

**TOWARDS A SOCIAL CONSTRUCTION OF RETRENCHMENT SURVIVOR  
EXPERIENCES**

by

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## ABSTRACT

More than 770 000 employees in South Africa have been made redundant since the start of the economic crisis in the third quarter of 2008. Unfortunately, companies often do not anticipate, or prepare for, the lower morale and lower productivity experienced by the survivors. However, despite the fact that retrenchment survivors are the linchpin of a company's future profitability, limited research on their experiences is available in South Africa. Until recently, the survivors of retrenchment were considered fortunate and the general consensus is that survivors are grateful to have kept their jobs. But is it really that simple? The study explores the perceptions and experiences of survivors of retrenchment in the automotive industry.

The study was conducted among retrenchment survivors operating at junior management, middle management and senior management roles in various functional areas in an Automotive Manufacturer in South Africa. Qualitative data was collected by means of conducting semi-structured interviews, which provided insight into the beliefs, attitudes, perceptions and experiences of the participants, as well as by the analysis of company documents.

Following an in-depth analysis based on constructivist grounded theory guidelines, survivor denial in varied manifestations emerged as the core concept. This core concept was underpinned by the survivors' overall perception of the retrenchment experience, the affective and behavioural responses of survivors, as well as some aggravating factors. The result of the analysis is a framework for understanding survivor experiences during retrenchments, as well as suggested interventions for organisations that are contemplating, or have already commenced with retrenchments to reduce the anticipated negative effects of the retrenchment process.

This study demonstrates that retrenchment brings to the fore a multitude of inadequately understood emotional reactions and that, if retrenchment is not properly implemented and managed, can result in a significant amount of stress. Appropriate analysis of individual responses and the facilitation of constructive coping strategies is the starting point towards more effective intervention.

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# CHAPTER 1: BACKGROUND AND AIM OF THE STUDY

## 1.1 BACKGROUND

As the economy continues to bleed due to the current global financial crisis (Dispatch Online, 2008), employees are bearing the brunt of the economic crisis. Numbers show that more than 70,000 jobs have already been cut in the third quarter of 2008 and unions fear even more job losses (Statistics South Africa cited in Fin24.com, 2008). These fears are proving valid, as more than 770 000 employees in South Africa have lost their jobs in the past 12 months since the economic crisis commenced in the third quarter of 2008 (Statistics South Africa cited in Fin24.com, 2009). As many retrenchment processes must still be concluded, unions now fear that job losses for 2009 will pass the one million mark by the next quarter (Solidarity Research Institute, 2008). While there has been a lot of debate on the ultimate long and short-term effectiveness and benefits that retrenchment holds for an organisation, there is a definite human impact (Levitt, Wilson & Gilligan, 2008). Until recently, the survivors of retrenchment were considered fortunate and the general consensus is that survivors are grateful to have kept their jobs (Appelbaum, Delage, Labib & Gault, 1997; Levitt et al., 2008). But is it really that simple? What is the impact of losing co-workers on those who stay behind?

Previous research results indicate that survivors of retrenchment are less productive, operate on high stress levels, distrust the company and management and experience reduced job satisfaction (Appelbaum et al., 1997; Cianco, 2000; Kaye, 1998). This is in sharp contrast with the general, naive consensus considering only the positive impacts and expectation of survivors.

The growing number of articles on best practises in downsizing processes suggests a growing realisation that mismanaged reductions can have significant negative consequences amongst the remaining employees (Brockner, Siegel, Daly, Tyler & Martin, 1997). These employees generally experience a new psycho-social problem – downsizing survivor syndrome (Appelbaum et al., 1997; Wiesner, Vermeulen & Littler, 1999).

The value of this study lies in providing some understanding of the impact of retrenchment on the survivors, as they are the employees the company will rely on to move forward. By understanding the attitudes, behaviours and emotions of survivors, a clear perspective of the true short and long-term effects of downsizing can be derived (Levitt et al., 2008). Retrenchments have become increasingly prevalent in South Africa, affecting not only those who are retrenched, but also the survivors of the retrenchment process.

The downsizing survivor syndrome - and the experiences of downsizing survivors - is an area under extensive discussion in the international economic and social arena. However, despite the fact that retrenchment survivors are the linchpin of a company's future profitability, limited research on their experiences is available in South Africa (Morar, 2004).

## **1.2 PROBLEM STATEMENT**

Previous research on the downsizing survivor syndrome and the related experiences of downsizing survivors is largely based on research and data from the United States of America and Canada. An extensive search of the EbscoHost, Emerald and SABINET databases specifically indicate that no studies have been conducted to gain an understanding of the experiences of retrenchment survivors in the automotive industry in the midst of a global economic crisis. Only one study has been conducted to investigate the experiences of retrenchment survivors within the South African context (Morar, 2004).

With a few exceptions, most of the research on the effects of retrenchments on survivors is limited by its laboratory orientation. Although valuable, it has not captured the gut-wrenching trauma or examined the true emotional depth of survivor syndrome (Noer, 1993).

### **1.3 PURPOSE STATEMENT**

Organisations are in the midst of a fundamental paradigm shift. Understanding these paradigm shifts is imperative for organisations struggling to compete in the new global economy (Noer, 1993). To this end, the purpose of this study is to explore the perceptions and experiences of the survivors of retrenchment in the automotive industry.

### **1.4 RESEARCH OBJECTIVES**

The objectives of the study are as follows:

- To explore and describe the perceptions and experiences of survivors of retrenchment in the automotive industry;
- To explore the areas of concerns of the survivors of retrenchment;
- To provide guidelines for organisations that are contemplating, or have already commenced with retrenchments to reduce the anticipated negative effects of the retrenchment process.

### **1.5 IMPORTANCE AND BENEFITS OF THE PROPOSED STUDY**

Corporations downsize due to a need to reduce costs, a decline in bureaucracy, to facilitate quicker decision making and smoother communication, to encourage greater entrepreneurship and to attain an overall increase in profitability (Appelbaum et al., 1997; Wright & Barling, 1998). However, results of previous studies indicate that companies often do not anticipate, or prepare for, the lower morale and lower productivity experienced by the survivors of downsizing (Appelbaum et al., 1997). These negative effects often negate the benefits to be obtained from downsizing.

The focus of this study is on the personal experiences of survivors in an automotive manufacturer that has implemented downsizing as a strategy in response to some form of organisational change. The value of this study lies in providing an understanding of the impact of downsizing on the survivors, as they are the employees the company will rely on to move forward. By understanding the attitudes, behaviours and emotions of survivors, a broader perspective of the true short and long-term benefits of downsizing can be derived

(Levitt et al., 2008). Further to this, by appreciating the experiences of the retrenchment survivors, guidelines on how best to utilise, treat and assimilate retrenchment survivors within the company as a means towards improving organisational effectiveness will be developed.

In order to contextualise this study, the delimitations and assumptions of the study are discussed in the subsequent section.

## **1.6 DELIMITATIONS AND ASSUMPTIONS**

### **1.6.1 Delimitations**

The current study has several delimitations related to the theoretical perspectives, constructs and context of the study. Firstly, the study endeavours to obtain a 360° view of the experiences of survivors at an Automotive Manufacturer working in a single office environment. As such, the study examines only the experiences of the retrenchment survivors in this context, regardless of any other aspects such as gender and race.

Secondly, the study's literature review is mainly limited to literature from the discipline of human resource management, social psychology and industrial psychology, including literature on change management, organisational development, business management and strategic human resource management. Literature from related disciplines such as communication management, clinical psychology and psychoanalysis is only consulted in passing.

### **1.6.2 Assumptions**

An assumption is “a condition that is taken for granted, without which the research project would be pointless” (Leedy & Ormrod, 2005, p.5). Several basic assumptions underlie the proposed research study. It is assumed that:

- Participants are able and willing to provide the data required for the study;
- Participants are able and willing to provide honest answers to the questions asked in the study;

- Survivor syndrome is a recognisable phenomenon within an organisation;
- Qualitative research is an appropriate means to explore this human phenomenon;
- Company X complied with the Labour Relations Act 66 of 1995 provisions regarding retrenchments (as amended) s189 and s189 (a).

Several concepts are repeatedly referred to throughout this study. Several of these key terms are defined in the subsequent section.

## **1.7 DEFINITION OF KEY TERMS**

### **1.7.1 Retrenchment**

A distinction must be made between redundancy and retrenchment. Redundancy can be described as eliminating a particular job; or as a state of superfluity, while retrenchment can be described as the action or process of the employer terminating the employment of employees as they have become superfluous due to the need to reduce costs brought on by an economic downturn (Beaumont, 1991).

The term retrenchment is generically used to refer to all employee reductions for operational reasons and excludes reductions based on performance (Noer, 1993). Section 213(53) of the Labour Relations Act (66/1995) as amended defines operational requirements as “requirements based on the economic, technological, structural or similar needs of an employer”.

While each term may have its own connotation, they do share a common meaning which is suggestive of a deliberate decision to reduce the workforce with the intention of increasing organisational performance.

### **1.7.2 Variety of stakeholders**

The retrenchment process affects a variety of stakeholders. These stakeholders are the survivors, the implementers, the retrenchment victims and the retrenching organisation.

The victims refer to those who are divorced from the organisation, while the survivors refer to those employees who remain in organisational systems after employee reductions (Noer, 1993). Those who are accountable for the execution of the retrenchments (usually top management) are referred to as the implementers (Westerman-Winter, 2007).

These stakeholders are referred to as such throughout the study.

### **1.7.3 Survivor syndrome**

Survivor syndrome is a generic term used to describe a range of feelings, attitudes and perceptions experienced by employees who remain in an organisation subsequent to the process of retrenchment and re-organisation (Noer, 1993). Although there might be initial relief at keeping one's job, research reveals that this turns to feelings of anger against management, betrayal by management, guilt at keeping one's job and uncertainty; both about the survivors' current roles and about job security (Appelbaum et al., 1997; Cianco, 2000; Levitt et al., 2008; Wiesner et al., 1999). Employees with survivor syndrome have often been described as "having a reduced desire to take risks, a lowered commitment to the job and a lack of spontaneity" (Noer, 1993, p.7). The consistent decrease in morale can lead to an increase in stress and a decrease in performance.

### **1.7.4 Original equipment manufacturer**

According to Corus Automotive (2009), original equipment manufacturer "refers to a manufacturer of vehicles that provides the original product design and materials for its assembly and manufacture".

## **1.8 OVERVIEW OF CHAPTERS**

This study has six core components. Chapter two provides a review of the current literature on the global economic crisis and the impact on South Africa and the automotive industry, with specific reference to retrenchments followed by a discussion of the current specific academic literature on survivor syndrome. The subsequent chapter supplies a comprehensive discussion of the case study methodology used in this study followed by a discussion of the results. The study concludes with a discussion on the findings and recommendations for future research.



## **CHAPTER 2: GLOBAL ECONOMIC CRISIS**

The global financial crisis of 2008–2009 commenced in July 2007 when a loss of confidence by investors in the worth of mortgage in the United States resulted in a liquidity crisis that encouraged a considerable introduction of capital into financial markets (Felton & Reinhart, 2008). On August 9 2007, the world financial capitals were shocked when the European Central Bank introduced €95bn worth of funds into the financial markets to avoid borrowing costs from increasing sharply (Tett, 2008). In September 2008, the crisis worsened as globally, stock markets crashed and entered a phase of high volatility and a substantial number of financial institutions failed in the following weeks (Felton & Reinhart, 2008).

A year later, there is still no indication of these problems letting up. Instead, the burden of pressure on financial institutions has increased so sharply, that by “some measures this was the worst financial crisis in 70 years” (Tett, 2008).

### **2.1 BACKGROUND**

The cause of the financial crisis was due to “cheap money that encouraged rapid growth - between 2004 and 2007, the world economy expanded at its fastest rate in 30 years” (Giles, 2008). Over the past year, brisk global economic growth ultimately hit capacity constraints. Demand for food and commodities continued to surpass supply, forcing costs harshly higher, raising inflation and intensifying the decline in spending capacity in advanced economies (Tett, 2008).

Jehoma (2008) states that sub-prime mortgage lending in the United States, turnaround of the housing boom in other industrialised economies and inadequate regulation of financial markets as the cause for the global financial crisis. These factors were further compounded by the high food and oil prices Jehoma (2008).

This crisis in real estate, banking and credit in the United States had an international impact, influencing an extensive range of economic activities and financial institutions, including strict credit control with financial institutions; financial markets that experienced

abrupt declines; liquidity problems in equity funds and the depreciation of the assets supporting provident and pension funds leading to concerns about the ability of these devices to provide for future obligations (Felton & Reinhart, 2008).

The impact of the crisis was not confined only to financial markets, but overflowed to all sectors of the global economy - with a number of industrialised countries experiencing deep recessions (Jehoma, 2008). The effect on the wider economy has been profound and several organisations have gone bankrupt, or have had to be bailed out, with thousands of jobs have been cut (Giles, 2008).

## **2.2 IMPACT OF GLOBAL ECONOMIC CRISES ON SOUTH AFRICA**

The dramatic downward revision of the United States of America's growth prospects led to a similar trend all over the world.

South Africa has joined the extensive list of economies in recession - the country's first recession in 17 years. The market had expected a decline, but the result was far worse than most forecasts (France24, 2009).

Statistics South Africa (cited in United Nations African Union Commission, 2009) reports that South Africa's gross domestic product (GDP) growth rate for the first quarter of 2009 stood at -6.4% quarter-on-quarter, seasonally adjusted and annualised, compared with a -1.8% decline in the fourth quarter of 2008 (South Africa.info, 2009). Two successive quarters of negative growth denotes that an economy is theoretically in recession.

The decline in growth is blamed on a fall in export demand which led to an obligatory cut in production by both manufacturers and miners (South Africa.info, 2009). South Africa's economy relies heavily on commodity exports, especially from its mines, where thousands of jobs have already been lost this year (France24, 2009).

Further to the above, according to Jehoma (2008), the global economic crisis also impacts the economy South Africa in the following manner:

- Due to a slowdown in the global economy, a source for South African exports, there was a decline in exports and consequently, a decrease in prices of export commodities;
- Job losses in numerous industries are on the increase, as organisations adjust their workforce to the changed demand for commodities;
- The sudden drop in share prices at the Johannesburg Stock Exchange is leading to wealth erosion for many;
- Negative growth value of private pension funds that hold most of its investment portfolios in equities.

While the dramatic decline in the prices of most commodities is good news for South Africa's inflation expectation, it also comes with a wave of planned and already implemented retrenchments sweeping over South Africa (Solidarity Research Institute, 2008). The South African economy can lose close to 700 000 jobs; this figure is substantially higher than initially projected (Van Tonder, 2009).

Since the start of the economic downswing in the third quarter of 2008, in excess of 770,000 employees in South Africa have lost their jobs in the past 12 months (Solidarity Research Institute, 2008). According to the Labour Force Survey, approximately 267,000 net jobs became redundant in the period between the first and second quarter of 2009, whilst approximately 484,000 net jobs became redundant in the subsequent quarter (Statistics South Africa cited in Fin24.com, 2009).

The official unemployment rate increased from 23.6% to 24.5% in the third quarter of 2009 (Statistics South Africa cited in Fin24.com, 2009). The survey shows that the retail and manufacturing industries were particularly hard hit in the third quarter, as close to 150,000 job losses were recorded in the manufacturing industry in the third quarter (Fin24.com, 2009).

Figure 2.1 comprises some automotive companies where retrenchments have been formally announced, or where job losses have been reported in the fourth quarter of 2008 and the first quarter of 2009.

**Figure 2.1: Possible job losses in the automotive industry in Q4 2008 and Q1 2009**

<b>Company</b>	<b>Location</b>	<b>Permanent staff affected</b>
Ford	Eastern Cape	800
Ford	Gauteng	800
Nissan	Gauteng	220

Source: Solidarity Research Institute (2008).

## **2.3 IMPACT OF THE ECONOMIC CRISIS ON THE AUTOMOTIVE INDUSTRY**

At present, the automotive industry is marked by profound and pervasive uncertainty, but one thing is obvious; the situation is bleak and the outlook is even bleaker (Fin24.com, 2008).

As global stock markets plummet and consumer confidence drops to extraordinary lows, vehicle sales in nearly all regions continue to decline. As of the start of 2009, automotive manufacturers globally are being hit hard by the economic slowdown across boundaries, when numerous organisations are experiencing double digit percentage sales declines (KPMG International, 2008).

### **2.3.1 Global**

In the face of considerable financial losses, the automotive manufacturers in the United States of America have rendered many factories inactive and drastically reduced employment levels. Altogether the Original Equipment Manufacturers (OEM's) employ 416,000 people in the United States and Canada (Felton & Reinhart, 2009).

The crisis has led to forecasts of substantial unemployment and economic recession if not contained and Democrats have called for a "bridge loan" to assist the American automotive manufacturers (KPMG International).

### 2.3.2 South Africa

“Thousands of motor industry jobs are hanging in the balance as a global economic downturn, ignited by the US sub-prime mortgage collapse, filters into South Africa’s economy” (Dispatch Online, 2008).

The global economic slowdown has already led to job losses in the form of retrenchments and an increase in non-production days at original equipment manufacturers (OEM’s). If the market does not recover drastically within the following 12 months, additional job losses are likely (Gabru, 2009).

South African automotive and component manufacturers currently face exceedingly unstable conditions. The instability in global financial markets coupled with the constant change in the Rand exchange rate render planning particularly difficult. At present, it is impossible to be precise about the outcome of the current financial market turmoil and its effect on the South African automotive industry (National Association of Automobile Manufacturers of South Africa, 2008).

Likewise, it is difficult to be precise regarding new vehicle export numbers forecasts. South African automotive manufacturers are in constant contact with their parent companies in reassessing export market requirements and current indications are that, overall, new vehicle exports could consistently record a decline of between 10% and 15% on the 2008 figure (National Association of Automobile Manufacturers of South Africa, 2008).

In the domestic market, new vehicle sales are expected to continue to experience pressure; however, there are unambiguous indications that the inflation and interest rate cycle in South Africa has reached its peak; and as inflationary pressures subside into 2009 and 2010, interest rates were predicted to drop (Fin24.com, 2009). The second half of 2009 saw an improvement in the financial situation of consumers and the improved economic activity levels lead to optimism of a recovery in demand of new vehicles from about the third quarter of 2010 (Gabru, 2009). For 2009 overall, it was forecasted that new vehicle sales (cars and commercials), cumulatively, will register a decline of between 5%

and 7% year on year (National Association of Automobile Manufacturers of South Africa, 2008).

According to Gabru (2009), it is improbable that South Africa will be making any considerable inroads into other markets in the next three to five years. Whilst considerable manufacturing capacity is moving offshore from the United States and Europe, these commodities are moving to increasingly competitive regions like Brazil, China, Thailand and Turkey, which are also geographically better situated than South Africa. Conversely, South Africa is better located to capitalise on African markets, specifically the sub-Saharan region.

### **2.3.3 Company X**

Company X's third quarter financial report for 2008 takes place against the backdrop of the pressures the industry is facing following the global economic and financial crisis. This is reflected in total industry volumes which were down 10% in mature and emerging markets from 69 to 62 million units, further challenged by a strengthening Yen and low consumer confidence.

#### ***Sales results***

Year to date global sales were down 3% to 2.63 million units, while third quarter sales were down 19% to 731,000 from the same period in fiscal 2007. In response to lower third quarter sales in all regions (18.6% down), production volumes were lowered by 45% (Company X Management, 2009).

#### ***Financial results***

The first nine months of 2008 reflected a decrease in net revenue of 14.7% from the same period in 2007, while operating profit was down 84%. Assuming that global sales will be down 10% and production volume down 16%, Company X's revised financial forecast operating loss to reach 180 billion Yen (a fourth quarter drop of 17% in line with other car manufacturers) and net loss of 265 billion Yen (Company X Management, 2009).

## ***Recovery plan***

In light of the downturn, both at Company X and the automotive industry at large, a recovery plan has been drawn up to manage the company through the current crisis.

Efforts are centred on two main themes:

- Recovering profit: largely through cost reductions in labour and purchasing. Labour costs will decrease in line with revenues, especially in high cost countries. Other reductions include a reduction in salaries amongst board members, corporate officers and managers. No bonuses will be awarded to the board of directors. Additional measures are a reduction in working hours and production days, as well as a work sharing scheme negotiation. Company X's global headcount will continue to be streamlined - from 240,000 in March 2008 to 215,000 in March 2010, representing a 25,000 reduction.
- Preserving cash: In line with declining market demand, operations are undergoing rightsizing to reduce global costs. Specific capital investments and new model product introductions have been postponed, reduced or cancelled until the economic crisis eases (Company X Management, 2009).

It is reasonable to state that the global economic crisis has caught the automotive industry on the hop. Companies were prepared for a contraction, but they did not anticipate the intensity and speed of the downturn when it came.

## CHAPTER 3: DOWNSIZING - THE SHATTERED COVENANT

### 3.1 RATIONALE OF RETRENCHMENT

As is evident in the preceding discussion and the daily barrage of retrenchment announcements in the media, one result of the recessionary climate is retrenchment to reduce labour costs in the organisations of South Africa today.

The decision to retrench is usually a strategic one, undertaken to reduce inefficiencies that accumulate in an organisation over time. The objectives of the retrenchment process are eminent before commencing the process of retrenchment, as well as the expected benefits to the organisation, for instance:

- Lower overheads;
- Less bureaucracy;
- Faster decision making;
- Greater entrepreneurship;
- Smoother communications;
- Increased productivity (Appelbaum et al., 1997; Wiesner et al., 1996).

However, it seems that the quest for greater efficiencies is a double-edged sword. According to Di Frances (2002), there are a number of negative consequences of retrenchment that can hinder the growth of organisations:

- Poor morale and lack of trust amongst employees;
- Loss of corporate culture and accessible mentors for remaining employees;
- Loss of knowledge and experience base.

While the ultimate long-term effectiveness of retrenchments is unclear, there is a definite human impact (Levitt et al., 2008). Retrenchments are intended to reduce costs and promote an efficient, lean and mean organisation; however, the outcome is often an organisation populated by depressed survivors (Noer, 1993). The next section focuses on the problematic process of retrenchment that contributes to the prevalence of survivor syndrome.



### 3.2 THE PROBLEMATIC PROCESS OF RETRENCHMENT

During times of retrenchment, attention is often diverted away from other key issues. Whilst managers must continue to make short range operational decisions, other long-term obligations may be deferred. Also, as human capital investments do not yield an immediate return on investment (Mello, 2006); this situation may result in decreased investment in human assets (Appelbaum et al., 1997).

A major factor that contributes to the failure of most organisations to attain their organisational goals after retrenchment is that they do not satisfactorily and successfully address the “people factor” throughout the process as it pertains to retrenchment survivors. According to Appelbaum and Donia (2001), lowered employee morale resulted from numerous aspects that were neglected during restructuring. Specifically, organisations failed to keep their employees sufficiently informed regarding changes taking place. Survivors are typically uninformed or misinformed about various issues, such as their place in the newly structured organisation, corporate objectives, expected performance standards, additional work demands and the existence of - or lack of - opportunities for career growth. These ambiguities are further compounded by financial and job insecurities.

To this extent, Guiniven (2001) points out that when retrenchment is communicated purely in economic terms, this creates serious problems amongst surviving employees.

According to Wiesner et al. (1999), the depth of job cutting might not be the critical factor in survivor syndrome outcomes; rather, critical factor is the frequency of retrenchment. As mentioned in preceding sections, with the South African economy in recession and the automotive industry showing little or no improvement, the likelihood of further retrenchment is becoming more likely.

In these changing organisations, there are three groups of people; those who will not lose their jobs, those who may lose their jobs and those who will lose their jobs. The first two groups are referred to as “survivors” (Appelbaum et al., 1997). The most apparent human impact is the employees that have been retrenched. These individuals are often

acknowledged as the victims of retrenchment due to the devastation of job loss (Levitt et al., 2008). The consequences of retrenchments on the victims are well documented. Recently, research studies have been focussed on the phenomenon of retrenchment survivors; those employees who remain in the organisation after retrenchments have taken place (Barling & Kelloway, 1996).

Until recently the survivors of retrenchment were considered as the fortunate group, as the general consensus was that the survivors ought to be grateful to still have a job. More significantly, the belief amongst organisations is that survivors will work harder and more efficiently in order to steer clear of becoming the next victim (Levitt et al., 2008, Noer, 1993).

Managers may expect survivors not only to be grateful that they were spared and to forgive what happened to their friends, but also to put their feelings aside and work harder. The unspoken "or else" comes across loud and clear (Appelbaum et al., 1997; Cianco, 2000). However, often any relief felt by survivors is overwhelmed by unpleasant emotions resulting from the retrenchments (Wiesner et al., 1999).

Employees learn to keep their mouths shut, do not create waves and eventually become passive (Appelbaum et al., 1997).

Notably, data consistently indicates that companies who implemented retrenchments, consistently underperforms compared to organisations that did not implement this intervention (Mirabal & De Young, 2005).

Guiniven (2001) has investigated failures in retrenchment and has condensed his research into two major aspects:

- Retrenchment has not been effectively planned, managed and implemented;
- Retrenchment has caused resentment and resistance in surviving employees.

Poorly managed retrenchment experiences create a new psycho-social problem namely "survivor syndrome" (Appelbaum et al., 1997).

### 3.3 THE SURVIVOR SYNDROME: AFTERMATH OF RETRENCHMENT

#### 3.3.1 Response to retrenchment

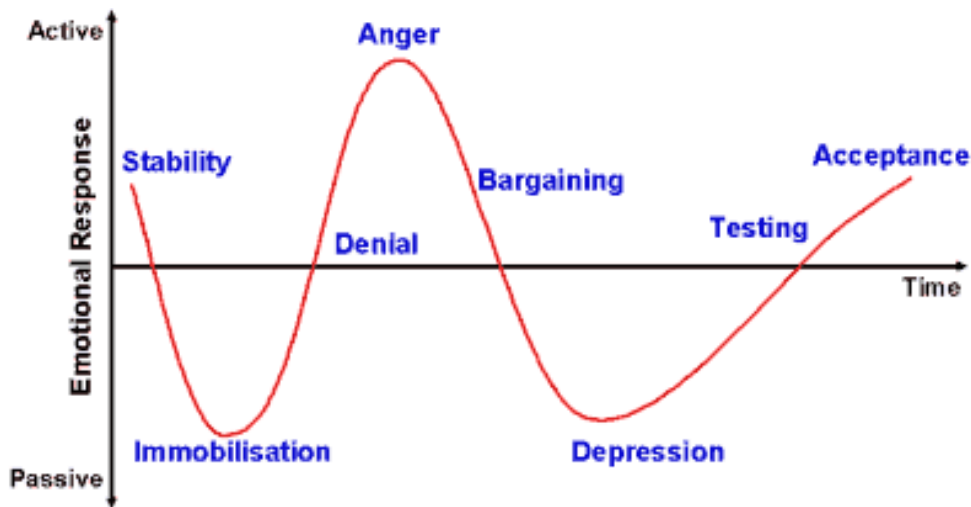
Next to the death of a relative or friend, there is nothing more traumatic than losing a job, as it disrupts careers and families (Appelbaum et al., 1997). Previous researchers (Newman & Krystofiak, 1993) employed the Kübler-Ross model to describe survivors' reactions as comparable to the grieving process that occurs after divorce, or the loss of a loved one. In order for organisations to deal with the process effectively, it is essential to understand the survivor's response to the change and then adopt appropriate strategies (Joy, 2010).

To this end, the Kübler-Ross Grief cycle is explored as a means to assist the organisation to identify and frame what the survivors may be feeling. These phases are not stops on a linear timeline of grief, they are reactions to loss that countless individuals have, but there is not an archetypal reaction to loss as there is no archetypal loss. Our grief is as individual as our lives (Kessler, 2010).

Dr. Elisabeth Kübler-Ross's research on the different emotional phases of individuals dealing with trauma, terminal illness and death led to the development of the Kübler-Ross grief framework, which details a progression of phases by which individuals cope and adapt to change (McGuire, By & Hutchings, 2007). The five phases of the grief framework namely denial, anger, bargaining, depression and acceptance are also transferable to individual transitions and emotional distress resulting from factors other than death and dying (Chapman, 2009). There are apparent parallels between these phases and the stages that individuals experience when dealing with organisational change (McGuire, By & Hutchings, 2007) such as job redundancy and enforced relocation. The important feature is not that the change is positive or negative, but that it is *perceived* as a considerably negative event (Straker, 2005).

The framework illustrated in figure 3.1 is slightly extended from the original Kübler-Ross model, which does not overtly incorporate the Shock and Testing phases. The extended phases are helpful in understanding and facilitating change (Straker, 2005).

**Figure 3.1: Extended Kübler-Ross Grief model**



Source: Straker (2005).

### ***Phase 1: Shock***

The initial response to the perceived negative event or announcement is one of classic shock and immobilization. It may seem as if there is no reaction at all to the information. Mentally, the person blocks out the information and the reality and possible implications have not really taken hold yet (Joy, 2010; Straker, 2005).

### ***Phase 2: Denial***

Denial is a conscious or unconscious refusal to acknowledge the information and reality relating to the situation concerned (Kübler-Ross, 1969, p.9). It is a defence mechanism (Chapman, 2009) and aids individuals to deal with the loss and makes endurance possible. Denial, or at least partial denial, is used by almost all individuals after unexpected shocking news – this denial functions as a buffer, allowing the individuals to collect themselves and with the passage of time, assemble other, less radical defences (Kübler-Ross, 1969). Denial helps to pace feelings of grief (Kessler, 2010). In an organisation, individuals may question the relevance, value or suitability of change and later deny that it had any effect on them (McGuire, By & Hutchings, 2007), becoming fixed in this phase when dealing with distressing change that can be ignored (Chapman, 2009).

Thus, individuals and groups will passively resist the change (McGuire, By & Hutchings, 2007).

As an individual acknowledges the reality of the loss, the healing process commences and the denial starts to fade. As an individual progress through this phase, all the denied feelings begin to surface (Kessler, 2010).

### ***Phase 3: Anger***

The next step after denial is a sudden swing into anger (Straker, 2005), which can manifest in different ways. Individuals dealing with emotional distress can be angry with themselves and / or with others, particularly those close to them (Chapman, 2009). This anger is often accompanied by a tendency to blame others and lash out (Joy, 2010).

Underneath this anger is pain. Anger is strength and it can be an anchor, giving passing structure to the chaos of loss. When an individual directs his or her anger towards someone in a company; this includes the managers, peers, shareholders customers and suppliers, suddenly there is a structure in the form of their anger towards them (Kessler, 2010; Straker, 2005).

In this phase there is no acceptance of the change yet (Joy, 2010).

### ***Phase 4: Bargaining***

After the flames of anger have been extinguished, the next phase is a frantic period of bargaining and seeking ways to avoid the perceived negative change realising. People facing distress can bargain or seek to negotiate a compromise. In organisations, bargaining could include offering to work for reduced remuneration or offering to do alternative work. Bargaining rarely provides a sustainable solution (Straker, 2005; Chapman, 2009).

According to Kessler (2010), guilt is “frequently bargaining’s companion” – the possibility of alternative outcomes “if only” we had opted for one of the alternatives, cause us to find fault in ourselves.

### ***Phase 5: Depression***

After denial, anger and bargaining, the unavoidability of the change hits home and the individual grudgingly accepts that it is inevitable (Straker, 2005). This is a sort of acceptance with emotional connection. It is normal to experience regret, fear, sadness and uncertainty. Experiencing this phase indicates that the individual has at least begun to accept the reality (Chapman, 2009; Kessler, 2010).

Within the organisation, depression may manifest in several passive behaviours e.g. declining work performance, extended lunch breaks and physical absenteeism (Straker, 2005). Individuals experiencing this phase often lack self confidence (Joy, 2010).

### ***Phase 6: Testing / Experimentation***

In this phase, the individual realises that he or she cannot stay in depressive despair evermore. Individuals thus start seeking out realistic things that they can do and start to experiment with the new situation and try new things out. As these actions prove effective, at least in some ways, it is found to be preferred to the depression and so the person moves out the dark hole (Joy, 2010; Straker, 2005).

### ***Phase 7: Acceptance***

The final phase is back to one of relative steadiness, where the individual is prepared and actively involved in moving onto the next phase of his or her life (Straker, 2005). This phase varies according to the individual's circumstances, though it is generally an indication that there is a degree of emotional detachment and objectivity (Chapman 2009). Acceptance characteristically manifests in individuals taking ownership both for themselves and their actions (Straker, 2005). Acceptance is frequently confused with the concept of being "all right" or "OK" with what has occurred. This is not the case. Acceptance entails recognising that this new reality is the enduring reality. Affected parties may never like the new reality, but eventually it is accepted (Kessler, 2010).

### ***Sticking and cycling***

A widespread occurrence with the above cycles is that people get trapped in one phase. An individual may become trapped in denial, never progressing from the point of not accepting the inevitable future. Similarly, an individual may become trapped in enduring anger or recurring bargaining. It is harder to get trapped in active states than in passivity and becoming trapped in depression is conceivably a more general ailment (Straker, 2005).

Individuals often presume that the transition phases last weeks or months. It is forgotten that the phases are responses to emotions that can last for minutes or hours as individuals' cycle between the different phases. Individual stages are not entered and left in a linear manner. Individuals may experience one phase, then another and return to the initial phase (Kessler, 2010; Kübler-Ross, 1969).

Van Tonder (2004) suggests that it is imperative to understand the transition processes that individuals experience in times of major organisational change such as retrenchment and restructuring, as undue emphasis on cost in the financial sense (a primary performance measure generally at managerial levels) drives managerial focus during change initiatives and it could be argued that this drives managerial focus even more so in times of financial and economic crisis. This focus on cost consequently leads to neglect of the human and social costs of change. Even though these costs ultimately translate into substantial, but indirect, financial costs, the difficulty of delineating and quantifying it invariably leads to their neglect when assessing the achievement of the organisational change initiative.

#### **3.3.2 Effects of retrenchment on surviving employees**

As illustrated in the preceding section, retrenchments provoke a variety of psychological states amongst survivors. These psychological positions have the potential to affect the survivor's work behaviour and attitude, including motivation, level of performance, organisational commitment and job satisfaction. These arguments are based on the equity and organisational stress theories (Brockner, Davy & Carter, 1985).

Retrenchment survivors experience a sense of job insecurity. The closer a survivor is to those employees that are retrenched, the greater the levels of job insecurity experienced (Barling & Kelloway, 1996; Wiesner et al., 1999). Following and during corporate retrenchment, individuals fear the loss of their own livelihood as they see their colleagues lose their jobs. This perception of job insecurity is a classic work stressor with the implication that sustained exposure to job insecurity will result in impaired psychological and physiological health (Barling & Kelloway, 1996).

According to Barling and Kelloway (1996), job insecurity is mainly a result of the perception of a lack of control. This is closely related to the breach of the psychological contract, as this provides an employee with psychological control over the workplace. If employees perceive a direct threat to their jobs and believe that they are powerless to counter this threat, job insecurity is experienced. When an employee perceives that he or she has control over the threat, negative consequences are avoided. Equally, individuals who view themselves as having only slight control in their place of work are likely to experience adverse psychological and physical consequences (Barling & Kelloway, 1996).

This suggests that increasing employees' perceptions of workplace control will have advantageous outcomes for both the employee and the organisation. When employees perceive that they can influence the decisions most likely to affect their jobs, negative individual and organisational consequences are likely to be avoided.

Another factor influencing the impact of retrenchments on survivors is their perceptions of the fairness of the termination decisions and the fairness of the retrenchment process. This will ultimately have an effect on their levels of productivity and the quality of their job performance. In exploring the reactions of survivors of retrenchments, Greenberg (1990) found that surviving employees were more committed to the organisation when they perceived that the retrenched employees were satisfactorily compensated and fairly treated.

Cascio (1993) states that distributing the same amount of work amongst the surviving employees can have long-term impact in terms of the stress experienced. This stress often increases four to six months after the retrenchment, resulting in increased



absenteeism and higher turnover (Cascio, 1993; Cianco, 2000). Organisations that “have not adopted a strategic approach to retrenchments will find that valuable institutional knowledge will be lost in the very sectors that are critical to the business’s performance. The resulting chaos fuels dissatisfaction as remaining employees experience confusion, stress and burnout as they figure out how to do their predecessors work” (Deloitte Southern Africa, 2010). These negative outcomes of retrenchment can set off a mass departure among survivors, in some instances creating losses substantially larger than the reduction achieved through the retrenchments. The retrenchment-turnover relationship suggests a paradox in that employees are retrenched by companies that may consequently find themselves understaffed (Wells, 2008).

Organisations do not fully understand the impact of survivor syndrome as is evidenced by the lack of support and assistance for survivors. Organisations do understand that the survivors are the people that they will rely on going forward and thus the linchpin of future profitability. Organisations also understand that the survivors must take over the responsibilities of those employees that were let go, yet there seems to be a detachment between this realisation and how the organisation should best treat and assimilate its survivors and greatest asset (Levitt, et al., 2008).

According to Noer (1993), employees often follow a norm of denying and blocking survivor syndrome symptoms. This psychological numbing is also regularly found in survivors of other forms of trauma. The shackle of denial amongst retrenchment survivors is tough to break systematically because it is hierarchical - the higher the employee’s rank, the more intense the denial. Denial also appears to be more intense in those who must actively plan and implement retrenchments. These individuals often exhibit a “Judas complex.” They engage in extensive rationalisation to justify workforce reductions.

The effects of retrenchments on managers and implementers are further explored in the following section.

### **3.3.3 Effects of retrenchment on managers/implementers**

According to Cianco (2000), survivor syndrome in managers or implementers reflects a different group of pressures. Their employer loyalty also decreases, but, in addition, they feel pressed. Upper management demands results; employees demand organisational fairness.

Most implementers argue that times are changing and employees have to learn to deal with it. This response is part of the psychological denial that shelters implementers from having to look closely at their own role in unsettling others' lives (Levitt et al., 2008). According to Noer (1993), however, a symptom of survivor syndrome is a hierarchical denial pattern; the higher an employee resides in the hierarchy of the organisation, the more he or she will have vested in denying the symptoms of survivor syndrome. This is one of the reasons contributing to managers' reluctance to implement intervention strategies, despite the increasing evidence of an epidemic of survivor symptoms.

Implementers also may be unsuccessful in recognising the distress around them. They cannot admit error, even in the face of evidence that their plans are not working. The process itself (in this case, restructuring) takes on a life of its own. Managers put so much time and energy in deciding on and following a course of action that to admit error is very difficult. The objective changes from improving the organisation to mitigating the retrenchment process (Cianco, 2000).

Implementers who remain after retrenchment are working in a different environment and they must become accustomed to this new organisation that is not as friendly as before. They are now managing additional employees and jobs and have to work extended hours because their job descriptions and the expected outcomes remain unchanged. Some managers will adapt, but many are not prepared to work under these conditions and might decide to leave the company (Wiesner et al., 1999).

It is clear that managers/implementers are not exempt from survivor syndrome as experienced by survivors. According to Noer (1993), as managers and organisational leaders play a pivotal role in bringing about the emotional release necessary to begin the

survivors' post-retrenchment healing process, their denial must be attended to before there can be any release.

In order to achieve this – and develop an intervention programme – managers and organisational leaders should increase both their cognitive and emotional understanding of retrenchment survivors and survivor syndrome (Noer, 1993).

The following sections attempt to illuminate some cognitive issues of survivor syndrome by exploring the root causes of this phenomenon.

### **3.3.4 Forgotten survivors: the roots of survivor syndrome**

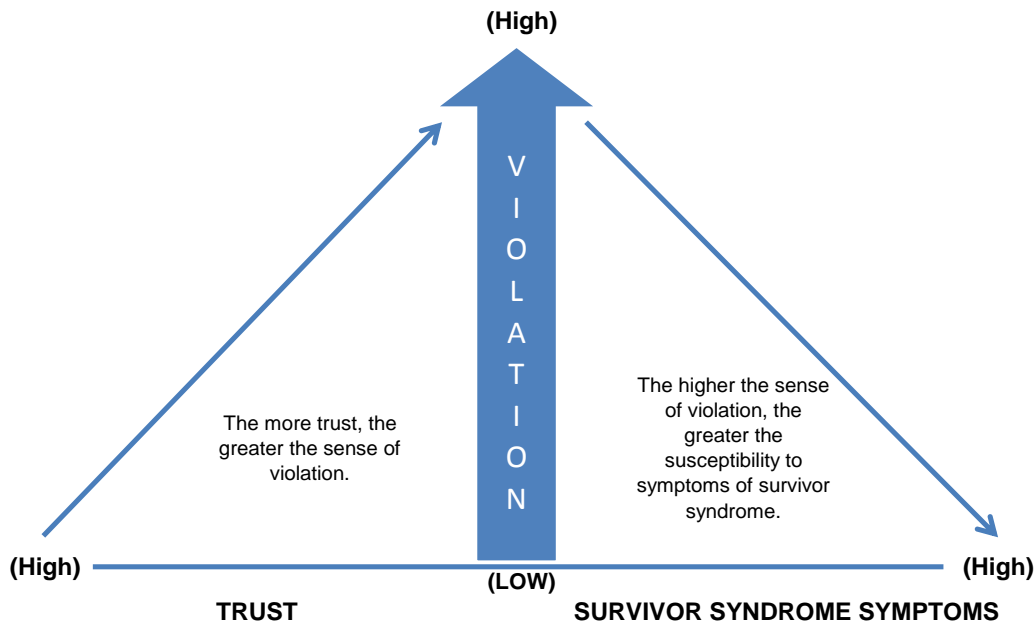
#### ***The basic bind***

According to Cianco (2000), organisational restructuring causes persistent dysfunctional emotions in the survivors - emotions that build when survivors must repress them to continue employment.

Because organisations assist those who leave, but pay no or limited attention to those employees who stay behind – the survivors – organisations frequently end up with risk-averse, angry, guilty and non-productive employees (Noer, 1993).

The root cause of survivor syndrome is a profound shift in the psychological employment contract that binds the individual and organisation (Noer, 1993). This basic bind is illustrated in figure 3.2.

**Figure 3.2: The basic bind**



Source: Noer (1993).

The basic bind is that the process workforce reduction to achieve reduced costs, increased efficiency and productivity often produces conditions that have the opposite outcome; an organisation that is risk-averse and less productive. The key variable is the survivors' sense of personal violation - the greater the survivors' perception of violation, the greater their vulnerability to survivor syndrome (Noer, 1993).

***From assets to costs: The new view of employees and the psychological employment contract***

It has been suggested that one of the reasons for survivor syndrome is due to the breach in the tacit rules that comprises the psychological employment contract between employer and employee. This leads to an increase in stress and a decrease in satisfaction, intentions to stay, commitment and perceptions of an organisation's honesty and trustworthiness (Appelbaum et al., 1997; Cianco, 2000).

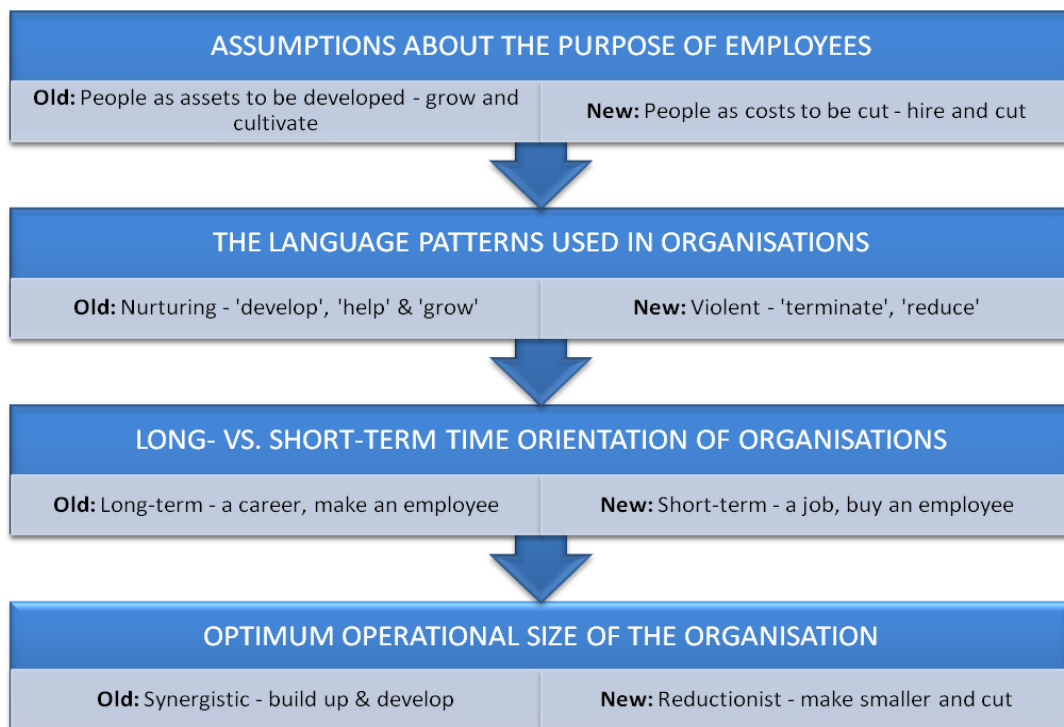
The psychological contract between the employee and the employer incorporate the assumptions that the employee constructs based on the recruitment efforts of the

employer and the employer's subsequent behaviours. Assumptions include reciprocal trust, job security, promotional opportunity, loyalty, fairness, mutual respect and appreciation (Cianco, 2000).

The contract gives employees psychological control over their work environment, which allows employees to generously invest themselves in performing their duties. However, retrenchment introduces unpredictability and loss of control (Cianco, 2000).

Noer (1993) uses four organisational standards to illustrate this paradigm shift. These standards have old psychological employment contract assumptions on one end and the new psychological employment contract assumptions at the other. These standards and the organisational changes associated with the paradigm shift are illustrated in figure 3.3 below.

**Figure 3.3: Organisational paradigm shifts**



Source: Noer (1993).

Insights into this paradigm shift can be found in:

***Organisational assumptions about the purpose of people - from assets to be grown and nurtured to costs to be cut***

Perhaps the clearest evidence of the paradigm shift, is that organisations that used to perceive employees as long-term assets to be nurtured and developed, now view employees as short-term costs to be reduced. This represents a fundamental shift in the psychological contract between the organisation and the individual employee. Nowadays, countless organisations view employees as one variable in the production equation; things that can be thrust aside when the profit and loss numbers do not come out as desired. However, unlike machines, people who are thrust aside have a considerable effect on those who remain within the organisation (Noer, 1993).

***The symbolism of organisational language – from nurturing to violent***

Individuals also use symbolism to distance or somehow abstract themselves from the pain and embarrassment of reality. Organisations have produced numerous euphemisms for the act of separating people involuntarily from their jobs. It is undemanding for implementers to discuss restructuring as opposed to termination. Right-sizing feels better than workforce reduction and restructuring has an almost moral ring to it. Organisational leaders' creation of harmless words hints at their own repressed feelings and some insight into their own survivor syndrome (Noer, 1993; Hirschhorn, 1993).

***Organisational time horizons – from long-term career development to short-term job fit and short-term profit orientation***

Another indication of the new organisational paradigm is the shorter timeframe that organisations apply to nearly everything. Organisations are reducing cycle time, planning time, development time and significantly, employee tenure time (Noer, 1993; Appelbaum, et al., 1997). Employees' long-term careers have been converted into short-term jobs. In the new paradigm, employees are becoming "task-specific disposable components of a system that is already short-term and getting shorter" (Noer, 1993, p.19).

### ***Organisational preferences – from building up to tearing apart***

Once organisations added components, built themselves up, developed employees for the long-term and the sum was greater than its parts. This is no longer the case. The new paradigm is reductionistic in nature; the shift from large to small, or, in human resource terminology, the shift from long-term employee development to short-term employee fit (Noer, 1993).

Companies that have recently retrenched employees often perform disappointingly, because they are often successful at preparing for the employees who are to be retrenched, however they are frequently unprepared for the decrease in morale and productivity experienced by the survivors of the retrenchment. Moreover, when the organisation needs its employees at their best, they happen to be at their worst (Appelbaum et al., 1997).

Research has shown that feelings that are associated with survivor syndrome include relief, guilt, loneliness, inequity, anger, depression, plummeting morale, destroyed trust; disloyalty towards the company, lowered confidence, job insecurity and that increased absenteeism frequently occurs (Guiniven, 2001; Wiesner et al., 1999). These attitudes, feelings and perceptions are often referred to as survivor syndrome (Appelbaum et al., 1997; Noer, 1993).

#### **3.3.5 The survivor syndrome**

Retrenchment has become an organisational reality and numerous surveys have established that the survivors are habitually ignored before, during and after the organisational restructuring. However, it is the survivors that the company will depend upon for future profitability. The employees who lose their jobs during an organisational retrenchment suffer an emotionally wrenching experience. Yet their colleagues, who remain with the employer, have parallel reactions.

Survivor syndrome is defined by some human resource professionals as being the “mixed bag of behaviours and emotions often exhibited by remaining employees following an organisational retrenchment” (Wiesner et al., 1999, p.391).

According to Noer (1993), the underlying cause of survivor syndrome is a pervasive sense of personal violation. This toxic set of feelings and emotions includes:

- Unfairness, betrayal and distrust;
- Frustration, resentment and anger;
- Sadness, depression and guilt;
- Fear, insecurity and uncertainty.

This emotional obstruction can affect individual and organisational performance, crippling an organisation at precisely the time it needs to rely on its workforce to grow the organisation and become more efficient (Wells, 2008).

Today’s survivors can be tomorrow’s dissatisfied, unproductive employees or tomorrow’s team players; enthusiastic about being a member of an organisation that values their contributions. Organisations have underestimated the detrimental effects of retrenchment and do not take into consideration the difficulties of motivating a surviving workforce emotionally injured by watching colleagues lose their jobs. Nevertheless, motivating survivors to attain increased productivity is crucial for the organisation’s success and employee job security (Appelbaum et al., 1997).

Survivors’ syndrome behaviours fall into general moulds. According to Cianco (2000) and Appelbaum et al. (1997), patterns of behaviour that are commonly displayed are:

- Passive aggressive behaviour is common. While survivors may feel resentment toward management, fear of reprisal can cause them to redirect their resentment toward colleagues.
- Lowered morale is one of the most common effects of retrenchment on survivors. It manifests in symptoms such as anxiety, sleeplessness, tension, fatigue, and impaired judgment. Left unchecked, these stressors wear away the employees’ resolve, confidence, and stamina.
- Retrenchment survivors often describe their work as less creative and of lower quality.



- Retrenchment survivors use withholding behaviours, such as performing merely the minimum job requirements.
- At the extreme end of the survivor response scale is aggression. According to Cianco (2000), some retrenchment survivors own up to direct sabotage as retribution against their employers.
- Ultimately, a number of survivors just leave the organisation, taking their experience, knowledge and talent with them - more often than not to a competitor. Organisations in a downturn frequently respond by leaving the position vacant.

It is Noer (1993) who coined the term “layoff survivor sickness” and according to him, survivors experience 12 different types of negative feelings and concerns:

- *Job insecurity.* Survivors wonder how long they will keep their jobs and they are concerned that there are no comparable jobs outside. This is especially true in the current economic climate. This will affect their work behaviours and attitudes day after day.
- *Discontent with the retrenchment process.* Retrenchments that are handled insensitively or in a degrading manner can create lasting resentment amongst employees.
- *Sense of permanent change.* There is an overall sentiment that working for the organisation will never be as good as it once was.
- *Short-term profit orientation.* Some survivors dread that management will introduce additional retrenchments if profits do not reach acceptable levels in the near future.
- *Lack of management credibility.* A number of employees deem management no longer able to address the core business concerns of the organisation.
- *Lack of strategic direction.* The narrow focus on short-term monetary problems leads employees to suspect the reliability of the long-term strategy of the organisation.
- *Discontent with planning and communication.* Lack of communication and sufficient preparation of employees for retrenchments cause survivors to view the entire process with distrust.
- *Lack of reciprocal commitment.* A number of employees feel the organisation has forsaken them. Survivors feel that the organisation has not treated them with the dignity and respect to which the psychological contract entitles them. The mutually

beneficial situation developed between the employer and employee over the years is completely negated.

- *Distrust and betrayal.* A number of employees no longer believe in the organisation's future or their place as an important member of the organisation. Employees no longer see the logic in being concerned about their employer, given that their employer was not really concerned for their colleagues.
- *Reduced risk taking and motivation.* Many survivors are afraid to accept a new project, take advantage of an employment opportunity or discuss a work related problem because they are apprehensive about opening themselves up to criticism and, therefore, become the target for future retrenchment.
- *Depression, anxiety, fatigue.* The process is demoralising and stressful for the implementers, as well as for employees who lose friends and colleagues. Questions like: "Will I be the next to go, even though for now I am staying?" appears to be at the top of the list of anxieties.
- *Unfairness.* Doubts arise about the acumen of the choice of retrenchments made by the managers, as well as the competence with which management has directed the organisation. If the process was not planned, managed and implemented effectively, employees feel that the process was unfair.

There is also the impact of survivor's guilt. This refers to a deep-seated condition that leads to, and is often expressed in terms of other survivor syndrome symptoms, such as fear, anger or depression. In the context of survivor syndrome symptoms, guilt may be generally defined as "a feeling of responsibility or remorse for some offence; an emotional reaction that one has violated social morals" (Gottesfeld cited in Noer, 1993, p.14). This guilty feeling is experienced by the implementers who carry out the retrenchments, as well as by the surviving employees. These employees mull over why their colleagues were retrenched instead of themselves (Cianco, 2000). As the Labour Relations Act 66 of 1995 as amended prohibits retrenchment decisions being based on performance, the survivors have done nothing more or special to keep their positions.

Based on the preceding discussion, it is evident that survivor syndrome is complicated and that the cure does not lend itself to a one-dimensional prescription (Noer, 1993). A four-level model of intervention for this complex phenomenon, as well as general guidelines to negate the negative effects of survivor syndrome, is discussed in the next section.

### **3.3.6 Survivor support plans and interventions**

Most organisations provide assistance programmes to help the victims, but very few have programmes for the survivors. The retrenched employees are often assisted with life, financial and career counselling; all of which are paid for by the organisation. The survivors, however, are expected to come to work as if nothing happened. A strong norm of denial within the organisation often forces survivors to suppress their anger. This suppression could result in survivor guilt, depression and in some cases, substance abuse. The organisation often devotes no resources to assist employees who stay behind to deal with their survivor syndrome symptoms (Noer, 1993).

The reasons why organisations tend to overlook survivor needs can only be hypothesised on. Appelbaum et al. (1997), suggests that the organisations are so uni-dimensionally focused on the activities relating to retrenchment, that they forget to address issues pertaining to survivors until they present a problem; that is, survivor needs are managed by exception. A second reason might be that management in organisations believes that keeping employees informed about retrenchment issues is enough.

However, as Cameron (1994) pointed out, survivors also require information about potential future change, new organisational values and expectations on performance and career growth opportunities. Even if such communication process exists, employees must not only understand the retrenchment rationale presented by the organisation, but they must also feel that the rationale was legitimate (Levitt et al., 2008).

Furthermore, perceived fairness must be present during the process of retrenchment and employees must perceive that the method used was fair. When the survivors perceive the situation to have been handled fairly for both victims and survivors, the symptoms of the survivor syndrome are still apparent, but have been assuaged (Levitt et al., 2008).

Retrenchment and restructuring creates substantial problems, which are presented on both personal and structural levels. People often resist change. In time, the situation cools off, people settle in and angst problems are finally resolved by acceptance (Wiesner et al., 1999). However, as retrenchment causes strong negative reactions that affect employee productivity, the retrenchments can, in some cases, negate the cost benefits and cost saving from retrenchment, resulting in fact in double failure; the financial strength and the human aspect (Appelbaum et al., 1997). Some programmes and guidelines are required to counteract and manage survivor syndrome.

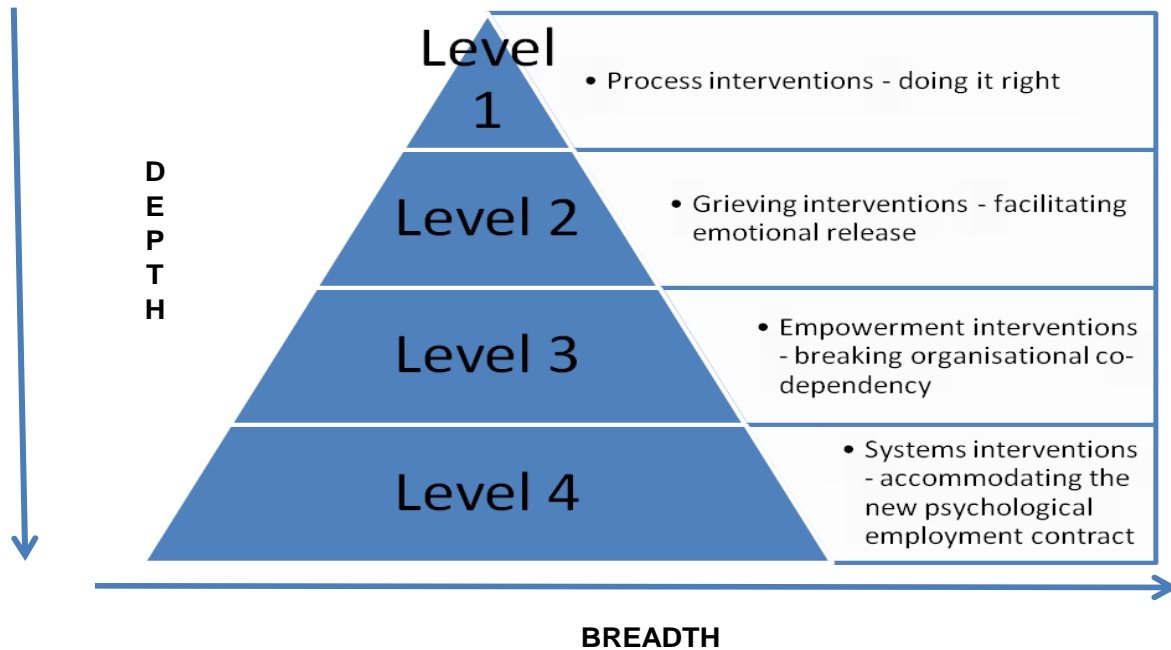
Cascio (1993), Noer (1995) and Wells (2008) have suggested some guidelines to be followed in negating the negative effects of survivor syndrome:

- *Ensure a perception of fairness in restructuring decisions.* Make an effort to retain your best performers and demonstrate to the employees that the organisation's going to take a range of actions before reducing permanent employed staff. Ensure that survivors know that the retrenched employees are well cared for.
- *Give survivors a reason to stay.* Draft detailed plans with timelines so that employees know what to expect and how they can monitor company progress and improvement.
- *Facilitate grieving and venting.* The best way to help employees be freed from the restraints of survivor syndrome is to find ways to facilitate emotional release.
- *Over-communicate, tell the truth and seek advice.* Let employees know specifically where the organisation is struggling and, with coaching from managers, request them to assist the organisation to adapt to the change in the economic environment. When retrenchments do occur, keep lines of communication open and utilise multiple channels of communication.

According to Noer (1993), however, survivor syndrome is multifaceted and does not lend itself to a straightforward solution. It contains conflicts of values centred on organisational co-dependency and self-empowerment. To be cured of it, survivors must liberate the familiar old and venture into the untested new. Creating organisational systems that will prevent the reoccurrence of this condition ought to be one of the most fundamental priorities of organisational leaders.

These interventions are powerful acts, attention-grabbing and stimulating forces that compel survivors to choose personal and organisational change. Four levels of intervention are needed to deal with survivor syndrome. These levels are illustrated in figure 3.4 below.

**Figure 3.4: Four-level intervention model for survivor syndrome**



Source: Noer (1993)

### ***Process interventions***

Level one interventions manage the process; the manner in which retrenchments take place from the survivor's perspective. These interventions do not provide a cure for survivor syndrome, but prevent survivors from sinking further into survivor symptoms. Survivors' involvement in the decision making process, their level of attachment to the victims and their perception as to the fairness and equity of retrenchments have all been documented as important process factors that organisations should consider (Cascio 1993; Noer, 1993; Wells, 2008).

Process interventions are tactical. Though important, they are hygiene factors that serve only to stem the bleeding; they do not encourage healing. Healing itself begins with emotional release or grieving. Second level grieving interventions are addressed in the next level (Noer, 1993).

### ***Grieving interventions***

Level two interventions help survivors grieve. These interventions deal with repressed emotions and feelings and present an opportunity for a catharsis that releases the energy that has been devoted to emotional repression. Most retrenchment survivors repress strong, toxic and devastating survivor emotions. Level two interventions aid survivors in expressing and putting them “out there”, so they can be dealt with (Noer, 1993). Emotional release and the indispensable grieving over the retrenchments and a lost lifestyle are prerequisites to healing. Facilitating the release and grieving is a primary management role (Noer, 1993).

### ***Break the co-dependency chain and empower people***

Level three interventions break the chain of organisational co-dependency by assisting the survivors to recapture, from the organisation, their sense of control and self-esteem. The purpose of third level interventions represents a basic shift in focus from earlier interventions. Levels one and two react to existing survivor syndrome symptoms. Level three offers the possibility of preventing the syndrome in the first place. Level three interventions are both more complex and more useful than levels one and two (Noer, 1993).

Breaking organisational co-dependency is fundamentally an individual effort. The employee detaches from the organisational system as a culture. Organisations too need to detach, moving away from employee control and toward employee empowerment, which implies letting go of a mindset rooted in history. The reward is survival and relevance in the new paradigm. Reformulated organisations have the opportunity to create systems and processes that are fitting with the new psychological employment contract and to shape an innovative partnership with empowered employees who have

broken the chain of co-dependency (Noer, 1993, 2009). This link is discussed in the following section.

### ***Systems interventions***

Level four interventions create the organisational systems and processes that structurally mitigate retrenchment survivor syndrome and immunise employees from survivor syndrome (Noer, 1993). These interventions are developed from the new psychological employment contract (Noer, 1993), which is illustrated in Figure 3.5.

Figure 3.5: New psychological employment contract for reformulated organisations





Level four interventions are the supporting and complementary organisational changes that will promote the climate that encourages individual empowerment and autonomy. It is hard to say which comes first, the change in the system or the change in the individual, because the two changes are totally interdependent (Noer, 1993).

Although the four-level pyramid is a stage model and is intended to convey the increasing depth and breadth of each successive intervention, the reality is more dynamic than any model. This model should serve as a general conceptual model, and not as an exact road map (Noer, 1993).

A number of aspects are clear when reviewing the literature:

- Survivors view retrenchment as a breach of trust between employee and employer;
- The breach of trust and increased expectations of the employee by the organisation leads to increased stress, reduced loyalty and negative feelings toward the organisation;
- The communication by the organisation to the employee during and after the retrenchment process may lead to negative or positive feelings;
- The negative feelings experienced by survivors as a result of the retrenchment may be transitional and change over time;
- The perceived fairness of the retrenchment process can affect the employee's commitment to the organisation.

The following chapter discusses the qualitative methodology employed in this study as is fitting with researching the experiences of retrenchment survivors.

## CHAPTER 4: RESEARCH DESIGN AND METHODS

The purpose of this chapter is to describe and justify the research design and method of this research with reference to research strategies, data collection, data analysis, population and sampling, trustworthiness and ethical measures adhered to in the research.

### 4.1 RESEARCH PARADIGM / PHILOSOPHY

Constructivist research is viewed as an interaction between the researcher and participants with the goal of understanding the phenomenon from the participants' perspective (Ponterotto & Grieger, 1999).

One cannot define general rules that govern all human behaviour. Human behaviour must be viewed and interpreted according to the individual's motives, intentions, or purposes for action, as well as through rules that have been consensually agreed upon and validated by society. Not only is it important to discover external, observable human behaviour, but also to understand the intentions, values, attitudes and beliefs behind that behaviour (Plack, 2005).

*Ontologically:* constructivism accentuates the personal meaning derived by the researcher and the participant (Candy, 1991). Multiple, equally valid and socially constructed, but subjective realities exist. The world is complex and dynamic and is constructed, interpreted and experienced by people in their interaction with each other and with wider social systems (Ponterotto & Grieger, 1999).

*Epistemologically:* since knowledge is created "through interactions and accepted through relative consensus" (Plack, 2005, p.230), an interactive researcher-participant role is required. The intensity of interaction uncovers deeper meaning and insight into the lived experience of the participant (Ponterotto & Grieger, 1999). The researcher is therefore "the primary research tool, not a passive spectator" (Plack, 2005, p.230).

Constructivism often calls attention to the social construction of knowledge. Meaning is created not only by the individual, but by humanity as well. Thus, meaning is subjectively

created and inter-subjectively validated, which reinforces the need for the researcher to be closely involved in the study. The goal of the researcher is to “interpret and construct meaning from the individual and social constructions of those involved in the study” (Merriam & Associates in Plack, 2005, p.232).

*Methodologically:* Constructivism presupposes that reality is many-sided and cannot be fragmented or examined in a laboratory, rather it can only be studied as an integrated whole within its natural context (Candy, 1991).

Researcher value biases are inevitable and should be acknowledged and discussed at length.

## **4.2 DESCRIPTION OF INQUIRY STRATEGY AND BROAD RESEARCH DESIGN**

### **4.2.1 Research design**

From the many definitions offered, Leedy and Ormrod (2005) state that there appears to be consensus that research has the following characteristics:

- It is a process of enquiry and investigation;
- It is systematic and methodical;
- It increases knowledge.

According to Kotzè (2009) there are many definitions of research design, but no one definition imparts the full range of important aspects. The definitions differ in detail, but together they give the essentials of research design:

- A research design is a detailed activity and time-based plan, in which the researcher outlines how a specific research project will be conducted.
- The design explains and motivates the researcher’s decision regarding an appropriate inquiry strategy for the study, as well as her choices of appropriate sampling, data collection, data analysis and interpretation methods, processes and techniques.
- The design indicates how the researcher will ensure and evaluate the trustworthiness of the research effort.

- The research design also shows how the chosen research strategy will address the specific goals and objectives of the study.
- The design is always based on the research questions.
- The design guides the selection of sources and types of information.

The research design is consequently described focusing on the qualitative, exploratory, descriptive and contextual nature of this research process.

#### **4.2.2 Qualitative**

Denzin and Lincoln (1994) define qualitative research as a multi-method in focus, involving an interpretative, naturalistic approach to its subject matter. This means that qualitative researchers study things in their natural settings, attempting to make sense of or interpret phenomena in terms of the meanings people bring to them.

Qualitative approaches to research are based on a world view which is holistic and holds the beliefs that there is no single reality; reality is based upon perceptions that are different for each person and change over time and what individuals know has meaning only within a given situation or context.

The reasoning process used in qualitative research is inductive and involves perceptually putting and organising data into increasingly abstract units of information to make wholes. From this process meaning is produced; however, because perception varies for each individual, many different meanings are possible (Morse, Kuzel & Swanson, 2001; Creswell, 2009).

The present study made use of this inductive approach as abstract themes and eventual propositions were generated through the use of personal interviews, thus enabling me to develop an in-depth understanding of the various issues as experienced by the retrenchment survivors.

Qualitative research is appropriate for the present study, as it is focused on bringing to light the meanings ascribed to the subjective experiences of the participants as was lived and experienced by them.

Thus, the information is organised and interpreted for the purpose of discovering important underlying dimensions and patterns of relationships.

#### **4.2.3 Exploratory and descriptive**

Yin (2003) identifies specific types of case studies: exploratory, explanatory and descriptive. Exploratory cases are sometimes considered as a prelude to social research; explanatory case studies may be used for doing causal investigations; descriptive cases require a descriptive theory to be developed before starting the project.

Mouton (1996) states that the aim of exploratory studies is to establish facts, to gather new data and to determine meaningful data patterns or themes in a relatively unknown research area, hoping to gain new insight into the phenomenon. According to Kotzè (2009), exploratory research aims to gain a preliminary understanding of the nature, context, potential impact and possible causes of, as well as the possible factors contributing to an organisational problem; to distinguish the symptoms of an organisational problem from the underlying causes thereof.

According to Kotzè (2009,), a descriptive approach provides an in-depth (so-called “thick”) description of specific individuals, social events, processes, groups, cultures, companies or other organisations; thus, a descriptive approach is used to gain information about the phenomenon. It is used for the purpose of identifying problems with current practice and determines what needs to be done. In this research, the descriptive approach is particularly appropriate because of the description of the experiences of retrenchment survivors. A descriptive method in data collection in a qualitative research strategy is key and central to interviews, where the researcher becomes the tool for data collection and gives meaning to it.

#### **4.2.4 Contextual and cross-sectional**

Contextual, according to Mouton and Marais (1990), is ideographic research in that it is uniquely descriptive within the context of the individual setting. In line with the previous concepts, a contextual design implies a commitment to study the phenomenon of interest in terms of its immediate context. This research is contextual in nature and relates to the focus on a specific South African organisation that is engaged in union and management activities.

Cross-sectional research involves the study of a particular phenomenon at a particular point in time. It is conducted just once and represents a snapshot of the situation at a point in time (Saunders et al., 2007). This study is a cross-sectional research, because each participant was only interviewed once and the data collected was represented in a snapshot at a particular point in time.

#### **4.2.5 Case studies as a form of qualitative research**

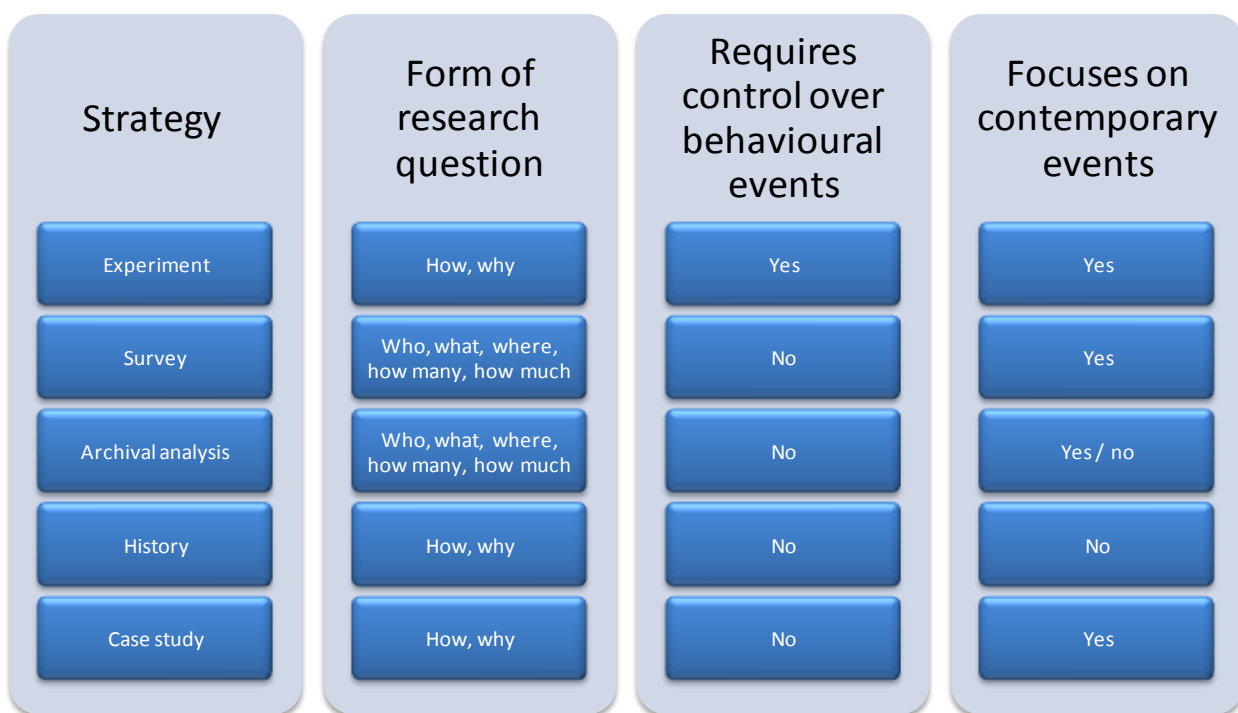
The case study constitutes an important component in the research strategy of this research. The case study is a recognised qualitative research method used widely to examine contemporary real life situations and provides the basis for the application of ideas and extension of methods (Cassel & Symon, 2004). Yin (2003, p.15) defines the case study research method as “an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident and in which multiple sources of evidence are used”. Supporting this explanation, Cassel and Symon (2004, p.323) points out that the aim of the case study is to “provide an analysis of the context and processes which illuminates the theoretical issues being studied”.

Case study research involves the study of a phenomenon explored through one or more cases within a bounded or clearly-delimited system; it is therefore contextual in nature (Creswell, 2007). Case study research is a qualitative approach in which the researcher explored a bounded system (a case) or multiple bounded systems (cases) through detailed, in-depth data collection involving multiple sources of information (e.g.,

observations, interviews, documents and reports) and reports a case description and case-based themes (Stake cited in Creswell, 2007).

Support for utilising the case study as an appropriate research design can be established when reviewing the three conditions identified by Yin (2003) to assist in the matching of research strategies to research situations. He connects the type of research question posed, control over actual behavioural events and whether the study has a historical or contemporary focus to the following research strategies: experiments, surveys, archival analyses, histories and case studies. Figure 4.1 below illustrates the connection between situation and appropriate strategy.

**Figure 4.1: Relevant situations for different research strategies**



Source: Yin (2003)

Evaluating the current study in terms of the three conditions outlined by Yin (2003), it is clear that the case study strategy is appropriate for this research study.

- *Question type:* This research explored the individual's experience of the retrenchment process, the impact thereof on the individual and sought to provide guidelines to minimise the negative effects of retrenchments on the survivor. The research questions that arose took the "how" and "why" form. For example: How do survivors of retrenchment experience this course of action? Why do they experience it in this way?
- *Degree of need of control of behavioural events:* The sample of this research subsisted in natural settings with no control of the behaviour of the participants or experiential involvement.
- *Historical or contemporary focus:* This research focused on current, possibly recurring events and the impact of these events on the here-and-now, rather than historical and archival events.

#### **4.2.6 Unique characteristics of case study research**

It is important to note that the phenomenon studied in a case study is not isolated from its context (as in laboratory research), but is of interest exactly "because the aim is to understand how behaviour and/or processes are influenced by and influence context" (Cassel & Symon, 2004). The case study is particularly suited to research questions which require detailed understanding of social and organisational processes, because of the rich data collected in context (Cassel & Symon, 2004).

#### **4.2.7 Use of methods**

Within the broad research strategy, a number of methods may be used. Some could be qualitative, quantitative or both. Case studies generally include multiple methods because of the research issues (Cassel & Symon, 2004). Multiple methods are required, including data from interviews, narratives, documents and even questionnaires. These could also be used in combination (De Vos, 2002). In this research study, a combination of interviews and documents were utilised to obtain rich, well-rounded data.



#### **4.2.8 Applications of case study research**

According to Yin (2003), case studies do not need to have a minimum number of cases, or randomly select cases. The researcher is called upon to work with the situation that presents itself in each case.

Case studies can be very useful in capturing the emergent and changing properties of life, such as during an organisational transformation. A survey may be too static to capture the ebb and flow of organisational activity, especially when it is changing very fast (Cassel & Symon, 2004).

Yin (2003) presents at least four applications for a case study model:

- Explain complex causal links in real life interventions;
- Describe the real life context in which the intervention has occurred;
- Describe the intervention itself;
- Explore those situations in which the intervention being evaluated has no clear set of outcomes.

#### **4.2.9 Single case design**

According to Yin (2003), a primary distinction in the designing of case studies is between multiple and single case designs. A single case design includes an intensive investigation into a solitary case (De Vos, 2002). Within a single case study, further distinction is made between holistic and an embedded case study (Yin, 2003).

A holistic case study refers to the study of one main unit such as an organisation, whilst an embedded case study refers to when, in a single case, consideration is also given to subunits of the study (Yin, 2003).

The present research study made use of a single, embedded case study where the main unit of exploration was Company X and the various subunits of study included the retrenchment survivors who are employees of the organisation. The boundary of this case was made up of the context within which survivor experiences were explored – sampling methods further established the boundary of this case, as considered in the subsequent section.

### **4.3 SAMPLING**

#### **4.3.1 Population and sampling**

The study was conducted among individual female retrenchment survivors operating at junior management, middle management and senior management roles in various functional areas in an Automotive Manufacturer in South Africa. Females were selected to further enhance the collection of rich data, as women are often more expressive, talk more about home and family and use more words implying feeling, evaluation, interpretation and psychological state (Haas, 1979). The population group consisted of female participants that have a tertiary education base and are employed on a permanent basis at Company X. The participants fall in the age category of 30 to 45 years. The purpose of the above is to have a balanced, 360 degree response.

The study was conducted in an economic environment where a global financial crisis was in effect since the end of the third quarter of 2008. The impact of the events in global markets is starting to be felt on the street as economies start to slow and jobs are being impacted (ABSA Investment, 2008).

The aim was to collect data that describes the phenomenon by purposefully selecting participants who were willing to participate and share experiences with regard to their contribution towards organisational effectiveness and who would promote the objectives of this research.

Participants for this research met the following criteria:

- They are knowledgeable with regard to the subject matter;
- They were willing to participate and share their experiences;
- When different perspectives emerge in the context, the participants represented the range of point of view (Rubin & Rubin, 1995).

To meet the requirements as outlined above, it was reasoned that employees in junior management, middle management and senior management of the organisation would have a perspective on downsizing that is reasonably well-informed compared to employees who function mainly on an operational level and who may be directly affected by such organisational change.

#### **4.3.2 Sampling method and sample size**

These are characteristics essential for inclusion in the target population. The sampling criterion is based on the research problem, the purpose of the research and the research design. I engaged in purposeful sampling by selecting participants in relation to the phenomenon under study and who met the following criteria:

- Female participants who experienced and “survived” the phenomenon being researched;
- Those who are verbally fluent and able to communicate their feelings, thoughts and perceptions relating to the research phenomenon;
- Participants who I have established an exceptional working relationship with through prolonged engagement;
- Participants who expressed a willingness to be open with me in my role as researcher;
- Participants who are employed in different functional areas as junior managers, middle managers and senior managers at Company X.

In qualitative research the sample size is based on the needs related to the study. The size of the sample was determined by the data obtained and not by the amount of interviews conducted. According to Ritchie and Lewis (2003), qualitative research phenomena only needs to appear once to be part of the analytical map and a stage was reached where few new themes and categories were obtained from each additional case. Although the intensity of experiences varied, the category was well developed in terms of its properties and dimensions and therefore saturated (Bryman, 2004). As a result, a total number of three participants were interviewed. Table 4.1 below entails the biographical data of the sample of survivors chosen.

**Table 4.1: Biographical data of participants**

Demographic information	Participant A	Participant B	Participant C
<ul style="list-style-type: none"> <li>• Designation</li> <li>• Division</li> <li>• Work Experience</li> <li>• Highest education qualification</li> <li>• Age</li> <li>• Gender</li> <li>• Previous retrenchment experience</li> </ul>	<ul style="list-style-type: none"> <li>• Supervisor</li> <li>• Group HR</li> <li>• 9 years</li> <li>• BCom (Hons) HR Management</li> <li>• 31</li> <li>• Female</li> <li>• No</li> </ul>	<ul style="list-style-type: none"> <li>• Senior Manager</li> <li>• Sales &amp; Marketing</li> <li>• 19 years</li> <li>• BA (Hons) Industrial Relations</li> <li>• 40</li> <li>• Female</li> <li>• No</li> </ul>	<ul style="list-style-type: none"> <li>• Manager</li> <li>• Corporate Affairs</li> <li>• 26 years</li> <li>• MDP (Unisa, equivalent to NQF6)</li> <li>• 44</li> <li>• Female</li> <li>• Yes</li> </ul>

#### 4.4 DATA COLLECTION

The following section describes the manner and procedure through which data was gathered for the present study. Data was collected through the use of personal interviews and company documents

The first source of data utilised was that of company documents. Ritchie and Lewis (2003, p.35) define documentary analysis as “the study of existing documents, which may include public documents such as annual reports, minutes of meetings, articles in the internal publications of an organisation, media reports and formal letters.” For the purposes of this research study, I utilised company documents sent to all employees of Company X using the electronic mail system. The documents utilised for purposes of the study were

communicated during the period of retrenchments taking place and pertains to this process specifically.

The second source of data was information obtained from one-on-one semi-structured interviews. In exploratory research, the qualitative data that personal interviews produce may be used for enriching all levels of research questions and comparing the effectiveness of design options.

Personal interviews with the selected participants provided insight into the beliefs, attitudes, perceptions and experiences that underlie the phenomenon (Leedy & Ormrod, 2005), as well as obtaining rich descriptive data that assisted in understanding the participant's construction of knowledge and social reality (Maree, 2007).

The nature and objectives of the study were verbally described to each participant by me and a written copy of their rights with regard to their involvement in the study was provided. I assured each participant of confidentiality and obtained written consent from each participant for the interview to be recorded and the information to be utilised for research purposes.

In order to ensure that rich data is obtained, I engaged in some informal discussions with each participant prior to the commencement of the interview. During this time, partial, but valuable biographical data was obtained and the participants had the opportunity to raise any questions or concerns that they had. This process, in addition to the existing relationships with the participants, assisted in establishing rapport with the participants.

The interview focused on a descriptive and explorative account of the participants' perception and experiences as guided by various themes in the literature. Semi-structured interviews were suited to explanatory and exploratory research and included a number of predefined questions, derived from a list of central themes as found in the literature review of a particular area (Saunders et al, 2007). Semi-structured interviews were undertaken with a set of predetermined questions that defined the line of inquiry (Maree, 2007), but some extemporised questioning at my discretion was also used to further explore answers more fully and obtain clarification. Questions were designed to elicit information that would

highlight a holistic understanding of the participant’s experiences of having survived the retrenchment (Morse et al., 2001).

The interview guideline contains sample questions as per table 4.2 below:

**Table 4.2: Sample questions for interview schedule**

Question type	Rationale	Example
Open-ended	To attain a description of a situation or event	Can you describe the goals and objectives offered by management for the impending retrenchments?
Closed questions	To obtain specific information	Do you agree with the manner in which top management handled the retrenchment process?
Probing question	To explore a particular focus of direction or significance to the research area	How did you feel when you heard that you will not be retrenched?

A list of open-ended, closed and probing questions for the semi-structured interview can be found in Appendix A. These questions have been varied for the different participants based on their experience and perceptions.

**4.4.1 Process of interview data collection**

The process of data collection from the sample included several steps. Firstly, I identified suitable participants meeting the criteria as described in section 4.3. Once I identified the individuals, the potential participants were approached and provided with an introductory letter providing the outline of the study, requesting involvement of the participant and other anticipated concerns of the participant such as privacy and anonymity. The introductory letter also contained the informed consent form. This form can be reviewed in Appendix B. The participants were contacted after approximately five days to address any questions that they might have and to review any concerns.

Interviews were approximately 60 minutes in duration and were tape recorded with the consent of the participants. Tapes were transcribed verbatim and formed into a readable text that was free of redundancy and identifying factors. These interview transcripts, together with the aforementioned company documents, provided the basis for the subsequent stage of the research, namely data analysis.

#### **4.5 DATA ANALYSIS**

Qualitative research uses analytical categories to describe and explain social phenomena. These categories may be derived inductively; as it is obtained gradually from the data, or used deductively either at the beginning, or part way through the analysis (Creswell, 2009).

Qualitative data analysis, accordingly, is a description of what has been found from the interviews and observations (Maree, 2007) and is focused on discovering themes and concepts that are contained in the sources of evidence. Following the processes of “de-contextualisation” and “re-contextualisation” as described by Tesch (cited in Creswell 2009), it implies an initial taking apart of all data that is compiled, reducing it to categories and themes and then interpreting it.

In keeping with the explorative approach (Saunders et al., 2007) and constructivist philosophy underpinning this study, grounded theory was used as a strategy to analyse the data obtained utilising the guidelines postulated by Charmaz (2006). There is a primary supposition that the interaction between the researcher and the participants of the study “produces the data and therefore the meanings that the researcher observes and defines” (Charmaz, 2006).

Data was analysed with the aid of ATLAS 5.0. When used systematically, the use of ATLAS can support continuity and increase both transparency and methodological rigour (Saunders et al., 2007). The use of any computer aided qualitative data analysis software forces one to thoroughly analyse the data. The analysis of the data was facilitated by the use of ATLAS with regards to the following aspects:

- Data organisation functionality, which allows for focusing subsets of data;
- Closeness and data interactivity, as data can be accessed instantaneously once it has been introduced to ATLAS;
- Exploration of data is facilitated, as text search enables a word, phrase or a collection of words to be searched and retrieved in context;
- Complete autonomy over the use of inductive, deductive, or a combination of coding schema to code, retrieve, recode and output data;
- Consolidated platform for memos, comments and notes to document opinions systematically in relation to the data (Saunders et al., 2007).

The availability of an experienced ATLAS researcher simplified the exploration into qualitative data analysis. Although a thorough understanding of ATLAS was gained through contact sessions with the experienced researcher and the creation of categories and main themes, the ATLAS analysis was complimented by manual coding so as to not lose touch with the richness of the data.

#### 4.5.1 **Coding**

Coding refers to the categorising of segments of data with a short description that simultaneously summarises and accounts for each piece of the data. Codes demonstrated how data was selected, separated and sorted to start “an analytical accounting of them”. These codes generate the bones of an analysis, whilst theoretical integration assembles these bones into a working skeleton (Charmaz, 2006). The purpose of coding is to provide the pivotal link between collecting data and developing an emergent framework to make sense of the data (Maree, 2007).

It was only during the coding process where I was able to define what is happening in the data and to begin grappling with what it meant. According to Charmaz (2006), coding consists of at least the initial and focused coding phase. The different phases of coding engaged in are subsequently discussed.



## ***Initial Coding***

Charmaz (2006) states that coding in qualitative research “is the first step in moving beyond concrete statements in the data to making analytical interpretations.” To this extent, I consistently asked the following questions when reviewing the raw data Charmaz (2006):

- What does the data suggest?
- From whose point of view?

During the initial coding phase, I engaged in a variation of line-by-line coding as suggested by Charmaz (2006), coding meaningful segment by meaningful segment, as not every line contains a complete sentence and not every sentence seems important. In some instances, I opted to code short meaningful segments in order to avoid becoming immersed in the views of the participants, leading to a possible failure of looking at the data critically and analytically (Creswell, 2009; Maree, 2007). This initial coding process of the interview transcripts and company documents are illustrated in Appendix B.

Codes in the data were linked to as many descriptions as I could ascertain from the data. Once a code had been created it could be linked to numerous other sentences in any of the interviews and company document. I carried out this process for each of the primary documents. After completion of the initial coding process, I compared the codes to the data and to other codes to reduce ambiguity and duplication. The final number of detailed initial codes totalled 279.

I attempted to code with words that reflect action as opposed to applying pre-existing categories to data. These codes were provisional, as they were later reworded to improve the fit and to better reflect the meanings and actions. As the coding progressed, I was able to see processes and divide the codes into categories.

The process of creating categories from initial coding is discussed in the subsequent section.

## ***Focused Coding***

According to Charmaz (2006), the second major phase in coding is referred to as focused coding, which refers to utilising the most noteworthy and/or frequent earlier codes to filter large amounts of data. Focused coding required decisions about which initial codes make the most analytical sense to categorise data incisively and completely.

In order to make a decision regarding the most critical codes, I looked at the frequency of codes to ensure adequate coverage of important categories; incidents highlighted by the various participants were compared to each other and to existing theories to gain an understanding of their intensity and impact.

This enabled me to move across to interviews and company communication documents to compare participants' experiences, actions and interpretations. Consistent with the statement of Charmaz (2006), the categories enabled me to condense the data and "get a handle" on the categories.

In order to reassemble the data in a new and coherent manner (De Vos et al., 2005), I engaged in axial coding.

## ***Axial Coding***

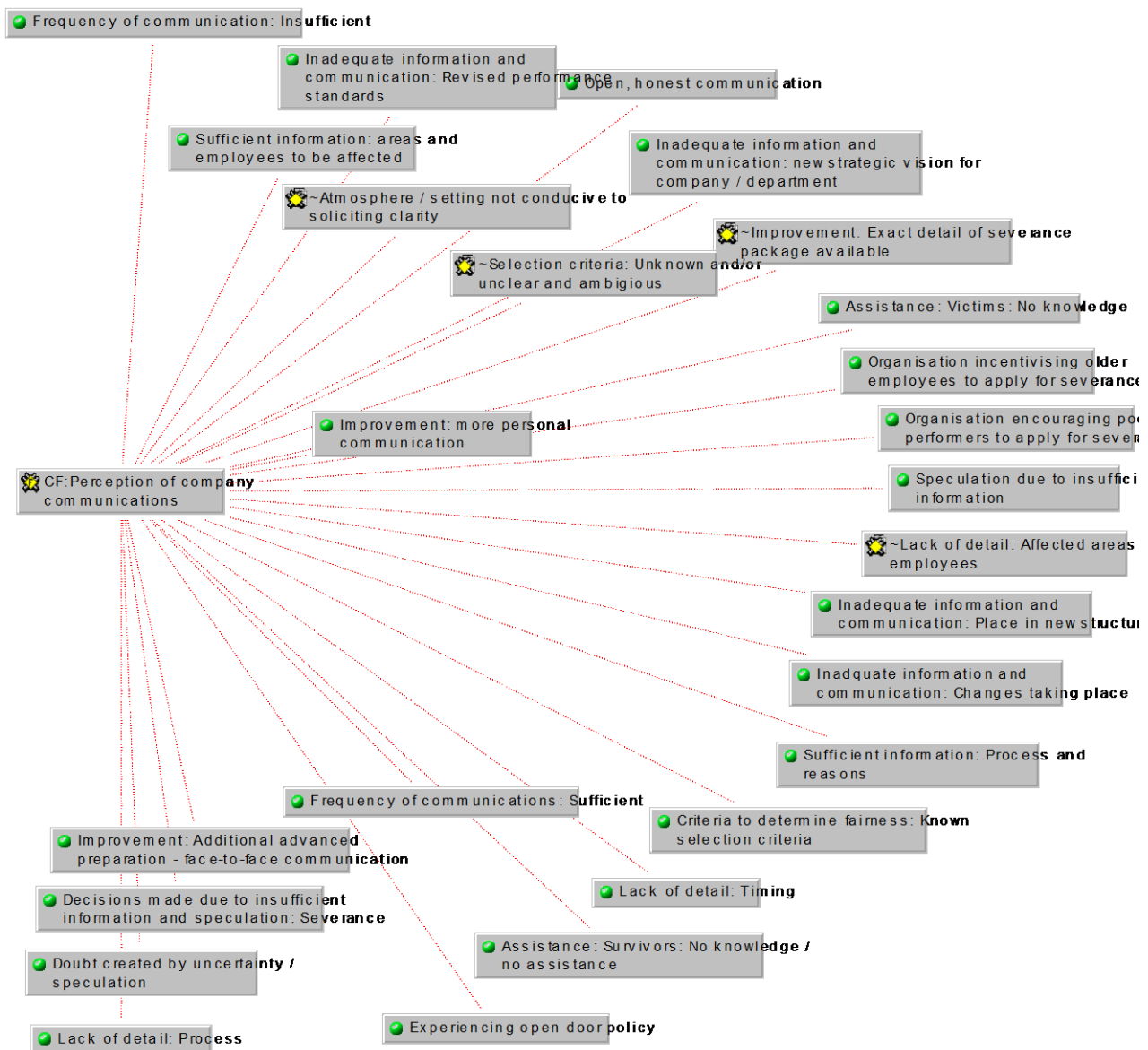
Initial coding fractures the data into distinct and separate pieces, whilst axial coding is the strategy for bringing data back to a coherent whole by making connections between categories by answering questions such as when, where, why, how, who and with what consequence (Strauss & Corbin, 1998). With these questions, I was able to describe the studied experiences more fully.

I made use of memoranda created subsequent to the interviews – this was extremely helpful in identifying categories. Using the list of initial codes as a guide, the collected data was re-examined according to the total list of categories. Thus, a process of comparing and contrasting categories with each other and the whole was followed.

ATLAS was utilised for axial coding specifically by utilising the tool for creating code families. This process resulted in 18 identified code families. These families started the process of formulating the framework for understanding the experiences of retrenchment survivors.

Seventeen code family networks were created to visually represent the families and their associated codes. One such network is presented in figure 4.2 below.

**Figure 4.2: Code family network Perceptions of Company Communications**



According to Denzin and Lincoln (1994), each action builds upon the previous one to develop a comprehensive understanding of the phenomenon in question. Consistent focus on not only the separate elements of the phenomenon, but also on the whole, along with dialogue, resulted in the development of inter-subjective consensus and validation of the joint constructions.

Through this process, constructs were reframed and I reached a more informed and complex understanding of human behaviour.

### ***Selective Coding***

In the final phase of the analysis, the data is integrated and a core theme or category is identified. According to Strauss and Corbin (1998, p.147) the initial step involves identifying a central or core category which symbolises the key message of the data. It essentially explains “what this research is all about.”

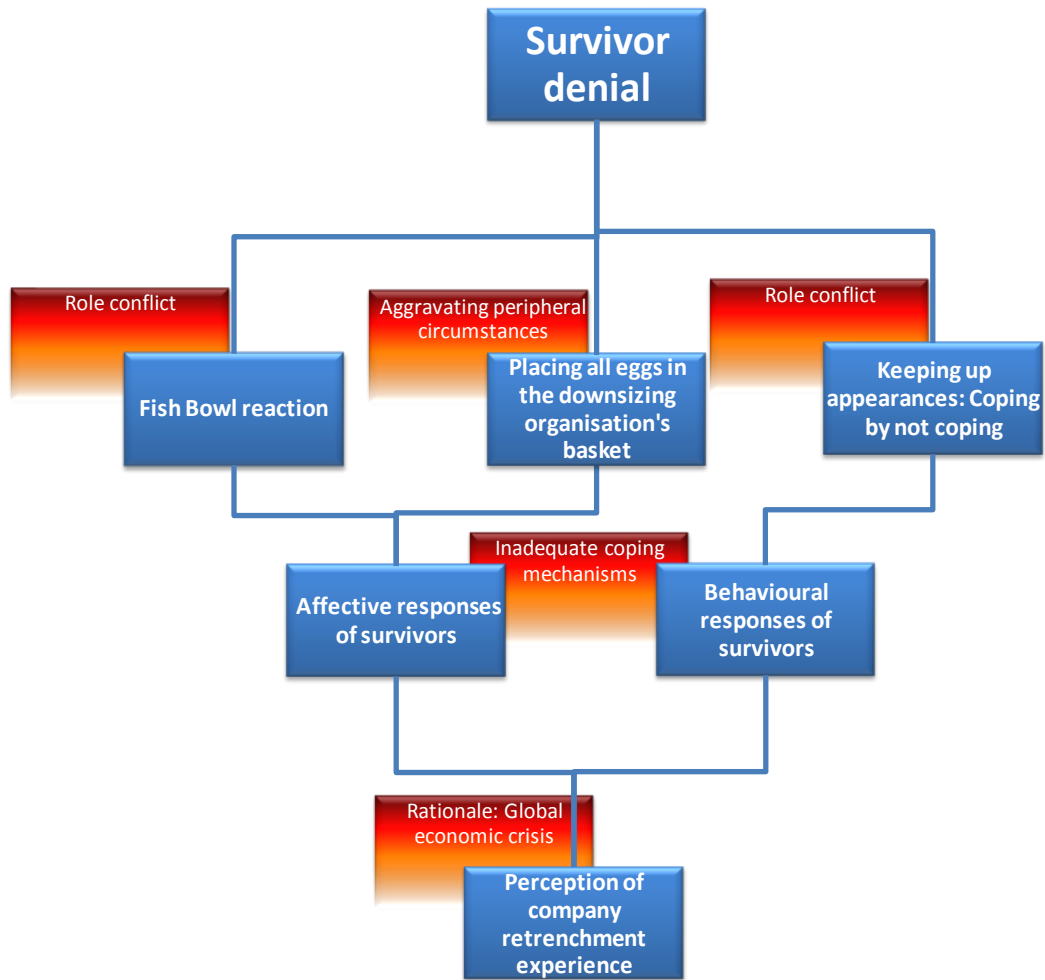
As previously discussed, in order not to lose touch with the richness of the data, I engaged in manual coding at this stage. As I progressed through the analysis, I consistently compared data to data. These comparisons between data led me to construct inferences about the created categories, which I explored by collecting and analysing additional information – in the form of company communications and follow-up questions.

The preceding process has been described as abductive reasoning. Abductive reasoning about the data starts with the data and subsequently moves toward identifying a core category (Charmaz, 2006).

In order to develop the framework, I refined the identified families by following the process of comparison previously discussed and identifying the core category – or end state of denial – and systematically related and refined other categories to this core category. The complexity of this analysis is illustrated in Appendix C.

The results of the selective coding are presented in its condensed form in Figure 4.3 below and will be discussed at length in the subsequent chapter.

**Figure 4.3: Framework for understanding survivor experiences - condensed version**



**Phase 2**

The findings revealed by the data obtained from retrenchment survivors are used to provide guidelines that employers can utilise to assess the contribution of survivors towards organisational effectiveness and their ability to deal with business challenges. These guidelines are based on the results obtained and discussions recorded in previous chapters.

## **4.6 ASSESSING AND DEMONSTRATING THE TRUSTWORTHINESS OF THE RESEARCH DESIGN**

According to Lincoln and Guba (1985), the fundamental question in relation to trustworthiness is straightforward – how can a researcher convince the reader that the research findings are worth paying attention to?

Guba and Lincoln (1989) propose that within a quantitative paradigm, the criteria of “trustworthiness” is more appropriate than conventional scientific criteria for assessing the quality and rigour of research. A constructivist framework is at the core of this evaluation methodology in which evaluation is viewed as an antecedent for social action and change. For the quantitative paradigm, the criteria utilised are internal validity, external validity, reliability and objectivity. However, criteria defined from one perspective may not be appropriate for evaluating actions taken from another perspective.

In this regard, Lincoln and Guba (1985) generated a set of criteria and techniques for assessing the trustworthiness of qualitative research which the researcher employed. These criteria are credibility, transferability, dependability and confirmability.

In order to ensure trustworthiness, I attempted to adopt a strategy that is systematic and self conscious in terms of research design, data collection, interpretation and communication.

For the sake of succinctness and in keeping with the relevance of the current study, dependability and confirmability were only discussed briefly.

### **4.6.1 Credibility**

Credibility entails that the researcher must demonstrate that she “represented the multiple constructed realities adequately; that is, that the reconstructions that have been arrived at via means of the inquiry are credible to the original constructors of the original multiple realities” (Lincoln & Guba, 1985, p.296).

To meet this criterion, the following techniques were employed:

### ***Prolonged engagement***

This technique involves the investment of sufficient time to establish trust with the participant and to learn the culture of the environment (Lincoln & Guba, 1985).

*Culture:* In order to thoroughly understand the context in which the phenomenon is embedded, it is imperative that the researcher spends sufficient time to become orientated to the situation to ensure that the context is thoroughly understood (Lincoln & Guba, 1985). As I have been employed by the company, and has been in their employ for a period of five years, this sub-criteria has been met.

*Building trust:* This is a developmental process to be engaged in regularly and entails demonstrating that information shared by the participants will not be used against them and that hidden agendas are not being served (Lincoln & Guba, 1985). I met this criterion by selecting three individuals with whom she has a very close working relationship. In the case of respondent A, this working relationship has extended to the sphere of personal friendship.

Further to the discussion above, I ensured prolonged engagement by regularly following up with the participants to enquire about general wellbeing, specific information pertaining to the present study and to address any concerns.

### ***Triangulation***

Triangulation refers to the method where the researcher seeks out several different types of resources that can provide insights into the same event (De Vos, 2002). Denzin and Lincoln (1994) suggested that four different types of triangulation exist; that of different sources / measures, methods, investigators and theories.

In the present research, multiple triangulations were utilised in the form of sources and methods.

*Source triangulation:* I collected data from more than one individual – the set of individuals also represented the various levels within the organisation. Further to this and in keeping with the case study design, in addition to interviews with participants, company documents were also analysed as an additional source and to obtain a holistic understanding.

*Method triangulation:* The concept of triangulation by different methods can imply either different data collection modes or different designs (Lincoln & Guba, 1985). In the present study, different data collection methods were utilised to obtain a more holistic understanding of the phenomenon under study. I utilised both semi-structured interviews, recordings thereof and company documents as complementary sources of data.

Constructivism advocates multiple realities that individuals construct in their minds. Consequently, to attain trustworthy multiple realities, multiple sources of data and multiple methods of collecting data is in order. Bearing this in mind, the use of method and data triangulations to document the construction of reality is appropriate (Johnson, 1997).

### ***Peer debriefing***

This process entails a researcher and an unbiased, knowledgeable peer (in the form of a supervisor and co-supervisor) conducting extensive discussions about the findings and progress of the present study (Spall, 1998), as well as exploring aspects of the study that might otherwise only remain implicit in the researcher's mind (Lincoln & Guba, 1985). For the present study, the role of peer was that of academics in the field of qualitative analysis that can provide critical feedback and discussion.

Beginning with the initial research stages, these dialogues include questions related to initial data collection and preliminary analysis, as well as the next methodological steps and the concluding analysis (Lincoln & Guba, 1985). The peer asked questions to assist me in understanding how my personal perceptions and values affect the findings. This approach also served to reduce bias within the research study (Guba & Lincoln, 1989).



### ***Member checks***

This technique is also known as respondent validation and entails systematically requesting feedback about data, analytical categories, interpretation and conclusions from the participants under study (Lincoln & Guba, 1985; Maxwell, 1993). This technique is “the most important way of ruling out any possibility of misinterpreting the meaning of what participants say and do and the perspective they have on what is going on, as well as an important way of identifying your own biases” (Maxwell, 1993, p. 244) and therefore, the “most crucial technique for establishing credibility” (Lincoln & Guba, 1985, p.303).

It should be noted that the researcher is not bound to credit all the criticisms received; however, the researcher is bound to weigh their meaningfulness (Lincoln & Guba, 1985), as the feedback from the participants is equally trustworthy as their interview responses. Both sources of data and confirmation should be treated as evidence regarding the trustworthiness of the researcher’s account (Maxwell, 1993).

In the present study, I continuously discussed my developing account of experiences of retrenchment survivors with the participants, predominantly to explore contradictions to my findings.

#### **4.6.2 Transferability**

Transferability refers to the extent that conclusions can be transferred to other contexts demonstrating that the results of the work at hand can be applied to a wider population (Morse et al., 2001) and replaces the concept of generalisability or external validity. The intent of the qualitative study is not to generalise findings to other individuals or contexts, but to gain an understanding of the experiences within a particular context (Creswell, 2009).

It is therefore the responsibility of the researcher to provide the substantial and rich description necessary to enable the party interested in making the transfer to reach a conclusion about whether the transfer can be considered as an option (Lincoln & Guba, 1985).

To aid in the decision making of a third party as to the transferability of the study, I provided a theoretical framework to indicate how data collection and analysis was guided by concepts, models and theories. This information demarcates the theoretical and methodological parameters of the present study (De Vos, 2002).

Lincoln and Guba (1985, p.312) stated that it is not the researcher's "task to provide an *index* of transferability; it *is* his or her responsibility to provide the *database* that makes transferability judgements possible on the part of potential appliers".

#### 4.6.3 Dependability

In qualitative research, dependability is the alternative to reliability (De Vos, 2002; Lincoln & Guba, 1985) in which the researcher attempts to account for changing conditions in the phenomenon being explored or factors of instability, as well as the changes in the design formed by a gradually more refined understanding of the situation (De Vos, 2002). This assumption of an unchanging social world is in direct contrast to the qualitative and constructivist assumption that the social world is always being constructed and the concept of replication, therefore, is in itself problematic (De Vos, 2002).

Lincoln and Guba (1985), however, made a number of arguments useful in supporting dependability claims:

- Since there cannot be any validity without reliability – and therefore no credibility without dependability – a demonstration of credibility is sufficient to establish dependability. Since this argument establishes dependability in practise, it does not deal with the principle. Based on this, he proposes the inquiry audit:
  - The research review is performed informally by the supervisor and co-supervisor who examine the *process of the inquiry* and in determining its acceptability, the reviewer attests to the dependability of present research.

#### 4.6.4 Confirmability

This replaces the conventional concept of objectivity. Lincoln and Guba (1985) emphasise the need to ask whether the findings of the study could be confirmed, or the same conclusion reached by another. This removes the evaluation of some intrinsic characteristic of the researcher – objectivity – and places it directly on the data. According to De Vos (2002), however, the qualitative criterion is “does the data help confirm the general findings and lead to the inferences?”

Lincoln and Guba (1985) also suggest several techniques to ensure confirmability:

- Triangulation (refer to section 4.6.1);
- Keeping a reflective journal (refer 4.6.5);
- Conducting an inquiry review examining the *product* of the research study. This review is conducted simultaneously with the review for dependability and pertains to the review of the data, findings, interpretations and recommendations and indicates that the data supports the findings and recommendations of the present research.

One technique that satisfies all of the criteria is that of keeping a reflective journal (Lincoln & Guba, 1985). This technique is consequently discussed in the following section.

#### 4.6.5 Reflectivity

Murphy and Dingwall (2003, p.195) notes that:

“Qualitative research calls for a level of self-conscious reflection upon the ways in which the findings of research are inevitably shaped by the research process itself and for analysis that takes this into account. By reflection we mean sensitivity to the way in which the researcher’s presence has contributed to the data collected (whether it is by means of interviews or observational data) and how his or her assumptions have shaped the data analysis. Evidence of such reflectivity increases our confidence in the findings from such research”.

According to Daymon and Holloway (2002), reflectivity necessitates the researcher to evaluate critically the relationship between the researcher and the participants and examine one's own responses to their tales and actions. To this extent, the researcher must assume a self-critical position to:

- the research;
- research relationships and
- personal assumptions and preconceptions.

The study will become more reliable and valid; in other words, more trustworthy.

To this end, I employed a self-reflective approach to negate researcher bias by examining and being aware that my own perceptions and sentiments might bias the findings and by endeavouring to shelve my personal judgements so that the data can be collected and analysed in an unbiased manner.

A reflective journal was kept as to encourage self-reflection of my possible impact on the participants, the possible impact of my preconceptions on the interpretation of the data, as well as the subsequent impact of the participants on me. In addition, this process assisted me to consider the likely explanation for the participant's behaviour during the interview, as well as to consider probable grounds for me to make certain inferences about the information shared by the participants.

#### **4.6.6 Researcher integrity**

Mouton (2001) states that researcher integrity implies the following:

- Observance of the highest possible technical standards, teaching and practice.
- Since researchers vary in their research methods, skills and experience, their findings and the methodological constraints that determine the validity of such findings at the conclusion of the study are limited.
- In situations where researchers are requested to render a professional or expert judgement; they should represent their areas and degrees of expertise accurately and justly.

- In presenting their work, researchers are obliged to report their findings completely and not to represent their results in any manner.
- It is my opinion that, to the best of my ability and knowledge, all the aforementioned requirements of researcher integrity were met throughout the study.

#### **4.7 RESEARCH ETHICS**

According to Bryman (2004), ethics begin and end with the researcher and that the researcher's personal moral code is the strongest defence against unethical behaviour.

- Participants were provided with information about the nature of the research, the research objectives and nature of the data collection and recording.
- Participants were duly informed about confidentiality and anonymity, privacy and fair treatment. Confidentiality means that information from the participants will not be divulged to the public or made available to others, unless authorised to do so.
- Participants were assured that their individual identities would be protected in the report by not relating the information they have given to a particular person. Participants also have the right to feedback on the outcome of the research study. The results of the research will be communicated to the participants, should they require it.
- To ensure that this study was conducted ethically, the University of Pretoria's guidelines for responsible research were referred to at every stage of the research.
- Annexure D contains the informed consent form and the guidelines for responsible research that was utilised in the present study.

Further to the above, the following applied during this study:

- Respondents or participants were not provided with any monetary or non-monetary incentives, including prize draws or gifts, to encourage them to participate in this study or to thank them for their participation.
- Prior to data being collected from Company X documents and Company X employees, I obtained permission to conduct the study from the senior management of the organisation.

## **4.8 SUMMARY**

This chapter described the method utilised to explore the experiences of retrenchment survivors in an automotive manufacturer. Appropriate to the objectives of the present research, a qualitative structure with a constructivist foundation was selected, since the study aims not only to explore and describe the experiences of retrenchment survivors, but also to understand the experiences in order to generate guidelines for Company X to negate the negative effects of this experience on the survivors.

The present study utilises the single embedded case study design with an exploratory focus, as this area of study has been meagrely researched in the South African context. In order to obtain rich, substantial data, semi-structured interviews were utilised to collect data. This chapter further documented the boundaries of the sample selected, as well as the means through which selection took place.

A description of the raw data analysis is provided, which relates to the use of grounded theory as a tool to analyse the data, which includes initial, focused and axial coding of data.

The chapter concluded with an account of the means through which the quality of the research process and the research ethics were addressed. Limitations of this research are concentrated on in the final chapter of this study.

The following chapter records the findings of the present study.

## **CHAPTER 5: RESEARCH RESULTS AND FINDINGS**

### **5.1 INTRODUCTION**

The preceding chapter justifies the selected methodology as an appropriate research strategy in the framework created by the research problem and literature review. This chapter presents the findings obtained from the present study. It represents a thematic synopsis of the prevailing survivor responses obtained through three in-depth semi-structured interviews, where each core theme is described followed by a description of the contributory sub-themes within the core themes, as well as aggravating factors (if applicable). Themes are illustrated with direct quotations in a manner that adequately addresses the construed experiences of the interviewed survivors.

The first core theme to emerge was the prevailing end state of survivors in the present study. The survivors demonstrated differing forms of denial and these manifestations are illustrated as the subsequent three core themes, with their aggravating factors.

The next core themes to emerge relate to the affective and behavioural responses of survivors throughout the retrenchment process. Finally, the theme underlying and giving rise to the other themes is that of the survivor's perception of the company retrenchment experience.

The chapter concludes with a critical discussion of the present study in light of previous research and literature in the field and guidelines for organisations that are contemplating, or have already commenced with retrenchments to reduce the anticipated negative effects of the retrenchment process.

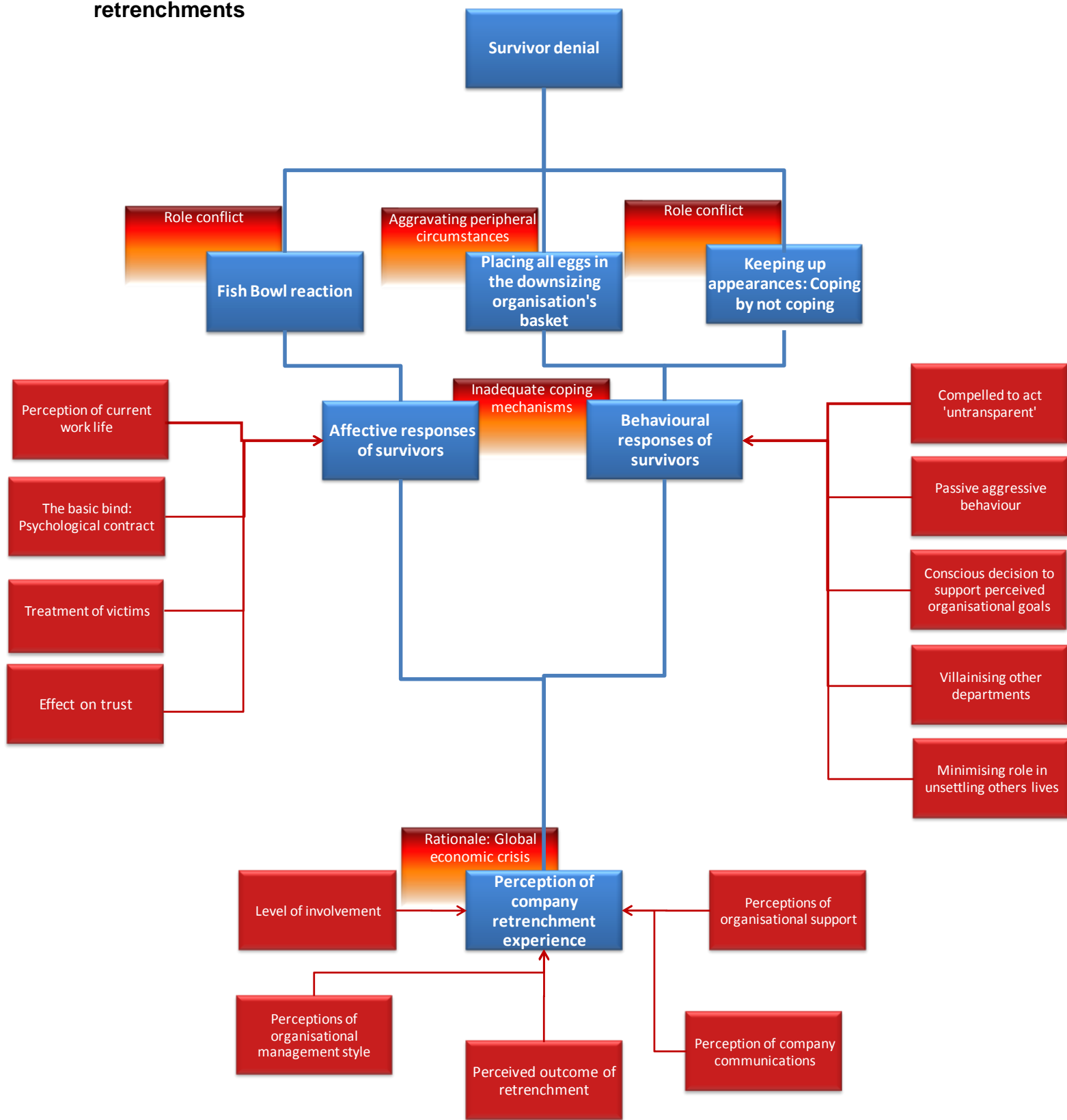
## **5.2 RESEARCH RESULTS AND FINDINGS**

In this section, the themes obtained from the gathered data were considered. As previously noted, the interviewees were quoted verbatim – these quotes are demarcated by the use of blue, italic text type. Journal and memo inclusions are demarcated by the use of italic text in shaded boxes.

In order to illustrate the perceptions and experiences of survivors of retrenchment, the outcomes of the present study are represented in figure 5.1.



**Figure 5.1: Framework for understanding survivor experiences during retrenchments**



**LEGEND:**

	Core theme
	Contributory themes
	Aggravating factors

### 5.2.1 Denial

The first theme elicited from the interview transcriptions is that of survivor denial. Other researchers (Kets de Vries & Balazs, 1997; Greenhalgh & Jick, 1989; Noer, 1993) have explored diverse defensive responses provoked by the retrenchment experience. One frequent and widespread response is denial, a defence mechanism equally manifesting in both management and employees who are currently experiencing, or have recently experienced, retrenchment. Denial can be defined as “unconscious negation of some or all of the total available meanings of an event to alleviate anxiety or other unpleasant condition. Denial covers situations in which individuals in words, acts, or fantasies attempt to avoid painful reality” (Dorpat, 1983, p.230).

Denial assisted the survivors in regulating their feelings of grief, thus protecting them from anxiety and pain by refusing to completely experience happenings that the survivor could not cope with. In this regard, there is a charm in denial, as it only lets in as much grief as can be handled. However, the survivors could not work through these initial stages of the grief cycle and subsequently became stuck in the denial phase. This outcome is the result of various contributing factors, which have been identified as themes supporting this end state.

All three interviewed survivors were in a state of denial, as they had not developed or were not equipped with constructive coping mechanisms to deal with the stress and anxiety caused by the retrenchment process. According to Chapman (2009), individual’s reactions to distressing events are as unique as a fingerprint. This is clearly demonstrated as the denial manifested in three forms, which will subsequently be discussed.

#### ***Fish bowl reaction***

The first manifestation of denial was that of the ‘Fishbowl effect’ – this is characterised by the survivors experiencing a pervasive sensation of being under constant scrutiny from other affected employees in the organisation. The survivors were scrutinised as a result of their position within the company – whether it be a hierarchical or divisional position.

Although the mental process of denial cannot be observed directly, it can be inferred from verbal behaviour. To this effect, Cramer (1987) developed categories for identifying denial. Pertinent to the fish bowl effect are:

- *Statements of negation*: An individual contradicts an action, wish or intention, which, if acknowledged, would cause discontent, pain, anxiety or humiliation.

*“Again, you know and then it seems almost like the fairy tale situation where I am ecstatically happy you know, you get your days where you just want to dart out of here and it is too much...”*

- *Overly maximising the positive or minimizing the negative*: Sizeable exaggeration or underestimation of a character’s quality, size, power, role and authority.

*“I was involved, sitting in at the meetings with some of the directors and general managers...we did discuss some of the positions that might fall away...I was involved...but not the actual decision making.”*

Survivors soon realised that by working in this fishbowl, everyone scrutinized what they were doing and because other employees can offer their critique, looking good becomes as important as doing the right thing. It appears that, initially, the interviewees were intensely aware of the scrutiny and their role in the unpleasant exercise, however, in order to escape the anxiety that this created, selected stimuli and observations were unconsciously denied.

*“You are emotional when you – in our function you can’t be emotional, you need to kind of – your emotions need to be put to the side to stay professional.”*

*“So we were stretched, and I was stretched beyond that I thought that I could do or endure. But luckily we went through it.”*

Further to this, in the fish bowl effect manifestation, considerable attention was given to the details of the issue, as this served as a distraction – enabling the survivors to avoid the

affective whole. This was clearly demonstrated by one survivor who insisted that the company did not communicate the financial specifics for the severance package. However, when I reviewed the company documentation, this seemed to be the one element that was clearly and consistently communicated. Kets de Vries and Balazs (1996, 1997) reported similar findings.

*“I would have handled the process in such a way that employees knew exactly what the package entailed...know where you are at – let’s have a look at maybe, how does your Provident Fund look like. Keep more information, so that people can make a more informed decision.”*

In the present study, denial appeared to be an extension of the initial avoidance response. When reality threatened the survivors directly and when the behaviours of avoidance were no longer adequate, the survivors turned to denial. The difference between denial and avoidance is the difference between passivity and activity, or between the tacit and the overt (Gottlieb, 2004).

*...however, the meeting was postponed on the first occasion, due to the participant being too busy on the specific day. The interview was rescheduled – on this day, I had to remind the participant of the interview, yet the interview started 10 minutes late.*

*I found it rather disturbing that the participant was rather non-committal with some of the answers, not committing to any specific viewpoint, but rather skirting the issue as to not ‘tick’ anyone off, thereby remaining on the fence. The participant seemed to take on the role of champion of the company, even though most answers pointed towards disagreement.*

*During the interview, she spoke freely about relevant retrenchment issues, but it left me with a feeling of superficiality, as the issues raised were addressed fleetingly (this seems to be a denial in itself?) and the topic was consistently changed after a few minutes, almost contradicting what she said earlier.*

*The change of topic occurred when discussions about emotions were further explored. It seems that the recall of intense emotional experience (negative) during the period of retrenchment created feelings of anxiety that are denied and suppressed. Non-committal answers might be an attempt to deny negative experiences and / or defend the company out of a sense of loyalty to organisation, or defending own role in retrenchment.*

In the fishbowl state, the survivor is so preoccupied with doing the right thing and looking good – to both management and employees – that they consistently deny and bury their own emotional responses to retrenchment. This manifestation of this denial encompasses the alteration of language and logic to justify their behaviour (Cramer, 1987; Stein, 1997).

**Question:** *“Looking back on the entire process and where we are now, a year later – you think it was a good business decision”?*

*“At the time yes, - for the business to continue, because we didn’t know the economy was going to turn. Yes, I would say at that given point in time it could have been a good business decision.”*

*“...all affected people kind of made good business sense...I don’t know if that makes any sense at all but made good business sense. So I think everybody would understand that none of this was a personal mission to get rid of anybody.”*

It is possible that, as a consequence of prolonged denial in the fishbowl state, the survivor’s “reasonable argument and cognitive schemata might be discarded altogether, because those strategies are not sustainable and are unable to persuade others; at which time the survivor will merely refer to their feelings or emotions as the exclusive justification” (Cramer, 1987).

### ***Placing all your eggs in the downsizing organisation's basket***

It would seem that the strategies of retaining employees for the long-term have had negative, inadvertent consequences on the survivors – seducing employees into a co-dependent relationship with the organisation. The co-dependent employee's sense of value and identity is based on pleasing someone or something else.

*A lot of duality in this interview - unhappy at work, yet wishing to stay, also expressing regret at not being retrenched, yet sacrificing her relationship to perform responsibilities at work. Defending abuse from management, yet complaining about management style.*

According to Noer (2009), benefits, services and office size are all advantages that reward seniority and tenure. In addition, Company X has in recent years placed more focus on employee wellness programmes, thereby channelling employees' social patterns into organisationally endorsed activities. The result is that numerous employees have placed all of their emotional and social eggs in the organisational basket – as the retrenchments were implemented and the new psychological contract unfolded, the basket has been dropped and, according to Noer (1993), resulted in a range of negative survivor symptoms, such as fear, anxiety and triggering co-dependent behaviours like control and denial.

*The duality experienced could possibly be viewed as anxious denial – there seems to be a swing from one extreme to the other, as if she cannot consolidate these conflicting emotions and feelings and the anxiety that this is causing. This denial and need for control is verbalised / acted out in the desire to have been retrenched.*  
*Due to the role that I fulfil on Company X, I have been privy to discussions about subsequent decisions made by this participant affecting / sacrificing her private life for the benefit of her career.*

As previously discussed, the higher the organisational level, the stronger the denial tends to be. It is therefore not surprising that the interviewee, who most strongly displays this manifestation of denial, is the highest ranking employee interviewed.

Although the concept of co-dependency will be discussed later in this section, it should be noted that previous research (Noer, 1993) indicated that co-dependants make themselves into permanent victims. It seems that perhaps this is the most salient characteristic of this manifestation of denial – by denying any other role other than that of the victim, the survivor has rejected her role and accountability as part of the senior management team of Company X, as well as rejected activities that should have been undertaken as part of management responsibility; thereby effectively denying the extent to which her lack of action contributed to negatively impact others, specifically the affected subordinates. A possible explanation for this unconscious decision is that it is an attempt to avoid guilt and possibly shame.

*“...but even like the subordinate I worked with, right until a week before she moved, she didn't really know what was going to happen to her. She was told, Divisional Manager said to me, well maybe she would fit in with General Manager: XXX's department. So I went back, said to Subordinate, please set up a meeting with General Manager: XXX – go speak to him, see what the job is all about. But nobody spoke to her – I spoke to her and said, let's make an appointment with General Manager: XXX....so nobody spoke to her, it wasn't like a person or thing. I know with Subordinate, nobody came to speak to her to say – you know you are going to lose your position, but there is another position for you – this is what it entails or set up an appointment with General Manager: XXX or anything...I would have like to just walked with my people a little bit more, so that they are not so unhappy.”*

*“There were lots of rumours – and think from that aspect, maybe they were not as open as they should have been.”*

This is congruent to two of Cramer's (1987) characteristics of denial, namely the denial of reality, whereby the survivor avoids addressing something that would be unpleasant to think about; in this case the loss of her subordinate to another department, as well as her abdication of responsibility as departmental head. Secondly, statements of negation where the individual contradicts an action, wish or intention, which, if acknowledged, would cause discontent, pain, anxiety or humiliation.

Further to this and supporting the previous assertion of the strong denial of management responsibility, dissatisfaction with company direction, management credibility and long-term strategy were particularly strong in the most senior survivor interviewed, which is interesting, as she was responsible for some of these functions.

*“A lot of the instructions that were given are very short-term. So, I think from an environment point of view, I just feel I’m not learning as much as I could have, because everything is now killing the fires and its short-term strategies, so you don’t actually learn or develop and there is no time to develop as a person within the company.”*

*“How would you describe your level of trust in the management team of the company...very low trust. Because if something goes wrong, they blame somebody else.”*

*This candidate is part of senior management, yet seems to feel ostracized. Perhaps this is the reason for her projections?*

Further to the above, when psychological denial distorts reality, individuals are prone to make erroneous decisions or avoid complicated decisions and disregard serious problems; holding others responsible when things do not turn out as expected (Cramer, 1987). This finding is supported by subsequent verifiable information that became known to me recently as a result of the interview and my position within the organisation.

*...one interviewee fluctuated between almost total denial of her accountability and role (as senior manager) in the retrenchment and repeated attempts “to bring about her own death” (Kübler-Ross, 1969) in the organisation. This self-sabotage took the form of non-performance, defiance when dealing with top management and ignoring communications.*

Some aggravating factors to this denial reaction must also be noted – the first is the espoused value of the new psychological contract and secondly the presence of aggravating peripheral circumstances. These factors are explored and discussed later in this section.



### ***Keeping up appearances: coping by not coping***

This manifestation is characterised by the minimisation of the overall effect that the retrenchment had on the survivors. Although feelings of uncertainty, stress and guilt were experienced, there were some expressions of optimism and perceptions that Company X engaged in a tough, but necessary activity to get – or keep – the company on track toward profitability.

*“I think for anybody this is a very difficult exercise to go through... there was no “you don’t need to worry, it is never going to happen, you are safe”. There was never any of that false hope created. I don’t know if that makes any sense at all but made good business sense.”*

*“Unfortunately, as a business, this is the only way we can survive.”*

This technique has been termed ‘denial of injuries’ by Gandolfi (2009) and pertains to survivors involved in the retrenchment process maintaining that retrenchment victims did not suffer any detrimental consequences. In the aforementioned study, this was the reaction where victims were “provided with generous severance packages”. The findings of the current study are consistent with this, as all interviewed survivors exhibited a manifestation of denial and, without fail, referred to the generous severance packages.

*“Well, I looked at the packages and I know that they were really good. Obviously you know what the packages were based on – experience, based on years service and based on beginner service and all those sort of things.”*

However, the denial is evident in the contradictions during the interviews, as well as during discussion that pertained to behavioural and affective responses during the retrenchment. This is congruent with two identified characteristics of denial of Cramer (1987), namely:

- *Statements of negation:* An individual contradicts an action, wish or intention, which, if acknowledged, would cause discontent, pain, anxiety or humiliation.

*“Obviously I could not divulge that until the final decisions had been made ... when you are going through a structural change – there is this cloud of secrecy and certain people know what’s going on and there is talking ...it was communicated to them [affected department], and it was done right down to the brutal truth.”*

- *Unexpected goodness, optimism, positivity:* nonchalance in the face of threats.

*“The team is not quite where it needs to be yet, but certainly we are pulling more together in terms of the transparencies and the cross functional support areas where we may be five years ago. I got to say the resizing exercise did a lot in terms of shaking up people’s foundations – where you thought you were so secure, everybody realized nobody is secure. But what changed it and what made this last resizing exercise so positive, is the way it was handled.”*

These reported perceptions are complex and quite often contradictory. The same survivors who articulated sentiments of optimism also articulated strong sentiments of uncertainty, stress and changed work life perceptions. Uncertainty was most apparent in the continuous attempts to obtain the approval and validation of reactions from me, as if to establish whether the perceptions are ‘correct’, or perhaps to avoid confronting actions that causes guilt by perceiving this to be a common occurrence. It seems as if the survivors escaped dealing with their personal feelings by focusing on projected organisational outcomes. This is congruent to previous research (Noer, 1993), as well as a variation on the fishbowl effect where survivors focus on details to escape dealing with their personal feelings.

*“The objectives were pretty clear and that was that we need to look at the functions within the department, and the main objective was not clearing heads, that was never the main objective. The main objective was look at the functions, how can we work and structure this department to work smarter. Not necessarily cheaper, but smarter and obviously ultimately – is there a possibility for the right sizing...the objective was never to get the heads of the headcount, never. Obviously you know long-term wise it is a win-win situation for everybody.”*

This particular manifestation seems to be exacerbated by previous experience of a retrenchment - possibly colouring the survivor's frame of reference. The interviewee who displayed this manifestation most prominently has personally survived two previous retrenchments at Company X. Another interviewee who displayed this manifestation of denial – to a lesser extent - survived one previous retrenchment at Company X and recalls that her father experienced a retrenchment at his employer at the time.

*I am left to wonder whether this positive attitude is genuine or whether the participant is still 'keeping up appearances' for the benefit of whom - perhaps top management. Is this denial (of damage done to others) a facade to hide feelings of being the executioner as the participant clearly indicated that she felt guilty for being picked to stay whilst other employees (in her department) became victims.*

This reaction can possibly be attributed to repeated experiences of retrenchment resulting in 'emotional numbing' (Kets de Vries & Balazs, 1996), whereby the survivor starts experiencing problems with a reduced capacity to feel. According to Kets de Vries and Balazs (1996), this defensive process is set in motion in a state of affairs overflowing with painful emotions and psychological conflict. This reaction was used as a means to shelter the survivors from intolerable experiences and functions as a type of shut-off mechanism – this emotional shut-off is essentially the core of psychological denial as discussed in the introduction to this section. It appears as if the survivors resort to 'doing' to prevent "experiencing".

One of the survivors went into great detail about her growth in the company, her flexibility with regards to long-term career goals, the positive relationships with both top management and Human Resources and her perception of how other departments handled this process. In all of this, she never voluntarily referred to feelings. When specifically asked about her feelings and reactions during the time of retrenchments, she conceded that she did feel saddened by the process, but quickly added that this was reserved for after hours and in general, she felt that it had been a process well handled.

What seems to be true for all of the participants is that their involvement in retrenchments is an activity that opposes their base belief about organisational life. Underlying this base belief is the psychological employment contract. These survivors have to cope with significant change, at the same time as experiencing it.

### ***Shared denial***

Although the survivors engaged in the same basic defence mechanism, the expression of the defence took various forms. It is interesting to note that there are some shared reactions in the expression of denial, namely the denial of the survivors' own expectation of the old psychological contract to hold true and the unflinching blaming of others for negative outcomes experienced. Each of these shared reactions is consequently explored.

#### *Denial of belief in old psychological contract*

All of the interviewees espoused the values of the new psychological contract and advocated its importance in the new world of work, yet, all the interviewees demonstrated, throughout the interview, that they have a very strong expectation that the old psychological contract is to hold true for them on Company X.

*“... I really would like to have an overseas assignment. Just to get exposure, because for me - I want a long-term relationship with Company X. I was quite happy here and I thought, well, I am happy to stay with Company X for the next 10 years. Whatever I wanted to develop, I would like to get to a General Manager level, learn as much as I can from the company....”*

It appears that the survivors agree with the logic and the theory of the new psychological contract, but that this new way paradigm conflicts with their need for membership and would require a great mindset shift.

*“I believe that most employees expect an organisation to look after them and that you will receive the benefits, or reap the benefits of hard work. But in reality, that does not work that way...I know that your psychological contract has changed during the course of the last few years, but still, I think that maybe employees want to be trained in such way that they can move on, out of the organisation, with more skills they what they come into.”*

*Despite strongly advocating the new psychological contract – the participant’s responses throughout the interview indicates a strong co-dependency on the company being researched. It seems as if the participant defines a (big?) part of herself by achievement / growth / future in / at the company being researched.*

*Also, this participant – perhaps more than the other participants’ espouses the values of the new psychological contract, yet looks at the organisation to provide growth and development and feels betrayed and offended that the current situation impacted on her development.*

The survivors’ denial of their belief in the old psychological contract could possibly be explained by the concept of co-dependence. The co-dependent changed their identity, denied their feelings and spent a substantial quantity of energy in an effort to control an alcoholic; shared the alcoholic’s addiction. The co-dependent does not notice the destruction that their denial causes to themselves and others - they are co-dependent with the alcoholic (Bekker, 1998; Noer, 1993).

According to Noer (1993, p.9), just “as a person can exist in a co-dependent state with another person in relation to an addiction, a person can also be co-dependent with an organisational system.” Employees of an organisation, who have become co-dependent on the organisation, define themselves to a large extent by their job. During a retrenchment, it is therefore not only their job that becomes vulnerable, but also their sense of worth, sense of relevance, identity and purpose.

This phenomenon could explain most, if not all, of the survivor experiences explored in this study. As discussed in section 3.3.4, the greater the sense of personal violation, the greater the susceptibility to survivor syndrome and destructive defence mechanisms. The perception of violation appears directly related to the degree of trust employees had that Company X would take care of them (Noer, 1993). The survivors all indicated that they definitely had the expectation of long-term employment at Company X, with the associated growth and development as ‘reward’ for their tenure and performance. The retrenchment experience seemed to be a rude wake-up call that this is in actual fact not the truth.

*“There is no such thing as life-long employment. There is a classic saying, if you want loyalty, buy a dog. It is all good and well to be committed to a company, but there is no guarantee, not either way, that you are going to be with that company for a life-long commitment or that that the company is going to keep you on for a life-long commitment...once you heard that very clear definition that life owes you nothing and Company X owes you nothing and I owe you nothing. That kind of inspired you to do more and to want more. You know, if I came in at age 17, turning 18 in February, that I was working, thinking I am just going to be a typist for the rest of my life and Company X going to keep me, you going to have to want that little bit more ever so often. If you are not motivated and if you are not accepting those challenges, there is no future for you here”.*

Denying their belief in the truth of the old psychological contract might serve two purposes:

- By verbally acknowledging the value of the new psychological contract, they are espousing the message that is “expected” of them – due to their position within the company. As in the fishbowl effect manifestation, the survivors are seen to be “doing the right thing and looking good”;
- By denying their belief in the truth of the old psychological contract, the survivors are attempting to avoid the painful reality – that this paradigm no longer holds true – by refuting their own truth by their words and actions.

## *Blaming of others*

All interviewed survivors blamed other groups. In most cases, generic “management” were blamed or colleagues in Company X; however, no interviewee assigned any blame for negative outcomes to themselves. Nevertheless, people tend to blame others – usually the next person up on the organisational chart – for what is a basic systemic change beyond anyone’s control.

*“But then, if I look at other areas that the same sort of exercises, and I don’t know if it is because it was handled poorly, that maybe their management wasn’t being honest or forthcoming with their people. Look at the XXX department – a huge mess. You know, where people left at the end of the month and there was absolutely nobody trained to do those. If your ultimate goal is to get rid of people on downsize and get rid of people on a head count level – that is easy to do.”*

This blaming phenomenon could be a form of projection that serves as a defence mechanism, assisting the survivor to confront their own survivor guilt by allowing the survivor to consider others as dysfunctional without experiencing the discomfort of realising that these views and feelings are their own. This allows the survivor to express disapproval of the other person, distancing themselves from their own dysfunction (Straker, 2009). This reaction has also been noted by previous researchers such as Noer (1993), Kets de Vries and Balazs (1996) and Appelbaum et al. (1997). Based on the preceding discussion, it is put forward that blaming others for whichever collection of consequences generally represents denial.

## **Contributory themes**

As a result of the survivors' inability to progress through the stages of grief and complete their mourning, the interviewed survivors remained in a state of denial. Contributing to these responses and outcomes was the presence of aggravating peripheral circumstances and role conflict.

### *Role conflict*

Beauchamp and Bray (2001) defines role conflict as referring to “the presence of incongruent expectations placed on a role incumbent”. The presence of role conflict exacerbating the effects of denial was evident amongst survivors. This role conflict related to the dual roles of being involved in the implementation of the retrenchment for the survival of Company X and the emotional effect that the aforementioned had on the survivor.

*“You are emotional when you – in our function you can't be emotional, you need to kind of – your emotions need to be put to the side to stay professional. So, you talk to people over the telephone and they are emotional that side, you're sitting on this side, and you know they are affected – it is a difficult, difficult time.”*

It is possible that this role conflict also contributed to the extensive engagement in reasoning to justify retrenchments. This reaction is similar to what Noer (1993) described as the “Judas complex”. This reaction seems to allow the survivors to deny the negative impact of their actions on others.

*“It is very difficult to keep your managers hat on and on the other side of the scale to put your humanitarian hat on....you had to come in the mornings and you got to have this face, the confident face and you're the manager of this company, you had to be a role model for these people to look at. But inside, you know, it is killing you...even though you know that it is for the best of your company”.*



One of the survivors did not experience any overt role conflict. This is likely as a result of her co-dependent relationship with the organisation resulting in this survivor embracing only the role of victim and disregarding / denying her role and responsibility of being part of the senior management team of Company X.

#### *Aggravating peripheral circumstances*

One participant experienced a number of stressful events during the same time as the retrenchments took place within Company X. These stressful events, although outside of the scope of the present study, cannot be discounted, as these events and the associated stress and anxiety caused are additional factors contributing to the survivor's experience of retrenchment and her subsequent reaction to the retrenchment.

*High probability that this participant's frame of reference is coloured by various stressful events during this time - attempted hijacking, witness to accident and a shoot-out between police and criminals in her backyard, leading to two fatalities - perhaps leading her to embrace the role of victim. This response is most probably unconscious and as a result of the exhaustion of her emotional reserves and ineffective coping mechanisms.*

In addition, resulting from the retrenchments was an increase in workload. This finding is discussed later, but it is important for the reader to take cognisance of this, as it pertains to emotional exhaustion as discussed below.

*“...you were given more jobs; my job description still has not been updated from 9 months. You know, I was asked to take over additional responsibility, which I did. I have done it for 9 months, my job description has not been updated – I didn't get compensation in the way of money saying, well you know, you are now doing 13 people's work, so there is an extra R5 for you. So you just don't get any of that recognition.”*

Wright and Cropanzano (1998) describe emotional exhaustion as an unremitting situation of physical and, more importantly, emotional depletion resulting from excessive work demands and continuous stress. Emotional exhaustion manifests in “both physical fatigue and a sense of feeling psychologically and emotionally drained” (Zohar, 1997, p.102).

*“... I used to do a lot of physical training early in the mornings, so that helped me cope, but then the minute we moved to <current location> I had to give up my training and then driving the road I was driving I had a hijack, an attempted hijacking, I had those accidents – and it’s – you don’t have any coping mechanisms anymore. Because everything is taken away, because you’ve moved so far away from home, there is no time to do training, there is no time for me, even during the week, to go to movies, see friends – that’s way I said to you in hindsight, it would have been better if I’d received a retrenchment package – because at this point of time, I don’t have a life. I get up in the morning, drive to work – the majority of the evening I get home at 8 o’clock – then I haven’t made food yet – it’s – you go to bed, tomorrow morning I get up, do the same thing. Weekends I run around...you end up running around...Sunday you think, thank God, I can rest a little bit and Monday it starts all over again.”*

The likely presence of emotional exhaustion is illustrated in the preceding discussions and is consistent with data provided during the interview and previous research findings (Wright & Cropanzano, 1998; Ito & Brotheridge, 2003). The implications for Company X are wide ranging. Previous research (Wright & Cropanzano, 1998; Ito & Brotheridge, 2003) points out that those employees suffering from emotional exhaustion exhibit decreased organisational commitment, fewer organisational citizenship behaviours, decline in work performance and increased voluntary turnover intentions.

It should be noted that any of the manifestations and contributing factors explored in this section all contribute to the conclusion of the expression of denial by the survivors. No incident, factor or behaviour can be interpreted in isolation. Therefore, I viewed the data collected as a system of substantiations, or clusters of denial, to ascribe a reliable indication of meaning and interpretation.

Prolonged denial can result in the deterioration of problem solving and decision making, as the entire focus of energy becomes the maintenance of the denial. In place of rational alternatives, excessive emotionality in general and specifically anger and rage escalate toward those who are "blamed" for the reality that does not conform to the denier's worldview (Cramer, 1987).

The preceding discussion draws attention to the reality that reactions, thoughts and choices often consist of unconscious "ingredients" to which we have infrequent and ambivalent access; much less over which we exercise absolute control. We insist that we are wilfully and logically in control of our thoughts, yet it seems as if we act – and react – but we do not know wherefrom we are acting. As the core of denial is the avoidance of anxiety, it is fitting to note the following excerpt by Stein (1997, p.223) about the subject of retrenchment "...our depths and breadths of meanings and emotions elude us because we unconsciously wish them to do so."

In the subsequent sections, the specific themes contributing to the end state of denial in its varied manifestation are explored and described.

### **5.2.2 Affective responses of survivors**

The next theme in the framework for understanding survivor responses pertains to the emotional reactions experienced by survivors. As discussed in the literature review, retrenchments provoke a range of pervasive dysfunctional responses from the survivors and according to Wright & Barling (1998), these psychological states hold the potential to impinge on the survivors' behaviour and work attitude; including their level of performance, organisational commitment and job satisfaction. The first response to be explored pertains to survivors' perception of their current work life.

### **Perception of current work life**

In this study, the reactions of the survivors were influenced by their perceptions of how the organisation has been altered compared to before the retrenchment experience. The participants in this study indicated three specific areas of change that influenced their perception of their current work life, namely role overload, role ambiguity and a re-evaluation of career goals.

According to Wright and Barling (1998), role overload occurs “when work expectations exceed what is reasonable and / or possible to accomplish.” Survivors experienced a severe increase in the core and / or quantity of their job responsibilities, receiving no support in adjusting to this increased workload, as everyone was stretched to the limit.

*“...the workload was – to such an extent that it was actually ridiculous. No human being could do the work that we did as a team in the amount of hours that we needed to work per day. So we were stretched, and I was stretched beyond that I thought that I could do or endure.”*

Consistent with previous research (Amundson, Borgen, Jordan & Erlebach, 2004), survivors seemed to recognize that the increase in workload was to be expected; however, it appeared as though the survivors wanted recognition for their added efforts.

*“I didn’t get a compensation in a way of money saying, well you know, you are now doing 13 peoples work, so there is an extra R5 for you. So you just don’t get any of that recognition... When you need assistance – the first thing is always there is no money. So they give you all these projects - they want everything to be done right now, but there is never any money to do it, there is never any resources to help you –and it just makes life very difficult.”*

This survivor’s response is consistent with previous research (Gandolfi, 2009; Allen, Freeman, Russel, Reizenstein & Rentz, 2001) findings that survivors commonly find themselves with workloads and job responsibilities greater than before, while often receiving limited or no resources or support. The consequences of role overload have

been found to be job dissatisfaction, fatigue and low job involvement (Wright and Barling 1998).

The interviews indicated that survivors were experiencing a measure of role ambiguity, where role ambiguity refers to insufficient information related to a specific role (Rizzo, House & Lirtzman, 1970).

*“...my job description still has not been upgraded for 9 months. You know, I was asked to take over additional responsibility, which I did. I have done it for 9 months; my job description has not been updated...”*

According to Greenhalgh & Jick (1989) and Rizzo et al. (1970), continued role ambiguity was associated with decreased job satisfaction, increased anxiety and employing defence mechanisms distorting the reality of the situation, often leading to a decrease in performance. I am of the opinion that this finding – and the presence of role ambiguity in the interviewees – is one antecedent factor for the state of denial that these survivors find themselves in. In addition, as previously explored, I am aware of one of the survivors presenting a decrease in performance.

As illustrated in the preceding discussions, the survivors’ relationship with the organisation was greatly altered. It appears as if the sense of being valued by the organisation decreased substantially. Consistent with research findings by Amundson et al. (2004), survivors undertook a re-examination of their career goals within the changing organisation, responding to the loss of previously established career goals and career development prospects by revising their commitment and loyalty.

*“I really would have liked to have an overseas assignment. Just to get exposure, because for me - is I wanted a long-term relationship with Company X... I would have liked to get to a General Manager level...with the retrenchments you also realise that you not going to get a lot of international assignments...also, I have realized that there is very limited scope and actual grow into a General Manager position with Company X – so that I had to adjust”.*

In the present study, survivors expressed discontent that Company X is perceived as no longer meeting some of the criteria for employee satisfaction, namely supporting the individual in career growth and development, thereby fulfilling the survivors' long-term objectives.

*“When you start with a company you expect them to say are there opportunities for growth, there are opportunities for development... one of the things to stay in the company for a long time – I stayed with Rival Company Z for 10 years, but the reason for that was because there was constant development.”*

In addition, the survivors experienced a decreased investment in human assets further contributing to the sense of being devalued by the organisation.

*“I just feel I'm not learning as much as I could have, because everything is now killing the fires and its short-term strategies, so you don't actually learn or develop and there is not time to develop as a person within the company.”*

This response and finding is consistent with previous research (Wright & Barling, 1998) which established that lowered career prospects, modified career paths and a decrease in confidence in promotional opportunities were widespread occurrences

Allen, et al. (2001) identified role overload, role clarity (or ambiguity) and satisfaction with senior management as environmental variables in the work situation that are influenced or changed by retrenchments. As exemplified in the preceding paragraph, the survivors in this study were subject to additional responsibilities that resulted in an increased workload and decreased clarity. These changes in the environmental variables were related to changes in organisational commitment and turnover intentions, which are referred to as outcome variables.

Consistent with the study of Allen et al. (2001), the survivors in the present study experienced a change in the environmental variables, which consequently translated to a change in the outcome variables.

*“There is a classic saying, if you want loyalty, buy a dog. It is all good and well to be committed to a company, but there is no guarantee, not either way, that you are going to be with that company for a lifelong commitment or that that the company is going to keep you on for a lifelong commitment. There is no such thing, and I think the faster the people going to realise that – and that you are actually here to do whatever you need, or whatever you employed to do.”*

If the changes in the working conditions of the survivors are experienced as threats rather than opportunities, the reactions of the survivors are increasingly negative (Brockner, Grover, O'Malley, Reed, & Glynn, 1993). The preceding discussion highlighted that changes were most probably perceived as threats which led to the negative reactions described above.

The following segment pertains to the survivors' response to the change in the basic bind.

### ***The basic bind: Psychological contract***

As the psychological contract has been discussed comprehensively as one of the shared factors of survivor denial, the following discussion deals mainly with the sense of change that the interviewed survivors experienced.

In the present study, participants indicated that the retrenchments prompted enduring and extensive changes in the survivors' relationship with the organisation. The survivors appeared to consider the old psychological contract as valuable, however, having survived the retrenchment; survivors were attempting to cope with the reality of the new employment contract.

*“You know I think that my long-term career vision is obviously – you got to improve yourself as much as you possible can – because at the end of the day, if you going through that experience, you realize that you are completely replaceable, everybody is replaceable.”*

*“Obviously the more knowledge and the more experience you have in a variety of different areas, the more irreplaceable you become... [I want] permanent employment, for the opportunities that go with the permanent employment. I want the security of that pension fund, I want that security of the medical aid, I want that security of all those things...I have faith in this company and I see my future being here.”*

They have one foot in the old, one foot in the new and their struggle to come to terms with these conflicting paradigms was demonstrated as various incongruent statements in the interviews.

*“When you are selected to go for assessments centres for instance, and you get your results and you have a developmental plan, you are responsible and accountable to go to different training sessions and set up accordingly to your own diary, and to ask management if it is OK, to go to those sessions. The power is thrown back to the employee and into the employee’s hands – they are responsible, they need to develop themselves, which I don’t necessarily agree with.”*

In addition, there seems to be a general feeling that the organisation is not preparing their employees to take responsibility for their own career management - this perception is most likely aggravating the survivors’ struggle to come to terms with the new psychological contract. It appears as though both employer and employee are accountable for this state of affairs.

*“I don’t think Company X prepares employees to take responsibilities for their own careers. They tell employees to take responsibility for their own careers, and when you take that responsibility, you are questioned...employees want to be trained in such way that they can move on, out of the organisation, with more skills they what they come into.”*



The sentiments of the interviewed survivor's echo the findings of Kets de Vries and Balazs (1997) and Noer (1993), who are of the opinion that taking control over one's career - career self-management - is one possible means of diminishing the debilitating effects of survivor syndrome. The new paradigm organisation is to adopt a guiding role to lead employees toward a self-employed outlook and replacing the concept of job tenure with employability.

Of primary importance in understanding the survivor's experience is the changing relationship between the individual and the organisation and in particular the breaking of the implicit psychological contract by the organisation (Noer, 1993). Included in the psychological contract with employees are the implicit assumptions of secure employment, long-term careers and promotions, in exchange for the employees' high-quality deliverables and loyalty (Amundson et al., 2004). As a result, the feeling of reliance may have evolved into entitlement which is transformed into a sense of betrayal (Kets de Vries & Balazs, 1997). Therefore, once the psychological contract has been violated, the injured employee responds with the "intensity of betrayal" (Appelbaum, Gandell, Yortis, Proper & Jobin, 2000).

*"I believe that most employees expect an organisation to look after them and that you will receive the benefits, or reap the benefits of hard work. But in reality, that does not work that way. In our company only if there are vacancies available and positions available, can you move. So succession planning, however you looked at it, only if there is a position available, or create it, you can move up to it. So 'dit hinder mense om op te skuif in die organisasie struktuur en hiërgjie'...I would like to pursue my career in my own organisation, that I am going to establish."*

*"When you start with a company you expect them to say are there opportunities for growth, there are opportunities for development. Nobody says to you – they say, no we've got a training scheme in place, and yes, you can go study further and but what they don't tell you is that when I wanted to do my MBA...Company X will only contribute R10,000 towards it...so I left it. Because I can't pay R130 000 out of my own pocket to do a MBA – Company X's going to benefit from it – and then don't want to contribute...in hindsight, I think it would have been better if I had a package."*

The preceding discussion supports the findings of Levitt et al. (2008) that the violation of the unwritten rules that comprise the psychological contract between employer and employee initiates a decrease in commitment, satisfaction and perceptions of the organisation's truthfulness and trustworthiness and an increase in stress and the survivors' turnover intentions.

The subsequent discussion pertains to the perception of the treatment of the victims as it pertains to the affective responses of the participating survivors.

### ***Treatment of victims***

In the present study, the participants indicated that they evaluated the fairness of the treatment of the victims according to three criteria, namely the assistance offered to victims, clear criteria to identify victims and management's behaviour towards victims. The criteria highlighted by the survivors to evaluate the fairness of the treatment of victims are congruent with findings for previous research (Appelbaum & Donia, 2001; Brockner, Davy & Carter, 1985; De Vries & Balazs, 1997).

The survivors were of the opinion that Company X fell short of all three these criteria, as survivors believed that the victims were compensated fairly with regards to the severance package offered; however, they point out that transitional assistance offered to the victims, in terms of career and psychological, was limited, if not non-existent. The assistance offered to victims was limited to access to financial planning.

*“Well, I looked at the packages and I know that they were really good based on - obviously you know what the packages were based on – experience, based on years service and based on beginner service and all those sort of things.”*

*“For the people that left, they could go and talk to, maybe the Provident Fund, and I know <Name>, the senior manager in HR at that point in time, also had meetings where they could facilitate and assist the people to give guidelines as to where they should allocate the package money that they would get. But that was it.”*

**Question:** *“Other than there was not functional support, there was no counselling after, to either affected or unaffected employees?”*

*“Not that I can remember.”*

According to Brockner, Grover, Reed, DeWitt, and O’Malley (1987), when survivors are of the opinion that victims were dismissed with insufficient severance pay, their likely response would be lowered commitment to the organisation. Further to this, theoretical analysis indicated that a perception of fairness with regards to the treatment of victims moderated the negative responses of the survivors. In the present study, it appears that the factors aggravating the survivors’ negative responses far outweigh any moderating effect that could be present in the perception of fair financial treatment of the victims.

With regards to the second identified criteria – known selection criteria - participants were unsure and tried to provide information based on a best “guesstimate”.

**Question:** *“Do you recall what the criteria were to select the affected positions or the affected employees?”*

*“I remember the list of names – the criteria that was used – I don’t think anyone of us was directly involved in the specific criteria that was used.”*

*“I cannot really comment on the fairness, because I do not know which criteria they used to select the people.”*

*“I don’t think it was particular people. I know age groups were definitely looked at and that wasn’t because they were older, that was because they were given the opportunity of taking earlier retrenchment.”*

To this extent, even the criteria put forward by Company X in its communications to employees were unclear and ambiguous at best.

*“Company X proposes adopting a ‘last in, first out’ principle, subject to skills, qualifications, experience and diversity. The intention is to reach agreement with yourselves on the selection criteria to be utilised in the interests of future challenges facing the business. Should we be unable to reach agreement, a fair and objective criteria will be applied.”*

*“The Company reserves the right to veto (reject) applications with regard to critical skills. A decision to veto (reject) an application will be dealt with sensitively and with due regard of your personal circumstances.”*

Previous research (Noer, 1993) suggested that if survivors are of the opinion that the selection of the victims was unjust, the survivors are often left with persistent anger over how retrenchment victims were treated. It is therefore imperative that the manner in which surplus positions are selected should be consistent. Whatever the criteria, the critical factor is that the decision be made in a consistent way, so that the process will be perceived as fair (Appelbaum & Donia, 2001).

The third criterion pertains to the perception of how management engages with the affected employees. From the interviews, it appears as though the affected employees were dehumanised by the management of the organisation. According to Haslam (2006), when people are deprived of their “humanness”, they are de-individualised and lose the capacity to evoke compassion and moral emotions and may be treated as a means to an end. As even the top management of an organisation is not immune to survivor syndrome and / or denial (Noer, 1993), increased emotional exhaustion leads to elevated levels of dehumanisation (Winstanleya & Whittington, 2002).

*“...maybe she would fit in with General Manager: XXX’s department. So I went back, said to Subordinate, please set up a meeting with General Manager: XXX – go speak to him, see what the job is all about. But nobody spoke to her... went to General Manager: XXX and she said she has never done [a similar position] – she’s always been in area of expertise, and she is not sure whether she’s would fit in. So he said to her, well take it or f\*ck off. Those were his words...one retrenchee just came to me one day and she said to me, well – they said to us by Friday, if you hadn’t got a letter, then you stay. If you got a letter you are retrenched – and she came that Friday and she was crying and said she just received a letter. So nobody spoke to her, it wasn’t like a person or thing.”*

*“And obviously, the organisation also wanted dead wood to take the package and get out.”*

As illustrated in the preceding section and consistent with research findings (Appelbaum, et al., 1997), a key aspect shaping the outcome of retrenchments on survivors is their perceptions of how fairly and consistently the selection decisions were made and how the resulting retrenchments were handled. Survivors’ behaviour, morale and performance were directly affected by the manner in which retrenchments were implemented (Kets de Vries & Balazs, 1996).

### ***Effect on trust***

Participants in the present study indicated low levels of trust in the organisation. As previously discussed, this reduction in trust is due to the breach of the old psychological contract and has wide-ranging implications. Trust can be defined as "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" (Brockner et al., 1997, p.561).

Most interviewed participants indicated that they have limited trust in their colleagues, organisational management and therefore the company as a whole. It is suggested that the lowered trust is as a result of the survivors perceiving that employees of the company are being treated as a means to an end and not as valued members of the organisation (Brockner, et al., 1997).

Amongst colleagues:

*"So, there are lots of times where you get to know which of the people you can really trust, but the majority of the people in the company you actually cannot trust or they give you information to go to you – that is totally the wrong information."*

It was indicated that the levels of trust amongst colleagues have reduced as a result of fear of being retrenched. By making the trustor appear incompetent, the colleague is able to save the situation and look good in the eyes of management, thereby justifying and securing his/her position in the organisation.

Management:

**Question:** *"How would you describe your level of trust in management, but also the top management of the company?"*

*"... very low trust. Because if something goes wrong, they blame somebody else."*

As previously discussed satisfaction with job security and with top management has also been termed as environmental variables. Retrenchment may cultivate distrust in management and fear regarding the survivors' long-term employment with the organisation. Changes in the environmental variables inevitably result in changes in outcome variables (Allen et al., 2001).

Devoid of trust in management, employees are improbable to offer the constructive co-operation that is essential to facilitate change. Trust is crucial for surmounting resistance to change, as it outlines how employees make sense of the implementation process. If employees trust organisational management, survivors are likely to give managers the benefit of the doubt that they are acting in the best interest of the company (Brockner, et al, 1997).

It should be noted that one participant expressed very high levels of trust in organisational management. This is most probably due to the level of involvement of the participant in the process and the accompanying interaction with top management. When top management is perceived as dependable in delivering on commitments and transparent in sharing information, uncertainty and ambiguity is reduced for the survivors (Noer, 1993). Levels of involvement and the effects thereof on survivors are discussed during the course of this chapter.

The next section explores the behavioural responses of the participants to the retrenchment experience.

### **5.2.3 Behavioural responses of survivors**

As the preceding section explored the affective responses of participants, it follows that a description and understanding of the survivors' behavioural responses is imperative to facilitate in the compilation of interventions to reduce the negative and improve positive influences and events.

To this extent, the behavioural responses of the participants are discussed in the ensuing section.

#### ***Compelled to act 'untransparent'***

The participants indicated that they experienced internal conflict, as they were required to keep information about the retrenchments confidential. The information to be kept confidential included the names of the affected individuals. As one of Company X's values is that of transparency, the interviewed survivors indicated that sustaining the secrecy conflicted with their personal and the company's espoused values. This response is consistent to the research findings of (Gandolfi, 2009) in his meta-analysis of the effects of retrenchment of various role players.

*“... for me, there is nothing worse than walking into a room and people kept quiet – or walking into passages and people walking around with folded papers, when you know that this is what is going on in the company. You know, you know when you are going through a structural change – there is this cloud of secrecy and certain people know what’s going on, and there is talking.”*

These conflicting beliefs and actions cause dissonance in the survivor. According to Straker (2002), to relieve the anxiety caused by the dissonance, affected individuals often resort to justifying their actions and behaviours. The dissonance experienced by the survivors most probably contributed to the manifestation of denial, as justifying behaviour was evident in two of the end states.

### ***Passive aggressive behaviour***

According to Cianco (2000), passive aggressive behaviour is common in retrenchment survivors. This behaviour is often displayed by subordinates who, for fear of retaliation, are unwilling to directly go against management (Straker, 2009). As a result, the participants in the study redirected their anger at their colleagues.

*“I remember it was quite a volatile time, where emotions, especially in <department> ran quite high. I can almost say, in Afrikaans we got a saying that says ‘jou lont is kort’ – you get triggered. If somebody just say the wrong thing at the wrong time or right time, it triggers all the emotions and you – you react in a way that’s not true to your character. I would say that you’ve got arguments with people that you are not supposed to have arguments with about the simplest type of stuff...tempers run quite short.”*

According to Straker (2009), a different version of this passive aggression is the enactment of being fully occupied whilst doing the minimum possible. Cianco (2000) has described this response as withholding behaviours. This version is quite often used with colleagues where there is a false culture of supporting one’s peers, but the reality is that keeping their job takes precedence over teamwork (Straker, 2009).



*“So, there is no sharing of information, people are not honest with you. I have had a few incidents where your colleagues would deliberately withhold information and when you get to a meeting, you end up in trouble and they end up looking good, because everybody was trying to justify their own positions and making sure that they’re OK.”*

It appears that this survivor response is an element of the psychological withdrawal process that leads to survivors experiencing reduced involvement in the organisation and their position (Greenhalgh & Jick, 1989).

### ***Conscious decision to support perceived organisational goals***

An unexpected finding in the present study was that all participants expressed that they chose to support the perceived goals of the organisation. It is unexpected in the light of previous findings discussed in this chapter, pointing to a higher possibility that the survivors might exhibit a decrease in organisational commitment.

This behaviour might be explained by any one of the following previously discussed contributions:

- As discussed in the section dealing with the manifestation of denial, the participants escaped dealing with and confronting their feelings by focusing on projected organisational outcomes;
- As previously discussed, a co-dependent’s sense of identity is based on pleasing someone or something else (Noer, 1993). It might be that, in an attempt to please the boss and / or impressing the system, these survivors chose to verbalise their support for the organisation’s goals;
- Related to the preceding possible explanation, is the probability that this expression is a characteristic of the denial manifestations where doing good and looking good is important due to the position – department or hierarchal – in the organisation;

- Lastly, a possible explanation might be that, as all of the participants were somewhat involved in the process – whether in an administrative, planning or shunned responsibility capacity - this involvement provided the participants with more control and more advance knowledge than other survivors, mediating some of the effect of lowered organisational commitment.

This unexpected finding presents a possibility for future research.

### ***“Villainising” other departments***

This behaviour was particularly interesting – the participants referred to the retrenchment processes followed by other departments in an exceedingly negative manner, whilst extolling the actions that they were responsible for.

*“But then, if I look at other areas that the same sort of exercises, and I don’t know if it is because it was handled poorly, that maybe their management wasn’t being honest or forthcoming with their people. Look at the <Department A> – a huge mess...then there’s got to be very, very definite procedures that must be followed... and I don’t think in all the areas this was done. Look at the <Department B>, look at the <Department A>, and was it done – you know what I am saying. Again from an outside perspective, it is very easy for me to say this, I don’t know what happened there, but from my experience standing outside, I don’t think that it was done... my staff handled it with tremendous pride and tremendous respect, because they knew from the beginning that this is what is going to happen and that was because there was clear communication.”*

As previously discussed, it is difficult to own up to your role in unsettling others’ lives; the participant must assign blame for the intolerable reality to another entity or individual. This response might lead to increased disagreements between those who are in denial and those survivors in the company who are not (assuming that not all survivors are in denial). Attempts to preserve their denial may result in the denier escalating their anger, as their denial becomes increasingly apparent and unsustainable (Cramer, 1987). Sooner or later, their anger and aggression can no longer be contained and “like water surging through a broken dam, their hostility and aggression spill over, directed toward colleagues and

subordinates” (Kets de Vries & Balazs, 1997, p.32). Although this is outside of the scope of this study, concepts such as splitting and projection could be explored to further illuminate the responses of the survivors in this regard.

The final survivor behavioural response will be subsequently discussed.

### ***Minimising role in unsettling other’s lives***

The present study acknowledged the fact that the participants played a role in unsettling others’ lives; however, the seriousness of the situation and the probable impact on those affected is denied by presenting the results of their actions as less harmful.

*“It is not nice to almost feel that you have a part in the demise of your department. Even though you know that it is for the best of your company, and you know that you staff are going to be OK – and you know that they should still be able to feed their families.”*

This is confirmed by Blackman (2004) who proposed that minimisation – as a mechanism of denial – often takes the form of cognitive distortion. Individuals who have experienced a distressing event downplay the trauma in order to avoid anxiety and stress in themselves and others.

*“...am I to hard on myself because I am maybe very closely associated with my staff? Is that a bad thing? You know those are the questions that I asked. Shouldn’t it be a more just clinical relationship , you know, should you to a certain level have, you know, kind of a feeling of – taking care of your people? So, I don’t know. You know that I do things differently maybe I would be more clinical. More unattached. Did I allow for my, my attachments to be displayed at work? Absolutely not...You know if you go home and you having a little mini break-down - deal with it, but come in the next day and you got to be – you know, business is first. So, did I do that? Yes I did.”*

The reader will have realised that there are definite linkages between the end state, affective and behavioural responses of the survivors. This occurrence can be ascribed to two arguments:

- The Betari Box postulates that any affect and attitude an individual has about anything will be demonstrated in their behavioural displays (Straker, 2009);
- No affective or behavioural response can be examined in isolation to explain the end states of the survivors. Therefore, clusters of indicators – with interlinking premises – support the identification of denial as an end state.

It is interesting to note that although there were some expressions of survivor guilt, this was not a main theme, as these comments were made in passing by some of the participants and could not really be expanded on. I concur with Noer (1993) that a possible explanation could be that guilt is a difficult emotion for an individual to own and disclose - this explanation is strengthened by the survivor denial as previously discussed. It is possible that the general concern over management competence, lack of information and feelings of betrayal may be an external projection of internal guilt feelings.

### ***Contributory themes***

#### *Inadequate coping mechanisms*

Aggravating the negative responses of the survivors is a lack of constructive coping mechanisms. By their own admission, these survivors concurred that their coping mechanisms were insufficient during this difficult time and, as a result, increases negative responses.

*“Emotionally wise, you do have your stress, you –you it needs to give somewhere. Somewhere, something needs to give. What I saw in my case is that I got irritated. I really got irritated and I think the tempers run quite short.”*

**Question:** *“How did you cope with that stress?”*

*“Honestly, very badly... inside, you know, it is killing you...But personally, away from Company X, I think very badly. But here at Company X you just got to try to keep it together...when you went home....not so happy, not so happy (nervous giggle).”*

In order to move through the grief cycle to the acceptance phase, appropriate coping mechanisms are imperative to facilitate movement through the cycle (Kübler-Ross, 1969). Armstrong-Stassen (1994) points out that effective coping [mechanisms] is a vital role-player in the stress process. Coping is defined as the “cognitive and behavioural efforts to manage specific external and / or internal demands that are appraised as taxing or exceeding the resources of the individual” (Armstrong-Stassen, 1994, p.600).

Some of the defence mechanisms employed have been discussed in the preceding sections. In addition to these mechanisms employed, the participants extensively “boxed” emotions, attempting to “divide and conquer” conflicting ideas, beliefs, values and actions that create anxiety for the participant. This concept is referred to as compartmentalisation (Staker, 2009) demonstrating diverse value sets in the diverse groups of which one is a member.

Of particular concern is the apparent reliance on sleeping tablets to deal with the stress and anxiety accompanying the retrenchment process. Although none of the participants referred to this mechanism of coping, an examination of the company documents indicated that, during the period in which the bulk of exits were taking place, the on-site medical station received increased requests for sleeping tablets.

*“Dear All*

*The COMPANY X Medical Station has recently identified a medically concerning trend in respect of an increase in requests for ‘Sleeping Tablets’. Based on medical scientific research, there is a high risk of dependency on this type of medication.*

*The COMPANY X Medical Station is therefore left with no option other than to STOP prescriptions for Sleeping Tablets with immediate effect. Please note that this is in the best interest of COMPANY X employees ‘from an employee wellness’ perspective.*

*Thank you in advance for your co-operation in this regard.”*

Even more concerning, is the apparent lack of action from Company X to identify the cause of the increase and to take any action “from an employee wellness’ perspective. This matter is further explored during the course of this chapter.

The subsequent section explores the overall perception of the retrenchment experience.

#### **5.2.4 Perception of company retrenchment experience**

In keeping with the constructivist approach of this, it is important to note that various influences exist in the survivors’ perception of the retrenchment process. Survivors may modify information or take notice of information only in as far as what they want to take notice of in order to avoid the distressing reality of retrenchment. In the present study, it appears as if the survivors’ perceptions are influenced by their level of involvement, the perceived outcome of the retrenchment and their observations of organisational support, company communications and management style.

Each of these influences is subsequently discussed.

### ***Level of involvement***

In this study, the three participants were involved in differing capacities, including full involvement in terms of the planning, administrative involvement and no involvement (to the extent of feeling ostracised). This sub-theme appears to be a very important variable, as the level of involvement seems to negate the *intensity* of most of the negative affective and behavioural responses. It should be noted, however, that level of involvement does not completely *prevent* the negative effects of retrenchment on survivors.

*“I was doing all these researches and exercises and costing and all those enquiries all over the show in this industry...and I knew inevitably that there is going to be a day where I have to pull these people in and say you are affected...There was so much interaction from an HR point of view; there was so much positive motivation from the directors’ point of view. We were constantly brought up to speed onto how thing that was happening, and the reasons why these things were happening. But may be again, I was exposed to more because I was on a managerial level, but that was my personal experience. Where in the past, you heard the rumours, and suddenly it was done and afterwards it was like that sense of complete disillusionment – now we knew it is coming. This is how the process is going to be handled, the constant feedback in terms of numbers, in terms of almost to which areas been affected, so, you know this process was certainly less traumatic without being callous, obviously some people did lose their jobs, but it was less traumatic for those who had been left behind, because it was so positively handled.”*

This finding is consistent with previous research (Noer, 1993) where survivors, who were involved in the planning and administration of retrenchments, expressed unexpected optimism. Their involvement led to increased control and more advance knowledge than other survivors. In addition, Amundson et al. (2004) indicated that survivors felt reassured when they understood the entire process and could contribute to the implementation of the retrenchment process.

## **Perception of organisational management style**

The survivors are rather divided with regards to their perception of organisational management style. Their responses vary from a perception of support and responsible management style -

*“...a lot of mutual respect in terms of I respect him because he is my senior, but what I appreciate is that I am left to work completely independently. I know that if I should need him, that he would be there – but I work completely independently, so yah, we have a good relationship, very good...I have the freedom to know when they say there is an open door policy and if there is something I need to discuss, that I can walk in and do it – that I have that foundation. I have a huge faith in the product, I have tremendous respect for the leadership, the current leadership in terms of our MD – and I never seen anything to contradict any of my beliefs.”*

- to a perception of definite room for improvement in the organisational management style, as they are not demonstrating espoused company values -

*“By making the process more transparent, the person would know more and have more Information...the not-knowing contributed to people thinking that their positions are going to be redundant...there were lots of rumours – and think from that aspect, maybe they were not as open as they should have been.”*

- to a perception that the organisational management is abusive and unapproachable, yet later defending the behaviour of organisational management.

*“I can tell you, yeah, my direct report is not a very good manager, because he shouts and screams, threatens people. I think at times it differs, he can be very pleasant, however I think with all the stress...they’ve got and what they need to achieve, they’re not very tolerant, don’t want to listen. You know, I suppose for them they are in the same situation as us... <Divisional Manager> just had a staff meeting and it was discussed in an open forum. So nobody really asked any questions – we couldn’t really approached anybody and say, listen, what is going to happen.”*



As per previous discussions, it appears as if the distinguishing factor determining the perception of management is the level of involvement of the participant in the planning and administration of the retrenchment process.

This finding is consistent with research conducted by Amundson et al. (2004) who noted that survivors conveyed anger when organisational management did not supply the direction, support and information that survivors required. This resulted in organisational management falling short of survivors' expectations of competence, consistency and dependability. In addition, these findings echoed the findings of Allen et al. (2001) that access to top management improved trust.

Another finding contributing to the decreased level of trust in management is what Appelbaum and Donia (2001) termed the "business as usual trap". The retrenchment process might be underway and all changes implemented - survivors view this period as part of the retrenchment effort.

*"It will be expected from you to perform your duties as normal and in line with business operational requirements...whilst you await your exit date."*

Directly after the retrenchment has been effected; the organisation moves into preservation phase where all preceding actions to engage employees will develop into a new organisational culture. As a result, communication in this phase remains vital.

### ***Perceived outcome of retrenchment***

In light of the previous discussions, it is unsurprising that the overall perception of survivors regarding the outcome of the retrenchment was largely negative. Once again, the level of involvement of the survivors appeared to mitigate the intensity of the perceived negative impact on the survivors. Although the outcome is largely experienced as negative, the participants with higher levels of involvement expressed a reduced number of negative outcomes and were able to frame these outcomes as possible opportunities and not as pure threats. However, the positive framing was often accompanied by a denial of impact and "villainising" behaviours indicated that the cumulating effect of all

contributing factors outweighs the mitigating effects of a limited number of mitigating factors.

Some of the negative consequences perceived by the survivors are illustrated below (for purposes of succinctness, factors previously discussed are not included):

- Loss of experience and knowledge base resulting in buying skills at exorbitant costs

*“...huge impact in certain areas of the organisation, because you lost critical skills, which in turn was resulted in people or organisation needing to go and buy those skills outside in order to continue with the function that was there previously. If I only look at the <Department A> – all of the sudden, all of the knowledge and skills went out the door in one shot – and we needed to bring in people from an outsourced company – they needed to be trained, they cost us a lot more money and as we know, that it takes up to six months for a new person to learn what the previous people did. And then there is also a lot of knowledge that you can never replace.”*

- Lack of resources inhibiting performance

*“When you need assistance – the first thing is always there is no money. So they give you all these projects - they want everything to be done right now, but there is never any money to do it, there is never any resources to help you –and it just makes life very difficult... But there is a lot of other departments , where people just say, I’m sorry, I’m too busy, I’m to stressed and...it is now two months, where people, you asked them, where is the material on this project? Sorry I don’t have time, sorry I can’t help you. Yet they are screaming for material to go out...they can’t give you the information.”*

The above findings echo findings presented by Levitt et al. (2008).

- Result of retrenchment: more operational as opposed to strategic

*“I was looking more after the strategic side of it, making sure what sort of service the dealers would need, planning for project launches, making sure I had a huge department that I managed...I lost all my subordinates...yet in June we had the launch of the Model M, the Model N and the Model O. And I had to organise everything by myself...and it was just a nightmare. Because you’re sitting and you suddenly doing the receptionist work and loading things on system because you’re the only person in that department and there is nobody to help you.”*

This finding is consistent with the perceived lack of strategic direction which Noer (1993) noted in his study; however, the impact of this development could result in this participant being unable to provide strategic direction to other members of Company X. Therefore, one action could result in a chain reaction in the company, possibly exacerbating the perceived quality of management.

- Quality of life negatively affected

*“...there is no time to do training, there is no time for me, even during the week, to go to movies, see friends...because at this point of time, I don’t have a life. I get up in the morning, drive to work – the majority of the evening I get home at 8 o’clock – then I haven’t made food yet – its – you go to bed, tomorrow morning I get up, do the same thing.”*

Although the impact on their private lives did not emerge a major theme, this finding indicates that some survivors experienced a definite disturbance in their work-life balance. As previously discussed, this could have far reaching consequences in terms of exacerbating emotional exhaustion and the associated negative consequences thereof.

- Expendable nature of employment contract: employees not irreplaceable / result of retrenchment: highlight expendable nature of employment contract

*“I got to say the resizing exercise did a lot in terms of shaking up people’s foundations – where you thought you were so secure, everybody realised nobody is secure.”*

Although participants viewed this as a negative consequence, in light of previous discussions pertaining to the psychological contract, Company X should use this realisation as an opportunity to firmly establish the new psychological contract, specifically the situational nature of employment in the culture of the organisation.

### ***Perception of company communication***

Participants indicated that the company communications pertaining to the retrenchment process was wholly insufficient. Specific areas where survivors were of the opinion that the information / communication supplied by management was insufficient included the following areas:

- New strategic direction for Company X

*“There were no group goals – if I can put it that way, it was as if you working, but you don’t know where you are going.”*

- Place in new structure

*“...right until a week which before she moved, she didn’t really know what was going to happen to her.”*

- Changes taking place

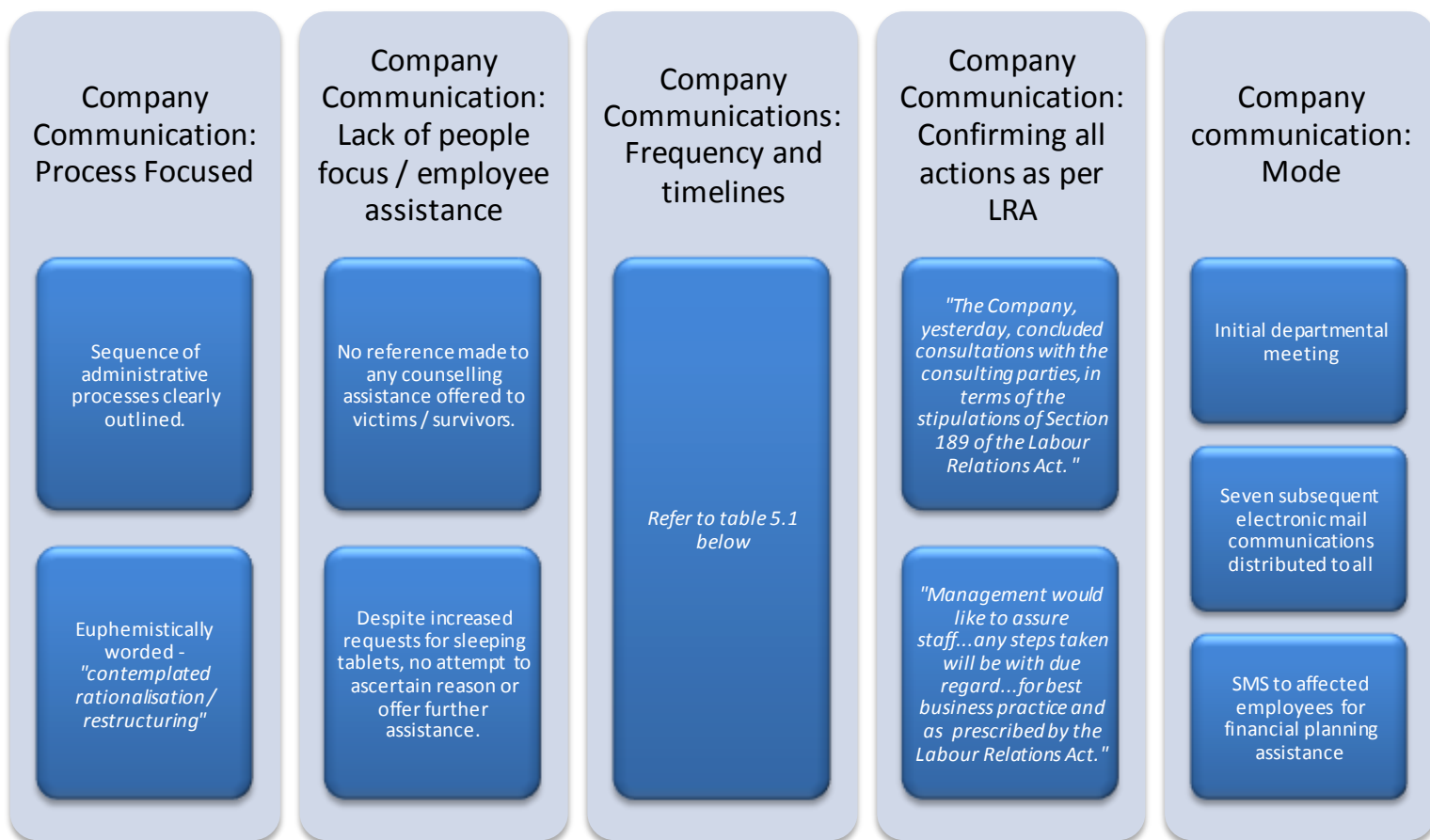
*“Because I asked them and nobody could really give me an answer and it was like...so you couldn’t prepare yourself for anything. It’s highly frustrating – it’s just the general breakdown of communication, access to communication.”*

Survivors were of the opinion that there were unwarranted victims that opted to apply for voluntary severance as a result of insufficient communication. In this perceived information, rumours spread rapidly and, in an attempt to preserve their dignity, employees who were supposedly not targeted for retrenchment, applied for voluntary severance.

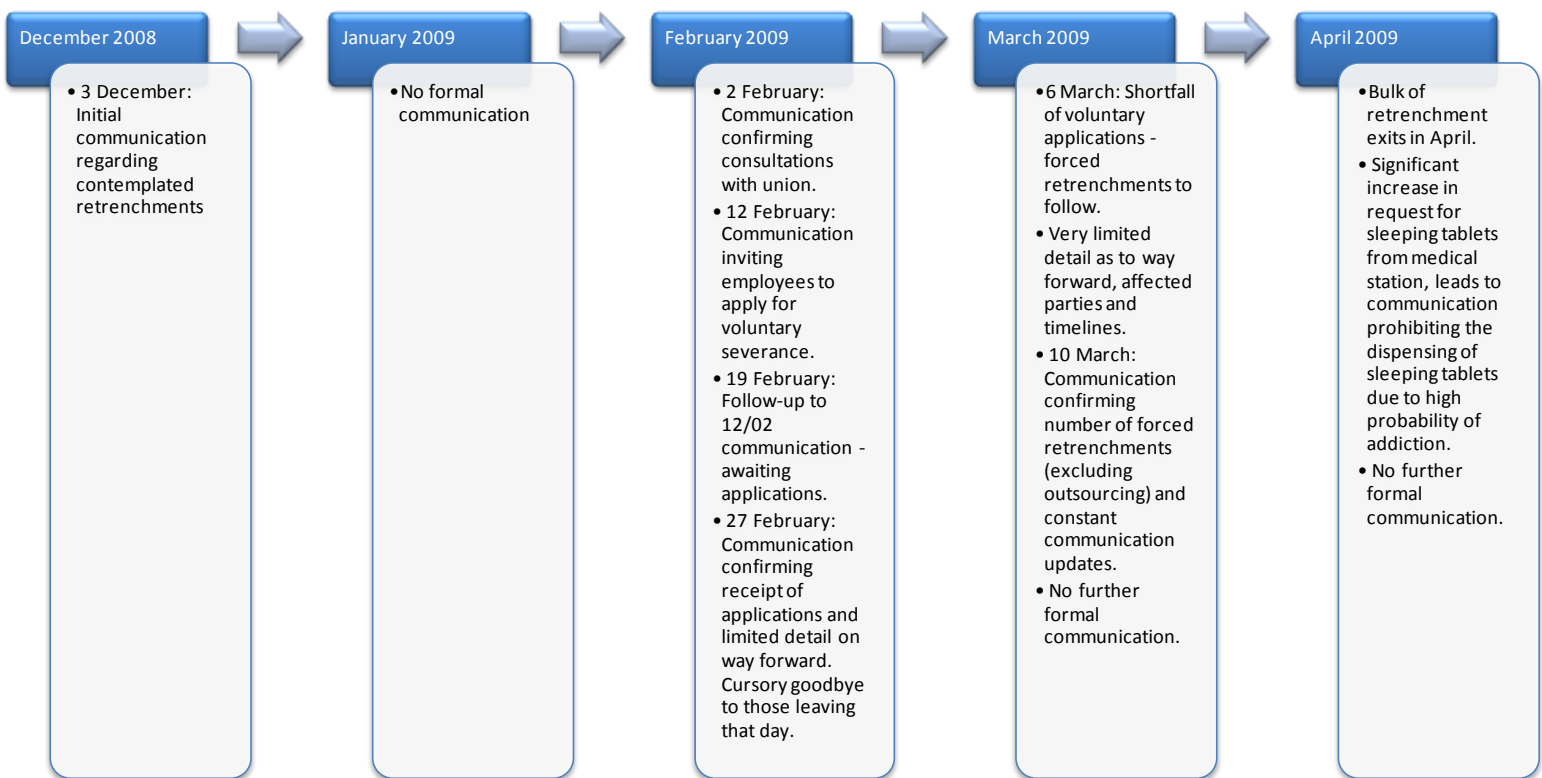
*“The not-knowing contributed to people thinking that their positions are going to be redundant, applying for the package – where they in truth, did not want to take the package...I think that is a pride issue – people would rather say OK, I would rather go now than be told – thank you, but at this point in time we do not need your service anymore.”*

In an attempt to summarise the company communications and to allow the reader to contextualise the perceptions of the participants, an analysis of the content and timing of communication was undertaken. The results of the analysis are presented in figure 5.2, followed by an illustration of the timing of the communication presented in table 5.1 directly after figure 5.2.

**Figure 5.2: Analysis of Company X communications content**



**Table 5.1: Timeline of Company X communications**



Findings indicated that by constantly communicating everything in detail is an effective way for organisational management to dispel uncertainties and to preserve credibility and trust. Inadequate and vague communication appeared to heighten distrust, uncertainty, anxiety and the incidence of rumours. At a time when communication is crucial, there is perceived to be a general breakdown in communication. Noer (1993) refers to the constant supply of information as “over-communicating” which is essential in keeping the lines of communication open. In their studies, Amundson et al. (2004); Kets de Vries and Balazs (1997) came to similar conclusions.

As demonstrated by the “unwarranted victims”, in the absence of constant detailed information, an information vacuum is created in which rumours circulate resulting in increased confusion (Amundson et al., 2004). This distressing information has a tendency to leak and taking account the potential of rumour networks, the intended managerial confidentiality has no positive value and will most likely result in uncontrolled message content. Instead of preventing damage to morale and productivity, rumours can effortlessly reach excessive proportions, redirecting employees’ concentration away from

work and, in extreme situations, lead to absolute organisational paralysis (Greenhalgh & Jick 1989; Kets de Vries & Balazs, 1997).

To effectively communicate to all employees in the workplace, multiple channels should be utilised. Communication and information flow can take various forms such as memoranda, e-mail, SMS's and face-to-face contact. It has been suggested (Appelbaum et al, 2000; Greenhalgh & Jick, 1989) that non-routine messages with a high threat content, such as impending retrenchments, be communicated using face-to-face contact. Due to the rapid feedback available, fears and uncertainties can be addressed as they arise. As retrenchments should be implemented as a business strategy to enable the organisation to accomplish long-term goals, these goals should be known and understood by all in the organisation (Appelbaum & Donia, 2001), therefore, adequate clarification should be provided often and in definite terms.

It should be noted that the level of involvement negated the negative effects on those survivors who were extensively involved. It is likely that due to her constant interaction with top management, access to information and clarity that other employees did not have, was possible. Based on this, the differentiating factors for negating some of the negative effects on survivors are level of involvement and clear, consistent communication.

### ***Perception of organisation support***

In the present study, participants indicated that there was little or no organisational support for either victim or survivor. As previously discussed failure of the company to provide psychological support and counselling to the victims leads to a reduced perception of the fairness of the process.

Although all survivors conceded that support for the survivors would have probably been beneficial, any further discussion around the topic was swiftly evaded. It appears that this response was related to the manifestation of their denial, as they were still determined to keep up appearances of doing the right thing and presenting the right “picture” to others in the organisation.

*“...we all know that <Industrial Psychologist>...his door is always open if you needed that. We also know that financials – financial counselling was provided for those who got their contract letters, in terms of you know, their severance pay...and could offer them the financial counselling in terms of going forward...from personal experience I am going to tell you that I don't think that was really a resource for people who were staying behind.”*

According to Armstrong-Stassen (1994, p.604), most organisations do little to prepare their employees for workforce reductions or to assist survivors in dealing with their reactions following retrenchments. The results of the aforementioned study suggested that “stress management and counselling, with special emphasis on adaptive coping strategies, would benefit survivors and the company by minimising the detrimental effects” of retrenchments.

It could be argued that the lack of constructive support from the organisation encouraged survivors to resort to sleeping tablets to gain temporary relief from the anxiety that they experienced. There is one question that remains, which is: How did these individuals cope after the discontinuation of sleeping tablets – and what is the effect on and the cost to Company X?



## **Contributory themes**

*Rationale: Global economic crisis*

In a review of the company communications during this time, it was found that the company clearly stipulated the reason behind the retrenchment and confirmed this in several communications.

*“The global financial crisis, as a result of the credit crunch in the United States, has had serious repercussions in the manufacturing sector worldwide. The automotive industry has, unfortunately, not been immune to the devastation wreaked by the economic meltdown and many companies are facing tough times in the face of existing and forecasted decline in vehicle sales and reduced production volumes...Until market conditions improve, one option under consideration is a rationalisation and restructuring programme aimed at ensuring COMPANY X’s viability through this difficult period. Although no final decision has yet been taken in this regard, regrettably some COMPANY X employees may be affected by measures implemented under such a programme.”*

Despite this, participants were rather unclear about the rationale for the retrenchments.

*“The objectives were pretty clear and that was that we need to look at the functions within the department, and the main objective was not clearing heads, that was never the main objective. The main objective was look at the functions, how can we work and structure this department to work smarter. Not necessarily cheaper, but smarter and obviously ultimately – is there a possibility for the rightsizing.”*

*“If I remember correctly – and it feels like a long way, lots of water has run under the bridge and into the sea – the main objective was at that point in time for Company X to continue, and not to close our doors. Some of the rumours were that we will close our doors if we do not get through the economic situation that everybody was in worldwide. Now, one of the objectives that I understood was to decrease headcount, but to keep on delivering the same amount of production.”*

These diverging responses, despite fairly clear communication from the company in this regard, could perhaps be explained by choice of communication media. As discussed in the preceding section, a diverse workforce requires a diverse range of communication media. Further to this, messages with high threat content should be discussed face-to-face.

However, the responses could also be understood in light of the research findings of Levitt et al. (2008) who stated that, when the intention to retrench is communicated purely in economic terms, this gives rise to a predicament, as employees view retrenchment as a social and not only an economic issue.

It can be argued that, in the event that Company X was successful in implementing the retrenchments in such a way that mitigated the negative impact on the survivors, this rationale could have been used to their advantage. The global economic crisis could have been identified as the scapegoat as the global impact of the crisis appears to make sense to the employees. By displacing culpability in this manner, the organisation can attempt to redirect the survivors' negative attention away from inappropriate entities - such as organisational management – and prevent the possibility of serious damage to the organisation (Guiniven, 2001).

### **5.3 SUGGESTED INTERVENTIONS**

Organisations often expend a lot of effort in anticipating and preparing for the victims of retrenchment; however, organisations are quite often unprepared for the low spirits and lowered job performance of survivors of the retrenchment (Appelbaum et al. 1997). As the present study demonstrated, when Company X needed its employees to be at their best, they were often at their worst.

It should be noted that, for best results, level one interventions should be planned before retrenchments actually occur and implemented during the retrenchments, or at most 30 days after the commencement of the retrenchments. After the timeframe has lapsed, the survivor symptoms solidify and the road to post-retrenchment organisational health becomes more difficult to navigate (Noer, 1993). In Company X, denial is so entrenched

that nothing is ever done, despite overwhelming evidence of survivor syndrome. According to Noer (1993), some of these organisations are dead, but have not realised it.

The interventions presented in Table 5.2 are based on the model developed by Noer (1993) and discussed in section 3.3.6 of this document. This table contains interventions that are drawn from the literature on survivor syndrome (Appelbaum et al., 1997, 2001; Brockner et al. 1993; Kets de Vries & Balazs, 1996, 1997; Noer, 1993) and from the range of outcomes, emotions and suggestions expressed by the participants of the study. These interventions are not exhaustive and are specific to Company X's current situation and to be utilised in the case of further retrenchments being contemplated.

**Table 5.2: Suggested interventions for Company X**



**Level 1: Managing perceptions and communications**

- **React to existing symptoms.**
- The manner in which excess positions are identified should be consistent and uniform throughout.
- Communicate the steps assistance to victims.
- Communicate frequently, honestly and consistently using a variety of communication mediums. Only reporting the decisions and results allows rumours and ambiguity to flourish.
- Involve employees in identifying what needs to change through retrenchment and in implementing those changes.
- Associate the process with a clearly articulated vision of a desired future for the organisation.
- Information should be comprehensive as possible and perceived as credible by employees.
- Top management should be especially visible during the implementation so that employees have the opportunity to ask questions and voice concerns.
- Employees must be informed of how they fit into this new organisational structure.
- Employees should be made aware of the new rules of the game. Management must also ensure that employees are aware of the new opportunities available. This will prevent employees from automatically assuming that the organisation has few opportunities to offer in terms of professional development and growth.



**Level 2: Facilitate the necessary grieving**

- **React to existing symptoms.**
- This stage uncovers repressed feelings. Not all survivors are completely aware of how they feel, and therefore this stage helps them discover their true feelings towards the merger and also provides them with an outlet to release those feelings. One way to accomplish this ventilation of feelings is to set up small discussion groups that may meet several times during an episode. A one-time meeting is simply not enough.
- Vast majority of survivors repress their feelings and have no personally or organisationally sanctioned outlet for anger and fear.
- Repression of survivor symptoms is hazardous to individual and organisational health.
- Full access to counselling services, help and support should be available for both surviving and terminated employees.
- Facilitation of grieving requires helping, empowering, listening and coaching skills from managers.
- As facilitating release and grieving is a key management role, managers should receive training to be better equipped to address the need of survivors.
- Kübler-Ross theory legitimises survivor' feelings and provide common language for facilitators and survivors to use when discussing previously repressed survivor feelings.



**Level 3: Break the co-dependency chain and empower people**

- **Offers possibility of mitigating negative effects of retrenchment .**
- Survivor syndrome can be reduced by survivors' taking action to may be reduced only by the actions to counterbalance perceptual and communication problems just described.
- This stage assists the survivors to take control of their lives, and the new situation once again. They should no longer feel as though they have lost control and are in a former helpless situation. The employees should no longer feel so intimately attached and dependent on everything that happens to the organisation.
- The organizational goal is empowered employees working with minimal control.
- Employees need to consider shifting loyalty to employabilities within the organization. For the individual, it offers the chance to take on broad personal career ownership, rather than listening to the rhetoric, and feeling more empowered. For organizations, it offers the chance to achieve more flexible and painless change, and the opportunity to generate more appropriate behaviour.
- Connecting with a core purpose: One exercise that often works well is writing a personal mission statement and reading it out loud, to get others' feedback. This feedback provides the employee with a deeper understanding, which ultimately is very constructive. The key to all these strategies is the individual effort put into them, which yields the best results.



**Level 4: Build new employment relationship**

- Stage four is the wrap up, helping the survivor get over their 'sickness'. This stage takes the employee from the old way / system to the new one. Thus, at this stage employees should successfully reach the goal of surviving.
- The organisation should define a new working relationship independent of the old employment contract.
- If the underlying culture is still deeply rooted in the old employment contract, an explicit announcement on the new employment contract should be made.
- Having defined a new employment contract, an organisation must also provide tools for employees in career self-management. They should be encouraged to develop the skills necessary to thrive in the job market, thus becoming less dependent on the employer for security and direction. Some proactive measures can include:
  - a comprehensive career resource library;
  - assessment and counselling and online job postings.
- Given that retrenchment exercises have become as widely accepted and implemented as restructurings, re-engineering and re-organisations, seeking employee input and informing employees of the long-term goals sought should be present on a continuous basis.

## **5.4 SUMMARY**

This chapter presents a discussion of the findings of the present study. The discussion commenced with the manifestation of survivor denial and end state resulting from the cumulative effect of the holistic experience of the retrenchment experience. The second and third theme focuses on the survivors' affective and behavioural responses respectively to the retrenchment experience. The final theme considers the survivors' enduring perception of the retrenchment experience. Each theme is accompanied by a discussion of aggravating contributory factors. Ultimately, the results and notable previous studies were utilised to develop Company X's specific interventions to attempt to alleviate the manifestation of survivor syndrome. The literature review is supported to a large extent by the research findings.

## **5.5 REFLECTION OF OWN EXPERIENCE**

This reflection is situated at the end of the results and discussion chapter, as I did not wish to prejudice the reader in the exploration of the research findings. However, I have come to realise, in the course of the study, that complete neutrality, subjectivity and detachment is impossible when one is intrinsically involved in the situation being researched.

Although I have endeavoured to remain as neutral and objective as possible in the collection, interpretation and presentation of the data, it is imperative to realise that I can never fully attain this ideal. As an employee of Company X, it is conceivable that I have also been affected by the retrenchment and, as such, bring strong personal beliefs and experiences to the present study.

I found it difficult to refrain from actively taking part in the "discussions" during the interview phase - as I shared the majority of the views and opinions expressed. I found it particularly hard to remain emotionally uninvolved with one of the participants; as a result of my position (in terms of department) in the company, as I am privy to information (both personal and work-related difficulties) relating to employees. I found myself wondering how much more this woman could take. This experience weighed very heavily on my conscience throughout the writing of the present study.

As I analysed the data, I realised that I responded with a mounting sense of frustration to the perceived injustices committed against survivors and victims' and the seemingly blatant denunciation of the effect that these actions had. These feelings were exacerbated as the new Automotive Development Programme necessitated organisational change. In response, Company X has launched a company-wide project in order to prepare the organisation for this change. It seems as if the organisation (or the high-ranking project team appointed) yet *again* seemingly embraced the view that it is a simple process of moving the organisation from "here" to "there" by using various traditional change management strategies such as communication, training, participation, negotiation and coercion and applying these to individuals and groups targeted for change. The idea is that if one strategy fails, one can simply move on the next strategy. The organisation completely ignores this and pushes all in the direction of yet another new change, whilst the resistance to the previous change process has not even been dealt with yet. It probably does not help that the same individual that lead the retrenchment initiative, leads the new change initiative. This is perhaps personal bias and distorts my view of the organisational change process, yet I have the niggling thought that the organisation does not learn from past mistakes – do they even realise that something is "off" with the workforce or are they denying this phenomenon.

Finally, it is interesting to note that I experienced extreme resistance in writing this reflection. My initial thoughts were as to what I should write, as I perceived myself as a tool in exploring other survivors' experiences. This discomfort most probably stemmed from the fact that I had to face my own reactions, denial and negative impact that I had on others during the process.

A little reflection reveals that every belief, even the simplest and most fundamental, goes beyond experience when regarded as a guide to our actions.

The subsequent chapter documents the limitations of the present study, recommendations for future research and the conclusion.

## **CHAPTER 6: RECOMMENDATIONS AND CONCLUSIONS**

In this concluding chapter, I will revisit the objectives of this study and discuss how these objectives were achieved, outline the main findings of this study, review how the findings relate to current and established research on retrenchment survivors and reflect on the trustworthiness of the research process. The chapter concludes with the limitations of the current study and recommendations for future research.

### **6.1 OVERVIEW**

This study aims to provide an understanding of the impact of retrenchment on the survivors, as they are the employees the company will rely on to move forward. By understanding the attitudes, behaviours and emotions of survivors, a broader perspective of the true short and long-term benefits of retrenchment can be derived.

The study was conducted among retrenchment survivors operating at various levels in different functional areas. Qualitative data was collected by means of conducting semi-structured interviews, as well as by the analysis of company documents. It should be noted that the study is bounded as a case study – data however, was analysed according to the constructivist grounded theory guidelines, as this offers greater trustworthiness.

The subsequent section illustrates how the results of the study aligned to the research objectives provided.

### **6.2 RESEARCH OBJECTIVES**

The primary objective of this study is to explore and describe the perceptions and experiences of survivors of retrenchment in the automotive industry. By understanding the attitudes, behaviours and emotions of survivors, a broader perspective of the true short and long-term benefits of engaging in retrenchment can be derived.

The preceding discussion clearly demonstrated that the rich data obtained from the participants facilitated an understanding of the survivor experiences and subsequent functioning in the organisation. It should be noted that the data collection for this study took place one year after the retrenchments, yet the pervasive negative perceptions and consequences were still evident. This supports the literature review and previous assertions that these persistent negative effects negate most, if not all, benefits to be gained from engaging in retrenchment.

Further this, by appreciating the experiences of the retrenchment survivors, guidelines for organisations that are contemplating, or have already commenced with retrenchments to reduce the anticipated negative effects of the retrenchment process can be developed.

### **6.3 FINDINGS AND LINKS TO LITERATURE REVIEW**

Based on the findings of the present study, it appears that survivor syndrome is alive and well in organisations. Consistent with the literature review, Company X engaged in retrenchments to reduce costs and increase efficiencies in a declining economy, however, a number of negative consequences of retrenchment were evident. These survivor responses can hamper Company X's recovery, as it has made itself guilty of the two major reasons for the failure of retrenchments, namely ineffectively planned, managed and implemented retrenchment that led to resentment and resistance in surviving employees.

Previous chapters indicate that once organisations find themselves in the midst of a financial crisis owing to a decline in sales and increased costs, retrenchments are often implemented as a means to a short-term cost saving goal. Once the impact of the global economic crisis became apparent, Company X implemented this intervention.

The survivors employed denial in order to shield their psychological wellbeing from the traumatic experience of the retrenchment. Previous chapters discussed the norm of denial of survivor syndrome symptoms - as this form of psychological numbing is also found in survivors of other forms of trauma, it was deemed appropriate to utilise the Kübler-Ross grief framework to equate the survivor responses to. There are clear



similarities between the Kübler-Ross stages and the stages that individuals experience when dealing with organisational change such as retrenchments.

As colleagues are perceived as symbolic relatives, the retrenchments led to a sense of separation and loss for the survivors. As discussed in the literature review, a need to grieve arose. However, these survivors were unable to properly grieve over the loss of the “old organisation” resulting in an inability to progress through the phases of the grief framework. This leads to the survivors becoming trapped in denial - refusing to accept or acknowledge the full impact of the retrenchment on themselves as well as denying their role in upsetting others’ lives and therefore unable to progress from the point of not accepting the inevitable future.

Based on the literature and the findings of this study, it could be argued that one of the major driving forces in the manifestation of survivor syndrome is due to the breach in the tacit rules that comprise the psychological employment contract between employer and employee. The present study and the literature support the notion that this contravention of the psychological contract created a sense of violation amongst the survivors. This perceived betrayal leads to feelings of frustration and resentment, distrust in the organisation, decreased satisfaction, organisational commitment, intentions to stay and an increase in stress.

This survivor denial resulted from the cumulative influence of negative consequences experienced as a result of the retrenchment. These negative consequences took the form of affective and behavioural responses.

Contributing to the affective responses of survivors was the perceived fairness of the process of retrenchment and the perceived fairness of the selection and the treatment of the victims. The presence of the ‘fair treatment of victims’ has been discussed in the literature review, however, in the literature, this has been assigned as a significant mitigating factor for the manifestation of survival syndrome. In the present study, however, it appears that this factor is not a mitigating factor to the development of survivor syndrome, but rather a key input to the overall perception of the retrenchment process.

Once Company X implemented retrenchment, the survivors were expected to keep the organisation operational and function effectively with a reduced workforce. Consistent with the literature review, the survivors felt that they were asked to take on additional roles while getting very little in return - these role perceptions had important implications. Role conflict appears to be an aggravating contribution to the state of survivor denial, whilst role ambiguity had psychological (anxiety) and behavioural (possible decrease in performance) implications for the role occupants.

Consistent with the literature view of this document, the differentiating factors in the survivors' perception of the overall retrenchment experience are the level of involvement and the perception of communication during the retrenchment.

Lack of communication, specifically failure to keep employees sufficiently informed about the envisaged long-term goals of Company X, changes taking place, survivors' place in the newly structured Company X, additional work demands and the perceived lack of opportunities for career growth resulted in survivors viewing the entire process with distrust.

The level of involvement in the planning, implementation and even administration of the process appeared to be the single most important mitigating factor in regulating the intensity of the negativity experienced; however, this did not mitigate the manifestation of denial in the survivors.

Utilising the model developed by Noer (1993) as the underlying principles to the non-exhaustive interventions for Company X, information was drawn from the literature on survivor syndrome and from the range of outcomes, emotions and suggestions expressed by the participants of the study.

As is evident in the literature and in the results of this study, the survivors of retrenchment play a considerable role in facilitating or hampering the accomplishments of the organisational goals. Yet, despite the survivors being the linchpin of future profitability, they are often ignored.

To illustrate the dependability of the study, the subsequent section discusses the trustworthiness of the present study.

#### **6.4 EVALUATION OF TRUSTWORTHINESS**

In terms of my constructivist orientation, it should be noted that the aim of my research is to understand the survivors' experiences and interpret these experiences rather than objectively assess them. I therefore acknowledge that the present research is interpretive and based on the subjective realities of both myself as the researcher and the participants.

Further to the above and in an attempt to ensure the trustworthiness of the study, the criteria and techniques put forward by Lincoln and Guba (1985) for assessing the trustworthiness of qualitative research were employed. Congruent with the underlying principles of trustworthiness, I endeavoured to demonstrate consistency by means of keeping to the criteria and proposed actions as outlined in section 4.6.

In an attempt to illuminate certain criteria, it is important to note the following:

- Within the credibility criteria, member checking and the facilitation of prolonged engagement often took place simultaneously. In the course of regular follow-up with participants, discussions regarding the present study arose spontaneously. To this extent, I noted the pertinent information at the first available opportunity.
- In an attempt to shelve my personal biases and analyse the data in an unbiased manner, I engaged in a self-reflection. Excerpts from my own memos in Chapter 5 confirm reflection activity.
- Table 6.1 also refers to the concept of an inquiry review, whereby the product of the study is examined. This review is entrenched in the role of the supervisor and pertains to the review of the data, findings, interpretations and recommendations and agreement that the data supports the findings and recommendations of the study.

Figure 6.1 below provides an overview of the criteria and actions employed.

Figure 6.1: Overview of criteria and actions taken to ensure trustworthiness of present study

CRITERIA: DEMONSTRATION OF TRUSTWORTHINESS OF THE STUDY							
CREDIBILITY	Prolonged engagement			Triangulation		Peer debriefing	Member checks
	<i>Culture</i> : As the researcher is employed by the company, and has been in their employ for a period of five years, this sub-criteria has been met.	<i>Building trust</i> : Three individuals with whom I have a close working relationship with were selected as participants.	Regularly following up with the participants to enquire about general well-being, and to solicit specific information pertaining to the present study and to address any concerns.	<i>Source triangulation</i> : Data was collected from three participants and company communications to employees during retrenchment.	<i>Method triangulation</i> : Different data collection methods were utilised to obtain a more holistic understanding - semi-structured interviews, recordings thereof and company	For the present study, the role of peer was that of an academic (my supervisor) in the field of qualitative analysis that can provide critical feedback and discussion.	I continuously discussed my developing account of the participants' experiences, predominantly to explore contradictions to my findings. I did not credit all the criticisms received; however, I did weigh their meaningfulness.
TRANSFER-ABILITY	To aid in the decision making of a third party as the transferability of the study, the researcher provided a theoretical framework to indicate how data collection and analysis was guided by concepts, models and theories. This information demarcates the theoretical and methodological parameters of the present study.						
DEPENDABILITY	There cannot be any validity without reliability – and therefore no credibility without dependability – a demonstration of credibility is sufficient to establish dependability. Since this argument establishes dependability in practise, it does not deal with the principle. Based on this, he proposes the inquiry audit.						
	A detailed <i>inquiry audit</i> will be made available whereby all materials related to the undertaking of this study may be externally reviewed for quality and consistency. The enquiry audit consists of verbatim interview transcriptions, code lists and code summaries, code families, categories, axial and personal memos used to record analysis notes. This audit serves to support the <i>dependability</i> of study.						
CONFIRM-ABILITY	This refers to whether the findings of the study could be confirmed, or the same conclusion reached by another. In this regard, the following ensures confirmability:						
	Triangulation		Reflectivity		Inquiry review		
	Criteria met - refer to elsewhere in this table.		Criteria met - see brief discussion in section 6.4.		Supervisor examining the <i>product</i> of the research study - criteria met. Refer to section 6.4 for brief discussion.		
RESEARCHER INTEGRITY	It is my opinion that, to the best of my ability and knowledge, all the aforementioned requirements of researcher integrity were met throughout the study.						
ETHICS	Adherence to the University of Pretoria's guidelines for responsible research at every stage of research.						

## 6.5 RECOMMENDATIONS FOR FUTURE RESEARCH

As with all research, the present study is subject to certain limitations. The first of these limitations is that the findings do not necessarily reflect the entire reality of the survivor, as data was collected during once-off interviews. The lived experience of survivors as described is a snapshot of experiences in time.

The findings obtained from the relatively small sample of participants are not representative of all survivors of retrenchment and the identified themes are not necessarily representative of all survivors. In this regard, I do not assert that I have discovered all potential and pertinent themes regarding the expectations of teamwork. Subsequently, findings should not be generalised, as the intention is to enrich the understanding of retrenchment survivor experiences and not necessarily generalisability.

Finally, the lack of focus on the differences in individual characteristics of participants, for example, self-esteem, resilience, personality or emotional intelligence presents a limitation to the study.

In order to address the limitations of the study, the following recommendations for future research are provided:

- As the present study provided a retrospective view on the retrenchment experienced, it is suggested that future research about the experiences of survivors is conducted as a longitudinal study, conducting multiple interviews at different time periods to examine how perceptions change during the period of the retrenchment intervention.
- Previous research (Cramer, 1987) indicated that there appears to be a gender difference in the application of denial as a defence mechanism. To this extent, a study including male participants in the sample might provide insight with regards to the gender differences in employing defence mechanisms in a similar situation.

- Consideration should be given to the impact of previous retrenchment experiences and the mediating or aggravating effect that this might have on the experiences and perceptions of survivors.
- Lastly, future research could be specifically concerned about the role individual traits play in the perception of retrenchment and could explore some of the issues relating to the limitations of the study as set out above.

## 6.6 CONCLUSION

This chapter provides a bird's eye view of the present study. The trustworthiness of the study, findings and links to the literature review and whether the study met the research objectives set out at the start of the study were discussed. Consequently, the limitations of the present study as well as recommendations for future studies were explored.

This study highlighted the behaviours, affective responses and end states resulting from ineffective planning and implementation of the retrenchment process, as well as insufficient support for retrenchment survivors. The survivor responses are likely to be detrimental to Company X which is a significant reason for failure of retrenchment interventions and an antecedent for long-term organisational problems. Undoubtedly, organisations must include a clear strategy on how to minimise the negative consequences of retrenchment on survivors if they are to continue on the path of recovery and growth.



*"We don't see things as they are; we see them as we are."*

— *Anaïs Nin*

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# **APPENDIX A**

## **- Data collection instrument – Questions for semi-structured interview**

### **BIOGRAPHIC INFORMATION**

1. Designation
2. Number of years work experience
3. Highest educational qualifications
4. Age
5. Gender
6. Have you (or a member of your family) ever been through a retrenchment?

### **GENERAL QUESTIONS**

1. Describe your general feeling towards the company?
2. What are your long-term career plans now? Does it differ from your long-term plans prior to the retrenchment?
3. How would you describe your work environment?
4. Is there currently a sense of team within the organisation? Does it differ from before the retrenchments?
5. How would you describe your relationship with your current manager?
6. How would you describe your level of trust in the company today?
7. How would you describe your level of trust in senior management?
8. Initially, did you feel relieved to have kept your job?
  - a. Within a week of retrenchments?
  - b. Within 3 months of retrenchments?
  - c. Now?

### **RETRENCHMENT PROCESS EXPERIENCE**

1. Can you describe the goals/objectives offered by management for impending retrenchments?
2. In your opinion, did the retrenchment succeed in meeting the goals/objectives of the retrenchment? Can you elaborate on your view?

3. Did the communication increase/decrease during this time – was everyone kept informed all the time? How often did communication take place? What was the mode of communication?
4. What were the criteria to select the affected positions/employees? Were you involved in the selection of the affected positions/employees?
5. Do you think the best severance package and benefits were offered? Can you motivate your answer?
6. What sort of assistance was offered to victims and survivors?
  - a. Was counselling offered to affected and unaffected employees?
7. On the whole, what is your opinion of the fairness of the process and procedures followed? Can you motivate your answer with reasons or examples?
8. Do you think it was a good business decision? Can you elaborate on your answer?

### **PERSONAL EXPERIENCES**

1. How did you feel when you heard that retrenchments were going to take place? Did you have concerns about your own job? Can you explain your answer?
2. When you heard that you will not be affected by the retrenchment (survivor), how did this make you feel? Can you explain your answer?
3. Did your job change as a result of the retrenchments? Could you elaborate on your answer?

### **COPING BEHAVIOUR**

1. What did you do or think to help you cope with retrenchment situation?
2. As you may be aware, part of the employment contract is the unwritten psychological contract, which relates to the traditional contract of life-long employment. Do you think that employees still expect this to be true? Can you explain your answer?
3. The new employment contract is based on the reality that the world of work is changing from a position of life-long employment to a scenario where employees are now responsible for their own careers; do you think the organisation is preparing employees for this? If so, how is it being done?
4. What would you have done differently? Can you motivate your answer?

## **APPENDIX B**

**- Initial coding -**

Experiences of retrenchment survivors

File Documents Quotations Codes Memos Networks Views Extras Help

P10: PARTICIPANT C.txt 1:1 Date: 12 February 2009 (4:5) 'Executioner' role (5-0) Administrative ownership (2/Co) - Super

Not currently. I moved over to the exports department and again it happened when I was in export two years later and then I moved to Company Fleet.

Participant C, can you describe your general feeling towards the company?

I am very optimistic, obviously I am very positive. I think that for me personally Company X has been for me an incredible growing experience, not only in terms of work exposure, but in terms of educational opportunities... and this is my personal experience I can honestly say that... I started at Company X in 1984 as a typist, and then moved over to general secretary, moved over to a PA position, so there are many opportunities if you are willing to learn and to take them. But if you waiting for things to happen without putting in some education and some sort commitment, it will never happen, never happen.

What is your long term career plans at this moment – and would you say that it differs from your long term career plans before the retrenchment took place - and that would have been 13 months ago – round and about?

Absolutely. You know I think that my long term career vision is obviously – you got to improve yourself as much as you possible can – because at the end of the day, if you going through that experience, you realize that you are completely replaceable, everybody is replaceable. Obviously the more knowledge and the more experience you have in a variety of different area the more irreplaceable you become. So it is not a question of becoming irreplaceable, it is a question of being a single parent, so I have a responsibility in terms of my family structure, but also I like to be intellectually stimulated... so I never going to be comfortable just where I am now. But maybe in another 2 years I want more, I want better, and the more is not necessarily bigger grading or a higher salary, but obviously we all wanted it... that is not the more. The more is to be constantly challenged intellectually. So if you say what is my long term goals – do I want to be a general manager of Dealer Development – absolutely – if that is my challenge – that's what I want.

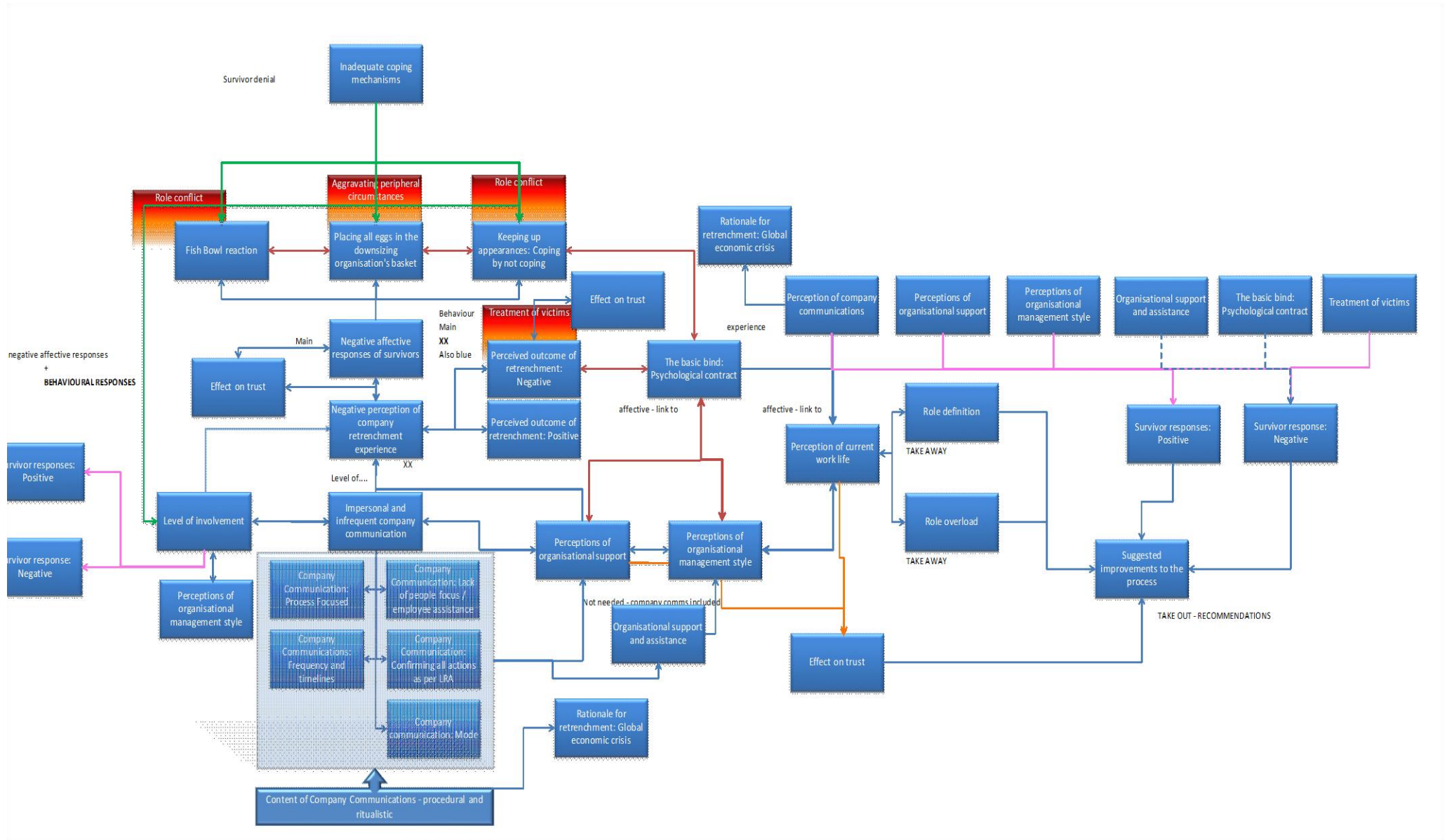
Ok. How would you describe your current work environment?

Again, you know, and then it seems almost like the fairy tale situation where I am ecstatically happy you know, you get your days where you just want to bark out of here and it is too much but that is in terms of work pressures. But if you're asking me if I am enjoying what I am doing absolutely. If you're asking me if I am challenged what I am doing – absolutely. I enjoy the people. I enjoy the challenges. I enjoy the stimulation. I interact with everybody in the company.

Expressing optimism over company's future  
 Criteria for employee satisfaction: Career development and growth~  
 Career growth and development: needs met  
 Career progression: in company X~  
 Perceived influence over career: High~ Sense of entitlement: None Perceived influence over career: High~  
 Reviewing career objectives as result of retrenchments  
 Contradictions / denial Develop self: own responsibility  
 Expendable nature of employment contract: Employees not irreplaceable  
 Viewed as cost as opposed to value adding employee  
 Employee inimitable: wide range of knowledge & skills  
 Role ambiguity: provider vs ambition / risk Experiencing insecurities: Financial~  
 Criteria for employee satisfaction: Career development and growth~  
 Role conflict: loyal employee vs ambitious employee  
 Long-term career goals: Unsure / open  
 Contradictions / denial  
 Fluctuating experience of environment: Enjoyable vs intolerable  
 Increased pressure  
 Job satisfaction: High  
 Motivated to stay  
 Energy from positive interaction with colleagues

**APPENDIX C**  
**- Complexity of analysis -**





## **APPENDIX D**

**- Informed consent form and guidelines for responsible research -**



UNIVERSITEIT VAN PRETORIA  
UNIVERSITY OF PRETORIA  
YUNIBESITHI YA PRETORIA

Faculty of Economic and  
Management Sciences

**Informed consent for participation in an academic  
research study**

**Dept. of Human Resource Management**

**A QUALITATIVE INVESTIGATION INTO THE EXPERIENCES OF RETRENCHMENT SURVIVORS AT A  
SOUTH AFRICAN AUTOMOTIVE MANUFACTURER**

Research conducted by:

Ms. N. Gerber (22074644)

Cell: 083 547 4474

Dear Respondent,

You are invited to participate in an academic research study conducted by Natasha Gerber, a Masters student from the Department Human Resource Management at the University of Pretoria.

The purpose of the study is to explore the experiences of the survivors of retrenchment in the automotive industry and how they react to this change process.

As companies often underestimate the burden on those who remain after retrenchment, this study seeks to provide guidelines for organisations that are contemplating, or have already commenced, with retrenchments to reduce the anticipated negative effects of the retrenchment process.

Please note the following:

- Participating in the study will require you to participate in a face-to face interview with the researcher.
- Interview transcriptions will be seen by the researcher and her supervisor to assist in analysing information for the purposes of the study described. All identifying information will be deleted from questionnaires. Furthermore, the questionnaires will be used solely for the purposes above in accordance with the ethical standards of confidentiality that govern psychologists.
- Your participation in this study is very important to us. You may, however, choose not to participate and you may also stop participating at any time without any negative consequences.
- Please answer the interview questions as completely and honestly as possible. This should not take more than 90 minutes of your time

- The results of the study will be used for academic purposes only and may be published in an academic journal. We will provide you with a summary of our findings on request.

Please contact my supervisor, Professor K.J Stanz on [karel.stanz@up.ac.za](mailto:karel.stanz@up.ac.za) if you have any questions or comments regarding the study.

Please sign the form to indicate that:

- You have read and understand the information provided above.
- You give your consent to participate in the study on a voluntary basis.

---

**Respondent's signature**

---

**Date**

# UNIVERSITY OF PRETORIA

## COMMITTEE FOR RESEARCH ETHICS AND INTEGRITY GUIDELINES FOR RESPONSIBLE RESEARCH:

### POLICY AND PROCEDURES

#### 1. GENERAL

1.1 The University of Pretoria has a research duty that has to be performed for the benefit of science and for the community the University is serving.

1.2 The University of Pretoria and researchers employed by the University acknowledge that research has to take place within a particular academic value system. Part of the mentioned academic value system is that the University and researchers within the University

1.2.1 should always be true to the ethic principles of justice and credibility;

1.2.2 have an increased research responsibility and duty when research is done involving humans, animals or the environment as subjects of the research.

1.3 To ensure that research takes place within the mentioned value system throughout the University, the University decided to lay down certain policy guidelines and procedures.

1.4 From the above it necessarily follows that the University condemns and discourages research taking place outside the mentioned academic value system.

1.5 To determine whether research takes place within or outside the mentioned academic value system, the University provides for a system of disclosure, preapproval, recordkeeping, accountability and evaluation.

#### 2. CODE OF CONDUCT FOR RESPONSIBLE RESEARCH PRACTICES

##### 2.1 General

The following Code of Conduct is applicable to all researchers at the University.

2.1.1 Academic and research staff, students and research collaborators of the University

2.1.1.1 are compelled to be intellectually honest at all times and always conduct themselves professionally;

2.1.1.2 should at all times meet the legal requirements of a specific research project or which may be affected by it;

2.1.1.3 should comply with the research ethical rules applicable within the University, Faculty and/or discipline;

2.1.1.4 should comply with the research ethical rules laid down by a particular professional body within the field supervised by that body;

2.1.1.5 should at all times refrain from any action that may be considered as research misconduct.

2.1.2 The above implies that researchers should not dishonour the confidence put in them by colleagues, research colleagues, the University or the broad community.

A single researcher's misconduct has a negative impact on the good name of the University and as such has an indirect effect on the credibility of the community of researchers within the University.

## **2.2 Discipline-driven requirements**

2.2.1 The University recognises and endorses some discipline-driven ethical codes with international acknowledgement and it accepts these codes and standards as guidelines and rules for research at the University. The particular codes are available for perusal at relevant faculties/schools.

2.2.2 In addition to the international codes, the Ethics Committees in Faculties may prescribe requirements applicable to researchers and research projects within the Faculties.

## **2.3 Pre-approval**

2.3.1 Research may not be done without the prior written approval by an Ethics Committee or other constituted Committee.

2.3.2 Each Faculty has its own particular procedures to be followed in order to obtain the approval as mentioned above.

2.3.3 Each Faculty has a framework document that researchers could use to obtain the approval as mentioned above.

2.3.4 If the approval of any person involved in research is required in order to do the research, the approval needs to be obtained prior to the research. The person providing

the approval should be given sufficient information to be in a position to make an informed decision.

2.3.5 No undue pressure may be put on a person to persuade him/her to participate in the research programme.

## **2.4 Recordkeeping**

Each Faculty needs to keep proper records of all approved and rejected protocols as well as of the status of the approved project.

## **2.5 Conclusion of projects**

After completion of a project researchers need to inform the relevant Ethics Committee and need to certify that the research has been completed in accordance with the approved research protocol.

## **2.6 Confidentiality**

2.6.1 All research results should generally be open to evaluation by colleagues within the University, other researchers, interested parties and the public.

2.6.2 If confidentiality is required, researchers are required to honour it. An Ethics Committee should however, provide approval prior to the start of confidential research.

2.6.3 Research information should not be used for any other purpose than it was required for or for which approval was given.

2.6.4 The University may require that research results are kept confidential for a limited period of time to enable the University to protect its intellectual property.

Researchers should protect the interests of the University when it concerns intellectual property.

## **2.7 Consultation**

Should researchers doubt their authority or responsibilities or have any doubts about the ethical implications of their work, they should look for guidance from their colleagues, co-researchers, the applicable Ethics Committee, the Dean of the Faculty or Executive Management of the University.

## **2.8 Safety**

Researchers have a duty to comply with the prescribed safety procedures.

## **3. PROCEDURES TO BE FOLLOWED WHEN RESEARCH MISCONDUCT IS ALLEGED**

### **3.1 Definitions of Research Misconduct**

3.1.1 “Research misconduct” has the following meaning: The non-compliance with the prescribed rules, procedures and prescriptions of an applicable ethics committee; research outside the stipulations of an approved research protocol; failure to obtain approval prior to the start of the research (where approval is a requirement); fabrication and falsifying of research data and results; plagiarism; failing to honour confidentiality; abuse of research funds; illegal or unauthorized use of University property when doing research; raising research funds in an improper way; transgressing the University’s rules on intellectual goods and guidelines; practices that substantively deviate from generally accepted practices within the academic research community. The latter includes failure to acknowledge work done primarily by a research student/co-researcher.

3.1.2 An honest difference in interpretation or judgment on data does not constitute research misconduct.

### **3.2 Procedures**

3.2.1 All cases of research misconduct are referred to the Chairpersons of the relevant Ethics Committee of the particular Faculty.

3.2.2 The Chairpersons of the relevant Ethics Committee, in consultation with the Chairman of the Committee for Research Ethics and Integrity appoints a Committee of three members to investigate the misconduct in accordance with a procedure as approved by the Committee with consideration to the rules of good administrative processes. The mentioned committee reports to the Faculty Committee as well as the Chairman of the Committee for Research Ethics and Integrity.

3.2.3 The Faculty will take corrective action as they consider appropriate. This includes the authority to instruct the researcher to immediately cease all research.



3.2.4 If the Chairman of the Committee for Research Ethics and Integrity is of the opinion that the research misconduct is of such severity that it warrants disciplinary action, he/she should refer the matter to the Vice-Chancellor and Principal.

3.2.5 The Vice-Chancellor and Principal will take the corrective action he/she deems appropriate. This includes the authority to order that disciplinary action should be taken in accordance with the University's disciplinary code and procedures against the person who, according to the Committee mentioned above, has acted unlawfully.

3.2.6 Nothing in the above procedures will prevent the Vice-Chancellor and Principal to use another procedure to investigate an allegation of research misconduct if he/she is of the opinion that it is desirable.

### **3.3 Reporting**

3.3.1 The Chairperson of the Faculty Ethics Committee reports twice annually on the activities of the particular Ethics Committee to the Faculty Council.

3.3.2 The Chairperson of the Committee for Research Ethics and Integrity report twice annually to the Committee on complaints of research misconduct within the University as well as the subsequent steps taken.