobs and complex developments like that (?). Um, and I’ve seen other people, I mean what happens, tends to happen in the banks, certain departments downsize, and then the people they can either get other jobs within the bank or if not they might go, so there’s that going on all the time (Yea). Um but I’ve also seen it from a customer point of view, when, you know, when my customers err had to um shed staff, and so you see some of the good and bad about how that’s done (Yea).

IR. OK, thank you, thank you for that, um. I'd like you to just think err, to jot down err three lasting impressions from your experience of, of downsizing or the downsizings that you’ve experienced. And if you do that on the err, this grey, little grey piece of paper (Um). If you do it on, on one side of that grey piece of paper err. So three lasting impressions of that sort of experience from your, from your experience of it. (Pause of about 2 minutes whilst participants undertook task).

FG2P4. These impressions, just sufficient notes for us to look at or...?
IR. Just, yea, just a bullet point note or whatever, yea, yea, yea, yea, yea. (Pause). Just the, the first three things I guess that come to your mind, you know, from one of those or more experiences.

(Pause of about 1 minute whilst participants undertook task).

IR. OK, when, when you’ve done that, were going to do another err... Again thinking about the downsizing you’ve experienced, one of those events, or all of them, err I’m going to ask you to draw an image, err and by an imagine I mean it could be a – don’t worry if you can’t draw pictures or whatever – it could be a picture, a symbol or a diagram err to show how you felt err. So, perhaps on the other side of your grey bit of paper (All laugh). And there’s some, if you do it with, there’s some coloured pens there which are a bit thicker err. So just think about err, just do an image or a picture, a symbol, a diagram, that will kind of capture in, in one image how you felt err about that experience, or going through that experience.

(Pause of about 2 minutes whilst participants undertook task).

IR. OK, has, has everybody got, got something? OK, guess what I’m going to do now? (All laugh). I’ll ask you, each of, each of you, just to share your three impressions, just briefly tell us your three lasting impressions, and then perhaps just show your picture and again, just err say what’s behind the picture err, what, what it represents... [FG2P5]?

FG2P5. OK, um right, well, the, the first thing I wrote down was the arbitrary, the apparently arbitrary nature of the decision um. I remember it, there was one particular bloke who was, you know, ticked all the boxes for this process so eventually he got um made redundant, um to um us in the local branch considerable regret because he was actually a good guy in many ways. And the, the one, the guy who felt most guilty about it was the guy who’d actually given him a D report a year or two ago, but more as a spur to him to pick his socks up than anything else, but that sort of ticked the box, and he (Mm), and there was an appeal and all the rest of it and... It just seemed sad, you know, well it’s the wrong bloke to be kicked out but there you go. Um so that just seemed a bit arbitrary to us on the ground. The second was, was that sometimes it seemed as hard for the manager delivering the message as it was for the recipient. I remember one lovely (Mm) um secretary who was being made redun., redundant, lovely Christian lady, and she, she actually said to this chap who was trying, struggling to deliver this manage., message, she, she was almost offering him the handkerchief (All laugh) and, you know, saying it’s all right you can tell me, you know. Um and I think the impression I get from both, from that and seeing it, it done in other customers is that it’s got to be done, if it’s going to be done, it’s got to be done quickly or with pace, you know, it’s, it’s, to avoid the rumour and the thing dragging on (Yea) in a damaging way.

IR. OK, thank you. And your picture?

FG2P5. Oh well, it’s just an open door with a sort of a sun rising and... That some people will see it as an opportunity not necessarily but (OK)...
IR. OK, thank you. FG2P4?

FG2P4. OK, I, I’ve saw different little cameos quite clearly. Um, at one stage I was um working in IT as a, a, a business coordinator, and I had to tell half a dozen people they were going to be made redundant, so I was their line manager. And I think the, the, the memory I had was that actually we had training beforehand (Mm). I’m not sure if you were at... during this with [Manager]? No? (No). Um but we did things like performance imaging and purpose stating. So we actually worked through it in our heads (Mm) and imagined where we were sitting in the room, whether the sunlight was coming across our shoulder, what the person was likely to say. And, you know, you didn’t have to get it right but just by (Mm) performance imaging it, it would just make it so much easier. And I, I can still remember, I can’t quite remember the people’s names but I can remember the people I had the conversation with (Mm). And it was easy because it felt like I was just doing a re-run of something I’d already done (Mm). The second err picture I, that came to mind very quickly, was um the first time this happened there were a series of um sessions organised by consultants that came in. And a group of us would brainstorm what the world was going to be like in 10 years time, and what skills we’d need more of, what skills we’d need less of. And then people could think for themselves whether what they were doing fitted into the future. And where the opportunities might lie for them, whether they were inside or outside the organisation or not. And, and that stuck with me cause I, that was a profound experience for me personally, and I just saw so much value in that, that um, you know, it wasn’t like we were being told, you could figure out for yourself whether you fitted in this future. And the, the third image I had was on one of the downsizings a job centre was set up, I don’t think it was called a job centre, but for people leaving there was a room they could go into where opportunities were there. And that was not only good for the people that had been told they’d been made redundant, but for the people that were remaining behind that maybe feeling guilty. It gave them an opportunity to provide some tangible help, that if they knew there were jobs going they could go in the room and post those jobs (Mm) or make people aware, so that, so that it was a sort of trading place. So that was a, a third impression (Yea) that, that stayed with me (Yea, yes). Um my picture I, I guess, it’s, it’s a glass of, of clear water. So, so I guess clarity. Um for me, I didn’t feel any sense of loss or bad feeling about telling people they’d been made redundant because it was clear to them what the process was, although they may be shocked at that moment, I was clear it was the right thing for the organisation and for them. So, so I think if people can get in that place then it, it’s a lot easier than, than them feeling bad, and, and, you know, really don’t want to do this, I’m really sorry about this. It was, it was clear to me that, you know, this was good for the individual and the organisation.

IR. Yea, so having clarity about what’s, what’s happening and how it’s going to happen is important, yea? OK, thank you. [FG2P3]?

FG2P3. Um I’m really thinking of two situations. One where I was in, in a software company as a Finance Director. And um err as I said we, we had to cut costs, and we had to reorganise, to refocus what we were doing. And we had to go through a process, and this involved a, a downsizing process. Um and I think the first sort of, you know, impression is sort of, you know, the, the, the, the tension of
having to, you know, having to make these decisions in secret and trying to be, you
know, you’re actually not only taking a decision that um is needing to be done, it’s
then coming down and, you know, where the, where the cuts are going to happen,
and then down to the individuals as, who’s doing it, and, and making all those
decisions because we didn’t have sort of, you know, each HR departments, this, that
and the other um. We all had to work together and, trying to do that in, you know, in
an open plan office and everything else, it’s becomes a very secretive and, in some
ways you felt it was a sort of a devious process that was, was going on. Um when I
then moved, and I’m just contrasting that with moving to um err the charity I now
work for, which, you know, needs to be downsized. And that went through a very
open process, and there was sort of open discussions with, you know, the, the
trustees and the managers about, you know, how it needed to be reorganised. But
every decision was then relayed to the whole of the staff so they always, were always
aware of what was happening and why it was happening and everything else. So that
was a culture of almost total openness um, compared with a, a culture of secrecy
before. Um the second sort of thing was um, you know, relates to um, is really the
difficulty in, you know, in dealing with the individuals, you know, people’s
expectations and needs with that of the organisation’s needs. Um you know, from a
Finance Director’s point of view you’re looking at needs of the organisation and why
this, and there’s, there’s a, a clear need for a organisations to, to move on, to be in a
different position, different shape than they have been and that’s all very logical.
Um but you know, the individuals have very different expectations of needs as well
so it seems to me there’s a, there’s a huge tension there and how you bring those
together. Um and the third thought I had was really was, you know, how you provide
proper support to the, the people that fall foul of that, that process (Yea, OK). And
the, the image I’ve done was really just reflecting the tensions that I, I’ve seen, and
the contrasts I’ve seen and that, you know, um, you know um. (A tug of war, tug of
war). (Beautiful picture) (All laugh).

IR. When, when you mentioned the secretive and the open process, which worked
better in your view?

FG2P3. Well I much preferred the openness, because I sort of instinctively um, you
know, want to be open (Yea), you know, you’re, you’re managing people’s
expectations (Yea) the whole time um. But there can be a real commercial reasons
why you have to be secretive (Yea) um. And the, the types of organisations were
very different (Yea). But um you know, I, I thought the process was much healthier
being an open one.

IR. OK, thanks. Thank you. [FG2P2]?

FG2P2. They’re all, they’re all fuzzy and interrelated issues. There’s nothing
extremely, nothing that really comes to the top, so this is the most important thing,
but the, the ones that really came back to me I suppose was firstly the feeling of loss.
And the fact that it’s not, the fact that it’s actually a shared feeling of loss. It’s not
just an individual feeling they’re losing something um. Although I felt when I left I
had, although I was very happy to go at that time, I felt that I was losing something
and it wasn’t there anymore. It may say an awful lot about me in terms of my um
attachment needs or whatever they are in psychological terms but certainly giving up
something which was actually very secure and stabilising for me was a, quite a big
one. Um and indeed one of the, one of my staff that came to me when he was um on the list as a, as a possible redundant, didn’t know whether to volunteer or not, we were looking for volunteers but we knew a certain number had got to go. And he came to me virtually in tears, saying please take me, err let me go so that I can save the apprentices that I’ve been that, trying to bring on. And it was that sort of shared um, sort of group thing about it, that made me appreciate this was actually wider than just hitting an individual. You were actually shaking the whole, the whole identity there. That’s, that’s a, a real lasting, lasting picture for me. The second one, the, the adequacy of communications, and the difficulties now, now sitting in a position with, with [FG2P1] and others at that time, of trying to come up with the err the strategy that was fair and communicating it, training it, sort of. The difficulty of getting that right and thinking it all through um, so that justice, so that you could feel that justice was being done and, and was, could be seen to be done. Um, very, very important to anybody who spends the, even a few moments thinking about this, this stuff um. I believe most people don’t just sit and put a line through it and say they’ve got to go. They may say that and pass it down to the person who has got to work it out. The person who’s got to work it out actually will say how can I make this look, look right, feel right to the individual? Um, and the third one, was touched on somewhere already I think, the, the sort of the guilt of those left behind, or the, the mixed feelings of those left behind. Having gone back to the employment centre on a completely different job later on when I was, you know, bushy tailed and bright and doing different things um, an old colleague fell into step with us as we were walking along the road, and said God you are looking OK, you’re looking well, you, you, um, you see a certain quotation from a, from a hymn comes to mind um, along the lines of ‘They shall not grow old as we who are left grow old’ (All laugh). He said, it’s obviously done you no harm at all (Yea), you know, and it’s the, that mixed feelings of the, the bereaved and the bereft and, and, and, and whatever (Yea, OK). So a whole, a whole, whole jumble of (Yea) pictures and stories comes, comes back and stories and things.

IR. Two of you mentioned guilt. What’s, what’s the guilt thing that those who were left, err sorry, those that remained in the organisation. Why, why do they feel guilty? What prompts that?

FG2P4. I think it’s, it should have been me rather than you (OK), I think it’s that, that feeling.

FG2P2. That’s why my volunteer came you see (Yea). He said look I can’t stand this, I, I can’t go. And I, sorry, I, I can’t stay here if you’re going to fire that young apprentice who’s just starting, you know. I’m in my 50s, you know, I’ve had, I’ve had a good run, give that lad a chance.

FG2P4. It’s almost on a par with a parent with a child with cancer or something (Yea). (It’s a...). They say if only I could have the cancer.

IR. Like kind of vicarious?

FG2P2 It’s a family (Yea). It’s hitting, it’s hitting the family (Yea).
FG2P3. And it's all, it's all a reflection of justice as well. (And...). You feel it's unjust, you can, you want to take part of that (Yea) pain (Yea).

FG2P4. And I think that's where sort of purpose stating and involving people in that, in their thinking through what the future might be (Yea). (Yes). Um the BBC did a programme on [Company X]'s 1990 change process (Yea). And they interviewed a couple of dinner ladies and they talked about how they'd been put up in this 4-star hotel and then gone into a room and there was a facilitator with a flipchart, and, and it was great because they were, they were real Londoners, and, and they, and they said 'Basically we talked ourselves out of a job cause we realised that, that being a dinner lady in [Company X] wasn't part of the core business of [Company X] and therefore...' (All laugh). And it was great because, you know (Yea), they said it in their own words, and I still remember that little picture, if I could get hold of that film (Mm) it would be great (Beautiful, good).

IR. Mm. OK, [FG2P2] did you have a picture?

FG2P2. Yea, my picture, yea, um. My picture was someone with a pretty, pretty clear identity, and a pretty blank one here. Now this was prompted actually by a [Company X] pension liaison officer who went to visit a, this isn't me this is (Yes), not directly me, it may be me. But this is, you know, a [Company X] pensioner going to visit one of, one of his clients, an old pensioner. And coming away quite upset because the guy had said to him 'You, know I used to be somebody quite important in [Company X]' (Was it [Name of former chief executive]?). It was... (All laugh). And it was that, it was that, it was that loss of, of identity (Yea). Where am I, you know, I'm, I'm out here now and who the hell am I? What am I going do tomorrow? (That's sad). Do I, do I walk into town or do I...? Am I poor, am I, am I, you know, am, am I, should I be in the dole queue? (You know, people don't know what they do anymore.

FG2P5. Does it, as much depends on where people derive their um, their identity?

FG2P2. (Mm). Yea, yea sure. It, it rang a cord here again because of my attachment things I expect, I needed to know who I am and where I fit in.

FG2P5. Is it that same now, do you think that's the same now? I would guess that's changed a bit, I don't know?

FG2P4. I don't think so um. My brother, who is in the police force, and he's eligible for early retirement. And he's already got, you know, he's been there since a cadet at the age 17, so it's not redundancy but it's potential for moving on and creating a life that he wants, and he can't think of a single thing to do (Yes), so he's staying in uniform, and I just can't, he's absolutely crazy (Mm, yea). He's got the opportunity of a pension now and to do something else, and he's just staying there because he has got that question mark on his face (That's right). He doesn't know what to do, um (Mm).

IR. OK, thank you. [FG2P1], [FG2P1]?
FG2P1. Um, I just wrote down the first impressions that came. The first one interesting to me is, was actually the management team that were responsible for the redundancy and working out whom should go worked probably at their most effective at this time (Yes). Because this was, this was a real problem and they actually worked as a team. And they worked damn hard together to try and come up with the best process to decide on whom should go, and when and how. And I actually thought (Yes) that was a really good team. So it's quite a positive thought that they, you know, that this actually pulled them together in a way um. The second bit was that, the key, one of the key things that al., always remains in my mind is that the, when we were more effective with the ones we've done, was when they were communicated with well, when people were communicated well. Which we did in the later ones better than the earlier ones, because you had this feeling you didn't want to tell somebody when you didn't exactly know what you were going to say, and that's, that's not the case I'm sure. You must communicate. And that was, just left me, that, that was a really lasting impression. And the third impression was, that when it actually gets down to the grass roots, I mean I think it goes with one, something you're saying, as long as you've got, if you've got the good process in place, that's really good, and you know why people are going and it seems fair and just, never-the-less you've still got to have a manager deliver the message well. And quite honestly how that individual feels is often about how well that manager (Mm) um actually delivered that message, and how well they did that. And probably at times one could have helped a few managers a bit more to, to be able to do that (Mm). That was the impression I was left with (OK). And my, my picture was..., was basically that you, it's so mixed, you know, you can feel, it, the whole thing is just ah so mixed. You, people feel happy, people feel sad, and people feel confused. And that's dependent on all sorts of different things: it's dependent on the process, the managers, the communication, the lot really (Mm). And, and that is what it is, it's a mess of, a, a, a range of emotions.

FG2P4. That's funny, when I was trying to think of my picture I was thinking of those faces and, what I realised was when I was actually giving the message, I actually went through all of those faces (Mm), (Yes), in, in the one interview.

FG2P1. Yes, I'm sure.

FG2P4. You do have the mixed feelings about it (Yea).

IR. And it's not always the outcome that determines because (No) for a lot of people an exit is a good thing, for other people it's a disaster (Absolutely) isn't it, and...?

FG2P1. Yea, that's right, that's what I was trying to say, you know, it doesn't necessarily relate to anything (Yea), you know, they're just very mixed feelings (Yea).

IR. OK, thank you for that, very rich err feedback. ...another question now and err, and you've, you do some of this already in terms of handling downsizing more positively. Um first task I'm going to ask you to do individually, then I'm going to come and ask you to kind of discuss as a group. But individually first, I'd like you to think about err, you know, how do you think downsizing can be handled more
positively? And what I'd like you to do is to, to write your views and ideas on, on the post-its, and what I'd like you to do is to put one idea or one view per post-it, so that when we stick them up we can then move them around and cluster them.

**FG2P4.** And these can be things that have come out of the conversation?

**IR.** Absolutely, it can be things that have come out of the conversation here or other things that you can think up, this, this would really help. So, you know, as many as you like. If you can use the, the, the thicker pens so that they err, that keeps, keeps the narrative quite concise (All laugh), (I see...), and also we can see it as well. Err, OK, so, it's really things you can think of that really help err handle that, these downsizing situations more positively, and one point or one view or one idea per post-it, then we can move them around, thank you.

(Pause of about 5 minutes whilst participants completed task).

**IR.** OK, when you've a collection of those, people like to stick them up on the err, on the chart. Err, and then what we're going to do is take a break for 5 minutes or so, err and then perhaps as we do that if a couple of people can help me cluster them to see what themes come out...

(Kept going for about another 3 minutes).

**FG2P1.** This could keep it going, could keep going for an awfully long time I think (All laugh). Perhaps we just stop.

**IR.** Yea, well when you've got, you know, the, the key points I guess err...

**FG2P2.** That's cracked it I think (All laugh). Roll on the next one (All laugh).

**IR.** Does anyone need a coffee?...

(Break of about 10 minutes. Some comments during coffee).

**FG2P4.** It's amazing how long lasting this process is, you know? (Yes). Because it, it works in any situation.

**FG2P1.** It is amazing, it is amazing isn't it, it really is.

**FG2P4.** I think one of things I've, you know, I've been out of [Company X] for two and half years now, relative newcomer in exiting but it, it struck me how, how much I'm not really um being paid for the knowledge management aspects of what I know but just some of the basic facilitation techniques (Yes, I'll bet, yes I'm sure). It's amazing how you can take a management group along with stuff like this and (Yes) get them to find their own solutions.

**FG2P1.** I mean it's the same with, with the coaching (Mm). I mean just helping, basically you're helping people to find their own solutions (Mm). It's real basic stuff really.
FG2P4. That's right, you need... Because the example I haven't used yet was, was that when I came back from my secondment to the UN um, I was determined that I, I wanted to leave [Company X], but I wanted to leave with the package, and I’d, I’d got (Sounds sensible), I’d got 30 odd years and so I thought well, what would, what would I now be doing to find myself the next job in [Company X]? and I just, I just put the negative in front of each of them and it worked perfectly. So, so in terms of, you know, trying to be made redundant, it's actually, it's, it's actually quite, if, if, if you, if you, if you put your mind to it there's some clear things to (You do), to um make this sort of, cause what I'd realised was, probably the last 10 years in [Company X] at least, how to design my own job, you know, and if I didn't design it, there... And so I just sat back, and it, it was kind of, kind of felt uncomfortable because I had, you know, we're trained to sort of do our best (Yea), and we want to do our best. I just sat back and let it wash over me.

FG2P2. Because in the early days at the research centre, you know, people used to have the expectation that if you behaved well there’d be a reward round about age 55 or whatever if a chance came up, you know, you you’d be tapped on the shoulder, ‘Would you like to go with the package? You know. One of my staff was desperate to go, and I said ‘You’re too valuable to me (Mm, yea), you really cannot go’. And, and he, he tried to be irresponsible but he couldn’t be (All laugh). He tried to be totally useless. I said ‘I’m sorry [Name], I can see where you’re going, you know. He finally went in the end but um I was actually, I actually valued him (That’s right). But he, he thought it was his right to go anyway...

FG2P4. It kind of, it kind of felt unfair in a way that if you were competent (Yea) you were disadvantaged (Right), (Yea), people less competent people were given a package to go (Yes). And you know... the scenario that... um the idea that you have so much ... that you were entitled to, and you, you took this package at a time when you decided to go, not when the company decided it wanted to let you go. And that made the company have to work a lot harder to keep people. And they felt too many people would go if they instituted it.

FG2P5. Well a few years ago um lots of managers in banks were made redundant, various schemes and so forth. Um in their 50s whatever. I’m, I’m leaving the bank in a few months time but I’m just having to resign (Mm), there’s no actual package, although I can draw pension but um because basically the bank’s actually actively recruiting because I’m a relatively scarce commodity so there’s no way they’re going to pay me to go away.

FG2P2. No. It's one of those odd things but I mean, I mean [Company X] as an organisation has, has changed an awful lot over the years. When I joined I thought I won’t, I’m not going to need, you know, as a nineteen year old, I thought I, I won’t need anybody else to work for because there must be so many different things to do here, I can spend the rest of my life finding interesting things to do (Yea), that was my entire attitude. When you go through it and then provided you kept your ear to the, to the ground, if the opportunity... Probably you’d be tapped on the shoulder, would you be interested in this (Yea), would you be interested in that (Yea). And, and your career would be organised pretty much by management. I took that on as a responsibility, everybody that was... Now at about 1990 as things were beginning to change in [Company X], I was faced with some of these young graduates or fairly
new people. And I, I put this idea across to one of the young people, a graduate. And she gave me fairly short shrift, I mean she said 'Don't be so bloody arrogant, who do you think you are?' in effect, um 'Saying that you're going to organise my career, you know, I'm in charge of my career, I will decide when I move on and when I don't move on. I will look for jobs in the company, you know, (Yea) I, I'm ... here for the next 40 years' um. And, and it was a, it was a shock (Yea).

FG2P5. [Bank]'s was very similar in a sense, in terms of the organisation. I mean they would say, they'd send a letter saying ask Mr [FG2P5] to report to such and such a branch next week (Yes), you know, you've been moved (Right, yea), that's how it happened, but no longer (No). You run your own career (That's right) entirely (That's right).

IR. OK, we've sort of roughly clustered this (All laugh) as you can see err. Just summarise briefly. Quite a lot of comments about clarity of the message, that, that's come out very strongly err, you know, reasons, explain, clear message, that it's communicated well, you know, there's a lot of stuff on clarity there err. Stuff on openness, and also involvement of people, err you've said that that really helps err handle it positively. Err part of that is having a clear process and involvement is part of involving people in their, in their future, getting them to think about their future err. Quite a few comments on pace. Err, you know, once this thing has been announced and, you know, that it's moved through err quickly so that people are not left hanging, uncertainty I think is, gets to lot of people isn't it that they find very stressful err. Recognition, recognising things err people have done, so thanks err, and helping individuals to help themselves. Err some comments about trust err. Some comments about support, support and care for victims, for managers err, with individuals. Err and linked to that compassion through the way things are done, the way the process is managed. Fairness and justice; people err, you know feel that that it's fair because the process has been followed. And also that it's seen to be fair err, some comments about that. And comments about training managers, preparing managers so that they can do the job properly in terms of communicating and running the process. OK so, so there's some of things that individually you jotted down about sort of err how it can be handled more positively. I'd just like you to, to kind of pick up on some of those things or, or other things err, and, you know, any things that strike you from that or any things that you think are really key in handling this more positively?

FG2P2. When you say handling it more positively (Yea), more positively in that the people carrying it out feel 'Aye we did that really well'? Or more positively in that everybody who goes out says 'Aye they, they done good by me, you know, that was good'? Because I mean we can still think of the odd individual who was damaged (Yes), des., despite our, our general feeling that we, we really did our best on this one. But there are still the odd individuals who something went wrong, the manager got it a bit wrong, didn't get the message, needed a lot more time (Yes), were working to a different agenda, didn't see it coming. Whatever reason there are some people that are damaged um, what could have put it right for them I don't know, other than going back and doing a real debrief on the individual (Yes). I mean there, there are these two lines, the organisation getting it done to time. We're getting pretty good at that, you know, we've, we did a 99% job there (Yea) um. And
there's the other one saying, nobody goes out of this gate tonight err without still thinking very positively of this company and, and the way they were handled (Yea).

FG2P5. Do you think it is very different with in different types of company. I mean companies like [Bank] where they tended to have lifers because... a huge um... because we've, we're focussed on different industry sectors within the bank now. The biggest chunk of my portfolio is recruitment companies (Right). We tend to have very young um entrepreneurial salesy culture, average age, (Yea) you know (OK) 27, hire and fire sort of culture (Yea). If the economy turns down, their business contracts and they fire people, you know they get rid of people (Mm). And I suspect there is a very different attitude to it on both sides really. I suspect it's more, it's part of, you know, part of the deal really (Yea). It's much more...

FG2P2. Is that downsizing, is that downsizing (Yes) or a way of life?

FG2P5. Well, this is what I'm asking really, it, it um...

IR. So does it depend what deal you think you've signed up to, is that...?

FG1P5. It's a, it's a, it's much more mobile, it's a much more mobile sort of um workforce that will, you know, go to the next company down the road for an extra, um, you know, because they get a Porsche rather than a, you know, a Mercedes.

FG1P3. Often, often the people, I mean, you know, it's, it's the contract between, you know, the individual and the, the company isn't it? And, you know, in those sorts of organisations um, you know, the, you know, it's the individuals who are just as likely to jump ship and (Oh) go to (Yea), because somebody has given them a different offer or whatever (Yes), so the whole mix is different. And I think you were saying that, you know, you started at [Company X] thinking that, you know, that was your career ahead of you (Yea) and you know, forever. [Company X] has changed, the culture has changed.

FG1P2. Yes, as [IR] said, what did I sign up for? And was, you know, did that, did that change along the route. Or was I, you know, a, a contract IT provider and I expect to do the a few weeks here, and ... somewhere else.

FG1P5. A contractor is slightly different, cause then you know it's, you know it's a temporary (Mm) deal but. You know, I'm talking about the consultants or whatever who work for a company or (Yea), you know, it could be any sort of company but um. Err these, these sort of entrepreneurial companies that grow and then they have, they have, and the company, the successful ones, if they are any good, they, they, they have to be very, very quick if there's a downturn to cut costs otherwise they'll go broke, broke (Mm), um, it doesn't, still hopefully they, they do it caringly but it's done, yea. (Well I think...). So it's a different relationship isn't it?

FG2P1. It may be a different relationship, but you still want the way that um termination, if that's the right word, is done to be carried out in a way that leaves the company feeling good, and the individual feeling good.

FG1P5. And not open to litigation.
FG1P1. Well, yea, and not open to litigation (Mm). But, which in fact actually nobody quite said... it does need to be done within the law um, but...

IR. Do you think it makes it easier if, if your ex., if you join a company and your expectation is not to stay for that long because you know they’re, they’re up and down or they’re hire and fire, do you think it makes it easier if you have that expectation than if you join it and you’re very committed and loyal you think it’s going to be a career? (Well... I...).

FG2P4. I stayed with [Company X] over 30 years. I never joined with the expectation I would be there more than a five year stint. So my, my contract (Mm) was, was one month’s notice and then three months notice, it never was more than that so I never saw it as a job for life (No) when I joined. It was just there were so many interesting opportunities that I kept staying and doing different things (Mm) um. So I’m not quite sure where the boundary is (No) between a, a full-time employee and a contractor. There, there have been examples where contractors on a 12 month contract had more security than staff who had one month’s notice. Um, the UN probably has 50% of its staff are on short term contracts. They work 11 months and then they have to take a month’s garden leave. And that initially is a device. They have to take the right proportions from member states, which doesn’t mean necessarily you get the best skills in, so they way they manage it is by having short-term contractors. And that, that is cruel, you know. I mean even my own experience now as a, as a consultant um, if I am doing a piece of work with an expectation of working within an organisation for a year, and then half way through they just cut me off at the knees, I expect a lot of these things (Yes), (Yea) to come up for me and they rarely do. I was working with some people who were working as contractors for the [Organisation] and they, they were members of the [Organisation] but they were hired as contractors to do the work, and they were doing some of the tsunami work. And they got an e-mail, two week’s notice, you know, we’re not quite sure we want to keep you, you’re fired. Err in six months time, when we’ve done a review, we might decide we do need you, and so we’ll get in touch with you. And you know, done by e-mail. I just thought compassion? Care? Fairness? (Soup kitchens...). You know, so, so I’m, I’m not sure I see the distinction, if, if people are employed yes they have expectations, but I think, I think we’ve all got an expectation we’re going to, ... clarity of communication, recognition, trust.

FG1P3. Even if people sort of join with an expectation that this is a hire and fire culture, you know, it might not last that long, um I would have thought that, you know, if it comes to it and they’re, you know, they’re fired, or whatever. They’re still going to go through the, the issue, you know, why? You know, (Yes), I said I still have pride in what I’m doing (Yes), I still, you know, have my own dignity and everything else. And why have they chosen me rather than him? And all, all those sorts of issues (Mm), (Yea), um will still, still go on. And there’s always the (Yea) expectation that, you know, I’m better than everybody else sort of thing and so um, you know, I, I would expect to, you know, I think those, those issues will, will still remain. So even in those circumstances.

IR. So even if the deal is clear, if it’s possibly short term, when someone actually get’s told or loses a job, there’s still a loss to go through (Yes).
FG2P3. I, I think there is, and you’re still going to compare yourself with your peers (Yea).

FG1P1. I mean, the, the, the degree of that loss will vary according to (Yea) a number of things. Who the individual is, what the contract is, etc. But there is a loss. I mean some of the people in [Company X] who’d been there for the 20 odd years, there wasn’t much a loss for them, they were very happy when they went (Yes). Whereas some of those who were short-term, this was a huge loss because they just weren’t quite expecting it then. I mean, I, I think it...

FG1P4. Yes, I, I think there is a distinction there isn’t there (Mm) of people sort of ending their careers, being happy to leave after a long time (Yes), versus people that have been there two, three, four or five years who want to stay and don’t have that opportunity (Yea).

FG2P2. But, but even so, and even now that the person who reaches the age at which they had expected to retire for the last forty years, actually deserves and is due in law, the respect of an interview before they retire, to talk about it (Yea) (Yes), even though it is ought, it’s in their contract. And in the past people have gone right up to the day before, and sort of we won’t see you tomorrow then (Yes). Now there has to be a proper termination. Because there is a termination of the contract. And the dignity that they should expect to go through is the same as all this stuff (Yes). You know, the reason why you’re leaving in a month’s time is because you’ve reached the age of 65 and you’re entitled to a pension or whatever (Yea), and we’re just checking that there aren’t any circumstances by which we really should think we keep, should keep you on a bit longer and so forth. So, you know, what are your needs? (Yea). So these standards are applied not just to the, to the um different employee types but even at the end of the contract now (Yes, that’s true). So it is all consistent (Yea) and...

FG2P4. But that’s almost a different issue to, you know, this organisation doesn’t need that number of skills, or, or the market’s downturned, therefore we don’t need...

FG2P2. Well, you could (This, this...), you could say we’ve got enough sixty five year olds.

FG2P4. Yea. The, the last piece of work I did in [Company X] was write a paper on um flexible retirement options (Yea), because people have different needs (Yea). Some people want to leave immediately (Mm), some people want to ramp down. Some people want to stay on longer.

FG2P2. Some are just coming to their peak (Yea), (All laugh).

FG2P4. Some people have financial needs (Yea, yea), you know, they’ve just started a second (Yea) family or something, and the last thing they want to do is, is (Yea) not have an income (Yea) (Sure). Um so everybody has different needs and desires.
FG2P1. But that's exactly the same as the, err as the redundancy situation isn't it? (Yea), (I think it is). It is exactly the same. There are all those, all of those needs again aren't there (Yes) really, you can't fulfil them but there are all of those needs.

FG2P2. The flexibility word hasn't occurred at the moment, has it either? Because I think...

FG2P1. That's the, the harder one at this stage isn't it? (Yea).

FG2P2. It is a tough one but... (Yea). It's brought that one back to mind that even with all, all this procedural guidance stuff (Yea), you know, justice tempered with a bit of flexibility (Yea) and, and, and good sense (Yea).

FG2P4. Isn't it balancing the need of the organisation and the need of the individual? (Yes). Is that the flexibility needed? (That's right), (Mm, yea).

IR. You mentioned justice here. How can, um, how can people feel that this is like just um, how can they see it as a just process or a fair process? What sort of things help people kind of come away with that impression err, do you think?

FG2P1. Well I again think it does depend on the people that you are um actually making redundant. I mean, in the, in the scientific environment in which the [Company X site] operated, a process that was seen to be at least worked out in a way that was relatively sort of mathematical (Yea), scientific, whatever (Mm), actually had more credibility, it was nonsense, but it did actually have more credibility, it's not quite nonsense but it's, when you get down to it it's still about making subjective judgements around people (Yes) but the fact that it looked like it was a, a well thought through process actually made people feel that it was a bit more fair (Yes), I think. Now whether that would work if it was a whole load of drama teachers, I, I, I don’t know, I rather doubt (Mm). You would have to do something different that, though I think...

IR. So it's not just the outcomes, it's actually (It's, it's...) the process?

FG2P1. You've got to tune it to your, your particular um, um organisation, I think.

FG2P2. So that the individual could feel that they had been considered individually (Yes). They weren't just one of fifteen, oh we'll let them all go, sort of thing (But, but it...). That that individual had got a (Yes) score of, of three stars rather than one star (Yea).

FG2P3. So they're not just numbers.

FG2P2. They are not just numbers.

FG2P3. They are people err...

FG2P2. They were actually people.

FG2P3. Maintain their dignity.
FG2P2. And they'd been looked at under, under a number of headings, and, you know, sadly they weren't quite in the same rank as some of the other people that they wanted to keep (There were some criteria then...), (Yea), and that appealed to the, the technical brain.

FG2P4. Really there are two classes so when, when I think of my own experience of telling someone that had skills and thought he was [Company X]'s expert in the human-computer interface (Yes), (Oh right, yes). I could quite clearly tell him well yes, I quite agree with you but [Company X] didn't need that skill anymore (Yes). So it wasn't a question of calibrating (No) where he stood in the rankings (I know) but just that we don't need that type of skill (Yea), (That was good clarity, yes). So that was, that was easy (Yes). The tougher ones are the fact that, you know, by definition, half the people are going to be below average (Yes). And nobody wants to think of themselves as below average (Yea), and so when you're, when you're (Yea) below the cut-off, even though you know what the criteria are (Mm), it doesn't feel good (No), to feel (On the rejected pile), yea, well actually I feel I'm better than that person who stayed (Yea), is always the sentiment (Yea).

FG2P1. Yea it is. Yes, but it's... but, no, I was just going to stay, it is, but there is no doubt that the way that message is put across makes a big difference. I mean I've seen some people who were way down here come out feeling really quite positive because their manager's just extremely good at that sort of thing. I've seen people above the line coming out negative because their manager is really rather, not very good. It does make a big difference how that message is put across. You're right but never-the-less there is, it is difficult (Yea) if you are below the line. But a manager can make a big difference (Yes) to how they feel, I think. Which is where your training, your imaging and stuff...

FG2P4. Yea, so is that, is that justice?

FG2P1. No, good question (All laugh), good question (Is, is, is...), I don't know.

FG2P4. But is it, is it the way the manager tells it, is, is the way, whether people feel that's just or not just?

FG2P1. I think it helps, but whether it is just of not just (Yea) is, you know, is a very good question, you're right, I think it... I mean, depends what you mean by just. If people are doing the very best they can to make it as fair as they can but the decisions they make are very hard because you are ranking some people. Is that a just process? Probably? (Different people will see...). Does it feel just to the individual? Probably not.

FG2P3. No, I was going to say, different people will see justice in different ways (Yes). What's just to the organisation as a whole (Mm) won't be, won't appear to be just (No) to the individual who's been (No) told that their no, that their skills are no longer required. It's the oh no, you can try to, you know, explain and justify; you know, why that process is necessary and, you know, that, you know, all these criteria have been done, and you can try to demonstrate it's been done as, as fairly and as
justly as, as possible. But at the end of the day, you know, however fair and just it is, you know, the individual is going to sort of emotionally feel very different.

**FG2P1.** But they, but they are, but I do think if you have described a process as being just, they may still feel very grieved, you know, and, and really (Sure) not happy about it (That’s right), but they may actually feel that, that at least the process was just, if it is described and they believe it and it you’re clear, I think they can feel the process is just, even if you don’t like it. I think you can feel that. Not always, but I think that’s probably where the message is...

**FG2P3.** And, and once they’ve been a through what I would sort of call the, a sort of bereavement process, they may take a completely different attitude and accept (Yea) the justice of it.

**FG2P1.** Absolutely, absolutely.

**JR.** OK, so part of it’s their emotional response to (Yes), (Yea, absolutely), that come through that and yea..

**FG2P2.** I was, I was just going to illustrate in financial terms by saying you can picture a general manager who you say, you know, he’s got to go. OK, there’s your package, £100,000 off you go. And you could look at the cleaning lady along the corridor who’s only been with you for six months and you only give her £5,000 and she goes off as happy as Larry. And the general manager says ‘Well Christ, I should have got at least four times that figure’. And, you know, it’s, they’re, they’re not going to feel right for some reason or other because it hasn’t been put across to them. Now, neither of them are just, I mean, how can he really need that sort of money, how can she get by on so little. It ends up, she feels good, he feels awful (Yea) um, you know, it’s (You said err...) tricky.

**JR.** You mentioned a couple of things about trust here. How, how, when these sort of things are happening, how can, how can managers help err people retain or maintain trust in the organisation err when it’s happening? Err (Mm). Um and also afterwards, the people who are left, there’s often kind of damage that’s been done, isn’t there? How, how, how can people build trust or keep trust?

**FG2P1.** I, I think one of the things you can do is to try and do as much as you can to make the people, to help the people look for a future that suits them. So I think that does help with a bit of trust cause you trust in the organisation that is trying to do its best for you. It’s also helps a bit of trust if they actually do give a bit of money. I mean if you go out on the basic redundancy pay that doesn’t feel, so it’s easier for companies (Yea) that have got money (Yes). If they’ve got, if, if, so if you go out with money, and they have a job centre and you’ve got people spending time and effort, then you can sort of can trust that at least they’re trying, or you might trust that they’re trying to do their best for you. If you send them out with basic redundancy pay the next day um (Yea), they don’t trust it and nor do the people that remain that they’re going to be... So if, if you put in a bit of effort, and one of things that occurs to me we haven’t put up here is, that actually if you can put some money into the redundancy, it actually helps (Yea), because, you know, you can then
provide some of the services that are useful (Mm) to help people go into the next stage (Yes) outside.

**FG2P2.** Some, somehow exceed their expectations (Yes) of the organisation of the organisation. OK, so here is the organisation facing a dreadful situation which the individual can probably just about recognise, it's got to do something (Yea), you know. So if you can then say to every individual, for you, we've managed to exceed what your personal expectations might reasonably be on this occasion, they're going to think, 'Oh well, I've actually been, I've actually been looked at (Yes) as an individual um (Mm). And I, I think they've actually done the best they could (They've at least tried...). They've tried'. The expectation and the trust thing is, is perhaps some, somehow linked...

**FG2P5.** But trust is not just, I would have thought, borne out, out of this particular event though is it (No). I, I, it (No, that's right) depends whether the managers who deliver the message have simply been paid for that purpose, or whether they're their line managers. If, if they're their ongoing line managers then there, there's either trust or distrust already (Yea), (Yes). Um, and if, you know, I can think of one err manager, who I, you know, who, can say is probably the best manager I've ever worked for, who was a tough as old boots, and one year um err I didn't get a bonus, a few years ago. I couldn't argue with it, I hadn't hit the target um that year. Um, didn't like it but um he didn't mess about telling me, but I respected him (Yea) um you know, because I trusted him (Yea), and I knew that, you know, he did what he said he would do, and he, he was a completely (Mm) trustworthy as a boss so, you know, I don't know how I'd feel if he'd sacked me but (Laughs) the, the trust was already there (Yes) over a period (Yes), been built up over a period of sev., several years (Yes), (Yes). Um whereas, you know, if there's already an element of distrust because they don't like the manager or they've seen the way he treats people, isn't that great (Mm), then it's going to make the whole process a lot tougher isn't it? (Yea, OK) (Mm).

**FG2P3.** I've seen sort of a process where, you know, somebody's, you know, we don't trust that you're not going to sort of take revenge or something on the computer systems, we're going to close everything down (Yea, I think that's right, I...), you know (Out of here...), (Yea), out the door straight away.

**FG2P3.** I think that's actually a really good point. You have actually got to trust that people, that's a really good point. You've got to trust that people are going to remain the same way as they were before and not suddenly change because of this.

**FG2P4.** The idea of being escorted to your desk,

**FG2P1.** I think it's horrendous (Yea).

**FG2P4.** It's, it's that's shocking.

**FG2P1.** It's just unbelievable.

**FG2P3.** But yea, a number, a number of, you know, lawyers would advise you to (Yea), to take that course of action.
FG2P1. I know and I just think it’s absolutely...

FG2P3. I think it’s absolutely, you know, I think it’s dreadful.

FG2P2. Lawyers don’t trust anybody really (No).

IR. What effect do you think that has on those (I think it...) who remain?

FG2P4. Absolutely...

FG2P1. It’s horrendous.

FG2P3. It’s diabolical, and, and the process is just as important if, if the, you know, going back to the point of justice and fairness, you know, being seen to be a just and fair process has enormous impact on the people that remain (Absolutely) just as much as it does on the people that (Yes) go (Yea). And the same with the, the trust element. And if, you know, you see somebody being escorted to their desk and that, out of the door, that means they don’t trust any of us (Yea), even the ones that remain (That’s right) (Yea).

FG2P1. Well it, it all...

FG2P5. I’m not sure I agree with that. Because I’ve seen that done where people, um (People you don’t trust...). Yes. I think if somebody either leaves to go to another bank and doesn’t tell you until the last minute then I think there’s a...

FG2P3. I think that’s a different situation because you’re actually (Yea) talking about (Yea) competitive position there.

FG2P1. I, I mean I, well... If we stick to the redundancy situation, I think that if you make an assumption that these people who you’ve trusted apparently up until the date at which you decided they, you are going to make them redundant, that as of that date your belief is that they’re going to change such that you’re not going to trust them, then why on earth would they ever think that the organisation isn’t going to do exactly the same because that’s in the organisation’s mind? So I, I think it’s a really important point, it’s something I absolutely insist on. The chances of somebody, the damage that’s caused by that is huge. And one person who you, for some reason is upset and does actually wreck your computers, is probably still not going to do as much damage as all of those people that you walk out. So I, I think it’s, I think it’s absolutely essential in our culture not to do that (Mm) um. Because you just, it’s just a horrendous mess (Yea). But, there you are, sorry, I feel strongly about that one.

IR. We’ve got about four, four, four of five minutes left. What I’d like to do just to finish, is err, just for you each of you just to say what you think’s the most important thing to handle kind of these situations more positively. What would be your, your number one thing that you think that you must do if you don’t do anything else, this is the one thing you must get right, that you must do? Err, just as a way of sort of kind of focussing it on, you know, what you think is most important thing.
FG2P1. I think I would say communicate well (Yea). Which means of course you’ve got to communicate a clear message and in trustful way, so it sort of (Mm) encompasses a lot of the other things I think.

IR. [FG2P3]?

FG2P3. Well I would of said, I mean would like to go back to sort of openness because I think openness demonstrates trust, it demonstrates justice (Mm) and it, to me it's not a dissimilar (Yea, no, no) point really (Absolutely, it is).

FG2P4. I would agree with communication, as long as it's a two-way process.

FG2P1. Yes, yes actually that's a really important point, isn't it, yes two-way.

IR. OK, thank you.

FG2P5. I think truth, I think because um... (What do you mean?) most people, well most people are clever at, at actually working and can see through, you know, rubbish (Yea) when they’re being told (Mm). So give, give people the, have the respect for them when tell them the real reason for what’s happening and, and why they’ve (Yea) copped it or whatever (Yea, yea, yea, that, and that links to the...). It links to... (Perceived to be fair doesn’t it?). Yes (Yea, yea it does)... And you...

FG2P1. We, we haven’t actually put be consistent anywhere, and actually I think consistent is part of all that, it’s not up... (Yea).

FG2P4. That’s part of the trust isn’t it. (It is, absolutely...). Say what you’re going to do and then do what you say (Yea, absolutely).

FG2P5. That’s probably most difficult ones because if you’ve got ten different managers communicating...

FG2P1. Yes, I, I didn’t even necessarily, I mean, consistent in what your message, you’re acting it, the, the way you treat your managers is the way you treat your staff is the way, so it’s (Yea) it’s sort of consistent (Yea) leadership (Yea) really rather than...(Yea), (Yea).

IR. [FG2P2]?

FG2P2. I'm, I'm, I'm still feeling very, very much for the mangers that have to carry this out um. Yea, communicate is a very, very key thing, but ah what a horrible thing to have to do, I've never done this before, God I feel inadequate, how’s it going to look? So it, the support (Yea) for the family (Laughs). The support for the family. How do we handle this (Mm) as a family guys? Um can we talk to, no with each other? Support each other on how we’re going to communicate, can we rehearse? Can we have these training things? Now, we've, we've got the message clear, what we want to do. But actually the practice of actually communicating (Yea), I've never had to communicate like this before (Yea), you know (Yea), please give me some help um. And, you know, recognising too that the audience are, are part of team, they’re going to be sympathetic, and they’re going to be passing the
hanky across to the boss occasionally (Yes, yes). It’s a, it’s a, it’s just recognising that it’s, it’s not just the odd individual (Yea) going on here (Yea), it’s a, it’s a, it’s a total organisation, total family (Yea) team thing that’s going on. But communication is the, is the single word (Mm), um (Yea).

IR. OK. Thank you very much, our time is just about up (All laugh).

FG2P2. You’ve done very well.

FG2P1. Can I just, sorry (Yea, yea), one minor point that’s on my mind but? In my experience, the people who are handled worse frequently in these situations is the really senior managers. And that I think pervades a long way down. That, they’re the ones that get forgotten how to do any of this stuff with. And if you are actually going to make it successful, because that gets seen by other people and that sets a culture, and I think it’s actually really important that (Yea) we so often forget (Yes) our senior, the really senior managers that you lay off. It’s done in a, oh well they’re (That’s it) big enough, you know, they’ve been with the company all this time (And...). They’ve also got a hell of a lot to lose actually in terms of (No-one’s...) self respect, ego and ...

FG2P2. No-one’s got the bottle to go and grab hold of the chief executive and say you’re doing the briefing on this guy, I’m in to train you in how to do it (Mm).

FG2P1. And it doesn’t happen...

FG2P2. It doesn’t happen (And they’re...). And they’re, they’re the forgotten...

FG2P1. Some of the worst ones are (Yea) handled at that level, I think.

FG2P2. OK they get paid enough for it so it doesn’t really matter but... (All laugh). They, they are, they are, they are the ones (Yea) that are damaged (They are...) we’ve got...

FG2P1. When I look at that the ones that I see now that have left, you look and it’s, and it’s some of the senior managers that are most damaged (That’s interesting).

FG2P2. Because it wasn’t they weren’t handled properly.

FG2P1. Because they weren’t handled well.

FG2P2. They’ve, they’ve done their best probably.

IR. Because it’s expected that they would make...

FG2P1. Because it’s, well it’s expected that they will cope (Yea). They’re big macho men, generally (Yea). They’re going to cope. They’re big macho men, what, they don’t need help (Yea). Nobody’s going to, the chief executive is not going to stand there and help them with the handkerchief (Mm). I mean it’s...

FG2P5. Quite often it is the chief executive ... (Yea, exactly). A lot (Absolutely) of pics and um, you know, people used to have the joke that the bank manager’s always
changing, I, I, I've been with some of my customers for sort of ten years so I always complain when the FDs changes (All laugh), I'm getting a bit fed up with it, I've had five FDs to deal with in this company for the last five years or whatever. But, you know, there is a procession with some of these people (Yea), you know, he's been ... out, you know, possibly because he's no good or his face didn't fit or whatever but... (No, it's a fair point). I, I suspect that they don't get much um, because as you say they're perceived to be on a contract, they get a payout (Yea), (Yea, absolutely). But I spoke to one the other day, you know, been ousted by one company and, you know, it’s, financially I suspect he's bombproof but it, it still rankles with him (Mm).

IR. Thank you. Any other last comment anyone would like to make?

FG2P3. Well, one thing I don't think we've sort of focussed on is the sort of aftermath within the organisation and how you manage that (Yea) process (Yea).

IR. Any, any ideas then about that?

FG2P3. I'm not, I mean, I mean, I think it depends upon how you do the process (Yes) but I think there is a, there is then sort of pulling everything together (Yea), and I think that's a, you know, from an organisation point of view, I think that's key as well (OK).

FG2P4. It's very much like a bereavement.

FG2P1. It is, absolutely, you need to treat it that way, yea, yea. (Mm).

IR. That does get neglected doesn’t it? (Yea, yea) (You’re right).

FG2P1. You have to care for people.

IR. ... expect it all to start nicely again and people are still...

FG2P3. Thank heavens that's over and, you know... (Yea, yea).

FG2P2. Nothing’s changed (No). But it has (Yea), it has changed (Yea).

IR. OK. Thank you very much, I really value err your input um. Just a couple of things to, to end with err, I’ll give you all a summary of when the study’s complete saying (Mm, that will be good), saying just what’s come out of it. I’m doing three focus groups, I did one last week, one today, and then there’s one next week. All sort of mixes of people err like yourselves with a lot of experience in different, different angles on this err, so, so thank you for that. Err there are a couple of forms on the, the table. One is just like university (...form) yea, just like you to make sure this is all sort of bona fide and if you could sign the confidentiality thing. It basically just says I’ll use the input, I’ll keep names and organisations confidential err, and I’ll kind of take themes from, from what, what comes out rather than err, you know, quoting names or, or organisations or anything, err. (What’s the date?). The date today is the 16th yea. Err and then there’s a, there’s a form with information about yourself. Again I won’t, obviously your name won’t appear anywhere but err, just have a
browse down that and tick a few boxes, that would be, that would be really, really helpful err (Mm).

(Pause of a couple of minutes while participants completed forms).

IR. One of my motivations for doing the PhD is to err, is to get some things out that actually do influence something somewhere (All laugh) to do it better so, this particular study, you know, is an important one, so thank you.

(Pause of a couple of minutes while participants completed forms).

FG2P4. So, have you learnt a lot Peter through doing your PhD?

IR. I hope so yea, I think so, yea. Um it's been interesting, you know, interesting to, you know, look at some of these issues and then dig behind, because some of the theories behind...

FG2P4. Things you don't have time to do when you're in normal...

IR. Yea, yea, yea, err, yea.

FG2P2. Any surprises yet?

IR. Um, some, some of the things out tonight, that there's theory around, you know, different types of justice that I think came out in our conversation earlier that, you know, there's sort of err the outcome itself is, you know, is one, is that just or not? (Mm). And there's also the process and also how people are treated (Mm). And in the literature, they, they divide that up into different types of justice, you know, procedural justice (Yea), interactive justice (Mm), distributive justice and if you, and what they've found, some of the research shows, even if you get, whatever the outcome is, if you do procedural justice well and interactive justice well, you do change people's perceptions of their outcome even (Yea) if their outcome is negative (Yea), they'll feel less negative if they feel (Yea) that (I, I...) other things have been done well...

FG2P1. Yea, I absolutely believe that (Yea).

IR. And that you can, the reverse is true as well, if somebody has even got a good outcome (Yes) but you mess up and do it badly and you (Yea), you can, you can make it, people feel worse about it, you know, and if they've got a bad outcome, you do all the other things badly then you make it even worse. So it does, you know, it does have an impact...

FG2P4. Um my observation of this session is (Yea), I use a process called peer assist (Right) for a lot of knowledge sharing and, although you didn't make the request because you wanted something, my guess is we all learnt something (Mm). And, what I observed that although people expect some, something new or some silver bullet to solve the problem (Yes), what tends to happen more often than not, that the, the same things come up but there are some very clear distinctions. And, and so what I heard tonight was clear distinctions about well it's different if someone
is about to retire from being younger maybe or maybe not, was, was the sort of
discussion (Yea). And that maybe we shouldn’t consider contractors as oh well they
don’t need this but, but full time staff do (Yea). And, and so I think some insights
came out that way for me (Mm). And I think it, it tests people’s assumptions and
then perhaps realigns the priority of them rather than coming out with something
fresh and new. You know, I wrote down the list of things we came out of the yellow
stickies cause my sense was just reading those labels (Yes), there was nothing new
(Yea), but the experiences around the table have actually helped us build some very
clear distinctions of (Mm), of, you know, we always have communicate well at the
top of the list (Mm) don’t we? (Mm), and yet we always screw up on it (Mm). But,
but by hearing the specific experiences, you start to, it’s not just one way it’s two­
way, and what’s this issue of trust? (Yes), (Mm).

FG2P5. It’s singularly appropriate that I’ve got my trust me banker cap on (All
laugh).

IR. I think the Reith Lectures, err I think it was three years ago, were on trust, have
you heard any of those? Each year (Some of them, yea), (Yes), on the radio, they get
some eminent person to do a series of lectures (Yes). And err it was on sort of trust.
Err and they, they’re really, I dug those out and they’re really interesting, you know,
about how people trust (Mm) and what causes them to lose trust and it can be
rebuilt... Good, well thank you very much, and err, it’s been a long day (Thank you,
Peter), and for making the trip.

FG2P3. How did it compare with last week?

IR. Oh it was very interesting, I mean, some sim., similar things and some, some
differences. Last week we had quite a discussion on loyalty, it came up as quite a big
issue and err, that was quite interesting, yea, yea... yea, yea. And I had a couple of
people in the group last week who had, or one person who’d just been made
redundant (Right, that must have been...) in quite a sort of err, that must have been...) in quite a sort of err, you know, dramatic
way, and err...

FG2P4. ...struck raw emotions.

FG2P1. We’re a little distantly removed from the raw emotion now aren’t we?

IR. You know, you know, for some people time is a healer and err. I’ve
interviewed a person as well a few weeks ago who err, who’s actually coming to the
focus group next week, who was one of the people who was marched off working for
err (Right) [Organisation] I think it was (Yes). He worked for them for 27 years.
[Organisation name] [Organisation] Sorry [Organisation] (Bank) yea. He, he was my
cousin actually and err (Shocking). He err, he got (He still is your cousin isn’t he?)
called into a meeting and while he was in the meeting, they cleared his desk and they
sent his stuff home, and in fact his stuff got home to his wife before he even, even
had a chance to tell her. And err, he went, he went out for a drink with his friends at
lunchtime because he’d been marched off the building (Yea) and err he couldn’t
really understand, hadn’t, didn’t seen it coming, hadn’t seen it coming, and he didn’t
want to go home straight away so by the time he’d got home, his boxes had been
delivered. My cousin [Person] said ‘What’s this?’ you know (All laugh). And, you
know, he cause didn’t want to tell her on the phone, he wanted to wait until he got home (Yea). And err, I just thought, why did...? That seems so like (Why does that seem appropriate...?) unnecessarily kind of treatment of somebody.

FG2P5. It’s, it’s very much the, I don’t know what part he worked in but, you know, the (Yea) investment bank (Is it OK, I don’t know if he was in that...?). It wouldn’t tend to happen in [Bank name] but it, it could possibly happen in [Bank name] (Yea), I suppose its high rewards, you know, high risk culture (Yea).

IR. Is that part of the culture then?

FG2P5. It is (Yea) much more (Yea) that sort (Yea) of hire (Yea) and fire culture (Yea), (Yea). It doesn’t make it right but it is... (Yea, yea).

FG2P1. No, it was the American, because the [Site], which was the American arm of [Company X], they did do that (Yea), (Yea). They did actually do that and (Yea) and therefore when we talking about the way we were going to do it there was a big argument about, and I, I can see why we would do that out there but, there was no way they were going to do...(Yea, yea).

FG2P4. He, he still bears a grudge? The trust is still not?

IR. It happened a year ago. He, well one of his comments was, you know, time is a healer, you know, and he feels less, less (Mm) emotional about it now but, you know, I said ‘How did you feel at the time?’ and he said ‘Well if I’d have had a, had a machine gun’, you know, he (Yea) jokingly, he, he was very, you know...

FG2P1. So he didn’t see it as part of the culture then, even if it is part of the culture, he didn’t see it (No) as part (I think...) of that?

IR. He didn’t, well he didn’t expect it to happen I guess to him and he didn’t see it coming so, and it wasn’t part of (Yea) a general, there wasn’t lots of redundancies happening, you know, a few people being knocked off (Mm) piecemeal and err, you know, it was just like, you know, it just seemed err very kind of, from a human standpoint quite brutal (Yea, it does) really. But anyway, I think, I think he was unemployed for a while, he’s got another job now with another, another bank err. But he said to me his relationship with the organisation he works for is very much different now, he’s gone in with a very different (As a result of...?) in his own mind, yea, with a very different deal, do you know what I mean? (Mm). OK, I’ll do my job but, you know...

FG2P1. As a result of that experience?

IR. Yea.

FG2P3. His attitude ... has changed as a result of...(Yes)

IR. He said perhaps I was naive before was his comment, you know, perhaps I...
FG2P4. That's his trust in the organisation (Yea) which has been (Mm) undermined. And as a result I don't trust any organisation (Yea), (Yea).

FG2P5. Surely you can destroy it like... (Yea). It takes twenty years to build but you can destroy it just (Yea) (Yea, it's so true) (Absolutely), just like that (Yea).

FG2P2. Unless it is known to be the culture, and you, you're accepting that culture day by day, cause that's what happens day by day, you see it around you (Yea).

FG2P5. I mean, I think the, the contract, the temporary workers and the contractors is, is a different thing because they actually choose to work temporarily, err they don't, (But...) many of them, particularly the IT contractors, people like that, they don't want permanent jobs, they like the flexibility.

FG2P1. Yes, well my husband has a lot of IT contractors, um they get really upset if their contract comes to an end, probably, seriously upset if it's not done properly. You know, they are now treated exactly the same. There is not any difference um... the...

FG2P5. Well they don't have quite the protections that um...

FG2P1. No, no, but I mean, in terms, I didn't mean (As people) legally, I meant as people (Oh as people).

FG2P2. Not under the law (Yea), as people.

FG2P1. Not under the law, as people.

FG2P3. They're not people (All laugh), (That's right).

FG2P5. The Europe, the Brussels want, wants to protect them with, you know, the same as permanent workers which would kill that market (That's right) (Yes). Um, (Yes) and, and most of them don't want that legal protection they just, they like the freedom to... (Yea).

FG2P1. They still don't want to come in one day and be told you're not late, you're not working (Yes) from the next day onwards (No).

FG2P2. It should be a human right (Yea, sure) (Sorry?). It should be part of human rights, never mind what the, the working contract says (Yea).

FG2P3. In the same way as sort of fixed term contracts isn't it...?

FG2P4. How do you, how do you manage your problems, Peter?

IR. This, yea, this err...

FG2P2. You can switch it off...