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**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
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**Rachel Olivia Berkett
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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.

1.1 General explanation of downsizing

“It’s like a herd of elephants going down Main Street with each other’s trunk hooked into the next one’s tail. What they don’t know is that the head elephant is blind and has no idea what he is doing” (Kets de Vries & Balazs, 1996, *p.* 111). Unfortunately, this frightening scenario is analogous to what is happening in the corporate world today in relation to organisational downsizing.

Downsizing, or the intentional elimination of positions or jobs, is a relatively recent phenomenon that seems to have become a favourite business practice for a large number of troubled corporations (Hulsizer, 1994; Kets de Vries & Balazs, 1996, 1997; Palmer, Kabanoff, & Dunford, 1997; Tang & Fuller, 1995). Downsizing may encompass the division of unrelated businesses or the sale of capital assets (Tomasko, 1992), but its primary aim is to reduce costs through the reduction of human resources, whether by redundancies, attrition, redeployment, or early retirement (Shaw & Barrett-Power, 1997).

The last decades have been turbulent for organisations throughout the industrialised world (Ramsey, 1997). Organisations are confronted with many changes in their environment, caused by processes like intensified global competition (Kets de Vries & Balazs, 1996), the decline of industry and growth of the service sector (Palmer et al., 1997), new developments in technology (Shaw & Barrett-Power, 1997), and increasing customer demands (Tang & Fuller, 1995), as well as shorter life cycles of products and services. Due to the unpredictable environments in which organisations are now forced to operate, the key word has become ‘change’ - which often means downsizing the organisation and restructuring jobs and work processes. Due to this restructuring of jobs and work processes, work relationships are also changing with employment relationships often having to be re-established (Schalk & Freese, 1997).

Downsizing has been compared with a form of ‘surgery’ (e.g., Stoner & Hartman, 1997). It has been argued that, during these turbulent times many organisations have found themselves in such a dangerous state of health that they believe their only way of surviving is through ‘surgical’ procedures. These procedures have taken many forms, such as downsizing, rightsizing, reengineering, outsourcing, merger and acquisition

activity, and what seems like continual restructuring. As in any 'surgery', there is a dilemma, on the one hand, surgery is essential for ensuring long-term competitive survival but, on the other hand, it is inevitably associated with considerable risk. The 'surgery' is often drastic, bringing with it vast amounts of pain and trauma (Stoner & Hartman, 1997). The risks of this pain and trauma, are often taken because of the promised or expected benefits. Among the expected benefits of downsizing are often lower overheads, simplified bureaucracy, faster decision making, greater flexibility, improved quality, and increased efficiency (Shaw & Barrett-Power, 1997), smoother communication, enhanced entrepreneurship, increased productivity (Palmer et al., 1997), and higher earnings. The major goal of downsizing is, however, to make a company more efficient compared to its competitors (Kets de Vries & Balazs, 1996).

Unfortunately, the effectiveness of downsizing as a way to bring a company back to organisational health and increased competitiveness is being seriously challenged with increasing frequency (Kets de Vries & Balazs, 1997). Remarkably, only 25% of firms that have downsized actually achieve the anticipated improvements in productivity, cash flow, or shareholder return on investment (Tomasko, 1992). In addition, downsizing is not always effective the first time an organisation attempts it, with two-thirds of the companies that downsize having to do it again within a year (Pearlstein, 1994; cited in Shaw & Barrett-Power, 1997). As a final blow, a study of Fortune 100 companies revealed that financial performance actually often worsened following restructuring (Stoner & Hartman, 1997). The negative effects of downsizing do not appear to stop there. A number of writers suggest that downsizing often not only fails to achieve the anticipated improvements, but also results in a range of other problems for the employees and organisation alike (e.g., Kettley, 1995; Palmer et al., 1997; Walsh, 1996). These problems include decreased employee morale, often resulting from lower overall psychological well-being, decreased work commitment and worker productivity, a lack of responsiveness to customers and suppliers, and less product innovation and risk taking. An additional concern is that the most significant factor in the failure to meet restructuring goals is not poor strategic planning or lack of financial data, but rather the resistance of employees to change. This resistance often manifests itself in employees

either deciding to leave the organisation or 'symbolically resigning' while remaining on the job, known as psychological withdrawal (Beam, 1997).

The fact that the future success of organisations very much depends on innovation, customer service, and a strong corporate culture implies that substantial investments have to be made in those employees who remain after downsizing - the survivors of downsizing (Beam, 1997; Kets de Vries & Balazs, 1997). Apart from the pressures placed on the survivors after a restructuring, they often also carry with them feelings of guilt about their own continued employment, making them feel uncomfortable and less motivated to succeed as they question their own fate in the organisation (Wigglesworth, 1996). Low motivation amongst these employees is not surprising, as they are feeling angry, shell shocked and distrustful of the organisation and its managers. These individuals are clearly traumatised because their jobs are constantly being redefined, they are expected to do more work with fewer resources and their jobs are no longer secure (Caudron, 1995).

Whatever the organisation's reason for downsizing, those who survive it take downsizing as a personal rather than a cost issue and it is therefore inextricably linked to the issue of employee morale, which can directly affect psychological well-being and work commitment (Kettley, 1995).

1.2 Statistical Information

Downsizing remains a popular management technique of restructuring organisations. This is so despite evidence that downsizing often fails to deliver promised benefits and often results in a range of other problems affecting the employees and the organisation (Kettley, 1995; Palmer et al., 1997; Walsh, 1996).

1.2.1 International statistics

A 1991 American study found that over 85% of the Fortune 1000 firms downsized between 1987 and 1991 and that in 1990 alone more than 50% downsized. In

that same period, smaller firms announced the layoffs of an additional 1,000,000 employees in their efforts to reduce costs and increase profitability (Mishra & Mishra, 1994).

American corporations continued to slash more than 500,000 jobs in 1994, according to the Wall Street Journal, a rate of nearly 10,000 a week (Allen, Freeman, Reizenstein, & Rentz, 1995; Mendenhall, 1995). A further 250,000 layoffs were announced in the first five months of 1996 (The Economist, 1996; cited in Palmer et al., 1997). A 1994 survey by the Wyatt Co. and Fortune magazine showed that 86% of the 4,500 largest companies in the U.S. had downsized during the previous five years and expected to do so again (Kogan, 1996). Unfortunately, as this shows, the downsizing trend does not appear to be abating.

Looking at these statistics, the effects restructuring has on an organisation need to be examined, and the question asked whether the benefits of downsizing actually outweigh the negative consequences (Beam, 1997). Thousands of companies are trying to cope with being downsized, rightsized, or restructured, but according to a recent study by Watson Wyatt Worldwide, only 46% of the companies surveyed met their expense-reduction goals after downsizing, fewer than 33% met profit objectives, and only 21% enhanced shareholders' return-on-investment (Nelson, 1997).

The unfortunate consequence of this is that not only have companies failed to become more profitable and efficient through their downsizing efforts, they have also experienced tremendous negative side effects, especially in the areas of dangerously low levels of employee productivity and morale, and raging levels of absenteeism and turnover. Ironically, all of these effects are felt by an organisation's 'survivors', those who are 'lucky' enough to still have their jobs on the other side of the downsizing (Beam, 1997; Clark & Koonce, 1995).

These unplanned consequences that are negative and frequently have a compounding effect, have been identified by several researchers. Kets de Vries and Balazs (1996) stated that more than 50% of the 1,468 restructured firms that they surveyed reported productivity levels as either remaining stagnant or deteriorating after downsizing. In a study reported by Shore (1996), 85% of those organisations surveyed

reported that morale was worse after downsizing. In addition, Henkoff (1990) found that 74% of the senior executives in the downsized companies surveyed experienced problems with morale, trust and productivity. Clearly, working in an environment in which downsizing has occurred can have very negative effects on organisational morale and productivity, especially when companies fail to address these problems directly.

The following example is a sad but not unusual tale illustrating the possible and often likely effects of downsizing. An American based chemical and pharmaceutical firm, with \$2 billion in annual sales worldwide, discovered they were in financial trouble. Over the last seven years the company had downsized three times, reduced operational costs by 22% and downsized from 4,000 to 2,700 employees, all to make the company more competitive and cost-efficient. Unfortunately, anticipated gains in productivity and corporate profitability were not realised and irreparable damage was inflicted on employee morale and productivity. As a result, several of the company's key senior managers, whom the company had hoped to retain in the downsized organisation, started leaving the firm to join its competitors. In the past, the organisation had survived and prospered from strong employee commitment and a strong focus on sales and customer service. Downsizing had resulted in the destruction of employees' faith in management and the company and the company's eventual collapse (Clark & Koonce, 1995).

1.2.2 New Zealand statistics

Data reported by Littler, Dunford, Bramble and Hede (1997) show that 48% of New Zealand organisations downsized between 1993 and 1995 and further indicated that the frequency of downsizing was a key factor in generating negative work reactions. In New Zealand, 34% of organisations have downsized three or more times over the two-year period 1993 to 1995 and 63% have downsized twice or more. This was reiterated by Wagar and Gilson (1996), who reported that 36% of New Zealand organisations reported permanently reducing their workforce between 1993 and 1996. This figure included an average reduction of 19% of the workforce among those organisations engaging in retrenchment.

As can be seen from the statistics reported in the Lampen Salary Survey (1998), things do not appear to have improved, with at least one redundancy being experienced by 52% of Auckland companies between mid 1997 and mid 1998. This is a significant increase on the 1997 Lampen Salary Survey figure of 26%. Of those organisations that had experienced redundancies, 71% had made five or fewer people redundant, and 15% reported redundancies of between six and ten people. Generally redundancies consisted of less than 10% of the total size of the organisation and were most common in office support, administration, and clerical positions, sales, factory and warehouse positions, general management, and accounting roles. These were mainly concentrated in the public administration, construction, and manufacturing sectors.

Although these statistics appear to be small compared to those occurring overseas, they are in fact considerable when one takes into account New Zealand's total workforce. Of most concern, is the fact that the number of redundancies appears to be slowly dropping on the international scene, but are still on the rise within New Zealand's business world.

1.3 Focus on the victims rather than the survivors

To date, the downsizing literature has tended to concentrate on the technical and procedural issues associated with downsizing strategies. This focus brings with it a severe risk of cost reduction becoming perceived universally as a higher priority than people (McConnell, 1996). Although these technical and procedural issues have their merits, because successful cost control is an essential element of survival, such an approach pays insufficient attention to the impacts that restructuring has on individuals' emotions and cognitive processes and also belittles the importance of such effects (Kets de Vries & Balazs, 1996, 1997).

Those researchers who include the impacts of downsizing on people, have tended to focus on those individuals who lose their jobs through restructuring, the so-called 'victims'. Researchers usually deal with the question of how these obvious victims cope

with sudden unemployment (Kets de Vries & Balazs, 1996). On the other hand, those people left behind to cope with an often more complex and demanding workplace, frequently termed the 'survivors', have not received nearly as much attention (Beam, 1997; Bumbaugh, 1998; Hulsizer, 1994; Kogan, 1996; McConnell, 1996; Shore, 1996), which is ironic because the survivors have the greatest influence on the organisation's future performance (Irwin, 1997; McConnell, 1996; Ryan, 1989).

Not too many years ago, traditional thinking indicated that downsizing would result in survivors being so glad to be still employed that they would work harder in order to retain their jobs (Knowdell, Branstead, & Moravee, 1994; cited in Clark & Koonce, 1995). This highlights an organisational misunderstanding of what motivates workers, a view that people are merely mechanical cogs in a corporate wheel (Clark & Koonce, 1995).

Possibly as a result of this mode of thinking, employers often fail to realise that, when redundancies occur, the survivors are also severely affected (Kogan, 1996), and are left to manage in a new situation with little or no help from management (Nelson, 1997). This focus, primarily on the victims, appears limited because both the victims and the survivors have to cope with extremely stressful events, such as the loss of colleagues and friends, and the terror of starting a new life, one that lacks the security of their previous working lives (Kets de Vries & Balazs, 1996). Therefore, both parties have strong feelings associated with the restructuring. People who are cut adrift during periods of retrenchment naturally feel bitter, betrayed and confused. Those who are spared often feel fearful, cynical, defensive, lonely, depressed, insecure, and suffer from feelings of guilt (Caudron, 1996; Kaye, 1998; McConnell, 1996; Ramsey, 1997; Ryan & Macky, 1998; Veninga, 1998). The emotional turbulence of restructuring often affects survivors' loyalty to their organisation, their performance on the job, and satisfaction experienced at work (Ryan, 1989; Tang & Fuller, 1995). It is quite understandable that survivors wonder whether they will be the next to go (McConnell, 1996).

Employers must understand that the core competencies and the corporate memory of downsizing survivors are essential if the organisation is to move forward into new prosperity (Clark & Koonce, 1997) because they are the ones who are expected to make

the organisation function and ultimately succeed with fewer human resources (Nelson, 1997). Therefore, influences on survivors' behaviours and on their attitudes after downsizing should be of great interest and importance to organisations and researchers alike (Allen et al., 1995).

1.4 Identification of problems associated with the usage of downsizing

A simplistic view of downsizing has proven it to be an operation in which the costs frequently outweigh the benefits. Despite this view being accompanied by sombre statistics, it does not seem to have deterred many organisations from choosing downsizing as a strategy, frequently more than once (Kets de Vries & Balazs, 1996). Often, these organisations are faced with survivors who are yet to recover from the physical and psychological trauma of the last cutbacks. Left on their own, many will be unable to meet the demanding challenges of the new workplace. It has become apparent that survivors need specialised attention if they are to recover fully. This has been in the form of organisational therapy, which can be described as any remedial attention or rehabilitation effort designed to return survivors to their strongest possible state. The goals of organisational therapy are recognised as being to rebuild trust and reestablish a sense of commitment between the organisation and its people - both of which need to be mutual (Stoner & Hartman, 1997).

Research has identified that downsizing creates three kinds of victims: (1) Those who have lost their jobs; (2) the survivors who remain in the organisations; and (3) the organisations themselves. The first victim who is now unemployed, faces the battle of having to find a new job. Meanwhile, the survivors that remain working in the restructured organisation have already suffered and will often continue to suffer from the physical and psychological burdens of a downsized organisation. The organisation itself is often struggling to meet the expected cost reductions with an unmotivated and demoralised workforce. Research suggests that the consequences of restructuring or downsizing are not short-term and, unless these problems are addressed directly, the

organisation itself may in fact end up being the principal victim, often even after the immediate impact of the restructure is no longer recognised (Shore, 1996).

Numerous researchers have reported that the outcome of the downsizing process is very much determined by how survivors think the downsizing was handled (e.g., Herriot & Pemberton, 1995; Kets de Vries & Balazs, 1996; Kidwell, 1995; Schwind, 1997; Shore, 1996; Tang & Fuller, 1995). If managers keep their doors closed and are not available to employees, only coming out to announce layoffs, the message they send to survivors is grim - they should expect to get the same treatment if and when their time comes (Kogan, 1996). This message is further exacerbated if victims are not provided with well communicated support services or actively helped to find new jobs. Here the negatives are two-fold: Firstly, the manner in which redundancies are managed directly affects the survivors' behaviour, morale, and productivity (Kets de Vries & Balazs, 1996); and secondly, when organisations handle restructurings poorly, they often find that their image suffers as a result of victims repeating negative feelings about the company to friends, relatives and potential customers or existing clients (Kidwell, 1995). For obvious reasons, both of these issues should be of utmost concern to management.

Following the continued trend of downsizing and the identification of the problems associated with its usage, a common response has emerged within the management literature. Termed a 'process' response, this body of literature seeks to provide advice to managers on better ways of conducting downsizings. This response is based on the assumption that the negative effects of downsizing can be substantially reduced if the restructuring process is appropriately and proactively managed (Palmer et al., 1997). The following sections document three areas of best practice which are addressed in depth in the literature and offer suggestions as to how restructuring can best be handled. They include: (1) The importance of communication throughout the restructuring process; (2) ways managers can aid survivors through the process; and (3) the often misinterpreted relationship between strategies and downsizing.

1.4.1 The importance of communication

Throughout the restructuring process, the first and probably most fundamental part of 'getting it right' is communication. Communication is not a simple process - it means talking to employees, encouraging them to express their concerns, and active listening. These processes take considerable skill and are much more involved than they may at first appear. Talking to employees about restructuring takes time, often more than initially thought, and requires sensitivity. Often management are so involved in the activities of restructuring that the last thing they want to do, or feel the need to do, is spend time explaining the reasons for the changes and expected impacts on the organisation and its employees. Indeed, often management has been working on the changes for long periods so that the message, at least to them, is old and well understood, yet the people further down the organisational ranks long to know the details and to hear the message (McKenzie & Koenig, 1997; Nelson, 1997; Ryan, 1989; Stoner & Hartman, 1997; Welch, 1992).

When communication is effective, it can provide a clear picture of the organisation's history and strengthen trust, facilitate transition and change, or support management. Although these aspects are important, the real benefits of communication can be seen in what can happen if the message is not communicated effectively. If communication is lacking or ineffective, the organisation's credibility may be undermined both internally and externally, animosities may arise between employees, teams, and departments, change will be resisted and may be partially or completely impeded, and people may find it difficult to move through the transition period due to lack of understanding (Beam, 1997; Budd, 1995).

The importance of effective, two-way communication is clear and must be evident throughout the restructuring process, starting with the work force being given every opportunity to understand why the restructuring is actually happening (McConnell, 1996). Continuing effective communications throughout the restructuring process has a direct, positive relationship with increased or maintained employee job satisfaction and organisational commitment (Tang & Fuller, 1995). This is due to employees feeling secure, their concerns acknowledged while knowing that their managers have been open

and honest with them and believing that they will be kept informed of future changes in the organisation. Trust between managers and subordinates can be established, making people feel more secure and valued and therefore able to do their jobs effectively (Brewer, 1995; Kogan, 1996; Nelson, 1997; Tang & Fuller, 1995).

The method of communication should also be considered because it can raise or lower employees' tolerance or acceptance of change. It has been shown that information which is timely and honest in nature can improve employee's sense of control and also give a higher psychological threshold for absorbing change (Budd, 1995). Still many companies use outmoded methods, with reports of employees being terminated over the intercom, being led to buses and driven off, of group meetings for all employees where victims are identified through a roll call, or even having their departure watched over by security guards. These insensitive acts significantly increase survivors' resistance to change and understandably destroy existing and future motivation and trust toward the organisation (Budd, 1995; Tang & Fuller, 1995).

It has been suggested that one of the reasons why management uses insufficient or minimal communication is because of their reluctance to share disturbing information for fear of damage to morale and productivity. Yet, as has been mentioned, it is precisely the lack of realistic information that is likely to cause the greatest damage. Management should never think that information of this nature can be kept secret in an organisation, because research has found that staff always know at least some version of what is happening within 24 hours and what they do not know, they try to put together from bits and pieces of information obtained from different sources (Curtin, 1996). Naturally, this gives rise to speculation, and the rumour mill (or the informal communication network) will usually portray the situation as being worse than it actually is. The rumours can easily reach inordinate proportions, creating fear, causing employees to divert their attention from work, and if not responded to in time, may eventually lead to complete organisational paralysis (Caudron, 1996; Kets de Vries & Balazs, 1996; Nelson, 1997).

By being accessible and interacting frequently with employees, management is in the best position to provide reassurance to those in need of it by clarifying the situation, addressing concerns, and being honest and open about the likely consequences of

restructuring. Thus, the benefits of effective communication are twofold: Firstly, by minimising rumours and the undermining of credibility that can occur through ineffective communication; and secondly, through decreasing the likelihood of damaging job satisfaction, employee moral and organisational commitment.

1.4.2 Ways managers can aid survivors through the restructuring process

Although there is no ideal approach to motivating and retaining survivors, managers can take steps to alleviate the pain, confusion and anxiety employees feel as they cope with the fact that their work environment is changing and the guilt associated with keeping their job while colleagues' jobs have disappeared (Kogan, 1996; Payne, 1995). These steps include the clarification of new roles, ensuring involvement, recognition and rewards, acknowledging emotional turmoil, education, setting high standards, and upholding ethical values.

1.4.2.1 Clarification of new roles

As management strives to help employees understand the 'big picture', which should include not only the reason behind a downsizing, but also an explanation of the company's new goals and direction, the 'little picture' should also be communicated. That is, it is equally important to explain to each employee how their role or job has changed, if at all, and relate how each individual contributes to the organisation and the organisation's goals. Frequently, the most long-lasting problem after a downsizing is lack of role clarity (Caudron, 1996).

Another frequent complaint of survivors in the downsized organisation is that the dismissal of employees has resulted in an increased workload, placing an additional burden on already anxious and disoriented individuals, further deteriorating morale (Shore, 1996). To avoid this additional strain, it is essential that management clarify each person's new or changed role, areas of responsibility and workload (Kets de Vries & Balazs, 1996). If role clarification is carried out and communicated effectively, it can help employees regain a level of psychological control (Shore, 1996).

Following a restructure or downsizing, Caudron (1996) suggests companies develop performance management systems in which managers meet with each employee to help them clarify their new roles. Employees need to know what expectations have changed and how those changes may have an impact on their role or tasks. They must also be given clear guidelines and an understanding of what their major job responsibilities are, in order of priority. It is vital that management is very clear about these new job descriptions and roles as they possibly can be. The majority of employees find great comfort in knowing exactly what they are working towards and exactly what is expected of them in the new organisation.

1.4.2.2 Ensuring involvement

In many cases, positive post-restructuring employee attitudes are attributable to the involvement and vital role employees play in the process itself (Tang & Fuller, 1995). It has been suggested that an effective way to involve survivors is to have them help management in the decision making process. Payne (1995) reported that involving employees in crucial decisions will help secure their ongoing commitment to the organisation, build trust, and is vital to sparking their motivation and enthusiasm to do their best. Employees will also have a better understanding of what is expected of them, they will see how their support and efforts fit into the overall picture, often making them more supportive of the company after the restructure (Nelson, 1997; Ryan, 1989).

1.4.2.3 Recognition and rewards

After restructuring, management should recognise and reward performance that has a positive impact on the organisation. Employees feel emotionally stressed and unclear in times of uncertainty and they are likely to be sceptical about their future with the company (Nelson, 1997). To ensure that vital employees do not leave the company, they need to feel that their hard work and loyalty are acknowledged and appreciated. Although organisations can no longer make people feel truly secure or offer life time employment, it is still very important to praise or reward employees for good performance. Continuous recognition of good performance is important to reinforce

employees' need to feel that they are doing what is expected or required (Brewer, 1995). Above all else, management must value and treat all employees with trust and respect (Nelson, 1997).

1.4.2.4 Acknowledging emotional turmoil

Often management is not truly aware of the tremendous amount of emotional adjustment survivors need to work through and, even if they are aware they do not know how to help survivors through this period of adjustment. It has been shown that management frequently overlooks the fact that these employees are not as emotionally prepared to handle major disruptions as managers are themselves, often primarily because employees have not had the same time or knowledge of the restructuring that has been available to management (McKenzie & Koenig, 1997; Nelson, 1997; Ryan, 1989; Stoner & Hartman, 1997; Welch, 1992). To help employees adapt to their disturbed and changing work environment, managers must acknowledge employees' emotional upheaval and allow them to voice their concerns (Caudron, 1996). Realising this has been suggested as being fundamental to attaining the productivity and profitability gains that drove the organisational downsizing in the first place (Clark & Koonce, 1997).

1.4.2.5 Education

Learning is not a luxury in an information-driven marketplace, it has now become a necessity. Most employees know that if they are going to survive in the current work market, much less thrive, they are going to have to keep updating their skills. Today it is absolutely essential that companies make sure their employees have the right knowledge, skills, and tools to compete in the market place or are given the opportunity to gain them (Brewer, 1995; Doherty & Horsted, 1995; McKenzie & Koenig, 1997; Welch, 1992) and continuing to invest in employees through education and training sends a strong message from management about their belief in the organisation's future (Kets de Vries & Balazs, 1996). In return for this training, employees tend to invest greater loyalty in organisations where they are given the opportunity to learn and grow (Clark & Koonce,

1995) and such practices also lessen the level of survivors' guilt through limiting the evidence of dysfunctional coping patterns (Kets de Vries & Balazs, 1996).

1.4.2.6 Setting high standards

It has been found that highly motivated and empowered people enjoy overcoming challenges and will stay with companies that continually set demanding goals and give individuals the power and resources to achieve them (Brewer, 1995). Empowering employees to be creative and to develop their own skills and abilities has the added benefit of tapping into a tremendous reserve of energy, ideas, and initiative (Nelson, 1997; Ryan, 1989; Stoner & Hartman, 1997).

1.4.2.7 Up-holding ethical values

A company's ethical values, as observed by managers and employees, have also been shown to influence organisational commitment and attitudes. In a study of 1,346 marketing managers and employees, Hunt, Wood, and Chonko (1989; cited in Tang & Fuller, 1995) reported correlations between perceived company ethical values and the employees' commitment to the company. The higher the company's perceived ethical and moral values, the higher commitment to the company by the marketers and managers.

1.4.3 The often misinterpreted relationship between strategies and downsizing

Early in the 'downsizing craze' many organisations made what is now considered a mistake - excessive costs being remedied by significant reductions in staff numbers only (Kets de Vries & Balazs, 1996), often termed 'excising the fat or organisational sloth' (Palmer et al., 1997, *p.* 624). However, as has been emphasised repeatedly, strategies which merely reduce the numbers of people are more often than not doomed to fail, if not accompanied by adjustments in other components of the organisation (Kets de Vries & Balazs, 1996; Kogan, 1996; Palmer et al., 1997; Wagar & Gilson, 1996).

Working in a environment of continual restructuring, employees loyalty to the organisation diminishes and the survivors' first priority becomes job protection, rather

than improved productivity or service. This in turn affects consumers, who end up having little confidence in the output from the supposedly improved processes (Poirier, 1996).

Some researchers (e.g., Curtin, 1996; Kets de Vries & Balazs, 1996; Kogan, 1996; Palmer et al., 1997) have made suggestions of how to improve the downsizing process, once the decision to downsize has been made. These theorists have found that a broader approach to restructuring or downsizing can have a positive long-term impact, where this means that downsizing does not imply just the elimination of positions or jobs but affects the majority of the organisation's work processes. In its widest sense, the term downsizing can be used to describe a complete strategic transformation effort to change the values and attitudes of the company's corporate culture. This altered outlook, means that restructuring can become part of a company's long-term continuous improvement scheme, rather than being simply a short-term cost cutting solution (Kets de Vries & Balazs, 1996).

1.5 Breach of the psychological contract*

The 'psychological contract' is a term coined to describe the reciprocal contract between an individual and an organisation, where the individual will meet the organisation's, often unstated, needs, in return for having their psychological needs responded to and their psychological defences supported (Kets de Vries & Balazs, 1997). The arrangement with the employer can therefore be seen to be dependent on the contract, since the degree to which mutual expectations are met determines the continuation of the relationship (Hall & Moss, 1998).

Psychological contracts develop when the individual employee willingly undertakes tasks and work related roles for the employer, executing them to a certain standard in exchange for certain rewards (Schalk & Freese, 1997). Employees' job

* Research on restructuring is predominantly from the management literature, which often struggles to be evaluative. Much of this research tends to provide little or no empirical evidence and, as a result, the conclusions can lack evidential support.

security, sense of fairness, uncertainty, job satisfaction and loyalty can be drastically affected by the breach of the psychological contract. Each of these areas are covered in detail in the following sections.

1.5.1 Job security

In the case of downsizing, the organisation breaks the implicit psychological contract between employer and employee, which was based on the straightforward exchange of job security for loyalty (Herriot & Pemberton, 1995; Schalk & Freese, 1997; Schwind, 1997). As a result, a sense of betrayal exists, instead of entitlement which could have developed from a feeling of dependency (Anonymous, 1996; Kets de Vries & Balazs, 1997; Stoner & Hartman, 1997). In turn, these employees are more likely to have reduced levels of personal performance, and increased levels of absenteeism and intention to leave the organisation (Schalk & Freese, 1997).

As a response to continual restructuring, a new type of 'free agent' employee has developed. Such employees take personal responsibility for managing the future of their employment and their careers. They may show reduced loyalty and be likely to manipulate jobs and organisations, in their pursuit for personal advancement and job satisfaction (Stroh & Reilly, 1997).

1.5.2 Sense of fairness

Again the psychological contract is broken if employees feel that management have committed unfair or unjust acts (such as restructuring). It is simply not human nature to be able to work side-by-side with colleagues for years and not feel the injustice and unfairness of it all when those colleagues are singled out for redundancy and you are 'lucky' enough to remain. Survivors find it hard to keep faith in management who are able to make such seemingly arbitrary selections of those who are to leave, and this often results in the gulf between 'us' and 'them' widening (Curtin, 1996; Herriot & Pemberton, 1995).

Some researchers have suggested that this emotion arises from a belief that not everyone in the organisation is sharing the burdens or pain equally (Herriot & Pemberton,

1995; Stoner & Hartman, 1997). In consideration of fairness, it is helpful to look at the importance of distributive and procedural justice. Procedural justice, which can be defined as the procedures used to determine how the restructuring is conducted, is closely related to attitudes toward the organisation and to authorities within the organisation, such as trust in supervision and organisational commitment. Distributive justice can be defined as who is targeted and the distribution of the redundancies and is a better predictor of employee satisfaction. How decisions are made is procedural justice, what is decided is distributive justice (Tang & Fuller, 1995).

The results of a study involving 600 survivors of the restructuring of a retail chain showed that perceived fairness had a direct and positive impact on the attitudes of the remaining employees (Brockner, 1990; cited in Tang & Fuller, 1995). Thus, in this case, procedural justice was important in how the restructurings were conducted and was manifested in an impact on attitudes toward the organisation, possibly resulting in a increase in trust for supervision and increased organisational commitment. The implications could obviously have the opposite affect if the restructuring is perceived to not be fair, possibly resulting in a decrease in trust and organisational commitment.

1.5.3 Uncertainty

Human beings are characterised by a low level of tolerance for uncertainty, therefore highly uncertain environments constitute extreme risk to the psychological contract. Organisations must never overlook this. In order to maintain psychological equilibrium, survivors may reduce anxiety by destructive or impulsive behaviour. An atmosphere of fearful paranoia can result if survivors are threatened with further redundancies. In the end, this will inevitably lead to diminished productivity (Kets de Vries & Balazs, 1996).

Survivors experience a whole array of emotions in relation to restructuring which include fear, sadness, depression, guilt, betrayal, distrust, anger, anxiety, and stress. Survivors experience fear and feelings of helplessness, which increase insecurity and uncertainty (Stoner & Hartman, 1997). Sadness, depression, and guilt often accompany

fear. Research has noted that such feelings are common to survivors of any disaster (Brewer, 1995; Stoner & Hartman, 1997).

It has been shown that feelings of fear, sadness, depression and guilt often develop into a sense of betrayal, distrust and anger. This manifestation is understandable because people have been through huge transitions whereby their expectations of trust, implicit in the psychological contract, have been broken and also because it appears that innocent people have been victimised (Brewer, 1995; Herriot & Pemberton, 1995; Stoner & Hartman, 1997).

Survivors also experience anxiety and stress. Stress is no doubt the result of the changes taking place and the organisation's expectation that they must now absorb additional workloads, some of which survivors may not feel qualified to do. Fear of losing their job if they cannot cope with the increased pressures adds to their anxiety (Kogan, 1996). Stresses may be such that survivors feel they are reaching breaking point, problems with health may be arising, passive-aggressive behaviour may be resulting from anger, and home may be becoming the scene of marital strife instead of being a comforting haven (Shore, 1996).

Employees who may come to work each day wondering "will I be next?" will be neither effective nor productive. If they are preoccupied with their personal survival, individual productivity levels will be declining, at a time when improvement is needed more than ever. It therefore becomes necessary to help these surviving employees to reestablish a sense of balance within their changing surroundings and then hopefully achieve a relative sense of security. (McConnell, 1996). Past research on job transitions has identified a number of factors (e.g., control of the situation, social expectations, predictability of the situation) that make transitions more or less stressful (Allen et al., 1995). As one saving grace, management would be advised to keep these factors in mind during restructurings.

1.5.4 Job satisfaction and loyalty

Lower levels of satisfaction can result from changed dimensions of survivors' jobs. This in turn can result in negative work attitudes and lowered morale. It is believed

that increased turnover and absenteeism may follow. Stress and anxiety added to such an environment can, in the opinion of some, lead to compensation claims (Stoner & Hartman, 1997).

Brockner, Tyler, and Cooper-Schneider (1992) also found that survivors often experience a decline or break in job loyalty. Strangely this appears to be most common amongst those employees who were initially the most loyal to the organisation. This is expected to have occurred because these workers identified most strongly with the expectations of the psychological contract and, hence, experienced the greatest sense of loss and betrayal when the organisation breaks its part of the contract.

1.5.5 Additional areas of interest

Stoner and Hartman (1997) have observed three additional effects of the breach of the psychological contract. First, survivors tend to become extremely risk adverse and cautious. Second, survivors appear to lose faith in the organisation and in management. They become very cynical of management's intentions, which may be because they believe that bad decisions or mistakes made by management created the need for restructuring in the first place. Third, and perhaps the most concerning and potentially damaging, is that survivors no longer appear to be psychologically involved in their work. They do enough to remain productive and seemingly useful, but they no longer feel any responsibility or accountability to their job or the organisation, and are lacking the commitment that they once felt for their job and the organisation (Stoner & Hartman, 1997).

1.6 The emergence of survivor syndrome

Survivor sickness or survivor syndrome is a condition that describes a set of attitudes, feelings, and perceptions, specifically those of insecurity, fear, and a lack of hope, that occur in employees who remain in an organisation after restructuring (Allen et al., 1995; Curtin, 1996; Kets de Vries & Balazs, 1997; Ryan, 1989). Survivor syndrome

is a psychological response, which increases an individual's level of anxiety about work related issues and afflicts them with a sense of hopelessness about their situation. If untreated, it eventually affects a person's health, personal life, and attitudes toward work (Shore, 1996). Many feel a kind of depression and numbness and a nagging guilt because they have a job and others do not. Survivor syndrome has been described as similar to what happens to people who survive a disaster such as an aeroplane crash. In an organisation, the feelings may not be as severe but people do have the sense that they could be the next to be made redundant (Spaniel, 1995).

Survivor sickness has been described as being widespread and damaging to both the employees and the organisation's survival. Organisations undertake restructuring to reduce costs and increase profitability but sometimes find themselves at a worse position than when they started. At the very time the organisation needs innovation and creativity, it is trying to proceed with a risk-averse team (Mendenhall, 1995).

Feelings and behaviours associated with survivor syndrome include anger, insecurity, depression, fear, guilt, risk aversion, distrust, vulnerability or powerlessness, loss of morale, motivation, and hope, and lack of organisational commitment (Allen et al., 1995; Curtin, 1996; Kets de Vries & Balazs, 1997; Ryan, 1989). In the short term, these feelings and behaviours may not lead to physical and mental health problems, but if the syndrome is allowed to continue, more serious symptoms may begin to surface. These symptoms might include sleep disturbance, overeating or undereating, headaches, increase in blood pressure, digestive problems, and a general feeling of anxiety, fatigue, and muscular tension (Shore, 1996). Shore reported that 92% of the people who had experienced downsizing in the past and expected more in the future, versus 42% who did not expect future downsizing, reported symptoms in one or more of the categories, the most common being sleep disturbance. This shows that, as a result of downsizing, long term serious health problems may result, especially when there is an expectation that downsizing will continue.

The downsizing process often arouses possible defensive reactions, the most common tending to be denial. Denial is a coping mechanism which can lead to two different reactions to downsizing: (1) People either resort to denial-detachment, by

psychologically withdrawing; or (2) become hypersensitive, by becoming risk adverse and continually monitoring for danger signs (Kets de Vries & Balazs, 1997).

Professional victim status is another defence mechanism, which occurs when, out of desperation, the 'victims' are becoming victimisers. This results in a vicious cycle where, upon realising their actions, the employees feel regretful and hopeless and can drop further into the state of professional victim (Curtin, 1996). Yet another possible defensive reaction to downsizing is when survivors become passive aggressive. Passive aggressiveness is where employees passively accept the restructuring, even publicly supporting the company's action, but suppress and deny what they are going through and the pain and suffering they are feeling. Unfortunately, this passivity can lead on to aggressive behaviour (Budd, 1995; Clark & Koonce, 1995; Curtin, 1996; Estrin, 1996; Kets de Vries & Balazs, 1997; McConnell, 1996). The National Safe Workplace Institute in the U.S. estimates that 225,000 acts of workplace violence occur annually and this gives an example of this aggressiveness. Survivors who are anxious and nervous appear to be taking it out on one another, those not attempting to 'beat up' fellow workers are suing management, these lawsuits are now accounting for one-fifth of all civil suits filed in the U.S. (Budd, 1995).

The relevance of all this to organisations can be shown by a number of studies that have looked at the attitudes of survivors. In general, the findings suggest that, after an organisational restructuring, the status of survivors' job attitudes tends to decrease, specifically in areas of job satisfaction, organisational commitment, job involvement, and intentions to leave (Allen et al., 1995; Brewer, 1995; Herriot & Pemberton, 1995; Kets de Vries & Balazs, 1997; Kogan, 1996). The more survivors perceive that they have been treated unfairly or violated, the more susceptible they appear to be to survivor sickness. The feeling of loss of control over the situation and the uncertainty caused by the possible loss of their own jobs tends to have severe negative effects on job satisfaction and mental and physical health (Nelson, Cooper & Jackson, 1995). The sharp increase in the size of their workload, longer working hours, and fewer vacation days can reinforce this effect, leading to inefficiencies and possibly burnout (Caudron, 1996; Curtin, 1996; Kets de Vries & Balazs, 1997; Ramsey, 1997; Shore, 1996). This tends to result in decreased

productivity, employees coming to work later, taking more time off and, in some cases, leaving. A 1993 Wyatt Co. survey on corporate restructuring showed that only 22% of the firms that downsized between 1986 and 1991 increased productivity (Kogan, 1996).

Obviously, the reaction patterns among individuals who are affected by the downsizing process vary widely and those described here tend to run to the extremes, but they are occurring more often than is necessary. Unfortunately, management are often not aware of what they will have to face during the downsizing process and often fail to take into account the behaviour of the people involved, which is in fact the most significant determinant of the success or failure of restructuring (Kets de Vries & Balazs, 1996).

However, the likelihood of disaster striking amongst employees and management due to extreme reaction patterns is significantly reduced if downsizing is acknowledged from the beginning as an emotionally difficult process. Within this acknowledgment process, it is important that management prepare themselves and their subordinates for the various psychological reactions that are likely to emerge during the restructuring process (Kets de Vries & Balazs, 1996; Shore, 1996).

1.7 The Impact on Work Commitment and Psychological Well-Being

Downsizing is undertaken to achieve a new state of well-being in an organisation that is functioning poorly (Beam, 1997). Daniels (1995) reminds us that any comprehensive analysis of the consequences of layoffs must include survivor reactions of organisational and personal significance. Therefore, we will be focusing in this study on both work commitment, the significance of the organisation, and on psychological well-being, the significance of the person. These represent what survivors' value, what may be lost as a result of downsizing and in turn what needs to be regained. Survivors have expectations that the company will help them make the necessary recovery to being effective and productive employees (Beam, 1997).

1.7.1 Work Commitment

Commitment to work gives people a strong sense of duty towards work which has intrinsic value for them. Thus work becomes a central life interest (Mueller, Wallace, & Price, 1992). This commitment benefits the organisation as well as the employee because it reduces turnover and absenteeism, and increases performance (Reilly & Orsak, 1991). Work commitment, as identified by Blau, Paul, and St John (1993), can be broken down into four subscales; namely: (1) Career commitment; (2) organisational commitment; (3) job commitment; and (4) the value of work.

1.7.1.1 Career commitment

Attitude toward a person's vocation or profession can be defined as career commitment (Blau, 1985; Irving, Coleman, & Cooper, 1997) and includes the determination to progress sequentially within that vocation or profession (Steffy & Jones, 1988).

Several different individual characteristics of career commitment have been defined by research. These characteristics function as primary predictors of subsequent individual career behaviours. The specific individual characteristics identified by Blau (1985) include primacy of work in one's life, internal control, development orientation, job involvement and organisational commitment. The marital status of the individual can indicate primacy of work in that person's life, because work can have more primacy for non-married individuals. Internal control indicates an individual's belief in their ability to influence or control the events affecting their career (Irving et al., 1997). Development orientation refers to an individual's desire to develop in their jobs and meet challenges. Finally, organisational commitment, which represents the extent to which an individual identifies with the organisation, is seen to positively influence career commitment (Blau, 1985).

Career commitment differs from both job and organisational commitment, because it can be more enduring and can withstand temporal fluctuations in job or organisational commitment. Career commitment is more future oriented since a person with a high degree of career commitment is more concerned with the effect of current

actions on their career future than with their current job or employing organisation (Bashaw & Grant, 1994).

1.7.1.2 Organisational commitment

The strength of an employee's psychological identification with, and his or her involvement in, the organisation for which they work can be defined as organisational commitment (Bashaw & Grant, 1994; Steffy & Jones, 1988). There are a variety of ways of measuring the concepts of organisational commitment. Allen and Meyer (1990) and Meyer, Allen, and Gellatly (1990) have argued that the various approaches tend to suggest three general themes: Affective, continuance and normative commitment.

The affective conceptualisation of organisational commitment is concerned with the employee's emotional attachment to an organisation, and includes identification with, and involvement in, the organisation (Randall, Fedor, & Longenecker, 1990; Reilly & Orsak, 1991). A psychological attachment to the organisation is implicit in this conceptualisation, indicating that individuals choose to stay with the organisation because they want to (Irving et al., 1997; Mueller et al., 1992).

The continuance conceptualisation of commitment involves costs that an employee associates with leaving the organisation. Employees with high continuance commitment behave in a particular way, because they believe that, by doing so, they will either derive reward(s) or minimise cost(s). Continuance commitment is often based on the perceived existence of possible employment alternatives (Irving et al., 1997; Mueller et al., 1992; Randall et al., 1990; Reilly & Orsak, 1991).

Feelings of obligation toward the employing organisation are defined as normative commitment and indicate activities based on a sense of duty. Normative commitment results in behaviour that accords with organisational goals, based on a belief that such behaviour is 'right' or moral (Irving et al., 1997; Mueller et al., 1992; Randall et al., 1990; Reilly & Orsak, 1991).

When this analysis is considered, it can be seen that the value of commitment to the organisation may depend on the nature of that commitment (Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989). Therefore, when identification with such

commitment in the company is indicated, the organisation may benefit in terms of reduced turnover and superior performance. However, commitment primarily based on a perception of the costs associated with leaving can result in the benefits of reduced turnover being obtained at the price of relatively poor performance (Irving et al., 1997; Meyer et al., 1989). Further, even though there are real benefits of having a highly committed workforce, demanding or expecting high commitment from employees inevitably triggers ideas of reciprocity, which can result in unhealthy dependency on the organisation (Anonymous, 1996). Fostering a belief in reciprocated commitment may incur negative side effects for organisations when they are forced to make self-interested decisions which are not in the best interests of individual employees, for example whether to proceed with a downsizing (Anonymous, 1996; Ryan & Macky, 1998).

1.7.1.3 Job commitment

Job commitment can be defined as the extent to which a person psychologically identifies with their job and concerns the internal work motivation that a person has with a specific job (Bashaw & Grant, 1994; Morrow, 1983).

Although an important concept by itself, job commitment can be more easily understood when compared to organisational commitment. The two variables would be expected to be correlated to the extent that an organisation provides employees with jobs that they desire. The primary distinction between the two concepts is that job commitment describes an employee's attachment to their job, whereas organisational commitment describes a bond between the employee and the organisation. Furthermore, it follows that job commitment should correlate more highly with continuance as compared to affective commitment, because employees may become committed to an organisation and maintain membership because it offers numerous side benefits, even though they may not be psychologically attached to their jobs. An example would be an employee who stays in a particular job, which long ago lost its psychological significance, simply because of what the individual has invested in a company superannuation plan (Morrow, 1983).

1.7.1.4 Work values

To a large extent, values govern work behaviour and work attitudes. Work values can be defined as a construct guiding mediation between the internal physiological and psychological needs of an individual and the specific activities available to fulfil each need (Gartland, 1994; cited in Chew & Putti, 1995).

Individuals develop value systems through ongoing involvement with their surrounding world. This ongoing involvement is developed because value systems construct an internalised framework of belief about what is good and desirable. Theory and research on work values has proceeded mainly from the premise that work values derive from these basic value systems which guide individuals in all spheres of their lives (George & Jones, 1997).

Nord, Brief, Atieh and Doherty (1990) suggest that it is useful to see work values as end-states that a person desires and thinks are attainable through working. These then guide a person's choice of work, and subsequent reaction to specific jobs or to work activities. Nord et al. suggest that work values can be classified as intrinsic or extrinsic. Intrinsic work values refer to end-states, such as a sense of accomplishment, that occur through work or in the course of work activities, which are dependent on the content of work. Extrinsic work values refer to end-states, such as family security, that occur as a consequence of work. These latter values are independent of the content of work.

Work values determine the meaning of work, job and organisational experience and are therefore central to the experience of work. In order to understand and evaluate work experiences, people view them in terms of their evaluative standards of their work values. For example, when jobs are enriched, work values are likely to determine what this redesigning effort means to people. On the one hand, enrichment is likely to be seen as a positive change that makes a contribution to their well-being if intrinsic work values stressing accomplishment and achievement are more important than extrinsic work values. Conversely, enrichment is likely to be seen as neutral or negative if the redesigned job is more demanding and tiring when extrinsic values such as those that stress comfort and family security are predominant. The conclusion to be drawn from

this is that the meaning of work, jobs, organisations and specific event conditions are drawn from people's work values (George & Jones, 1997).

Research by Adkins, Russell, and Werbel (1994) demonstrates the importance of work values. Adkins et al. measured the effect congruent work values had on job performance. They discovered that not only did working with and for people (e.g., work colleagues and supervisors) with similar work values increase job performance, it also had a significant impact on job satisfaction, organisational commitment and punctuality.

1.7.1.5 Effects on work commitment

a) Personal characteristics

i) Age:

No definitive relationships have been found between age and organisational commitment. Regarding the relationship between an employee's age and career commitment, it is likely that older employees will have reached plateaus in their career and subsequently report being less committed to their career than younger employees. The same logic would not necessarily apply to the relationship between age and job commitment. An employee who has reached a career plateau may become more committed to a job if job performance, instead of future promotions, becomes the focus (Bashaw & Grant, 1994; Irving et al., 1997).

ii) Gender:

Results of studies on the relationships between gender and work commitment are mixed. Research by Bashaw and Grant (1994) suggests that higher dissatisfaction and turnover rates among females may be evidence that females have lower levels of various work commitment. However, earlier research by Gable, Myron, Hollon, and Dangelo (1992) suggests a dissipation of gender differences as more females become managers. This is supported by Anonymous (1995) who found that when occupational levels were taken into account, gender differences in work commitment were not significant.

iii) Marital Status:

Bashaw and Grant (1994) reported that higher levels of organisational commitment were shown by married employees than by those who are unmarried. Although no known empirical evidence exists, a negative relationship between job and career commitment and marital status is assumed. An organisation may provide the security desired by married employees. For example, an employee with high family responsibilities who believes they have job security may be less concerned about opportunities for advancement than they are about the disruptions seeking those opportunities would have on their family.

iv) Education:

It could be expected that an employee with high levels of formal education attainment would exhibit lower levels of both job and organisational commitment. This is because higher levels of formal education are often associated with increased value as an employee. Increased value as an employee provides career advancement opportunities that often require changes in jobs and/or organisations, hence lowering commitment to the job and/or organisation (Bashaw & Grant, 1994). On the other hand, there appears to be a positive correlation between educational attainment and career commitment. The ability of an individual to attract alternative employment and to advance his or her career is generally considered to increase with educational attainment (Ingram & Bellenger, 1983; cited in Bashaw & Grant, 1994; Irving et al., 1997). Educational levels and fields are also seen as the most important predictor of work value considerations (Anonymous, 1995; Anonymous, 1996).

v) Family Income:

Although there are no known studies that have investigated the relationship between family income and the three types of commitment, Bashaw and Grant (1994) reported that employees with a high income may experience less organisational and/or career commitment. It is possible that such employees may be confident that they would be valuable to other potential employers. Also, if the high income is earned by another

family member, their dependency on their own organisation may be lessened and they may be in a position to consider employment opportunities that do not advance their career. If, however, they are the primary earner, their job commitment may be heightened and they may become more involved in order to sustain their income.

b) Outcomes

Research on the various work commitments supports a number of positive consequences of having high work commitment in the workforce (Bashaw & Grant, 1994; Bedeian, Kemery, & Pizzolatto, 1991; Blau, 1985; Hallier & Lyon, 1996; Irving et al., 1997).

i) Propensity to leave:

There is a clear suggestion that organisational commitment relates negatively to propensity to leave (Ingram et al., 1991; cited in Bashaw & Grant, 1994). Unfortunately, if downsizing procedures are perceived as being unfair and future employment uncertain, organisational commitment tends to drop. This drop in organisational commitment, and the resultant increase in turnover, tends to occur amongst the most valuable employees, because these individuals are the most likely to find employment elsewhere (Ryan & Macky, 1998).

An individual with strong career commitment may remain with their current organisation while career needs are being met, but is also likely to leave the organisation if they feel these needs are not being met. On the other hand, an individual may be dissatisfied with their present job, but be attracted to it because of the expectation that it will be relevant to their subsequent career. Thus, it would be expected that individuals with both higher levels of career commitment and anticipated career growth opportunities in the organisation will be less likely to express intentions to quit (Bedeian et al., 1991).

ii) Performance:

There is a systemic link between organisational performance and employee commitment. This is shown by high performance of tasks by committed employees and

their willingness to accept responsibility (Mathieu & Zajac, 1990; Stroh & Reilly, 1997).

Bashaw and Grant (1994) report that results suggest that performance level relates to job, organisation, or career commitment, with the implication being that, all things being equal, performance will be higher when an individual is committed to an aspect of work. However, it has been found that high performance levels are likely to relate more strongly to career commitment rather than organisational commitment. When the psychological contract with the employee is violated through downsizing, outsourcing, or changed organisational structures, individuals may pay more attention to their careers than to the organisation that employs them (Irving et al., 1997).

Attempts to build or maintain survivors' commitment will positively impact the organisation and the personal well-being of the survivors. Signs of commitment from the organisation will encourage commitment from employees, such is the fundamentally reciprocal nature of commitment. In addition, a less stressful or more healthy environment results when employers demonstrate commitment to their workers (Brockner, 1995).

1.7.2 Psychological well-being

According to Zeitz (1983; cited in Armstrong-Stassen, 1993), psychological well-being refers not only to employees' general state of physical and mental health but also to their level of enthusiasm for the organisation. A reduction in the workforce has the potential to reduce employees' enthusiasm or 'spirit' and also often results in poorer mental health for victims and survivors.

Occupational stress is one of the most prominent impacts on psychological well-being. Theoretical accounts suggest that occupational stress can result in psychological distress, absenteeism, physical illnesses, poor work performance, job dissatisfaction, increased blood pressure, and a greater propensity to leave the organisation (Reynolds, 1997; Shaw, Fields, Thacker, & Fisher, 1993). Although there is no single cause of stress in the workplace, it appears that much of the recent increase in stress-related illness world-wide is the result of the added demands that have been placed on employees

because of organisations downsizing (Anonymous, 1997; Baxter & Margavio, 1996). Physical health complaints are most prominent during the period of waiting for the anticipated restructure to happen and may result in physiological changes such as an increased likelihood of coronary disease, diabetes, peptic ulcers, gout, arthritis, and hypertension (Parkes, 1990; Tang & Fuller, 1995).

It has been suggested that the survivors of restructuring experience stress that is as great, or even greater than, the stress felt by the victims. The impact of a stressful event on an individual's level of physical and psychological well-being is determined to a large degree by the individual's appraisal of the situation, how well they cope and their coping style, and their emotional reactions to the event (Callan, 1993; Callan, Terry, & Schweitzer, 1994). Stressful appraisals involve an evaluation of harm or loss, threat, or challenge. Perceptions of job insecurity and injustice amount to appraisals of stress, of which there are two dimensions: The way the redundancies are managed, including the processes used to decide which employees are to be terminated as well as the organisation's explanations for the redundancies (procedural justice), and which groups are targeted for redundancy (distributive justice). There are also two dimensions of perceived job insecurity: The perceived threat to a person's job continuity and the perceived inability or powerlessness to counteract that threat (Armstrong-Stassen, 1998).

Current theory and research on stress suggest that stress is mediated by coping processes. How a person copes with an event or a particular situation has a direct effect on their psychological well-being (Callan et al., 1994). Folkman, Lazarus, Gruen and DeLongis (1986) suggest that people who are repeatedly in uncontrollable situations will begin to experience helplessness. The assumption is that they will become increasingly passive in their coping efforts, and ultimately experience demoralisation and depression. Appraisals of stress are typically characterised by anger, fear, and threat, all of which are emotions described by people undergoing restructuring (Caudron, 1996; Kaye, 1998; McConnell, 1996; Ramsey, 1997; Veninga, 1998).

Research by Callan et al. (1994) showed that depression could be predicted by levels of appraised stress, whereas lower psychological well-being was linked to the extent of change the organisation had undergone and high levels of emotion focused

coping. Callan et al. also suggested a conceptual link between the stressful appraisal of an event and lower levels of psychological well-being.

1.7.2.1 Compounding variables

i) Job stressors:

A variety of job stressors have been identified in the work environment; among these are role conflict, role ambiguity and role overload, all of which can be attributed to organisational downsizing. An employee is said to be experiencing role conflict when they are expected to perform two or more often mutually exclusive tasks at the same time. Role ambiguity occurs when an employee feels the expectations or evaluative procedures of their job are unclear. An employee may experience role overload when they feel their assigned tasks are above their ability or when too many tasks are assigned in a particular period of time (Shaw et al., 1993). All these stressors seem likely to result from major organisational restructuring, given the level of uncertainty associated with these transitions, and the impact of stress on psychological well-being has already been outlined.

ii) Level of control:

Research by Nelson et al. (1995) indicates that during periods of extreme upheaval and uncertainty, levels of job satisfaction, mental and physical health appear to decline significantly. Manual workers appeared to suffer the largest decline, along with significant reductions in their job satisfaction, and mental and physical health. Clerical and white-collar workers had significantly lower levels of job satisfaction and higher levels of mental illness, but showed little change in physical or psychosomatic symptoms. In comparison, managers also reported significant declines in job satisfaction, and deterioration in physical health, whereas their mental health changed little. It seems that employees in positions of less control (i.e., manual workers) and higher uncertainty suffer the greatest negative effects of major organisational change. This is particularly apparent when the change is one that is beyond their control and the implications and consequences of the change are less clear. Two reasons may be suggested for this.

Firstly, senior employees are likely to earn higher salaries, which may in itself be linked to increased psychological well-being. Secondly, the increased well-being of senior employees may partly be a result of having attained long-term career goals (Daniels & Guppy, 1994).

iii) Gender:

Research designed to examine the impact of work on the physical and psychological health status of women and men found that women are paying a price for their participation in the corporate world. Zappert and Weinstein (1985) reported that there were significant differences between men and women in terms of pay and responsibility and levels of job tension, coping strain, role conflict, and health status. Although the men and women in Zappert and Weinstein's study were coping effectively and were healthy, the women demonstrated significantly higher manifestations of psychological and physical stress. To compound the problem, women usually assume the primary responsibility in other areas of their lives as well, specifically, household and child care tasks.

Rather than looking at just the role that gender and organisational level play in people's ability to cope at work, Armstrong-Stassen (1998) conducted one of the first investigations into the impact that gender and organisational level play in survivors' reactions to organisational downsizing. She looked at two major theoretical perspectives on the differences between men and women (the gender model and the job model). The gender model proposed that men and women respond differently to stressful events because of different socialisation, gender-role expectations, and differing work and family orientations. On the other hand, the job model suggested that men and women do different types of work and that they respond to a stressful event on the basis of the type of job they do and not on the basis of gender.

The findings of Armstrong-Stassen's (1998) study provided very little support for the gender model, because any significant gender effect all but disappeared when comparisons were made between men and women in the same job position. She found more consistent support for the job model, which proposed that survivors will respond to

a workforce reduction on the basis of their organisational level rather than their gender. According to this model, male and female survivors performing the same job should react similarly to the workforce reduction but that there will be significant differences in how survivors at different levels in the organisation respond.

1.7.3 Conclusion

Based on several findings (e.g., Anonymous, 1996; Armstrong-Stassen, 1993; Bashaw & Grant, 1994; Bedeian et al., 1991; Blau, 1985; Callan et al., 1994; Daniels & Guppy, 1994; Hallier & Lyon, 1996; Irving et al., 1997; Mathieu & Zajac, 1990; Nelson et al., 1995; Ryan & Macky, 1998; Shaw et al., 1993; Storch & Reilly, 1997), it is clear that restructuring has an impact on work commitment and psychological well-being, that this impact varies over time, and that the initial impact is generally negative. Further, research by Nicholson and West (1988) suggests that after a longer period of time (i.e., in the region of 16 months) attitudes may begin returning to their initial pre-restructuring level.

1.8 **Aims**

The present research was conducted at AFFCO, an organisation undergoing restructuring, and set out to examine the relationships between the recency of redundancies, a number of demographic variables, the differences between AFFCO's Head Office and Horotiu site, and the General Health Questionnaire (GHQ) and Work Commitment Index (WCI). The expectation is that an individual's work commitment and psychological well-being will be affected to a greater degree when there have been recent redundancies in the section of the organisation in which they work. It is also expected that Head Office employees will have greater psychological well-being and work commitment than Horotiu site employees, due to both the limited varieties of work conducted at Horotiu and the greater work opportunities at Head Office. Statistically significant relationships are also expected between both work commitment and

psychological well-being and several of the demographic variables. Relationships can be anticipated based on prior research, and include the following:

- Older workers are expected to be more committed to the organisation and their job, but less committed to their career (e.g., Bashaw & Grant, 1994; Irving et al., 1997). Assumptions have not been made with regards to age effects on psychological well-being.
- No significant relationship is expected between gender and work commitment (e.g., Anonymous, 1995; Gable et al., 1992), and psychological well-being (e.g., Armstrong-Stassen, 1998).
- Assumptions are tentative with regards to ethnicity as there has been no prior research conducted in this area in New Zealand.
- It is expected that the longer one has worked for AFFCO and in the job, the more committed they will be to the organisation and to their job. It is also expected that these people will have higher psychological well-being, due to increased feelings of security.
- It is expected that the higher the individual's position within AFFCO and the higher their education level, the higher their levels of both psychological well-being (e.g., Daniels & Guppy, 1994; Nelson et al., 1995), and work commitment (e.g., Anonymous, 1995; Anonymous, 1996; Bashaw & Grant, 1994; Irving et al., 1997) will be.
- Sole income earners and those individuals with several children are expected to be more committed to their job and organisation (Bashaw & Grant, 1994), and have lower levels of psychological well-being.

Internationally, there is a growing recognition of the importance of research on the 'survivors' of redundancy, however this line of research has not been pursued in New Zealand before. Thus, the present research represents an initial step in this direction.

METHODOLOGY

2.1 Participants

The participants were 98 employees from AFFCO's Head Office and Horotiu site. Table 1 presents some of the demographic characteristics of these respondents. The sample was mostly male (71%), of New Zealand European decent (78%), in a position at AFFCO which has no direct reports (65%), married (82%), from predominantly double income families (72%), and working in AFFCO's Head Office (81%). The average age of the participants was 39 years, with an average tenure in their current position of 7 years and an average tenure with AFFCO of 11 years. Thus, the majority of the sample were white, middle class males employed at AFFCO's Head Office.

In terms of their experiences of redundancy, most of the sample had never been made redundant themselves (70%) or had a member of their family been made redundant (63%), but most had a close friend or several friends who had been made redundant (74%). The average length of time since an individual had either been made redundant themselves or had a close friend or family member lose their job, was 16 months. Within their current work group, the average length of time since the last redundancies had occurred was approximately one year ago.

Table 1.

The demographic characteristics of the sample, showing the mean or frequency and standard deviation or percentage for the levels of each demographic variable.

Variable	Mean or frequency	Standard deviation or percentage
Site		
Head Office	79	81%
Horotiu	19	19%
Age	39.47	10.35
Gender		
Male	65	71%
Female	27	29%
Ethnicity		
NZ Maori	7	8%
NZ European	73	78%
European	7	8%
Other	6	6%
Number of years working in job	7.28	9.01
Number of years working for AFFCO	10.95	11.02
Number of years working in the industry	14.35	12.94
Responsibility level within AFFCO		
No direct reports	62	65%
Supervise group or department	26	27%
Manage number of departments	8	8%
Highest level of education		
School Certificate	15	16%
University Entrance	13	13%
Bursary	5	5%
Degree or diploma	42	43%
Postgraduate qualification	9	9%
No response	14	14%

Table 1 continued.

The demographic characteristics of the sample, showing the mean or frequency and standard deviation or percentage for the levels of each demographic variable.

Variable	Mean or frequency	Standard deviation or percentage
Married or living with Partner		
Yes	80	82%
No	17	18%
<i>If married; Sole income earner?</i>		
Yes	23	28%
No	58	72%
Number of dependents	1.01	1.33
Ever been made redundant?		
Yes	29	30%
No	69	70%
Member of family been made redundant?		
Yes	36	37%
No	62	63%
Close friend(s) been made redundant?		
Yes	73	74%
No	25	26%
<i>If yes to any redundancy questions; How many months ago?</i>	16.49	9.10
When were last redundancies in your department (in months)	12.52	8.10

2.2 Measures

2.2.1 Individual demographic and redundancy variables

The 11 demographic variables recorded included the respondent's age, sex, ethnicity, education, responsibility level (i.e., no direct reports; supervise a group or department; manage a number of departments), marital status, income status, number of

dependents, the number of years in their current position, the number of years working for AFFCO, and the number of years working in the industry.

The redundancy questions were designed to address two aspects of redundancy. Firstly, whether the respondent, members of their family, or close friends had ever been made redundant; and secondly, the recency of these redundancies as well as of any that had occurred within the respondent's own work group.

2.2.2 Work Commitment

Work commitment was assessed using the Work Commitment Index (WCI) developed by Blau et al. (1993). It is a 31-item likert scale, which measures an individual's commitment to: (1) their career; (2) their job; (3) their organisation; and (4) the value of work. The following are example items from each of the subscales:

- | | |
|-------------------|---|
| (1) Career | "My occupation choice was a good decision" |
| (2) Job | "My job is very central to my existence" |
| (3) Organisation | "The organisation has personal meaning for me" |
| (4) Value of work | "I believe hard work makes one a better person" |

The WCI is the most recent and most evolved measure from the development of a General Index of Work Commitment, based on the work of Morrow (1983) and Morrow and McElroy (1986). Morrow initially presented a description of the theoretical and empirical relations among five forms of work commitment (i.e., Protestant work ethic, career salience, job involvement/central life interest, organisational commitment, and union commitment). Large degrees of redundancy were noted between measures of these work commitment facets and Morrow argued for more rigorous study to establish the empirical validity of these work commitment measures.

Morrow and McElroy (1986) tested five measures of work commitment similar to those assessed by Morrow (1983), the differences being that they tested job involvement and central life interest separately, and dropped union commitment because the sample used was nonunionised. Using exploratory factor analysis, Morrow and McElroy found that the organisational commitment items loaded significantly on a single factor.

However, many of the career salience, job involvement, and central life interest items loaded on common factors, indicating continued redundancy within the measures.

Based on Morrow's (1983) and Morrow and McElroy's (1986) research, Blau et al., (1993) developed four scales, to test for work commitment redundancy, namely: career commitment, job commitment, organisation commitment, and the value of work. These four scales consisted of a total of 31 items and the following six-point response scale was used for all items in the study: 1, strongly disagree; 2, moderately disagree; 3, slightly disagree; 4, slightly agree; 5, moderately agree; and 6, strongly agree. The results of a confirmatory factor analysis are shown in Table 2. All the item factor loadings were statistically significant (Blau et al., 1993). Scale scores were computed by linearly adding each relevant item. The mean, standard deviation, and coefficient alpha for each facet were: 43.2, 6.8, and .91 for career commitment; 24.4, 5.7, and .83 for job commitment; 21.5, 5.4, and .82 for organisational commitment; and 26.3, 6.1, and .81 for value of work. Correlations between the four work commitment facets were in the range .26 to .31. This shows that the WCI subscales are internally consistent, and are not highly correlated with each other. Overall, these results indicate that career commitment, job commitment, organisational commitment, and the value of work are all distinct work commitment facets (Blau et al., 1993).

Table 2.

Confirmatory factor analysis of the work commitment items showing the resulting factor loadings (from Blau et al., 1993).

Item statement	Factors			
	1	2	3	4
1. If could, would go into a different occupation	.64	-	-	-
2. Can see self in occupation for many years	.67	-	-	-
3. Occupation choice is a good decision	.59	-	-	-
4. If could, would not choose occupation	.62	-	-	-
5. No money need, still continue in occupation	.49	-	-	-
6. Sometimes dissatisfied with occupation	.71	-	-	-
7. Like occupation too well to give up	.78	-	-	-
8. Education/training not for occupation	.55	-	-	-
9. Have ideal occupation for life work	.79	-	-	-
10. Wish chosen different occupation	.48	-	-	-
11. Disappointed that entered occupation	.74	-	-	-
12. Most important things involve job	-	.66	-	-
13. Job only small part of who I am	-	.61	-	-
14. Live, eat, and breathe my job	-	.75	-	-
15. Most interests centred around my job	-	.63	-	-
16. Most personal life goals are job-oriented	-	.54	-	-
17. Job is very central to my existence	-	.58	-	-
18. Like to be absorbed in job most of time	-	.70	-	-
19. Hard work makes self a better person	-	-	.80	-
20. Wasting time as bad as wasting money	-	-	.46	-
21. Person's worth is how well does work	-	-	.56	-
22. Better to have more responsible work	-	-	.52	-
23. People should get involved in work	-	-	.71	-
24. Work should be central to life	-	-	.75	-
25. Life goals should be work-oriented	-	-	.77	-
26. Don't feel like belong to organisation	-	-	-	.57
27. Not emotionally attached to organisation	-	-	-	.72
28. Organisation has personal meaning for me	-	-	-	.60
29. Do not feel like part of organisation	-	-	-	.59
30. Glad to spend rest of days with organisation	-	-	-	.73
31. Organisation's problems are mine too	-	-	-	.74

Hence, the rationale for using the WCI in the present research was predominantly based on the fact that the WCI is the most developed index of the work conducted on the General Index of Work Commitment, meaning that it carries the least amount of redundancy within its measures. The WCI is also a relatively short measure, with only 31 items, yet is able to deliver a considerable amount of information, providing measures on four subscales as well as a total score. A short questionnaire was desirable to encourage participation, especially considering many employees were unable to complete the questionnaire during work hours due to environmental restrictions. The WCI was also chosen because of its basic straightforward language which was essential for the present sample, where some employees only had limited literacy and education levels.

2.2.3 Psychological well-being

Psychological well-being was measured using the General Health Questionnaire-12 (GHQ-12), developed by Goldberg (1978). This is a 12-item likert scale, which determines an overall level of psychological well-being based on the individual's present state in relation to their normal state. The following are example items from this measure:

- a) "Have you recently been able to concentrate on whatever you're doing?"
- b) "Have you recently lost much sleep over worry?"
- c) "Have you recently been able to face up to your problems?"

The questionnaire was designed to be useful in consulting settings and therefore measures breaks in normal functioning, rather than lifelong traits. The questionnaire focuses on two major classes of phenomena: Inability to continue to carry out one's normal 'healthy' functions, and the appearance of new phenomena of a distressing nature. Each item consists of a question asking whether the respondent has recently experienced a particular symptom or behaviour on a scale ranging from 'less than usual' (1) to 'much more than usual' (4). Items were chosen to stress the changing aspects of psychological functioning based on the following four areas: Depression, anxiety, objectively observable behaviour, and hypochondriasis. When developing and selecting items for the

long form of the GHQ, the GHQ-60, items were excluded if they covered personality traits and also if they were not applicable to the entire population (Goldberg & Williams, 1988).

In preparing the shorter versions of the GHQ, including the GHQ-12, items were balanced for overall agreement by firstly dividing the items into those where agreement indicated health and those where agreement indicated illness, then within each group selecting items that had the highest scores in the original item analysis. Finally, the items endorsed by 'physically ill' respondents were removed. Reliability and validity coefficients for the GHQ-12 and GHQ-60 are shown in Table 3 (from Goldberg & Williams, 1988).

Table 3.
Reliability and validity coefficients for the GHQ-12 and GHQ-60. The first two columns being measures of reliability and the second two columns being measures of criterion validity.

	Split half	Test-retest	Specificity (%)	Sensitivity (%)
GHQ-12	.83	.73	78.5	93.5
GHQ-60	.95	.76	87.8	95.7

In the present research, psychological well-being has been defined as an employee's general state of physical and mental health, and enthusiasm for the organisation. Due to the present research being based in an organisational setting, emphasis needed to be placed on an individual's well-being in relation to work. Many other well-being measures failed to measure well-being in an organisational context and instead focused primarily on an individual's personal life. One of the aims of the present research was to analyse the impact of work variables on an individual's psychological well-being, thus it was important that all aspects of the questionnaire focus on the work context of peoples lives. As with the WCI, it was important that the GHQ was a short questionnaire, due to literacy levels and the availability of time being an issue and the GHQ being the second of three sections in the survey.

The final reason for choosing the GHQ was that it highlights breaks in normal functioning, due to the appearance of new phenomena of distressing nature, of the kind that may occur with the increased pressure associated with restructuring. Whereas other measures of psychological well-being (for example, the Minnesota Multifacet Personality Inventory, MMPI) tended to focus on lifelong traits and are clinical in nature.

2.3 Procedure

Questionnaires were distributed to all employees at two sites within AFFCO. Only two sites were chosen due to time and resource constraints. The two sites were chosen with the aim of getting a reasonably representative sample of the company as a whole. For this reason, Head Office was chosen in addition to one of the processing plants. AFFCO has a total of nine plants, processing various species of animal including manufacturing cow, bull, prime cow and steer, bobby calf, sheep, goat, and pig, with some plants working predominantly with only one species. The Horotiu plant was chosen because it is a multi-species plant, therefore covering all types of workers from the plants, and also because of its proximity to Auckland.

Employees from both sites were informed by the Group General Manager of Human Resources of the research and invited to participate via a letter sent through the internal mail system. Employees from Head Office also received their questionnaires through the internal mail, whereas the Production Manager handed employees from Horotiu their questionnaires. Both sets of employees were issued with self addressed envelopes to be returned directly to the researcher.

One week after administering the questionnaires, notices were sent out thanking all those who had already completed the questionnaire and reminding those who had not yet done so. These reminders were distributed via the same method used to distribute the questionnaire.

Of the 130 questionnaires distributed to Head Office employees, 79 were returned, giving a return rate of 61%. However, of the 330 questionnaires distributed to

Horotiu employees, only 19 were returned, giving a return rate of only 6%. Thus, the overall return rate was 21%. Due to the critically low return rate from the Horotiu site, analyses based on this site should be treated with a degree of caution.

RESULTS

3.1 Data entry and quality control

The data were entered into a Microsoft Excel spreadsheet and then transferred into the Statistical Package for Social Sciences (SPSS) for Windows Version 7.0 software package, for analysis. With 98 respondents and 60 items of information per questionnaire, a random sample of 15% (or 15 questionnaires), were chosen for a check on the accuracy of data entry. These questionnaires were checked thoroughly against the data entered into the spreadsheet and two errors were found, giving an overall error rate of 0.2%. Given this low error rate, the two corrections were made and no further checking was deemed necessary.

3.2 Missing data

Table 4.

Statistics for the WCI measure. The first two columns show the number of respondents with different levels of missing data. The final two columns show the number of items with different levels of missing data.

# Missing	Frequency	# Missing	Frequency
0	90	0	9
1	3	1	15
2	3	2	7
3	1		
17	1		
Total:	29		

Across all 98 respondents, there were a total of 29 missing item values for the WCI (corresponding to a rate of 0.96%). Table 4 shows the breakdown of the missing data, firstly in terms of respondents and secondly in terms of individual WCI items. It is important to note that these missing data did not influence the WCI scores, because

average item scores were used for both the WCI total and subscale scores, meaning that individuals who missed out items did not receive a falsely deflated score. By contrast, there were no missing data for the GHQ.

Missing data were also noted within the demographic questions, notably around the issue of education. A total of 14 participants did not indicate their level of education (corresponding to a missing data rate of 14%). In hindsight, the questionnaire should have allowed for the response of “No School Certificate” (or equivalent) whereas the lowest option available was “School Certificate”. Several AFFCO employees have no formally recognised education and therefore were unable to mark an option for this question. Thus, analyses involving education level should be treated with caution, as those with little or no formal education were absent from these analyses.

3.3 Development of scale and subscale scores for the WCI and GHQ

Scores for the GHQ were simply based on a total score for each participant (i.e., the responses were summed across the 12 items giving a total between 12 and 48). This approach was deemed satisfactory because there were no missing values from any of the participants. The researcher then divided the range of possible GHQ scores into three ordinal categories. Specifically, an individual with a score between 12 and 23 was deemed to have a low score on the GHQ and hence low psychological well-being. A score of between 24 and 35 was considered average and a score of between 36 and 48 indicated a high level of psychological well-being.

By contrast, overall scores and subscale scores for the WCI were based on average item scores (i.e., possible subscale scores ranged between 1 and 6). This was done for several reasons. Firstly, there were a number of missing values within the WCI data set and the use of item averages eliminated the possibility of falsely deflated total scores due to missing items. Secondly, the four subscales within the inventory all had different numbers of items contributing to them, meaning that subscale totals could not easily be compared. Therefore, to avoid both the issue of missing values and also the

problem of different subscales having different numbers of items, it was decided that both the overall WCI score and the WCI subscale scores would be based on averaged item scores across the inventory and each subscale, respectively.

3.4 Internal consistency of the outcome measures

Table 5.

Internal consistency statistics for the GHQ, WCI, and WCI subscales. The values shown are: Cronbach's coefficient alpha (α), coefficient alphas from Blau et al.'s (1993) study (Blau's α), the number of items (Items), and the sample size for each analysis (N). Note that, due to missing values, the effective sample sizes for the WCI and its subscales were less than the full complement of 98.

	α	Blau's α	Items	N
GHQ	.58	-	12	98
WCI	.90	-	31	90
WCI – Career	.85	.76	10	92
WCI – Job	.78	.79	8	94
WCI – Organisation	.75	.80	6	95
WCI – Work Values	.72	.75	7	97

As can be seen from Table 5, the internal consistency of the GHQ was low at .58. Fortunately, the internal consistency for the WCI was much stronger at .90, with the subscale reliabilities ranging between .72 and .85. With the subscale reliabilities at these acceptable levels, it is reasonably clear that the various WCI subscales were measuring distinct, relatively homogeneous constructs. Furthermore, the WCI reliability statistics found in the present study compare favourably with those reported by Blau et al. (1993). Indeed, the internal consistency of the career commitment subscale was greater in the present study.

3.5 Descriptive statistics

Possible scores on the GHQ ranged between 12 and 48, with numerically higher scores representing higher levels of psychological well-being. The mean GHQ scores in the present research were 34.13, 33.59, and 36.37 for the overall sample, Head Office and Horotiu participants, respectively. Possible scores on the WCI and its subscales ranged between 1 and 6, again with numerically higher scores representing higher levels of the various forms of work commitment. The overall mean scores for participants on the WCI and its subscales in the present research were 3.6 for overall work commitment, 3.4 for organisational commitment, 3.0 for job commitment, 3.9 for career commitment, and 4.0 for work values. Means and standard deviations were similar across the samples, with Horotiu having slightly higher mean scores and lower variance on the GHQ, but slightly lower scores on the WCI and its subscales.

Table 6.
Frequency distributions for the different categories of the outcome measures.

Category	GHQ	%	WCI	%	WCI-Career	%
Very low					2	2.0
Low	5	5.1	19	19.4	16	16.3
Average	45	45.9	53	54.1	33	33.7
High	48	59.0	25	25.5	36	36.7
Very high			1	1.0	11	11.2

Category	WCI- Job	%	WCI- Organisation	%	WCI- Work Values	%
Very low	8	8.2	5	5.1		
Low	45	45.9	27	27.6	5	5.1
Average	32	32.7	33	33.7	41	41.8
High	12	12.2	26	26.5	43	43.9
Very high	1	1.0	7	7.1	9	9.2

Table 6 shows the frequency distribution of category scores for the GHQ, the WCI, and the WCI subscales. The GHQ scores were predominantly average or above average, indicating that, across the two AFFCO sites, psychological well-being tended to be relatively high. AFFCO employees appeared to have average work commitment, whereas career commitment was relatively high, with the majority of respondents falling into the average or high categories. Job commitment was the lowest of the subscales, with the majority of respondents having low commitment to their jobs. Finally, respondents tended to have average organisational commitment and average to high work values.

3.6 Relationships among the outcome variables

Table 7.

Intercorrelations between the various subscale scores. The intercorrelation matrix is shown for the entire sample, as well as separately for Head Office and Horotiu respondents. The mean (M) and standard deviation (SD) are also given for each subscale.

Variable set	1	2	3	4	5	6	M	SD
Total sample (N=98)								
1 GHQ							34.13	6.46
2 WCI	.14						3.60	.66
3 WCI – Career	.17	.81**					3.88	.88
4 WCI – Job	.00	.85**	.47**				3.00	.82
5 WCI – Organisation	.15	.76**	.52**	.54**			3.42	.95
6 WCI – Work Values	.11	.70**	.35**	.70**	.33**		4.03	.68
Head Office (N=79)								
1 GHQ							33.59	6.67
2 WCI	.21						3.63	.68
3 WCI – Career	.24*	.81**					3.96	.87
4 WCI – Job	.06	.85**	.47**				3.03	.84
5 WCI – Organisation	.18	.76**	.50**	.57**			3.44	1.00
6 WCI – Work Values	.16	.74**	.41**	.71**	.37**		4.01	.70
Horotiu (N=19)								
1 GHQ							36.37	5.09
2 WCI	-.18						3.45	.55
3 WCI – Career	-.03	.83**					3.55	.82
4 WCI – Job	-.28	.82**	.46*				2.87	.72
5 WCI – Organisation	.05	.70**	.61**	.37			3.30	.74
6 WCI – Work Values	-.34	.56**	.12	.68**	.09		4.11	.60

*p<.05 **p<.01

In addition to examining the intercorrelations between outcome variables for the entire sample, separate intercorrelation matrices were generated for the Head Office and Horotiu subsamples, and the mean score and standard deviation were calculated for each variable (see Table 7). Care was taken in interpreting the Horotiu correlations due to the very small sample size for this group.

The pattern of these results is clear. With one exception, the GHQ was not associated with the work commitment constructs measured by the WCI. However, as would be expected, the WCI subscale scores were highly correlated with the overall WCI score, with correlations ranging between .56 and .85 (all statistically significant at $p < .01$). Also, all of the intercorrelations between the subscales were statistically significant ($p < .01$) for both the overall sample and Head Office, with the correlations ranging between .33 and .71. The Horotiu correlations ranged between .46 and .68, although three of the correlations were not statistically significant, which may be a function of the small sample size.

Cohen's (1992) effect size criteria (i.e., $.1 = r < .3$ representing a small effect; $.3 \leq r < .5$ representing a medium effect; and $r \geq .5$ representing a large effect) were used to identify the effect sizes for the 10 correlations, from the overall sample, which were statistically significant. Of these, seven represented large effects, whereas the rest represented moderate sized effects. As would be expected, large effect sizes were seen in the correlations between the subscale scores and the overall WCI score. Of the correlations between the WCI subscales, the highest was between work values and job. The correlations between job and career, organisation and career, and organisation and job were all moderate in size, with the effect sizes between both career and value, and organisation and value being the lowest. These patterns were generally the same across the two sites.

3.7 Prediction of GHQ and WCI scores

A series of multiple regression analyses were conducted in order to investigate relationships between the GHQ and WCI subscales on the one hand and a set of demographic predictor variables on the other (see Table 8). Predictive validity can be found by computing the multiple correlation coefficients between these six constructs and the nine predictor variables. Forced direct entry was used rather than stepwise methods

in order to allow for the assessment of the contribution of each variable relative to all other variables simultaneously.

Table 8.
Explanation of predictor labels for the multiple regression analyses.

Interpretation	Predictor label	Values
Age	Age	
Time since dept redundancy	Time Dept	
Education	Educate	
Income status	Income	1 = Sole income earner 2 = Double income family
No. of children	Children	
Whether been made redundant	Redund Self	1 = Yes 2 = No
Site	Site	1 = Head Office 2 = Horotiu
Gender	Sex	1 = Male 2 = Female
No. years with AFFCO	Years AFFCO	
No. years in job	Years Job	

Table 9.

Regression analysis used to predict GHQ scores. The values shown are: regression coefficients (b); the associated standard errors (se(b)); *t*-tests for the regression coefficients (T); their significance levels (p); and the standardised regression coefficients (β). The term Constant refers to the intercept. Also shown is the proportion of variance in GHQ scores accounted for by the set of predictor variables (r^2).

Predictor	B	se(b)	T	p	β
Age	-1.60	0.99	-1.62	.11	-.27
Time Dept	0.25	0.65	0.39	.70	.06
Educate	0.40	0.63	0.64	.53	.09
Income	-3.32	1.81	-1.83	.07	-.24
Children	-2.39*	1.12	-2.13	.04	-.32
Redund Self	-2.48	1.98	-1.25	.22	-.18
Sex	-8.57**	2.68	-3.20	.00	-.56
Site	-2.55	2.55	-1.00	.32	-.14
Years AFFCO	0.57	0.81	0.71	.48	.13
Years Job	0.10	0.86	0.12	.91	.02
Constant	59.38	9.65	6.16	.00	
$r^2 = .28$					

* $p < .05$ ** $p < .01$

The results of the regression analysis used to predict GHQ scores are shown in Table 9. The amount of variance in GHQ scores that can be accounted for by the set of predictor variables is just over a quarter at 28%. Within this analysis both an individual's gender and the number of dependents they had were found to be statistically significant predictors of GHQ scores. This indicates that, at least in the present research, an individual's level of psychological well-being appears to be dependent on their gender and, to a lesser extent, on the number of children they have. Females and individuals with no, or a small number of, children tended to have lower scores on the GHQ. This finding was also demonstrated in studies reported by Goldberg and Williams (1988), which identified females as having morbidity rates in excess of male rates.

It terms of the standardised regression coefficient approach to importance (i.e., the unique contribution of each predictor variable), the most outstanding predictor variable also appeared to be gender, followed by the number of dependents an individual had. As

reported by Goldberg and Williams (1988), age did not exert a strong effect on GHQ scores. The results of the GHQ appear quite similar to those displayed by career commitment in relation to those variables which were statistically significant and were highlighted in terms of importance.

Table 10.

Regression analysis used to predict WCI scores. The values shown are: regression coefficients (b); the associated standard errors (se(b)); *t*-tests for the regression coefficients (T); their significance levels (p); and the standardised regression coefficients (β). The term Constant refers to the intercept. Also shown is the proportion of variance in WCI scores accounted for by the set of predictor variables (r^2).

Predictor	b	se(b)	T	p	β
Age	.21*	0.09	2.42	.02	.37
Time Dept	0.02	0.06	0.38	.70	.05
Educate	0.05	0.06	0.88	.38	.11
Income	-0.11	0.16	-.69	.49	-.08
Children	0.16	0.10	1.59	.12	.22
Redund Self	0.24	0.17	1.37	.18	.18
Sex	-0.26	0.24	-1.10	.27	-.17
Site	-0.31	0.23	-1.36	.18	-.17
Years AFFCO	0.03	0.07	0.40	.68	.07
Years Job	-0.03	0.08	-0.38	.70	-.06
Constant	2.60	0.85	3.04	.00	
R ² = .43					

*p < .05 **p < .01

The predictor variables were able to account for 43% of the variance in overall WCI scores, a substantial improvement in the level of predictability over the GHQ analysis. The results for the WCI overall scores indicated that age was the only significant predictor of an individual's level of work commitment (see Table 10). This indicates that age can be used to predict work commitment, where younger employees tended to be less committed to their work than their older colleagues. Age was also a significant predictor variable for the job and value subscales of the WCI and was identified as the most important predictor in terms of standardised regression coefficients.

The next two most important predictors of work commitment were the number of dependents an individual had and the site at which they worked. In general terms, older, Head Office employees, with several children were more likely to have high work commitment than other employees.

Table 11.

Regression analysis used to predict Career and Job Commitment subscale scores. The values shown are: regression coefficients (b); the associated standard errors (se(b)); *t*-tests for the regression coefficients (T); their significance levels (p); and the standardised regression coefficients (β). The term Constant refers to the intercept. Also shown is the proportion of variance in Career and Job Commitment subscale scores accounted for by the set of predictor variables (r^2).

Predictor	WCI Career					WCI Job				
	b	se(b)	T	p	β	b	se(b)	T	p	β
Age	0.02	0.11	0.19	.85	.03	0.37**	0.13	2.85	.01	.49
Time Dept	-0.00	0.07	-0.04	.97	-.01	-0.04	0.08	-0.45	.66	-.06
Educate	0.08	0.07	1.18	.25	.13	0.01	0.08	0.15	.88	.02
Income	-0.46*	0.20	-2.25	.03	-.25	-0.09	0.24	-0.36	.72	-.05
Kids	0.11	0.13	0.87	.39	.11	0.10	0.15	0.71	.48	.11
Redund Self	-0.04	0.22	-0.16	.87	-.02	0.23	0.26	0.90	.37	.13
Sex	-0.87**	0.30	-2.88	.01	-.43	-0.09	0.35	-0.27	.79	-.05
Site	-0.69*	0.29	-2.41	.02	-.29	-0.12	0.34	-0.37	.72	-.05
Years AFFCO	0.04	0.09	0.49	.63	.08	-0.01	0.11	-0.12	.91	-.02
Years Job	-0.01	0.10	-0.12	.91	-.02	-0.03	0.11	-0.24	.81	-.04
Constant	5.35	1.09	4.93	.00		1.77	1.27	1.40	.16	
	$r^2 = .48$					$r^2 = .26$				

* $p < .05$ ** $p < .01$

Table 12.

Regression analysis used to predict Organisational Commitment and Work Value subscale scores. The values shown are: regression coefficients (b); the associated standard errors (se(b)); *t*-tests for the regression coefficients (T); their significance levels (p); and the standardised regression coefficients (β). The term Constant refers to the intercept. Also shown is the proportion of variance in Organisational Commitment and Work Value subscale scores accounted for by the set of predictor variables (r^2).

Predictor	WCI Organisation					WCI Value				
	B	se(b)	T	P	β	b	se(b)	T	p	β
Age	0.25	0.14	1.81	.07	.28	0.26*	0.11	2.47	.02	.43
Time Dept	0.12	0.09	1.29	.20	.17	0.04	0.07	0.63	.53	.09
Educate	0.02	0.09	0.19	.85	.02	0.06	0.07	0.94	.35	.13
Income	0.29	0.26	1.11	.27	.13	0.01	0.20	0.03	.98	.00
Children	0.25	0.16	1.57	.12	.22	0.19	0.12	1.57	.12	.25
Redund Self	.056*	0.28	2.00	.05	.27	0.35	0.22	1.63	.11	.24
Sex	-0.05	0.38	-0.13	.89	-.02	0.24	0.29	0.82	.41	.15
Site	-0.32	0.36	-0.89	.38	-.12	0.04	0.28	0.15	.88	.02
Years AFFCO	0.24*	0.11	2.09	.04	.35	-0.13	0.09	-1.50	.14	-.29
Years Job	-0.26*	0.12	-2.08	.04	-.33	0.14	0.09	1.46	.15	.26
Constant	0.28	1.37	0.20	.84		1.69	1.05	1.62	.11	
	$r^2 = .38$					$r^2 = .24$				

* $p < .05$ ** $p < .01$

The predictor variables were able to account for 48%, 26%, 38%, and 24% of the variation in the career, job, organisation, and value subscales respectively (see Tables 11 and 12). Although the overall level of predictability was lower for the job and value subscales compared with overall WCI analysis, the predictor variables were still able to account for approximately a quarter of the total variance of the scores on these two subscales. For the career subscale, three variables were found to be significant predictors, namely gender, whether an individual was a sole income earner, and at which site they worked. Thus, a person was more likely to be committed to their career if they were male, were from a double income family, and worked at Head Office. These three predictors were also seen as most important in terms of standardised regression

coefficients, with education being next, inferring that the higher the level of education an individual had, the more committed they were to their career.

With regards to job commitment, the only significant predictor was a person's age. In terms of standardised regression coefficients, age, whether they had ever been made redundant, the number of children they had, and the length of time since redundancies had occurred in the individual's department were the most important predictors. For organisational commitment, both the number of years a person had worked for AFFCO, the number of years they had been in their job, and whether they had ever been made redundant were significant predictors and also ranked one to three, respectively, in terms of their standardised regression coefficients. The number of years a person had worked in their job had a negative correlation with organisational commitment, meaning that the more years a person had been in the same job, the less committed they were to the organisation. On the other hand, if a person had been with the company a number of years and had enjoyed a progressive career, they were more likely to be committed to AFFCO.

Finally, the value a person places on work was also regressed against the set of nine predictor variables, with only a person's age being a significant predictor. In terms of standardised regression coefficients, age obviously ranked first, with whether the individual had ever been made redundant, the number of dependents they had and the length of time they had worked for AFFCO following in that order. In contrast to organisational commitment, work values had a negative correlation with the number of years worked for AFFCO, meaning a person tended to have lower work values the longer they had worked for AFFCO.

In summary, the most consequential variable identified overall in the regression analyses was the respondent's age. Age was a statistically significant predictor of the overall WCI score as well as its subscales and, in terms of the relative importance of the predictors, was also ranked in the top four predictors for three of the subscales, the overall scale, and the GHQ. The second most important predictor variable overall was gender, which was a statistically significant predictor of GHQ scores and predictor of scores on the work commitment subscale and was also the most important predictor for those

scales. The number of dependents a person had and whether a person had ever been made redundant were both statistically significant predictors for at least one of the scales and also ranked in the top four in terms of importance for all except two of the scales. This ability gave these two variables a ranking of third equal in terms of importance. Whether the individual was a sole income earner, which site they worked at, and their length of service at AFFCO all ranked in the middle of the set of predictors in terms of consequence. They were also all statistically significant predictors of at least one of the scales and ranked in the top four in terms of importance with at least two subscales. The final three predictors, the length of time an individual had been in their current position, the length of time since the individual's department had undergone downsizing, and the level of the person's education all provided little predictive value.

3.8 An analysis of the relationship between responsibility level and the subscale scores

A one way analysis of variance (ANOVA) was conducted to analyse the relationship between an individual's responsibility level and the GHQ and WCI (including its subscales). An ANOVA was necessary because the three separate categories within the responsibility level variable did not allow this variable to be easily included in the set of predictor variables used in the multiple regression analyses.

Table 13.

The means and standard deviations (in parentheses) of the GHQ and WCI scale scores for each of the responsibility levels, as well as the ANOVA *p* values. Also shown are the sample sizes (*N*) for each level of responsibility.

Level	N	GHQ	WCI	WCI-Career
No reports	62	34.00 (7.13)	3.49 (0.68)	3.70 (0.91)
Supervise group	26	34.96 (5.41)	3.80 (0.58)	4.13 (0.72)
Manage depts	8	33.25 (4.23)	3.80 (0.49)	4.33 (0.75)
ANOVA <i>p</i> value		.75	.09	.03

Level	N	WCI- Job	WCI-Organisation	WCI-Work Values
No reports	62	2.95 (0.79)	3.27 (0.93)	3.98 (0.70)
Supervise group	26	3.10 (0.94)	3.66 (0.94)	4.23 (0.67)
Manage depts	8	3.17 (0.73)	3.69 (1.06)	3.86 (0.37)
ANOVA <i>p</i> values		.60	.15	.22

As can be seen from Table 13, the only difference between participants with different responsibility levels was in terms of the career subscale of the WCI ($p < .05$). In this case, the career scores were slightly lower for the 'no reports' group than for the 'supervise group' and 'manage department' groups' (although this conclusion must be considered somewhat tentative given the difference in sample sizes across the three responsibility levels).

3.9 Relationships between the outcome and demographic variables

Cross-tabulation analyses were conducted to investigate whether there were additional significant relationships between the demographic variables and the outcome variables that were not identified from the regression analyses. Of the analyses which were conducted, seven statistically significant relationships were identified as not being covered by the multiple regression analyses (with significance values of $p < .05$; see Table 14).

Table 14.

Significant relationships between the demographic variables and scores on the GHQ, WCI, and WCI subscales. Where the first column shows the scale on which the demographic variable has predictive ability, the second column shows the predictor itself, the third column gives the chi-squared value (χ^2 Value), the fourth column gives, the degrees of freedom (df), and the fifth column gives the associated probability value (p).

Scale	Predictor	χ^2 Value	Df	p
GHQ	Time Dept	18.33	10	.05
WCI Total	Educate	95.45	15	.00
WCI Total	Income	9.13	3	.03
WCI-Organisation	Age	26.28	16	.05
WCI-Organisation	Educate	36.80	20	.01
WCI-Organisation	Sex	10.07	4	.04
WCI-Work Values	Educate	39.02	15	.00

Of the above cross-tabulation analyses, those that appear to have information of interest are shown in detail in Tables 15 and 16.

Table 15.

Overall Work Commitment category scores as a function of income status.

Income	WCI				
	Very Low	Low	Average	High	Very High
Sole	0	0	13	10	0
Double	0	14	31	12	1

As can be seen from Table 15, work commitment levels appeared to be lower for those individuals from double income families than for those who were sole income earners. Respondents from double income families tended to be less committed to their work than those individuals who were their family's sole income earner, this was also demonstrated by a negative regression coefficient in the multiple regression analysis.

Table 16.
Organisational Commitment category scores as a function of age.

Age	Organisational Commitment				
	Very Low	Low	Average	High	Very High
24 or less	1	3	1	0	0
25 to 34	2	7	14	5	2
35 to 44	1	9	11	10	0
45 to 54	1	5	4	7	1
55 or more	0	2	3	3	4

As can be seen from Table 16, organisational commitment levels tended to increase with age. In this study, young employees (24 years or less) tended to have low organisational commitment. Employees in the 25 to 34 year age group had slightly higher commitment to the organisation, but levels were still concentrated in the 'low' to 'average' categories. Employees in the 35 to 54 year age bracket had higher organisational commitment levels again, with scores from 'average' through to 'high' levels. Employees who were 55 years or older, were the most committed to AFFCO, with their scores dominating the 'high' to 'very high' categories.

3.10 Summary

Table 17.
Significant relationships between dependent and predictor variables.

Predictor	GHQ	WCI	WCI_C	WCI_J	WCI_O	WCI_V
Age	⊖	⊕*	⊕	⊕*	⊕ [‡]	⊕*
Time Dept	⊕ [‡]	⊕	⊖	⊖	⊕	⊕
Educate	⊕	⊕ [‡]	⊕	⊕	⊕ [‡]	⊕ [‡]
Income	⊖	⊖ [‡]	⊖*	⊖	⊕	⊕
Children	⊖*	⊕	⊕	⊕	⊕	⊕
Redund Self	⊖	⊕	⊖	⊕	⊕*	⊕
Sex	⊖*	⊖	⊖*	⊖	⊖ [‡]	⊕
Site	⊖	⊖	⊖*	⊖	⊖	⊕
Years Affco	⊕	⊕	⊕	⊖	⊕*	⊖
Years Job	⊕	⊖	⊖	⊖	⊖*	⊕

* = significant relationship in multiple regression analysis

[‡] = significant relationship in cross-tabulation analysis

Table 17 summarises the findings of the multiple regression and cross-tabulation analyses, indicating whether each predictor had a positive (⊕) or negative (⊖) relationship with each outcome scale. These analyses showed that older people appeared to have higher work commitment in all forms, yet also tended to have lower psychological well-being. The longer it had been since an individual's department had undergone restructuring, the higher their psychological well-being and work commitment, with the exception of career and job commitment. An individual with higher levels of education also tended to have higher levels of all forms of work commitment and psychological well-being. A person who was a family's sole income earner tended to have higher psychological well-being, overall work commitment, career commitment and job commitment, but lower organisational commitment and work values. Respondents with a larger number of children tended to have lower levels of psychological well-being but higher levels of all forms of work commitment. Respondents who had been made redundant before generally tended to have lower

psychological well-being and career commitment but higher overall work, job and values commitment. Males and Head Office workers tended to have higher levels of psychological well-being and all forms of work commitment with the exception of having lower work values. Respondents who had worked for AFFCO for a long time tended to have higher psychological well-being, overall work commitment, career and organisational commitment, but lower job commitment and work values. Finally, respondents who had been in the same job for a number of years tended to have higher psychological well-being and work values but lower overall work commitment, career, job, and organisational commitment.

DISCUSSION

4.1 Summary of Results

The present study was designed to examine the impact that restructuring has on employees' psychological well-being and work commitment. As predicted, evidence emerged linking both the recency of restructuring (i.e., the length of time since an individual's department has undergone restructuring) and personal experience (i.e., whether the individual has ever been made redundant) to levels of psychological well-being and forms of work commitment, specifically organisational commitment. Whether participants worked at AFFCO's Horotiu site or Head Office was also expected to be related to levels of psychological well-being and various work commitments but, due to an insufficient sample size, a significantly lower level of career commitment was the only outcome reliably linked to employees working at the Horotiu site.

A number of demographic variables were also related to the outcome measures and these identified further potential areas for focus. Age, education level, and income status were associated with varying forms of work commitment. Specifically, older, more highly educated employees showed higher levels of overall work, job, and organisational commitment, and stronger work values. In contrast, individuals from double income families tended to have lower levels of work and career commitment.

Based on previous research (e.g., Anonymous, 1995; Armstrong-Stassen, 1998; Gable et al., 1992), gender was expected to have little predictive ability in terms of the main outcome variables. However, gender was in fact the only variable able to predict both psychological well-being and work commitment levels (although the overall levels of prediction were modest). Females tended to have lower levels of psychological well-being, as well as lower levels of both career and organisational commitment. Three demographic variables, namely 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, were related to single subscales measured in the present research. Specifically, participants with large families reported lower levels of psychological well-

being, whereas longer service at AFFCO, combined with a relatively short length of time in their present job, was associated with higher levels of organisational commitment. Several demographic variables provided interesting additional information which enabled various significant conclusions to be drawn, the implications of which will be addressed in the next section.

Overall, there was generally clear support for the impact of restructuring on levels of well-being and work commitment. However, only limited support was found for the specific impact that working at the Horotiu site or Head Office was expected to have on levels of well-being and work commitment.

There were no statistically significant relationships found between scores on the Work Commitment Index (WCI) and its various subscales, and the General Health Questionnaire (GHQ). The one exception was a relationship found amongst Head Office employees, where those who were highly committed to their career were found to also have high levels of psychological well-being. As expected, relationships between the WCI and its subscales were all statistically significant, ranging in effect size from moderate to strong. Intercorrelations within the WCI subscales themselves were also statistically significant, ranging in effect size from weak through to strong. The exceptions were three intercorrelations within the Horotiu subsample, which were non-significant (once again this is possibly the result of low power due to the small number of participants from Horotiu).

4.2 Implications of these findings

The lack of significant relationship between the GHQ and the WCI scores means that, overall, a person's level of psychological well-being was unrelated to, and therefore unable to be predicted from, their level of work commitment. Although, within Head Office, psychological well-being had a significant positive relationship with career commitment. However, as mentioned above, this relationship was only modest in strength (the proportion of shared variation being only .06). The reason for this overall

lack of relationship is unclear, but several possibilities exist and each of these will be discussed in turn.

Firstly, prior research has tended to focus on the impacts of organisational restructuring on either psychological well-being (e.g., Anonymous, 1997; Baxter & Margavio, 1996; Callan et al., 1994; Parkes, 1990; Tang & Fuller, 1995) or work commitment (e.g., Bashaw & Grant, 1994; Brockner, 1995; Irving et al., 1997; Ryan & Macky, 1998), which has resulted in a paucity of research in the specific area of the impacts that restructuring has on both psychological well-being and work commitment. Due to the absence of an established literature examining whether a relationship between the two constructs in fact exists, the tentative conclusion from the present results would be that there is no significant relationship between psychological well-being and work commitment.

One reason that such a conclusion is tentative is that our confidence in the measures used in the present research is limited at best. The main concern is with the GHQ which, in the present research, has poor internal consistency, perhaps muddying an actual relationship between psychological well-being and work commitment.

Finally, it is clearly also important to consider the statistical power associated with the present statistical analyses. If the power is low, no unequivocal interpretation of the present 'null' finding is possible. As it so happens, the power of the present analyses to detect 'small' (i.e., $r = .1$) and 'medium' (i.e., $r = .3$) sized relationships was .06 and .69, respectively. These values were computed using Faul and Erdfelder's (1992) G Power software. These power values mean that, although the present research had a reasonable chance of detecting a medium sized effect, there was almost no chance of detecting a small effect. The corresponding power results for the Head Office and Horotiu sites were .04 and .56 for Head Office (i.e., much the same as for the overall sample), but only .02 and .09 for the Horotiu site. The conclusion that can be drawn from these analyses is that, due to the power to detect relationships of modest strength being low, it is impossible to rule out the possibility that we have simply failed to detect some actual relationship between work commitment and psychological well-being (this is especially the case when the analyses were conducted separately for the two sites).

Thus, the analyses of the possible relationship between the GHQ and the WCI scores have delivered equivocal results, eliminating the possibility of a definitive statement. The three issues described above of: (1) Lack of prior research making it difficult to determine whether a relationship should in fact be apparent between the constructs; (2) low confidence in at least one of the measures used; and (3) the possibility of low statistical power, are recurring themes which will reappear throughout the detailed discussion of the present results.

Within the subscales, all the relationships were positive, but the strength of these relationships varied. Although for Horotiu, not all of the relationships were statistically significant. The significant negative relationship between site and career commitment indicates that employees at Horotiu were less committed to their careers than those employees at Head Office. It can be assumed that this is because there are fewer career options at Horotiu due to the limited types of work carried out there. There were no significant differences for the other subscales, although this may again be due to low statistical power.

Although strong intercorrelations between the subscales were seen in the present research as a positive, Blau et al. (1993) argued that correlations which exceed .30 are higher than desirable and raise questions about how the work commitment facets are measured. Presumably, Blau et al. were arguing that a correlation exceeding .30 represents too great an overlap between subscales. However, given that a correlation of .30 represents only a 9% overlap in variance between subscales, such a cutoff is considered far too stringent in the present context. Considering that all the subscales are measuring different facets of the same construct, it is suggested that a cutoff of .70 would be more realistic and still highlight areas of concern. In the present research, only two correlations fell into this category, namely job commitment and work values for both the overall sample and the Head Office subsample. This indicates that there is a fair degree of overlap between what these two subscales measure. Blau et al.'s correlations were all significantly lower than those found in the present study, with theirs ranging between .27 and .31. The one correlation that exceeded their cutoff was between career commitment and organisational commitment, again different from the findings of the present study.

The reason for these differences is unclear, but could possibly be due to the vastly greater sample size that Blau et al. analysed, their sample totaling 339 participants, whereas only 98 were surveyed in the present research.

4.2.1 Relationships with demographics variables

The following discussion will be organised around the various demographic variables, because this provides a logical structure.

4.2.1.2 Age

Studies that have tested the relationship between age and organisational commitment have reported mixed results (Bashaw & Grant, 1994). In the present research, older workers appeared to be more committed to the organisation than younger workers. This makes logical sense because AFFCO has relatively high tenure levels (i.e., average is 11 years) and the present research demonstrated that the longer a person had worked for the organisation, the more committed they were to that organisation. Furthermore, age and tenure are clearly linked, to the extent that long tenure is only possible for older employees. Thus, the relationship between age and organisational commitment may simply be an artifact of their length of service.

Work values did not appear in the prior literature with reference to age, but were shown in the present research to increase in strength with age. There are two possible explanations for this finding. Firstly, it is assumed that as the majority of people get older their work opportunities decrease, suggesting that their focus might well change – perhaps they develop a stronger work ethic and place more emphasis on the value of work due to their limited options. Secondly, once people reach the older stages of their lives, saving for retirement and doing the things that were not possible because of the cost when the children were still at home, may again prompt a possible alteration in focus. Such a change in focus might result in a greater importance being placed on work due to the financial rewards and in turn manifesting in increased work values.

4.2.1.2 Gender

Again, the results of studies examining the relationship between gender and work commitment are mixed. Research published by Bashaw and Grant (1994) suggests that women exhibit lower levels of various work commitments, whereas Gable et al. (1992) and Anonymous (1995) found that gender differences were not significant once occupational levels were taken into account. Research analysing the impact of gender on psychological well-being found similar results. For example, Zappert and Weinstein (1985) reported that men had higher levels of psychological well-being, whereas Armstrong-Stassen (1998) found that any significant gender effect all but disappeared when comparisons were made between men and women in the same job position.

Although the present results indicate that women had statistically lower levels of psychological well-being and several types of work commitment, this could possibly be explained away if comparisons were made of males and females at the same responsibility level. In the present research, no women were found at management level and only 15% of the women surveyed were in supervisory positions, whereas 31% of the men were at similar positions and 12% were in management. This suggests that, in comparison to men, women tend to be predominant in lower levels of the organisation at AFFCO. It should be noted that Nelson et al. (1995) and Daniels and Guppy (1994) found that individuals in lower positions tend to have significantly lower levels of job satisfaction, work commitment, and higher levels of mental health. This means that although, in the present research, women appear to have lower levels of psychological well-being and various forms of work commitment, this could be a result of their position within the organisation, rather than as a result of their gender per se.

4.2.1.3 Income status

There have been a limited number of studies investigating possible relationships between income status and the various types of commitment. Bashaw and Grant (1994) argue that employees with a higher family income, or those from a double income family, may be less committed to their organisation and/or career. Because another family member is also producing an income, the individual may feel less dependent on the

organisation and more secure about exploring other opportunities that may not offer career advancement. On the other hand, an individual who is the sole family income earner may be more committed to the job, because they may feel the need to become more involved in the job to maintain their family's income.

The present findings support part of Bashaw and Grant's (1994) argument, with individuals from double income families being less committed to their careers, although no relationship was found between income status and organisational commitment. The negative relationship between income status and career commitment supports the suggestion that individuals from double income families may feel more secure in exploring other opportunities that may not offer career advancement because another member of the family is producing a steady income.

The present results also support Bashaw and Grant's (1994) suggestion that individuals who are sole income earners are more committed to their job, possibly because they feel the need to become more involved in their job to maintain their family's income. Unfortunately, there was no significant relationship between income status and psychological well-being.

4.2.1.4 Number of dependents

Although no known research has analysed the relationship between the number of dependents an individual has and their psychological well-being, the logic behind Bashaw and Grant's (1994) argument for income status appears to have some relevance here too. In the present research, number of dependents was statistically significant, indicating that the more dependents a person has, the lower their psychological well-being. This could be explained by the fact that an individual may be more dependent on their job, in order to maintain an income sufficient to support their family (the level of income sufficient to support the family would be dependent on the size of that family, i.e., the more children the greater the necessary income). In times of uncertainty, for example throughout periods of restructuring, a person who has increased responsibility to provide an income, due to a large number of dependents, is more likely to be under greater stress and hence have lower levels of psychological well-being.

4.2.1.5 Years in the job and with AFFCO

The number of years an individual has been in their current job and the number of years they have worked for AFFCO, were both significantly linked to an individual's level of organisational commitment. These results showed that the longer an individual had worked for AFFCO the more committed they were to the organisation, whereas the longer they had been in the same job the less committed they were to the organisation. This could be explained by the fact that loyalty to an organisation tends to build up over time as long as the individual feels the company recognises and appreciates their hard work and ability. This is shown in the current results with individuals who have been in the same job for a long time, having lower organisational commitment.

4.2.1.6 Education level

Although there was no statistical relationship between job commitment and education level in this present research, there was a relationship between education level and organisational commitment, with individuals with higher levels of education also being more committed to the organisation. This is an opposite relationship to that found by both Bashaw and Grant (1994) and Irving et al. (1997), who found that the higher an individual's level of education, the lower was their commitment to the organisation. A significant positive relationship was also seen with work commitment and, although work commitment was not identified in the prior research, it is clearly related to organisational commitment and hence will be discussed here as well. The type of organisation studied in the present research could possibly explain these opposite relationships. At AFFCO, individuals with high levels of education tend to be those who are in management positions. Due to the nature of the organisation, most people have attained management positions through working their way up the ranks and are therefore often long standing employees. As can be seen in the analysis of the number of years an individual has worked for AFFCO, there is also a positive relationship with organisational commitment.

As was reported by Anonymous (1995) and Anonymous (1996), educational level is also seen as an important predictor of work value considerations and this was also the

case in the present research. This suggests that individuals with higher educational attainment also value work as more important.

4.2.1.7 Ethnicity

Given that the participants in the present research were predominantly New Zealand European, it was not possible to examine the influence of ethnicity on the various outcome variables (e.g., WCI and GHQ scores). Prior research was not sourced in this literature review with regards to ethnicity, because as previously mentioned, research has not been conducted in this area in New Zealand before and New Zealand has a uniquely multicultural society, rendering any other research possibly irrelevant.

4.2.2 Redundancy

4.2.2.1 Prior redundancy

No research appeared to specifically analyse the impact having been made redundant before had on an individual's level of work commitment and psychological well-being, when the organisation they presently worked for was currently undergoing restructuring. The only significant result in the present research was that it appeared that if an individual had not been made redundant before then they were more committed to the organisation. A possible interpretation of this could be that because an individual has not been through the personal trauma of redundancy, they have more faith in their own ability and the dependence an organisation has on their skills, which in turn manifests itself in greater commitment to that organisation.

4.2.2.2 Recency of departmental redundancies

Research by Nicholson and West (1988) suggests that after a long period of time (i.e., 16 months) has elapsed since restructuring, attitudes may begin returning to their initial pre-restructuring level. This was in fact indicated in the present research where there was a positive relationship between the time since restructuring had occurred in an individual's department and that individual's level of psychological well-being.

Cross-tabulation analysis revealed a marked increase in a person's level of psychological well-being when it had been over two years since that individual's department had undergone restructuring. This indicates, as Nicholson and West (1988) suggest, that after a longer period of time, in this case over two years since restructuring has occurred, psychological well-being levels may begin returning to their initial pre-restructuring levels. This reiterates the long standing effects that restructuring has on people and hence on the organisation in which they work. This means that for up to a two year period after restructuring has occurred, survivors of restructuring may be suffering psychological distress, physical illnesses, and increased blood pressure, which may be resulting in increased absenteeism, poorer work performance, increased job dissatisfaction, and a greater propensity to leave the organisation (Reynolds, 1997; Shaw et al., 1993).

4.3 Limitations of the research and future directions

Due to survey questionnaires being used to collect the data used in the present analysis, the data are based solely on self reports and are therefore susceptible to common method variance. Incorporating an interview based research technique may have helped overcome this problem and also provided a more representative sample by eliminating some of the reasons why the Horotiu site had such a low response rate (e.g., removing the need for individuals to have to be able to read or comprehend at the levels required by a written survey). The sensitive and timely nature of the research may also have impacted on response rates. This feeling was illustrated by an extract from a letter received from one of the educated and interested participants from Horotiu, who wrote:

"Your subject is sensitive and it may prove difficult to field completed submissions because restructuring and redundancy are everyone's worst nightmare."

Although empirical data from the GHQ manual were to the contrary, the internal consistency of the GHQ was poor in the present research ($\alpha = .58$) and GHQ scores were poorly related to the predictor variables (with only 28% shared variance). It is possible that the longer version of the GHQ may have performed better and provided a more reliable and valid measure of psychological well-being.

It would be unjustified to propose that the variables studied here offer a complete picture of the impact that restructuring has on survivors and the organisations in which they work. In focusing in on the work commitment and psychological well-being of survivors, we have only offered a partial model of the impact of restructuring. Clearly, as the Introduction suggests, other factors not incorporated in the present study have also been shown to predict the impacts of restructuring, so the inferences made here remain incomplete.

In order to gain a more detailed impression of the extent to which such large-scale changes affect employees, it is important to take both pre- and post-change measures to determine the pre-restructuring levels of all relevant outcome variables. Then measures should be retaken periodically to determine the length of effect the change has. In addition, further research should be extended to include measures of personality types and coping styles to develop a more complete picture regarding the impact restructuring has on employees' psychological well-being and work commitment.

Due to the small size of the present sample, it is clear that the current findings need to be explored further in other contexts. The present findings, however, do seem to highlight the impact that restructuring has on individuals' work commitment and psychological well-being. There is no doubt that information about specific personal resources and coping strategies can be readily communicated to employees who are involved in the process of change. Senior managers could also use management practices, such as the appropriate delegation of authority and empowerment, to increase the level of control that employees have in manipulating their work environment, rather than feeling that events are totally out of their control. One consequence of a greater sense of control may be the decreased use of emotion-focused coping, the use of which can have a definite negative impact on psychological well-being. Perceptions of equity

and deprivation in terms of how restructurings are conducted also need to be considered further, as well as the role played by the organisation in helping employees adjust. Of course, this can be done through communication programmes that provide accurate and current information about the change. Social support (both emotional and informational) from supervisors, managers, and union officials prior to and during the change is also helpful (Callan et al., 1994).

Research by Shaw et al. (1993) concerning external coping resources suggests that management should provide information to employees about 'external parties' involved in decision-making activities related to the changes. It seems that simply knowing that someone is in control, even if the employee does not feel personally in control, may help alleviate some of the negative effects of organisational restructuring. Consideration of other coping resources and coping strategies, as well as additional situational variables such as employee perceptions of the level, type and style of change, are necessary for the establishment of a more robust explanation of employee responses to organisational change (Callan et al., 1994).

4.4 Conclusion

This study has introduced the concept of measuring the impact of restructuring on both the psychological well-being and work commitment of the survivors of restructuring. Although the size of the sample employed in the present study was relatively small, and was limited to a single organisation, the results of this study indicate that the concepts of psychological well-being and work commitment, in combination, may be important variables to consider in future studies of survivors of restructuring.

In general, the present study pointed to the major relationships between certain demographic variables (for example: age, gender, income status, number of dependents, years in the job and with AFFCO, education level) and personal experience with relation to redundancy, and measures of psychological well-being and work commitment. The current set of predictor variables accounted for a substantial proportion of the variance in

the Work Commitment Index score ($r^2 = .48$), whereas the predictor variables were unable to account for nearly as much variance in the General Health Questionnaire ($r^2 = .28$). The study indicated that the effects of restructuring have definite impacts on people's psychological well-being and commitment to their work.

Unfortunately, no statistically significant relationship was found between scores on the WCI (or its subscales) and the GHQ. Although this is with the exception of a relationship amongst Head Office employees, where those with high career commitment also had high levels of psychological well-being. The issues of lack of prior research, low confidence in the GHQ measure, and the possibility of low statistical power, all made it difficult to determine whether a relationship should in fact have been apparent between the constructs.

Due to the definite impacts that have been identified in the present research that restructuring has on employees' psychological well-being and work commitment levels, and in turn on the eventual profitability of the organisation, organisations preparing for major changes should take heed of the advice offered by experts in the field (which was covered in detail in the Introduction section). Firstly, managers should be encouraging about the use of communication and also lead by example through using open and honest communication (e.g., Beam, 1997; Budd, 1995; McKenzie & Koenig, 1997; Nelson, 1997; Ryan, 1989; Stoner & Hartman, 1997; Welch, 1992). Management should also be working towards reducing the ambiguity of roles (e.g., Caudron, 1996; Kets de Vries & Balazs, 1996; McConnell, 1996; Shore, 1996), ensuring the involvement of employees in the decision making process (e.g., Nelson, 1997; Payne, 1995; Tang & Fuller, 1995), remembering to recognise and reward employees (e.g., Brewer, 1995; Nelson, 1997), acknowledging employees' emotional turmoil (e.g., Caudron, 1996; Clark & Koonce, 1997), and always uphold ethical standards (e.g., Brewer, 1995; Nelson, 1997; Ryan, 1989; Stoner & Hartman, 1997). Management should also ensure that restructuring is incorporated in an overall strategy and not merely being used as a cost-reduction exercise through the elimination of human resources (e.g., Curtin, 1996; Kets de Vries & Balazs, 1996; Kogan, 1996; Palmer et al., 1997). The other major benefit of this research is that

it has highlighted some real areas of concern within the participating organisation, AFFCO, which should be brought to the attention of management.

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APPENDICES

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A1

It is assumed that by filling in the questionnaire you are giving your consent to take part in this research.

Read each of the following statements and rate your level of agreement or disagreement with it, using the following scale (i.e., tick the appropriate box).

		Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
1.	If I could, I would get a different job*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	I can see myself in my present occupation** for many years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	My job is very central to my existence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	I believe hard work makes one a better person	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	I don't feel like I belong to the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	The most important things in my life involve my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	My occupation choice was a good decision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	I believe a person's worth is based on how well they do their work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	I am not emotionally attached to the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	My job is only a small part of who I am	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	If I had a choice, I would not have chosen my present occupation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	I think its better to have more responsibility at work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	My education/training is not related to my occupation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	The organisation has personal meaning for me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PTO

Job*: What you do within AFFCO, e.g. Boner/Knife Hand/Slaughter Man/Carpenter

Occupation**: Type of area you work in, not necessarily tied to AFFCO, e.g. Butcher/Freezing Worker/Engineering/Trades

		Strongly disagree	Disagree	Slightly disagree	Slightly agree	Agree	Strongly agree
15.	I live, eat, and breathe my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	I would still continue in my occupation if I didn't need the money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	I like to be absorbed in my job most of the time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	I think people should get involved in their work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19.	I do not feel like I am part of the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20.	My occupation is in line with my values	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.	Most of my interests are centred around my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22.	I am sometimes dissatisfied with my occupation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23.	I believe wasting time is as bad as wasting money	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24.	I believe one's life goals should be work-oriented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25.	I wish I had chosen a different occupation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26.	I would be glad to spend the rest of my days with the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27.	Most of my personal life goals are job-oriented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28.	I like my occupation too much to give it up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29.	I believe work should be central to one's life	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30.	I am disappointed that I entered my present occupation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31.	The organisation's problems are mine too	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PTO

Job*: What you do within AFFCO, e.g. Boner/Knife Hand/Slaughter Man/Carpenter

Occupation**: Type of area you work in, not necessarily tied to AFFCO, e.g. Butcher/Freezing Worker/Engineering/Trades

Please read this carefully:

We would like to know if you have had any medical complaints, and how your health has been in general, *over the past few weeks*. Please answer ALL the questions simply by ticking the answer which you think most closely applies to you. Remember that we want to know about present and recent complaints, not those you had in the past. It is important that you try to answer ALL the questions.

HAVE YOU RECENTLY:

		More than usual	Same as usual	Less than usual	Not at all
1.	Been able to concentrate on whatever you're doing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	Lost much sleep over worry?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	Felt that you are playing a useful part in things?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	Felt capable of making decisions about things?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	Felt constantly under strain?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Felt you couldn't overcome your difficulties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Been able to enjoy your normal day-to-day activities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	Been able to face up to your problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	Been feeling unhappy and depressed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	Been losing confidence in yourself?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	Been thinking of yourself as a worthless person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	Been feeling reasonably happy, all things considered?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PTO

DEMOGRAPHIC INFORMATION:Age: 24 or less ☐ 25-34 ☐ 35-44 ☐ 45-54 ☐ 55 or more ☐Male: ☐ Female: ☐

Which ethnic group do you identify with:

New Zealander of Maori decent	<input type="checkbox"/>	Cook Island Maori	<input type="checkbox"/>
New Zealander of European decent	<input type="checkbox"/>	Pacific Islander	<input type="checkbox"/>
European	<input type="checkbox"/>		
Other (please specify) _____			

Number of years working in your present job:

2 or less	<input type="checkbox"/>	3-5	<input type="checkbox"/>	6-10	<input type="checkbox"/>
11-20	<input type="checkbox"/>	21-30	<input type="checkbox"/>	31 or more	<input type="checkbox"/>

Number of years working for AFFCO:

2 or less	<input type="checkbox"/>	3-5	<input type="checkbox"/>	6-10	<input type="checkbox"/>
11-20	<input type="checkbox"/>	21-30	<input type="checkbox"/>	31 or more	<input type="checkbox"/>

Number of years working within the industry:

2 or less	<input type="checkbox"/>	3-5	<input type="checkbox"/>	6-10	<input type="checkbox"/>
11-20	<input type="checkbox"/>	21-30	<input type="checkbox"/>	31 or more	<input type="checkbox"/>

Position within AFFCO:

I have no people reporting to me	<input type="checkbox"/>
I supervise a group of people or a department	<input type="checkbox"/>
I manage a number of departments	<input type="checkbox"/>

Education:

School Certificate	<input type="checkbox"/>	Degree or diploma	<input type="checkbox"/>
University Entrance	<input type="checkbox"/>	Postgraduate	<input type="checkbox"/>
Bursary	<input type="checkbox"/>		

Family information:Are you living with your partner or married: Yes ☐ No ☐*If you answered yes, are you:*

Sole income earner	<input type="checkbox"/>
or Double income family	<input type="checkbox"/>

Number of dependents:

None	<input type="checkbox"/>	1-2	<input type="checkbox"/>	3-4	<input type="checkbox"/>	4-5	<input type="checkbox"/>	6 or more	<input type="checkbox"/>
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PTO

Redundancy information:

Have you ever been made redundant: Yes ☐ No ☐

Has any member of your family been made redundant: Yes ☐ No ☐

Have any of your close friends been made redundant: Yes ☐ No ☐

If you answered yes to any of the above questions, how long ago did the last redundancy occur?

Under 3 months ☐ 3-6 months ☐ 7-12 months ☐

Between 1-2 years ☐ Over 2 years ☐

How long ago did the last redundancies occur within your plant/work group?

Never ☐ Under 3 months ☐ 3-6 months ☐

7-12 months ☐ Between 1-2 years ☐ Over 2 years ☐

Thank you for your cooperation



MASSEY
UNIVERSITY

A2

A L B A N Y

DEPARTMENT OF PSYCHOLOGY

SURVIVORS OF RESTRUCTURING

INFORMATION SHEET

Dear Employee,

This research is interested in the “survivors” of restructuring and focuses on those aspects of your working life most affected by downsizing. Your organisation has made a commitment to investigate seriously the negative outcomes so often associated with downsizing, to enable them to combat these more effectively.

My name is Rachel Berkett and I am a Masters student at Massey University’s Albany Campus in Auckland. My Masterate research is on the topic of survivors of restructuring. I will be supervised in this research by Dr. Philip Voss also from the Psychology Department of Massey University. Any questions or additional information required can be directed to him on (09) 443-9663 or myself on (025) 276-7614.

I invite you to participate in this research which will determine the aspects of your working life which have been affected by your organisation’s restructuring. If you do agree to participate in this research, you will be asked to fill out three short questionnaires, which will take approximately 20-25 minutes to complete. It is assumed that by filling in each questionnaire you are giving your consent.

If you do decide to take part in this research, you can be assured that your responses will be anonymous. You will also have the right to refuse to answer any questions at any time. The information you do provide will be used only for the purposes of the research and will be kept at the University in a secure location. When the research is completed a copy of the results will be made available to all interested parties.

If you have completed this questionnaire, I would like to take this opportunity to thank you for your time and remind you that if you have any queries or concerns about the research at any time, please do not hesitate to contact the above numbers.

A3



MEMORANDUM

TO: All Head Office and Horotiu Employees

FROM: Wayne Annan

DATE: July 1998

SUBJECT: Research - Survivors of Restructuring

Allow me to introduce Rachel Berkett who will be conducting this research on behalf of AFFCO. Rachel is a Masters student at Massey University and is also employed at AFFCO as our Human Resources Coordinator.

This research is interested in people who have survived restructuring, those employees selected by the organisation to continue working, and are known as the "survivors". The aim of this research is to find out the impacts restructuring has on survivors, so that we can try to deal with these more effectively.

It is emphasised that this research is focusing on those people working for AFFCO. The results of this research will be very beneficial to us in terms of trying to determine which aspects of your working life have been affected by the restructuring.

We are fully supportive of this research but remind you that for the results to be representative of the organisation as a whole, we need as many people to respond as possible. Therefore, it would be greatly appreciated if you could complete the following questionnaire and forward it in the prepaid envelope enclosed. Please note that all your responses are completely anonymous and confidential.

Thanks and best regards,

Wayne Annan
Group General Manager - Human Resources

A4



MEMORANDUM

TO: All Head Office and Horotiu Employees

FROM: Rachel Berkett

DATE: 30 July 1998

SUBJECT: 'Survivors of Restructuring' Questionnaire

If you have already returned your questionnaire, I would like to thank you very much for your time and participation.

For those of you yet to return your questionnaire, this is a friendly reminder. If you have misplaced your questionnaire and would like another, please let me know as I have plenty of spares!!!

Thanks again,

Rachel Berkett