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MASOUD AZARNOUSH

Atilim University , Turkey

SULE TUZLUKAYA

Atilim University- Faculty of Management, Turkey

THE EFFECT OF DOWNSIZING ON THE SURVIVORS' SOCIAL NETWORK

Abstract:

Nowadays change is an important element in the organizations and the way to handle this change is a key factor of having successful business and survives in the market. According to the business evolution, organizations use different strategies to achieve their goals. One of the famous strategies which are getting popular among managers is downsizing. From 1985 to 1989 the employment amount increase by 11.7 million but about 4.3 million employees who had been working with their company for 3 years lost their job because the company moved or stopped working and lack of tasks for them (H.Kang, 1999). Most of the managers' just look the positive effect of downsizing in the organization but with a closer view we can see some other issues which change the organizational network especially survivors' network. As the downsizing is becoming one of the key issues in every organization there are different discussions about survivors' performance, behavior and social network but there some unclear points about the major impacts of downsizing on the survivors' social network.

This study explores the effect of downsizing on the survivors' social network while analyzing the organizational and survivors' network before and after downsizing. This article will argue the structure of social network in the organization by focusing on the network ties and perspectives. The paper defines three propositions regarding to the survivors' social network which is included, the ability of survivors to rebuild the network after downsizing, survivors' position in the network and finally job position of them. The result of this research will provide a clear path for managers and employees before and after downsizing.

Keywords:

Downsizing, Survivors' Social Network, Network ties, Organizational Network