Survivors of Restructuring:
An analysis of the impacts on Psychological Well-Being and Work Commitment.

A thesis presented in
partial fulfillment of the
requirements for the
degree of Masters of Arts
in Psychology
at Massey University

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1998

ACKNOWLEDGEMENTS

I would like to take this opportunity to thank all those people who have made my thesis year possible. Firstly I give my sincere thanks to my supervisor, Dr. Philip Voss, for without his intellect and guidance this undertaking would never have been possible.

Of course without the love and support of friends and family, nothing of importance feels attainable or in fact worthwhile. A really big thank you goes out to all of those friends and family members who offered a kind ear to be berated by the thesis woes of the moment. A special tribute is made to Sarah, who brings with her not only support and guidance, but also the courage to continue. To my family, I extend my eternal gratitude and thanks to Melody, for always being logical and inspirational, to John for being my rock and holding steadfast wherever I go, and to Louise who has the amazing ability of always being able to make me laugh.

Finally, I wish to thank my boss, Wayne, who throughout this past year, has continually been patient and understanding and given the most valuable gift - time. I would also like to acknowledge all the AFFCO employees who participated in this research, making it feasible.

In addition, I would like to thank my saviours. My mother Melody and grandmother Margaret, who came to my rescue in a time of immense stress and panic – to the two of you I owe my graduation in 1999!

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ABSTRACT

Downsizing remains a popular management technique for restructuring organisations. This is despite evidence that, by itself, downsizing often fails to deliver promised benefits and can result in a range of other problems. In the prior literature, little effort has been focused on the people that remain within the organisation, the 'survivors', even though these are the very people who will carry the organisation forward. The present study was designed to examine the impacts of organisational restructuring on these survivors. Specifically, the impacts restructuring has on employees' work commitment and psychological well-being. A total of 98 employees of a large meat processing company participated in the study, which used a questionnaire-based methodology and had an overall response rate of 21%. The results did not identify a relationship between work commitment and psychological well-being, but due to various explanations, this result is not necessarily definitive. On the other hand, the results did indicate that restructuring had clear impacts on employees' levels of work commitment and psychological well-being and that these impacts slowly diminish over time. Site specific data was non-significant, but information on several demographic variables (for example, age, education level, income status, gender, the number of dependents a person has, their length of tenure with the company, and the number of years the employee had worked in their present job) provided very pertinent information.