Effects of downsizing on surviving employees of dominion farms siaya county, Kenya
Oluoch Mercy Florah¹, Dr. Michael Otieno Nyago² and Nyandiga Gilbert Oluoch³

Abstract
Downsizing is one form of restructuring strategy in which a firm reduces the number of staff, its overall size and scope permanently with the ultimate goal of greater profitability. Effects of downsizing on surviving employees in the Dominion Farms, Siaya County, Kenya is a topic conceived out of the researchers regular interaction with senior management of their organization. The objective of the study is to provide an understanding of the effects of staff downsizing on the surviving employees and the continued performance of the Dominion Farms. This study tries to closely examine the effects of downsizing in the context of surviving employees’ psychological contract with the organization. It will also contribute to the development of effective interventions for dealing with organizational change. Using the data from the survey, this paper investigates the impact of surviving employees’ attitudes of affective and continuance, commitment, general and specific job satisfaction, perceived organizational support and the behavior performance, effort, turnover intention and absenteeism. Downsizing survival was directly and indirectly associated with organizational commitment, survivors reported less commitment than unaffected employees. In addition downsizing survival was positively associated with job related stress and negatively associated with organizational support which translated into surviving employees’ low level of commitment. It’s targeted that the study will help managers to address such questions as well as to whether downsizing is an appropriate management approach especially during an economic down turn. The limitations are acknowledged and recommendations for further studies have been suggested to enable other scholars to examine this aspect exhaustively with different points.

Key words: Downsizing, profitability, performance, employees’ attitudes, turnover intention, Perceived organizational support, job satisfaction

INTRODUCTION
The intentional elimination of positions or jobs continues to be a popular management technique for restructuring organizations Cameron, Freeman and Mishra, (1991); O’Neill and Lenn, (1995). It is an activity argued to be applicable to both declining and growing organizations and is typically portrayed as a means to lower overheads, simplify bureaucracy, speed decision making, facilitate communication, enhance entrepreneurship and increase productivity Cascio, (1993). Downsizing is one form of restructuring strategy in which a firm reduces the number of staff, its overall size and scope permanently with the ultimate goal of greater profitability Diwan (1994).

Even though downsizing has been prevalent and has affected millions of workers, downsizing has not been precisely defined by many authors. Therefore, different concepts, different levels of analysis and different measurement criteria have been applied to this single construct Cameron et al., (1993). Cameron and others report that the terms encountered as synonyms of downsizing include resizing, declining, restructuring, reorganizing, re-engineering, learning-up, streamlining, reduction-in- force, rightsizing, retrenching, slimming, researching, nonadapting, consolidating and many others. Each of these concepts may share some meaning with downsizing, but may also produce different connotations and criteria for assessment. Downsizing should be clearly defined in order to be precisely measured. In this paper, downsizing will be defined as a strategy implemented by managers that affects the size of the firm’s workforce and its work process (Cameron et al., 1993). The current global economic crisis has led to many organizations to downsize in an effort to cut costs quickly and increase productivity. Organization’s ability to reap the intended benefits of downsizing

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however, is not clear. Much of the existing downsizing research falls into one of the two categories: Downsizing effects on organization’s performance and surviving employee’s morale and well being. In general, researchers in the first category as Guthrie & Datta, (2008) report mixed effects of downsizing on various performance outcomes, while researchers in the second category as Bergmann, Vanderheiden & Roraff, (2004) report consistent negative effects of downsizing on the attitude and the well being of survivors. This is particularly true for employees who perceive the downsizing process to be unfair, (Armstrong – Stassen, 2004)

**Downsizing**

Organizational downsizing constitutes of a set of activities, undertaken on the part of the management of an organization, designed to improve organizational efficiency, productivity, and/or competitiveness. Downsizing and mass layoff are certainly not a new phenomenon triggered by the rise of the financial crisis, but this trend which had started already in the 1980’s and 1990’s, was on going even in the time of labor market shortages. In the 21st Century, Organizational restructuring through downsizing is a popular solution in order to survive in a competitive market Guthrie and Datta, (2008). Even companies that are well run and financially successful use layoffs as part of their regular business strategy to stay on top of their game. However, evidence for the effects on firm performance is inconclusive Datta et. al, (2010).

There is a general agreement that downsizing results into reduced organizational commitment among survivors Datta et al (2010). Therefore, lowered commitment of employees after painful downsizing periods is identified as one of the reasons why downsizing often does not show the intended long term effect Brockner, (1998). The effects of downsizing extend beyond those employees who lose their jobs. Downsizing may also alter the work environment for those workers who remain members of the organization who referred here as ‘survivors’. Survivors far outnumber the victims of downsizing, making survivors an important population for social science research as this one. Surviving employees may perceive that the organization is not committed to them, thereby reducing their willingness to remain with the organizations (Moorman &Fuller 2001). A reduction in organizational attachment is also a powerful determinant of voluntary turn over according to Mitchel & Lee, (2005).

**Dominion Farms Yala Swamp**

Dominion Farms Limited is an American-owned, Kenyan-registered company that operates a modern, irrigated farm on a 17,000-acre leasehold in western region of Kenya. The company’s products include long-grain rice, tilapia fish, rotation crops and a number of by-products related to those crops. By virtue of its remote location, the farm is highly vertically integrated and relies upon crop by-products for much of its fertilizer and animal feed (Opondo 2006). Irrigated rice production commenced in 2006 and acreage under rice continues to increase as the balance of the leasehold is reclaimed and developed. Dominion’s dam on the Yala River forms a 1,100-acre water storage reservoir for commercial and local domestic uses and will also serves as a source of energy for a hydro-electric plant now under construction. Eight miles of reinforced dikes downstream of the dam protect the farm from seasonal flooding and miles of main canals, secondary canals, check structures and gates provide irrigation water to the rice fields. A major canal carries oxygen-rich water directly to Lake Kanyaboli in order to recharge this important source of domestic water that was previously in decline due to stagnation according to the Farms’ Aquaculturalist Enos Mc Were yearly report,(2007).

Dominion Farms entered the industry as a major employer in the western region from 2004 and hit the peak in the year 2007 with 490 permanent employees and over 400 daily casual workers in the farm at any given time. The management of Dominion farms believed that employees just like any other resource in the organization could easily be substituted, like paper clips or tractor parts and that people are easily interchangeable or replaceable with one another. They viewed staff cost as the single largest cost component and that during economic down turn, trimming the payroll could be an easier way to maintain or increase profitability in the short run subsequently the organization adapted a multiple downsizing strategy to keep afloat. The downsizing strategy has also been driven by the technological advancement leading to high level of farm mechanization. The organization has not improved its bottom line against a backdrop of massive job loses and at the same time there is a serious panic owing to job insecurity for the surviving employees.
Statement of the Problem
Downsizing has from time to time been blamed on tough economic conditions. Periods of economic slowdown are characterized by reduction of the purchasing power of the customers which ultimately depress the revenues of the firm Lurie, (1998). Management teams are therefore forced to engage in cash saving initiatives which may call for cost savings. Given that employees’ costs are the biggest controllable cost components of most organizations, staff headcount reductions become imminent (Vehtera et al, 1997). In theory downsizing is presumed to have positive outcome for the organization. This is in contrast with staff downsizing in Dominion farms which reduced its staff but still continued to struggle. Its financial report of 2008/2009 showed an operational loss of more than ksh.300million, this was more than the loss in the previous years report, and was after a massive staff cutback in September 2007. This indicates that downsizing did very little in improving its bottom lines. The farm is still faced with multiple challenges and has continued to reduce staff numbers from time to time. It is therefore necessary to examine other dimensions including looking at the perception of the survivors of downsizing and how these perceptions affect their work at the Dominion Farms.

Research objectives
The objective of this study was to determine the effects of staff downsizing on the surviving employees and the continued performance of the organization (Dominion Farms).

RESEARCH METHODOLOGY
Research Design
A descriptive research design was used. This is because the research was carried out on one specific organization, Muganda (2010). A descriptive survey also allows a researcher to describe a unit in details in context and holistically (Orodho, 2003)

Data Collection
The researcher used the questionnaire and as the main research instrument for collecting data. The questionnaires were distributed to all staff members. The questionnaire consisted of two sections; section A sought to get the background information of the respondent and the organization, section B sought to gather information about the effects of staff downsizing on the surviving employees and the organization.

Data analysis
Data was analyzed through descriptive statistics. It involved coding the information about specific characteristics or attributes and using descriptive statistics like frequency distributions, measures of central tendency, these includes mean median and mode. Inferential statistics such as regression analysis was also used to help predict variable from other variables. (Kothari 2004).

DATA ANALYSIS, RESULTS AND DISCUSSION
Response Rate
The research targeted 180 respondents but only 130 returned questionnaires representing 72.22% response rate.

Background Information of the Respondents
A majority of the respondents were male representing a frequency of 95 which is 73%, the female respondents were 35 representing 26.9%

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>35</td>
<td>26.9</td>
</tr>
<tr>
<td>Male</td>
<td>95</td>
<td>72.2</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

Out of this group of respondents, 61.51% are married while 38.4% are single. Though this may not be a variable directly affecting achievement of the objective but it justifies and underlines the maturity and responsibility levels of the respondents. The majority i.e. 75% of the respondents are in the age set of 20-30 years, they represent 57.6% of the respondents. Such group is still at the early stage of career
development and usually characterized by high ambition and commitment to their first job. The
distribution of respondents per age is illustrated below.

Table 2: Showing distribution of Respondents by age

<table>
<thead>
<tr>
<th>Age set</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td>75</td>
<td>57.6</td>
</tr>
<tr>
<td>31-40</td>
<td>30</td>
<td>23.1</td>
</tr>
<tr>
<td>41-50</td>
<td>10</td>
<td>7.6</td>
</tr>
<tr>
<td>51 and above</td>
<td>15</td>
<td>11.5</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

Out of the total respondents, 50% have served for 1-5 years. This points out the fact that they witnessed
the downsizing exercise and therefore can be categorized as survivors. This underlines the authenticity
of information and data used in this research project. The other group i.e. 34.6% have served for less than
one year and can be categorized as new entrants who were hired either to replace the victims or those
who left voluntarily. 61.5% of the respondents are employed in permanent and pensionable basis.11.5%
on temporary terms and 35% has been absorbed on contractual terms. From the findings 19.2% have 0
level qualifications of academics; 26.91% have attained certificate level; 42.3% i.e. majority have diploma
qualifications partly, 11.5% are bachelor’s degree holders. None of the respondents indicated that they
had Master’s degree or PhD qualifications.

Table 3: Showing distribution respondents by academic qualifications

<table>
<thead>
<tr>
<th>Qualifications</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>PhD</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Masters</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bachelor</td>
<td>15</td>
<td>11.5</td>
</tr>
<tr>
<td>Diploma</td>
<td>55</td>
<td>42.3</td>
</tr>
<tr>
<td>Certificate</td>
<td>35</td>
<td>26.9</td>
</tr>
<tr>
<td>O’level</td>
<td>25</td>
<td>19.2</td>
</tr>
</tbody>
</table>

Source: Survey data, (2011)

It was established that the most affected set of employees were the unionisable staff posting a high mean
of 4.11 response rate in agreement. The second category was the casual staff with a mean response rate of
3.5. The middle management was third most affected category with a mean of 2.96 and the least affected
were the top management posting a mean response rate of 2.61

Table 4: Showing distribution of victims as per the category

<table>
<thead>
<tr>
<th>Category</th>
<th>Less extent %</th>
<th>Moderate %</th>
<th>G.E %</th>
<th>Mean</th>
<th>S,D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>49.9</td>
<td>26.9</td>
<td>22.9</td>
<td>2.61</td>
<td>0.62</td>
</tr>
<tr>
<td>Middle management</td>
<td>23</td>
<td>53.8</td>
<td>23</td>
<td>23</td>
<td>0.46</td>
</tr>
<tr>
<td>Unionisable staff</td>
<td>3.8</td>
<td>19.2</td>
<td>76.9</td>
<td>3.5</td>
<td>0.24</td>
</tr>
<tr>
<td>Casual staff</td>
<td>30.7</td>
<td>11.5</td>
<td>57.6</td>
<td>3.5</td>
<td>0.81</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

Employee Understanding of Downsizing

It was established that 96.1% of the respondents witnessed downsizing. Out of that, 46.1% understand to
a moderate extent the meaning of the term downsizing of employees in an organization. These responses
posted a mean response rate of 3.46 which indicates a generally strong understanding of the term and
implication of downsizing. The study however takes a selective approach to effects of downsizing to
survivors and has been operationalized by a 5 point likert scale ranging from 1- less extent to 5 - a very
great extent. This is collapsed in to a great extent, less extent and moderate extent, where applicable, the 5
point likert scale has been put to ranging from 1=strongly disagree to 5 = strongly agree collapsed both
sides to 2=disagree to 4= agree.
Table 5: Illustrating respondents view on the causes of downsizing in the Organization

<table>
<thead>
<tr>
<th>Statement</th>
<th>Disagree %</th>
<th>Neutral %</th>
<th>Agree %</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization restructuring</td>
<td>23.0</td>
<td>19.2</td>
<td>57.6</td>
<td>3.34</td>
</tr>
<tr>
<td>Unfavorable economic recession</td>
<td>33.51</td>
<td>23</td>
<td>42.2</td>
<td>3.15</td>
</tr>
<tr>
<td>De-layering</td>
<td>30.6</td>
<td>38.7</td>
<td>30.7</td>
<td>3.69</td>
</tr>
<tr>
<td>Reduction in labor costs</td>
<td>34.5</td>
<td>15.3</td>
<td>49.9</td>
<td>3.23</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

The results indicate that 57.6% of the respondents viewed the downsizing process as being an attempt to restructure the organization, a high mean response rate of 3.34 validates this agreement. In a related issue concerning considering de-layering as possible cause of the downsizing, 50% consent and the mean score of the responses is 3.69. These findings are in agreement with Luthan and Summer (1999) assertion that the organizational design strategy is the most common reason for downsizing and it focuses predominantly upon elimination of work rather than reducing number of employees. It encompasses activities such as abolishing functions, eliminating hierarchical levels (de-layering), redesigning tasks through consolidating and merging units. 42.2% of the respondents agree that the downsizing exercise may have been triggered by unfavorable economic conditions experienced by the organization, while 23% are neutral on the issue and 34.5% of the respondents disagree. The mean score of these responses is 3.15 and a standard deviation of 0.6 this indicates that respondents general feeling is that the downsizing exercise may have been precipitated by economic factors; The result confirms Lurie, (2004) and Vehtra et al (2002) observation that downsizing has from time to time been blamed on tough economic conditions, periods of economic slowdowns are characterized by reduction of the purchasing power of the customers which ultimately depress the revenues of a firm. Management teams are therefore forced to engage in cash saving activities and initiatives which may call for cost savings; and given that employees costs are the biggest controllable cost components of most organizations downsizing is the natural reaction and result. This argument is further augmented by the findings and responses on reduction of labor costs as the possible cause of the downsizing process, 49.9% agree while 15.3% are neutral and 34.5% disagree. The responses however tally out a high mean of 3.23.

It can be concluded therefore that the farms downsizing exercise was a cost cutting process which was affected through reorganizational restructuring process.

Findings on criteria used in the downsizing exercise

<table>
<thead>
<tr>
<th>Modality</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor discipline</td>
<td>34.5</td>
<td>7.6</td>
<td>57.6</td>
<td>3.15</td>
<td>0.86</td>
</tr>
<tr>
<td>Poor health</td>
<td>53.8</td>
<td>34.6</td>
<td>11.5</td>
<td>2.50</td>
<td>0.47</td>
</tr>
<tr>
<td>Natural Attrition</td>
<td>15.3</td>
<td>23</td>
<td>53.8</td>
<td>3.30</td>
<td>0.67</td>
</tr>
<tr>
<td>Poor performance/Appraisal</td>
<td>42.2</td>
<td>19.2</td>
<td>38.3</td>
<td>2.90</td>
<td>0.80</td>
</tr>
<tr>
<td>Job Mismatch</td>
<td>78.9</td>
<td>11.5</td>
<td>11.5</td>
<td>2.00</td>
<td>0.45</td>
</tr>
<tr>
<td>Last in First Out</td>
<td>69.1</td>
<td>7.6</td>
<td>22.9</td>
<td>2.53</td>
<td>0.70</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

It is realized that 57.6% agree that the modality followed was largely based on discipline; This compared to 34.5% who agree, and a high mean response rate of 3.15 and standard deviation of 0.86 points to the fact that indiscipline was a criteria used to identify those who left the organization (victims) during the downsizing exercise. The responses also point strongly to the fact that normal retrenchment through natural attrition and retirements, deaths and failing health may have been another criteria used to identify victims of the downsizing exercise. The response to this criterion also raised a high mean response rate of 3.30 and standard deviation of 0.67. On the other hand 53.85% of the respondents agree that this was the criterion. This responses on the criteria confirm early findings that the intention and the drive was more intended to reduce work force, this is also in line with Cameron et al, (1991, 1993) conclusion that natural attrition, hiring freeze, early retirement and layoffs are used if the organizations
strategy is to reduce work force. Other criteria such as poor performance appraisal, job mismatch and technological advancement recorded a low mean average of 2.5. This criterion may have been used but to a negligible extent.

On the overall rating, of the fairness and equity of the downsizing exercise, 53.8% of the respondents disagree that there was equity and fairness applied; while 46.1% agree it was fair. Thus 50-50 stands on the fairness and equity, and the low mean of 2.23 are indicators of the mixed conceptualization of the process usually occasioned by poor communication of the intentions by the organization. This further confirms Brockner (1992) claim that the remaining workers form attributions about their employees’ intention after observing how downsizing is carried out and the attributions influence their subsequent discretionary efforts and their willingness to stay with the organization. This claim is further proved by 76.9% of the respondents (survivors) who claimed that they were not sure if they will be working for the organization in the next 5 years. Only 19.2% were sure and 3.8% were neutral and pessimistic.

**Effects of Downsizing on the Organization Performance**

It was noted from the results that the responses on to what extent the downsizing exercise at the Dominion Farms helped improve performance of the firm posted a moderate 2.7 mean response rate. 53.8% of the respondents disagree that the production per unit area improved following the downsizing. The market share did not improve either with 57.6% of the respondents confirming and only 11.5% agree that the market share improved. On the same line of argument, 45% are neutral of the sales. These findings are contrary to the Diwan (1994) definition of downsizing as a form of restructuring strategy in which a firm reduces the number of staff, its overall size and scope with the ultimate goal of profitability. But on the other hand this confirms the findings of Cascio (2004) that most organizations do not accomplish the desired improvement due to downsizing but instead experience an escalation in negative consequences.

**Effects of Downsizing on the Surviving Employees**

The discussion of the findings in this section is based on averaged feelings perception of the respondents on the whole process of downsizing on the farm and how it has affected them. It is based on Brockner’s (1992) claim that the remaining employees (survivors) from attributions about their employers and this can affect their performance as individuals and collectively as a team. It is important to note that over 79.9% of the respondents are not sure whether they will be working for Dominion Farms for the next 5 years only a paltry 3.8% showing confidence that they will still be working. This is a pointer to the pessimism of the survivors occasioned by uncertainties and this goes a long way to confirm Feldman and Leana’s (1993) conclusion that whether it is well communicated or not, downsizing makes survivors develop expectations about how they will be treated in the future. If they feel the victims’ dignity was violated, it can arouse feelings of compassion and indignation among survivors and reduce commitment to the organization.

**Table 7: Summary of findings on employee performance**

<table>
<thead>
<tr>
<th>Effect on performance</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased job performance generally</td>
<td>48.4</td>
<td>26.9</td>
<td>34.5</td>
<td>2.92</td>
<td>0.722</td>
</tr>
<tr>
<td>Increased absenteeism</td>
<td>88.3</td>
<td>11.5</td>
<td>0.0</td>
<td>1.96</td>
<td>1.21</td>
</tr>
<tr>
<td>Improved efficiency and effectiveness</td>
<td>46</td>
<td>15.3</td>
<td>38.4</td>
<td>2.88</td>
<td>0.83</td>
</tr>
<tr>
<td>Improved personal responsibility</td>
<td>19.1</td>
<td>15.3</td>
<td>59.2</td>
<td>3.46</td>
<td>0.65</td>
</tr>
<tr>
<td>Improved employee accountability</td>
<td>22.9</td>
<td>26.9</td>
<td>49.9</td>
<td>3.46</td>
<td>0.65</td>
</tr>
<tr>
<td>Improved employee discipline</td>
<td>26.8</td>
<td>23.0</td>
<td>49.9</td>
<td>3.30</td>
<td>0.71</td>
</tr>
<tr>
<td>Increased punctuality</td>
<td>26.8</td>
<td>23</td>
<td>49.9</td>
<td>3.23</td>
<td>0.62</td>
</tr>
</tbody>
</table>

Source: survey data, (2011)

The responses were rated on a 5 point scale ranging from 1: strongly disagree to 5: strongly agree, but for easy analysis has been collapsed in to disagree (D), neutral (N) and Agree (A). The mean response rate per statement and standard deviation have been used to rate the strength of the responses.

The investigations showed that there was a negative effect on employee job performance. 48.4% of the respondents disagreed that there was increased employee job performance generally to say. 26.9% were neutral while 34.5% agreed. This is response posted a low mean of 2.92 indicating the low regard of the downsizing in relation to the performance of the employee. However on issues of punctuality, which is
considered a measure of discipline, 43.9% of the respondents agree that they have improved their punctuality on duty perhaps due to the fear of being enlisted as victims. This post lay-off reaction to the post-layoff environment (Kolzerski et al 1993), such reaction is motivated by fear and mistrust. The rate of absenteeism also reduced this proved by 88.3% of the respondent who disagreed that there was increased absenteeism after the downsizing exercise. On the other hand, 11.5% were neutral while no respondents agreed of the issue of increased absenteeism. This response posted a low mean response rate of 1.96 and standard deviation of 1.12, indicating disagreement with the facts cited. It is critical that these responses be compared to the responses on the organizational performance after downsizing exercise. The responses on organization performance posted a high level of disagreement on production increase in market share and sales volumes; this is happening at a time when punctuality has improved and absenteeism record. The correlation coefficient of -0.04 was calculated between organizational performance and the individual work input. This could be attributed to reaction guided by fear rather than increased commitment; this finding in agreement with Baruch and Hind (2000), claim that surviving employees suffer a plethora of problems, such as demotivation, cynism, insecurity, demoralization and a significant decline in organizational commitment.

It was also established that the effect of downsizing on improving discipline did however work out, with 49.9% of the respondents accepting that there was improved employee discipline, similar percentage also reported improved employee accountability and responsibility; this figures can be controlled with 46.0% who disagree that there was improved efficiency and effectiveness; and the two responses on discipline and efficiency posted a contrasting high and low means of 3.30 and 2.88 respectively. This finding contradicts Devies and Balazs (1997) earlier findings that downsizing increases credibly some job security and post downsizing productivity to improved organizational structure rather than employee change of attitude and commitment to the organization. In these research findings, the tools of the measure of attitude included queries on job motivation, job satisfaction, organizational commitment and organizational commitment and organizational citizenship behavior. This posted an overall low mean of 2.69 indicating the minimal change in attitude of the downsizing exercise. 72.9% disagree that they experienced some bit of increased job satisfaction 15.5 are neutral and a paltry 11.5% agree. The motivational levels also took a decrease presenting a low mean response rate of 2.23. The weak relationship between organizational performance and the employee job performance could be also be attributed to better organizational structuring emphasizing job output and supervision as opposed to focusing cutting costs to raise the organization’s profit margins.

**SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

The exercise of downsizing at the Dominion Farms may have had good intentions for the organizations, but it is evident from the results that the anticipated organizational gains did not factor in the feelings and attitudes of the survivors. These results have confirmed assertions by Cascio (1993), that because of the failure to consistently provide the anticipated benefits, whilst maintaining an increasing role in organizational change, there has been a surge in the number of organizations that still perform poorly despite trimming their work force, if the psychological consequences for the survivors and the victims alike are not considered the organization both the organization and the employees stand to lose.

This discipline and perceived employees commitment in this research have reported high means while at the same time performance and patriotism have posted low mean response rates. However, it must be emphasized that it is difficult to measure and bring out the exact survivors syndrome. Just like in recent research; Mirabal and De-Young, (2005); Baruch and Hind, (2000) Brookner et al, (1992), the way the organization manages the whole process of downsizing really matters. This research did not endeavor to measure the management of the process by Dominion Farms but even in early “survivors syndrome” literature there was some evidence that effective management of downsizing can control negative effects on the survivors. The current longitudinal study endeavored to examine the survivors’ and literature arguments on behaviors and attitudes as well as commitment, satisfaction, perceived organizational support, performance, turnover and absenteeism.

**Conclusions**

The practice of downsizing has become such a reality today, and that its detrimental effects have been
accepted by management in many organizations as part of organizational success and progress. The attributions formed by the survivors however need to be managed and directed to positivity, because they influence their willingness to stay with the organization. Organizations may also preserve at least some trust between managers and employees by increasing the amount and frequency of communication with employees before, during and after the downsizing exercise. This may create win-win-win situation for the parties vis organization, survivors and victims’ alike.

Suggestions for Further Studies
Further work studies can be carried out on this ever expanding literature on effects of downsizing on survivors by examining the perception of the survivors during downsizing, or further still researchers need to explore on precautionary approaches that the organization should take to mitigate if not ameliorate the effects of downsizing in the Dominion Farms in Siaya.

REFERENCES

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