

# Rightsizing the Multi-Divisional Firm: Individual Response to Change Across Divisions

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This study examines the changes in attitudes of 145 management employees involved in the rightsizing of a large multi-divisional *Fortune 500* firm. The restructuring effort resulted in downsizing some divisions of the firm, while upsizing other divisions of the firm. Several divisions also remained unaffected by the corporate restructuring efforts. Differences in job satisfaction across individuals in these three situations were assessed both before and after the corporate restructuring effort. Individuals in divisions that were not affected by the rightsizing efforts experienced a significant decline in job satisfaction along with those in downsized units. Individuals moved to divisions that were upsized demonstrated little or no change in job satisfaction. These significant differences are explained using equity theory and literature examining the "survivor syndrome" in corporate layoffs.

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## INTRODUCTION

The past two decades have been an era of corporate reorganization and restructuring. These changes in the nature and structure of the work environment have come at a personal cost to individuals affected by a corporate reorganization and is an organizational snarl through which corporate leaders must maneuver. The popularity of management books geared to corporate executives, such as *Teaching the Elephant to Dance* (Belasco, 1990) and *When Giants Learn to Dance* (Kanter, 1989) indicate the unwieldy and troublesome nature of major corporate restructuring.

When considering restructuring an organization, top management can implement one of three forms (Bowman and Singh, 1993). First, portfolio restructuring involves changes in the configuration of lines of business of a firm through acquisition and divestiture transactions. Second, financial restructuring typically involves taking on high amounts of debt forcing managers to focus on core businesses, eliminate free cash flow and minimize organizational slack to ensure maximum operating efficiency. Finally, organizational restructuring focuses on how an organi-

zation changes its current operating procedures and practices to meet changes in the external environment.

In each of these cases, and increase in efficiency and effectiveness of a firm «through significant changes in organizational structure, often is accomplished by downsizing (...) asset disposal or acquisition» (Bowman and Singh, 1993, p. 6). Such consequences lead to a disruption in the work environment that can affect the bonds that have developed between a worker and an organization. The allegiance between worker and organization has been de-emphasized as organizational leaders have had to grapple with methods to deal with uncertainty and change. The psychological contract between a worker and an organization is undergoing fundamental changes that leave workers unsure of their role and place in organizational systems (Heckscher, 1995).

Early in management theory, Lewin (1947) recognized that top management is forced to respond to provocative problems and/or opportunities that emerge from the environment. The response by organizational leaders in the current climate of major restructuring and "rightsizing" has typically been a search for new methods and configurations to replace inadequate systems that seem ineffective to threats or are unable to advance available opportunities.

These changes in the structure of an organization require an adjustment by employees of prior behavioral and attitudinal patterns that are no longer adequate for them. Argyris (1973) predicts that one of the consequences of an incongruence between individual predisposition and organizational demands is job dissatisfaction. As organizations are restructured to meet organizational goals, the needs of workers may be engulfed by the needs of an organization. A worker's sense of autonomy is threatened when individual empowerment is overlooked. This can be seen as a failure of management if a worker comes to the belief that work lacks meaning and significance (Bennis, 1989).

Research in strategy and organizational theory has examined the organizational level consequences of these restructuring efforts. Research in organizational behavior has focused on the impact of these organizational phenomena on individuals within an organization. In addition, to examining the impact of organizational downsizing on individuals who are laid off, an important research stream in organizational behavior has focused on the impact of downsizings and layoffs on individuals who remain with a company.

Norman (1995) found that over half the firms that were involved in layoffs and downsizing activities were pursuing a broader restructuring agenda that frequently involved shifting resources from one work unit or division to another. While each of the three forms of restructuring can include downsizings and layoffs, it is not inevitable that they occur. Other means to a restructure can take place. For example, an organizational restructuring can include moving individuals from one business unit to another that has increasing demands. This, in effect, downsizes the unit from which the employees were obtained without the drastic measure of laying off and ultimately cutting all ties with

some individuals from the organization. The focus of this study is on individuals who remain with a downsized unit, and their counterparts who are reassigned to a growing unit.

Some attitudinal response from co-workers in such a situation is expected. Work is not an isolated activity. It is a social enterprise that brings people together for common goals. When the integrity of formal and informal social systems are challenged, individuals tend to resist such change (Lewin, 1947). Yet, such changes are part of the organizational landscape. The notion of career constancy has been usurped by the dynamic nature of the newly conceptualized organization. As Kanter (1983, p. 212) points out,

*«organizations and people's connections to them are dynamic, not static. In a large sense, the structure as a whole may be constant flux, with jobs and functions and units frequently reshuffled, and in the narrower sense, individuals may move through a sequence of positions in the course of their work lifetime.»*

Whereas the strong emotional repercussions of having friends and co-workers laid off has been documented, the reactions of individuals involved in a corporate reorganization that does not involve layoffs of co-workers, has not been as well researched. The purpose of this study is to examine the changes in attitudes of individuals involved in the shuffling of workers within an organization as the result of a restructuring. The research question to be addressed empirically, is whether we can expect to find similar attitudinal responses to general corporate restructurings as those found with corporate layoffs. In essence, the generalizability of research examining attitudinal responses of organizational survivors during a layoff is examined.

## **THEORY AND HYPOTHESES**

Layoffs are permanent, involuntary separation of individuals from an organization due to the need to cut costs. The survivors of a layoff, those employees selected to continue working in the organization, are expected to enable the organization to function and ultimately succeed with fewer personnel. Research examining survivors' attitudes and work behaviors following a corporate layoff consistently shows that surviving individuals' job attitudes such as job satisfaction, organizational commitment, job involvement, and exit intentions, become less favorable after coworkers are laid off (Brockner, 1988; Brockner, Konovsky, Cooper-Schneider, Folger, Martin and Bies, 1994; Allen, Freeman, Reizenstein and Rentz, 1995). In addition, the emotional states of survivors have been shown to range from anger, anxiety, cynicism, resentment, resignation, desire for retribution to hope (O'Neill and Lenn, 1995). The combination of dysphoric reactions to layoffs, with the responsibility to keep an organization functioning smoothly with fewer personnel, make post layoff periods difficult.

With few resources to cope with such adversity, individuals begin to feel helpless. Learned helplessness results from repeated exposure to misfortune that an individual has no power to escape. The individual comes to expect to remain powerless and responds to new situations as if helpless (Seligman, 1975). Survivors have learned that their own abilities and self-determination are of little consequence when they see co-workers of similar skills laid off. The ambivalence towards fate is that fate has spared them thus far but the worker feels helpless if circumstances should turn.

The helplessness that is learned through the restructuring process underscores workers' uninspired fealty to the fate that kept them employed. "Survivor guilt" may rise when layoff survivors perceive that their work efforts and results were no greater than those of dismissed workers. The survivors' sorrow for their co-workers is enmeshed with their inability to cognitively differentiate why they were spared. When survivors strongly identify with laid off workers, they may displace their anger or hostility and negative attitudes towards their job resulting in reduced work motivation and diminished job satisfaction (Brockner, 1988).

Corporate reorganization may involve layoffs, but often involve less severe resource shifting. For example, shifting resources from one unit or division in essence downsizes that unit. Those resources are shifted to another division that is being "upsized". Workers may not be cut or laid off from the organization, but reassigned from their original work unit to another work unit. In the case of a reorganization where workers are reassigned but not laid off, workers in the original unit that is being downsized, may experience similar reactions to the restructuring process as those who have survivor guilt. Group anxiety related to the unknown associated with change often leads to feelings of doom during the change process (Stein, 1990). Changes in the work environment can lead to increased infighting and factionalism, episodes of group despondency, apprehension, selfblame, hopelessness, a sense of abandonment, feelings of resignation, and the proliferation of and vulnerability to rumors (Stein, 1990).

Workers in downsized units may interpret their role in the organization as a reduced one because they are not part of the expanding units that the organizational leaders have chosen to give added resources. Workers may feel less valued and more vulnerable to further changes. Workers in the downsized units may see themselves as being abandoned by the company leading to less commitment to the organization. Equity theory can provide some insight into these and other displaced worker reactions to reorganizations (Adams, 1965). Equity theory holds that individuals evaluate their outcomes (pay, promotion, etc.) relative to their inputs and form opinions about how well they are being treated. People consider their inputs and outcomes relative to the inputs and outcomes of others (Adams, 1965). From an equity theory perspective, if employees in downsized units are expected to maintain the pre-reorganization production level of the unit, their inputs are expected to increase without a requisite increase in outcomes.

Behavioral or psychological adjustments must be made to restore the perceived equity in their work situation (Brockner, 1988).

Equity theory explains decreased work motivation and declining job satisfaction without relying on the notion of survivor guilt, and applies to corporate restructurings in which individuals are simply reassigned to other units. Individuals who remain in original work units have increased workload and may perceive themselves to be in an inequitable position. This in turn, impacts the individual's attitudes about his or her job.

Job satisfaction is the constellation of a person's attitudes toward or about the job (Organ and Bateman, 1991). Organ (1988) regards job satisfaction as a reflection of perceived fairness on the job. In other words, job satisfaction scores correspond to an evaluation of the job and its various aspects against some intuitive idea of what they ought to be. Consistent with this argument, Davy, Kinicki and Scheck (1991) found that the higher perceived fairness of layoffs, the higher employees' job satisfaction. This in turn, results in higher organizational commitment. If an individual perceives inequity in their work situation, it can be expected that their job satisfaction will decline (Adams, 1965). Therefore, one hypothesis to be tested in this study is the following:

*H1: Individuals remaining in their original downsized units during a corporate reorganization will experience a decline in job satisfaction.*

On the other hand, individuals that are reassigned during a corporate reorganization to a unit that is expanding may not experience the same degree of negative attitudinal effects of their cohorts remaining in the original, declining work unit. While these reassigned individuals may not want to move to another division, from an equity theory perspective, these individuals are joining a work unit that is increasing the number of individuals to maintain the production level of that unit. It is likely that in an expanding unit, additional resources, training and management attention will be abundant which may indicate to employees of this unit that they are important to the future of the company. While many employees involved in an organizational change are impacted by the uncertainty surrounding the change effort and may therefore experience a decline in job attitudes, those assigned to expanding units may be less likely to fear future restructuring efforts. These individuals are placed in divisions receiving increased corporate attention. It is therefore hypothesized that:

*H2: Individuals reassigned to an expanding unit during a corporate reorganization will experience less of the decline in job satisfaction than co-workers remaining in their original work units.*

## METHODOLOGY

This study is a quasi-experimental field study. Subjects for this study were 180 management level employees from a *Fortune 500* technology company located throughout the United States. Subjects were asked by their manager to participate in this study. It was stressed to the subjects that this was a study of job satisfaction, that all information would be confidential, and their participation was voluntary. Each subject was sent a packet containing the job Descriptive Index (Smith, Kendall and Hulin, 1969) and a demographic survey. The JDI is 72 item standardized objective multidimensional measurement of job dissatisfaction. The JDI is the most widely used measurement of job satisfaction because of its careful construction and validation (Kerr, 1985; Yeager, 1981). All participants were sent a follow up reminder via electronic mail to return their packets one-week after the materials had been sent to them. Approximately six weeks after this administration of the JDI, the corporation announced a major restructuring effort which involved downsizing several divisions of the firm, while increasing personnel in other divisions.

Six weeks following the corporate reorganization, all participants were sent a second packet that contained the Job Descriptive Index. Electronic mail was again used to provide follow-up reminders. A final sample of 145 was used indicating a response rate of 81%. Data from 35 subjects were not used because they did not return their questionnaires or returned them in a manner inappropriate for this study.

Subjects were assigned to one of three groups that represented their position after corporate reorganization. The "Reassigned" group, consisting of 42 individuals, were those who were transferred to different job title or location due to reorganization. The "Persister" group, consisting of 53 individuals, were those who remained at their previous job classification and location but had co-workers who were reassigned due to the reorganization. The "Unchanged" group, consisting of 50 individuals, were those who remained in their previous job titles and had no co-workers reassigned to the reorganization. Demographic and descriptive data for these three groups are shown in **Table 1**.

Individuals were chosen for reassignment by their immediate supervisor. These decisions were unilateral, top down decisions. Employees were not consulted as to whether or not they desired reassignment or to remain in their current position. While no explicit corporate criteria for reassignment was established, it is interesting to note that t-tests reveal that, on average, the Reassigned group was younger, male and had lower tenure in the organization ( $p < .05$ ). It should be noted that the overall number of employees did not change during the reorganization. The reorganization resulted in shifting resources between departments. Some departments were expanded while others were diminished.

**Table 1.** Descriptive Statistics by Group

	Reassigned		Persister		Unchanged		Total	
	N	%	N	%	N	%	N	%
<b>Age (yrs)</b>								
20-29	17	40.5	7	13.3	7	14.0	31	21.4
30-39	20	47.6	22	41.6	21	42.0	63	43.4
40-49	5	11.9	23	43.5	19	38.0	47	32.4
over 50	0	0.0	1	1.9	3	6.0	4	2.5
<i>mean</i>	32.1		38.4		38.3		36.6	
<b>Sex</b>								
Female	12	28.6	25	47.2	25	50.0	65	44.8
Male	30	71.4	28	52.8	25	50.0	80	55.2
<b>Ethnic Group</b>								
African-American	10	23.8	13	24.5	17	34.0	40	27.6
Asian	1	2.4	0	0.0	1	2.0	2	1.4
Hispanic	2	4.8	2	3.8	4	8.0	8	5.5
White	28	66.7	38	71.1	28	56.0	94	64.8
Other	1	2.4	0	0.0	0	0.0	1	0.7
<b>Tenure with Company (yrs)</b>								
0-5	19*	45.2	10	18.9	11	22.0	40	27.6
6-10	4	9.6	13	24.6	9	18.0	26	17.9
11-15	12	28.6	10	18.9	8	16.0	30	20.7
16-20	5	11.9	10	18.9	15	30.0	30	20.7
over 20	2	4.8	10	18.9	7	14.0	19	13.1
<i>mean</i>	8.7		12.1		12.3		11.2	

\* 9 employees or 21.4% of Reassigned group were employed one year or less.

## ANALYSIS AND RESULTS

The statistical applications for the study are a series of analyses of covariance (ANCOVA). A nonequivalent control group design with pre-test and posttest was used to compare the Reassigned group, the Persister group, and the Unchanged group. ANCOVA analyses is robust to nonequivalent groups and allows for pre-test scores to be used as a covariant. This controls for differences in scores among groups prior to the reorganization as well as any learning effect that may occur due to repeated administrations of the same survey instrument.

Because job satisfaction has been shown to be a multidimensional construct, five analyses of covariance were used to assess the differences between the Reassigned group, the Persister group, and the Unchanged group with each of the factors of job satisfaction. The JDI examines dimensions of satisfaction with work content, pay, supervision, promotion and co-workers. Because the likelihood of a Type 1 error increases as the number of tests increase, Bonferroni's method was applied indicating that the level of significance for each ANCOVA

should be 0.01 in order to conservatively approximate an alpha level of 0.05. Assumptions for homogeneity of variance and normality were assessed using data screening techniques. Results obtained using SPSSx for mainframes are reported for each job satisfaction dimension in **Tables 2 to 6.**

**Table 2.** Comparison of Groups by Post-Reorganization JDI *Work Content* Scale

Group	Pre-test			Post-test		
	N	M	SD	Observed M	SD	Adjusted M
Reassigned	42	35.00	7.31	32.57	10.42	32.74
Persister	53	32.21	9.20	24.79	11.03	27.39
Unchanged	50	38.36	9.64	33.60	12.34	30.64
Total	145	35.14	9.18	30.08	11.96	
Source	SS		df	MS		F
Group Effect	685.01		2	342.50		4.95**
Pretest	8470.13		1	8470.13		122.35
Error	9760.88		141	69.23		

\*\* p<0.01

**Table 3.** Comparison of Groups by Post-Reorganization JDI *Pay* Scale

Group	Pre-test			Post-test		
	N	M	SD	Observed M	SD	Adjusted M
Reassigned	42	40.14	12.95	38.71	12.52	40.07
Persister	53	40.60	11.14	26.94	15.04	27.92
Unchanged	50	44.64	11.38	36.28	14.51	33.95
Total	145	41.86	11.86	33.57	14.98	
Source	SS		df	MS		F
Group Effect	3472.44		2	1736.22		16.05**
Pretest	13253.96		1	13253.06		122.52
Error	15253.52		141	108.08		

\*\* p<0.01

**Table 4.** Comparison of Groups by Post-Reorganization JDI *Supervision* Scale

Group	Pre-test			Post-test		
	N	M	SD	Observed M	Adjusted SD	M
Reassigned	42	38.23	9.71	36.29	11.21	37.45
Persister	53	39.23	9.39	29.58	10.40	30.29
Unchanged	50	44.48	8.08	35.02	11.30	33.09
Total	145	40.76	9.40	33.41	11.27	
Source	SS		df	MS		F
Group Effect	1192.00		2	596.50		5.96**
Pretest	2929.01		1	2929.01		29.31
Error	13990.29		141	99.93		

\*\* p<0.01

**Table 5.** Comparison of Groups by Post-Reorganization JDI *Promotion* Scale

Group	Pre-test			Post-test		
	N	M	SD	Observed M	Adjusted SD	M
Reassigned	42	33.67	15.95	28.52	14.32	30.68
Persister	53	36.49	15.20	23.02	15.19	23.33
Unchanged	50	40.76	16.72	31.76	16.95	29.29
Total	145	37.15	16.10	27.63	15.92	
Source	SS		df	MS		F
Group Effect	1505.03		2	752.57		5.55**
Pretest	15376.47		1	15376.47		113.48
Error	1906.11		141	135.50		

\*\* p<0.01

**Table 6.** Comparison of Groups by Post-Reorganization JDI *Co-worker* Scale

Group	Pre-test			Post-test		
	N	M	SD	Observed M	Adjusted SD	M
Reassigned	42	43.95	9.19	41.26	10.42	42.13
Persister	53	45.57	8.82	41.51	9.88	41.65
Unchanged	50	48.08	7.06	44.72	9.02	43.72
Total	145	45.97	8.47	42.55	9.71	
Source	SS		df	MS		F
Group Effect	115.68		2	57.84		0.73
Pretest	2032.15		1	2032.15		25.61
Error	11189.30		141	79.36		

The ANCOVA analyses revealed significant differences in post reorganization job satisfaction among the Reassigned, Persister, and Unchanged groups. In addition, t-tests revealed significant changes in job satisfaction among the pre- and post-test measure ( $p < 0.05$ ). In general, support for hypothesis 1 was obtained. The Persister group showed significantly lower job satisfaction with four of the five dimensions (each at  $p < 0.01$ ) after the reorganization. Satisfaction with work content, pay, supervision, and promotion declined after the reorganization. However, there was no significant change in satisfaction with co-workers.

Likewise, support for hypothesis 2 was obtained. While the means for each dimension of job satisfaction were slightly lower on the posttest scores for the Reassigned group, these changes were not statistically significant. As predicted, this decline was less than the decline evident in the Persister group given that there was no significant difference in job satisfaction after the corporate reorganization for the Reassigned group. Interestingly, the Unchanged group also demonstrated a decline in job satisfaction. This decline, while less than the decline shown in the Persister group was more than the decline in the Reassigned group. These changes, however, were not statistically significant.

Post hoc analyses revealed that the decrease in job satisfaction of the Persister group along with the stability of job satisfaction in the Reassigned group created significant differences in job satisfaction between the two groups. The Reassigned group's satisfaction with work content, pay, supervision and promotion was statistically higher after the corporate reorganization than the Persister group ( $p < 0.01$ ). This difference in satisfaction was not significant for the dimension of co-workers. Again, the post reorganization job satisfaction scores for the Unchanged group fell between the Reassigned and Persister group. While the Reassigned group and the Persister group were significantly different from each other, they were not statistically different from the Unchanged group.

## DISCUSSION

This study set out to assess whether or not findings from research of survivors of layoffs can be generalized to individuals involved in more general corporate restructuring activities that do not involve co-worker layoffs. Specifically, the impact of a corporate reorganization on job satisfaction was assessed.

Equity theory may explain the decline in job satisfaction of the Persister group along the dimensions of work content and pay. If productivity expectations remain constant for the downsized work unit, individuals in the Persister group would be expected to produce more than they did prior to the reorganization because there were fewer people to do the work<sup>1</sup>. In other words, their inputs (work effort, etc.) were expected to increase but their outcomes (pay, benefits, training, etc.) remained constant. Through social comparison, and individual

**1.** In this study, the total number of employees did not change. The Persisters belonged to a work unit that was downsized in order to increase the size of the work unit of the Reassigned individuals.

evaluates his or her inputs and outcomes with the inputs and outcomes of others, or of themselves prior to the change. The extent to which the individual perceives an imbalance in this relationship determines his or her motivation to restore fairness by increasing or decreasing work effort. Weick (1966) believes that feelings of inequity that are not controlled by the individual may be manifested in job dissatisfaction. Since the Persister group is expected to produce more without a commensurate increase in pay, their sense of equity is diminished. The differences in satisfaction with supervision may be attributed to several factors. First, members of the Persister group may have felt that their supervisors were not advocating for the worker's best interests and that the supervisors were more concerned with their own self interests than those of the workers. This is consistent with a study by Covin and Kilman (1990) which provided a content analysis of over 900 issues that were identified by 240 managers who had participated in various company reorganizations. Issues which were identified as counterproductive to the change process, were inconsistency in key managers, change being forced on employees, and poor communication.

Secondly, Reassigned individuals received increased training and resources for their new positions. For example, Reassigned individuals received a two-week training session for their new job during peak ski season at a ski resort area. In addition, each Reassigned individual was issued a lap top computer with time management software and other perks. Covin and Kilman's (1990) study found that positive factors of the change process were employee participation, visible management support and commitment, and clear communication. This training, resources and management attention created an impression that Reassigned individuals were involved with work units that were considered the future of the company. Supervisors for the Reassigned group may also have been more involved with impression management, recognizing the potential resistance Reassigned workers may have had to their change in job assignment.

Differences in satisfaction with promotion can also be explained by the relative attention and resources the two units were receiving from the company. Individuals in the Persister group seemed to have a reduced role in the organization given the rationing of resources away from their unit. This is primarily evident in the reduction of human resources and lack of training to manage an increased work load. Katz and Kahn (1966) emphasize that the role a worker assumes in an organization provides the major means for linking an individual with an organization. During periods of change, individuals have difficulty understanding their role and experience feelings of tension, anxiety and fear. Reduced resources and role uncertainty would send dismal signals for promotion opportunities compared to other employees in more favored units.

The lack of differences in job satisfaction with co-workers indicates that individuals see each other equally at the whim of the corporation. Under times of stress, individuals look for a common group to collecti-

vely identify with to ameliorate the many negative feelings that are present in the change process. Although there may be a tendency for Persisters to not identify with workers moved to more favorable conditions, (in that Non-Persisters don't share the same negative consequences as Persisters and therefore will not understand or perhaps sympathize with the Persister group), this obstacle may be overcome by the more negative attitude the Persisters have to a larger antagonist—the organization itself.

### **LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH**

Two limitations of this study should be addressed. First, the generalizability of the results may be limited by the sample and setting. Data were obtained from a single, large organization. Studies examining other firms of different sizes and management styles should be conducted. Consistent results from multiple studies could strengthen the generalizability of the findings from this research.

Second, while this research examined pre-organization job satisfaction and was able to control explicitly for this, only one point in time after the reorganization was assessed with regard to changes in job satisfaction. If job satisfaction and attitudes are transitional over time (Allen, Freeman, Reizenstein and Rentz, 1995), longitudinal designs should be used to assess whether this study is an artifact of the recency of the corporate reorganization rather than lasting effects. However, understanding the immediate effects of change strategies is important to address the short term repercussions of reorganization. Similarly, it is useful to fully understand all potentially critical periods following a major change in an organization.

While these limitations should be recognized, this study contributes to the literature in two ways. First, retrospective assessments of job satisfaction prior to reorganization were not relied upon. Explicit measurement of pre-organization attitudes were obtained and controlled for. Second, this study points to the generalizability of results of studies of layoff survivors to those individuals remaining in their jobs during corporate reorganizations in which no individuals are laid off. This generalizability points to an alternative explanation to the diminished job satisfaction of survivors. Rather than feelings of "guilt" from being selected to remain in the firm while friends and co-workers are laid off, an alternative explanation may simply be perceptions of work overload and inequity. Future research should directly test these constructs, work overload and inequity, to test this alternative explanation.

## CONCLUSION

It is imperative that managers understand the impact of corporate reorganization and change on its employees. Manager must effectively deal with internal change in their organizations as well as environmental change in the economic climate. Researchers examining organizational structure focus on how best to organize the business to utilize its physical assets and meet ever-changing product and market demand. In today's rapidly changing, even tumultuous business environment, constant efforts to reorganize, downsize and restructure are necessary to meet these external demands. However, the impact of constant organizational change on the human capital of the firm is not well understood. This research is an attempt to begin to shed light on this phenomenon.

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