DOI: 10.20472/IAC.2019.048.059

YU-FANG YEN

National Quemoy University, Department of Business Administration, Taiwan

THE INFLUENCE OF RESPONSIBLE DOWNSIZING STRATEGY ON EMPLOYEE ORGANIZATIONAL CITIZENSHIP BEHAVIOR

Abstract:

To cope with changing environments, firms have commonly adopted a downsizing strategy to reduce costs and thereby increase competitive advantage. However, downsizing is not a necessary panacea to firm performance. Contrarily, downsizing might harm employees from economic, physical, and family aspects. Therefore, consequently cause negative influence to the quality of business operations. To ease negative effect, some downsizing researchers have proposed that downsizing strategies must allow employees a sense of responsibility toward those strategies. This will reduce distrustfulness and encourage favorable behaviors of employees toward organizations, and consequently increase post-downsizing performance.

The research targeted employees in the high-tech industry to conduct the empirical study. The findings revealed that the higher the level of employees that perceive the downsizing strategy as responsible, the better it is to upgrade its organizational citizenship behavior in the post-downsizing era. The findings could offer insight for firms attempting to conduct downsizing strategies.

Keywords:

responsible downsizing strategy, downsizing strategy, organizational citizenship behavior