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Organizational Downsizing and
the Instrumental Worker: **Is there a
Connection?**

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ABSTRACT

A national population sample of 424 employees was used to explore the proposition that the widespread use of organizational downsizing by management has led employees to adopt a more instrumental orientation to the employment relationship. Contrary to predictions, employees who had never worked in a downsized firm (Controls), or who had been made redundant as a result of downsizing (Victims), reported stronger instrumentalist beliefs than those who had experienced at least one downsizing but had never been made redundant (Survivors). Employees who had experienced more downsizings were also more likely to report lower instrumentalism, by disagreeing with statements suggesting that work is a necessary evil, just something that has to be done in order to earn a living, and that money is the most important reason for having a job. The findings are discussed in the context of reactance theory and instrumentalism as a malleable socialized work attitude.

INTRODUCTION

The purpose of this paper is to explore a possible relationship between employees' experiences of organizational downsizing and their expression of an instrumental attitude towards the employment relationship. As a concept, instrumentalism has a relatively long history in organizational research. It refers to an attitudinal set where employees do not regard their employment as a central interest in their lives and instead primarily emphasise work as a means to obtain monetary ends. Put another way, instrumentalism is a calculative approach to the employment relationship where "the primary meaning of work is as a means to an end, or ends, external to the work situation; that is, work is regarded as a means of acquiring the income necessary to support a valued way of life of which work itself is not an integral part" (Goldthorpe, Lockwood, Bechhofer & Platt, 1968, p.38-39). Defined in this way, the concept of instrumentalism gets to the centrality and meaning that work, as paid employment, has in an employee's life.

In contrast to contemporary research on instrumentalism, there is a growing body of theoretical and empirically based literature on organizational downsizing. While the term "downsizing" lacks precise theoretical determination (Ryan & Macky, 1998; Littler, 2000), it generally refers to a planned reduction in the number of employees in a firm (Kammeyer-Mueller, Liao & Arvey, 2001). While there are many ways in which an organisation can be downsized (Greenhalgh, Lawrence & Sutton, 1988), most commonly this is achieved via "redundancies" (Appelbaum, Everard & Hung, 1999), or 'layoffs' as they are more commonly referred to in the US literature. Either way, the essential meaning of downsizing from an employee's perspective is that people are removed from paid employment through no fault of their own (Latack, Kinicki & Prussia, 1995), and as a result of a managerial strategy whose primary purpose, either reactively or proactively, is to improve organizational performance (Littler, 2000; Kinnie, Hutchison & Purcell, 1998). For workers, downsizing therefore means either potential unemployment, or a less certain future in a firm no longer offering job security as part of the employment relationship. It may also mean an intensification of work (Turnbull and Wass, 1997), changed tasks and responsibilities, longer working hours, and more felt stress (e.g., Burke & Cooper, 2000).

There is a considerable body of research attesting to the psychological consequences that redundancy and its associated job loss has on the 'victims' of organizational downsizing (e.g., Macky & Haines, 1982; Leana & Feldman, 1994; Prussia, Kinicki & Bracker, 1993; McKee-Ryan, Song, Wanberg & Kinicki, 2005). For those who remain in their firms post-downsizing, typically referred to as 'survivors' in the literature, there is also a growing body

of research suggesting a wide range of responses, including feelings such as anger, grief, and loss (e.g., Kets de Vries & Balazs, 1997). Such responses have variously been referred to as ‘survivor guilt’ (e.g., Brockner, Davy & Carter., 1985; Brockner et al., 1986), ‘survivor syndrome’ or ‘survivor sickness’. Survivor syndrome is associated with “...anxiety, guilt, apathy, disengagement, and other mental and emotional states ...” (Littler 2000, p. 63) while symptoms associated with ‘survivor sickness’ include “...denial, job insecurity, feelings of unfairness, depression, stress and fatigue, reduced risk taking and motivation, distrust and betrayal...” (Burke & Cooper, 2000, p. 8-9; see also Noer, 1993).

Downsizing has also been associated with an adverse impact on a variety of work attitudes, including reduced trust in management (Brockner, Wiesenfeld & Martin, 1995; Armstrong-Stassen, 2002; Kets de Vries & Balazs 1997; Spreitzer & Mishra, 2000), lower behavioural / continuance commitment (Kets de Vries & Balazs, 1997; Tombaugh & White, 1990), poorer affective organizational commitment (e.g., Brockner, 1988; Brockner, DeWitt, Grover & Reed, 1990; Brockner, Tyler, & Cooper-Schneider, 1992), reduced job satisfaction (e.g., Luthans & Sommer, 1999), and a decline in job security perceptions (e.g., Hallier & Lyon, 1996).

Against this background, no research has been identified that looks specifically at whether workers who have been exposed to organisational downsizing are more likely to adopt an instrumentalist orientation to their work. However, it has been suggested that widespread organizational downsizing has led to substantial changes in what employees expect to receive from their employing organisations (Cappelli, 1999, 2000). Thompson and Bunderson (2003), for example, suggested that violations of the socioemotional (relational) psychological contract may lead people to “revert” to a psychological contract based on economic (transactional) exchange. Mir, Mir and Mosca (2002) have also postulated that the employment relationship is becoming more focused on economic exchange, rather than being a social contract.

Such assertions revolve around a theoretical impact of downsizing on the psychological employment contract at work. While the concept of the psychological contract has had a number of different meanings, the most influential approach has been that espoused by Rousseau (1995). From this perspective, a psychological contract is an implicit set of beliefs an individual holds about their employment relationship regarding the terms of exchange. As Rousseau and Tijoriwala (1998) describe it, a “psychological contract is an individual’s belief in mutual obligations between that person and another party such as an employer” (p. 679). A psychological contract is therefore a subjective picture in the mind of

an employee regarding what is owed to the employing organisation and is to be received in return (Guest, 1998; see also Robinson & Rousseau, 1994).

In the language of the psychological contract, an employee's focus on instrumentalism in the exchange relationship would reflect a weighting towards a 'transactional' emphasis in the psychological contract, rather than a socio-emotional 'relational' component. To quote Inkson, Heising and Rousseau (2001, p. 261), transactional psychological contracts are "... characterised by temporariness, calculative involvement, and an emphasis on monetary compensation for narrow and well-specified worker contributions." As an exchange, a focus on the transactional elements would, for example, include the short-term exchange of material rewards such as pay in return for flexibility and compliance, while a focus on the relational elements would include the long-term exchange of job security and career development in return for employee loyalty and organizational citizenship behaviours (Robinson, Kraatz & Rousseau, 1994).

Indeed, job security is a common and core element of many conceptualisations of the psychological contract (Adkins, Werbel & Farh, 2001). More specifically, it has often been asserted that traditionally employees traded their compliance and loyalty to their employing organisation in return for job security (e.g., Sims, 1994; Sullivan, 1999; De Meuse, Bergmann & Lester, 2001). By engaging in organizational downsizing, together with an associated breakdown in promotion and career structures (Thornhill, Saunders & Stead, 1997), employers broke or violated this implicit contract by removing job security from the employment relationship (e.g., Ashford, Lee & Bobko, 1989; Cascio, 1993; Kets de Vries & Balazs, 1997; Morrison & Robinson, 1997; Robinson & Rousseau, 1994) thereby leading employees to reciprocate with reduced loyalty and commitment (Cappelli, 2000). Such a response is consistent with what would be predicted by social exchange theory, as it has been applied in the context of employment (e.g., Eisenberger, Huntington, Hutchison, & Sowa, 1986; Whitener, Brodt, Korsgaard, & Werner, 1998; Whitener, 2001), and could be associated with a shifted emphasis on employment as a transactional exchange.

While organizational downsizing prior to the 1990's may have largely been "an aberration from normal organizational functioning" and "a last-ditch effort to thwart organizational demise or to temporarily adjust to a cyclical downturn in sales" (Cameron, Freeman & Mishra, 1993, p. 20), the downsizing of the last decade and into the new century occurred for a much wider range of reasons (Ryan & Macky, 1998; Cascio, 2002), often unrelated to an economic downturn or lack of organizational profitability. Indeed, Sparrow (2000) cites research by the American Management Association showing that 80% of US

companies were profitable at the point that they downsized. Nor is contemporary downsizing necessarily simply a matter of reducing employee numbers to a more efficient organizational size. Cappelli (1999), for example, notes that downsizing can be a strategy to “rearrange the competencies of the organization.”(p. 6). In this context, it is quite feasible for organizations to be announcing profits, and engaging in recruitment for employees with new skills, at the same time as they are downsizing by making other employees redundant. Nor, as Sims (1994) observes, need downsizing be related to individual employee performance. A person may be made redundant irrespective of how good a worker they were. Applying social exchange theory in this context suggests that employees, treated as disposable costs or skills surplus to management’s pursuit of higher profits, could then reciprocate by increased instrumentalism in the form of a renewed focus on material rewards in the employment relationship.

Downsizing could also give rise to instrumentalism if it results in workers becoming alienated or dissociated from their work, and from the social organisation within which this work occurs. Approached in this way, instrumentalism is a form of social disconnection by employees from their employing organisations and their jobs (Grint, 1991). By defining paid employment as an instrumental activity, rather than something to be intrinsically valued in itself, employees are unlikely to psychologically identify with or become involved in their jobs or employing firms. As Goldthorpe et al. (1968, p. 39) put it: “... the ego-involvement of workers in their jobs – in either the narrower or wider sense of the term – is weak ... work is not for them a source of emotionally significant experiences or social relationships; it is not a source of self-realisation.” On this basis, the adoption of an instrumental orientation to work would also be reflected in downsized employees also showing a reduced psychological identification with their employing organisation, and or lower psychological involvement in their jobs.

Instrumentalism, as a form of psychological disconnection or withdrawal from work, would have adaptive value; a way of coping with and protecting oneself from future ‘survivor guilt / syndrome / sickness’ through a distancing or detachment from the socio-emotional meanings that employment can have. In the words of Cappelli (1999, p. 3), employees faced with widespread managerial use of downsizing should try “to develop other job options, just in case, and prepare psychologically to get whacked.” For victims, “terminated workers are forced to confront the realisation that, regardless of the social and psychological importance they may have assigned to work, employment remains essentially an economic exchange that can be abruptly discontinued by agents and factors outside of their control. This realisation may lead to a more cautious and detached approach in future work arrangements.” (Leana &

Feldman, 1988, p. 387) Thus adopting an instrumentalist orientation to work could simply be a rational response or coping mechanism to organizational downsizing, characterized by a reluctance to engage socio-emotionally in the employment relationship. More extreme experiences of downsizing, either through greater numbers of such experiences and/or via an actual redundancy, might also therefore exacerbate the adoption of instrumental attitudes towards work.

To summarize, the employment relationship is based on exchange and organizational downsizing may be changing the nature of what is expected by employees in such an exchange. In particular, it is theorized here that the experience of downsizing shifts the weighting of employee reward expectations from the socio-emotional towards transaction based instrumentalist ones. This may be in reciprocity for a perceived violation of a traditional psychological contract centered on job security, and or it may simply be the manifestation of an adaptive survival mechanism to deal with threats to job security and the psychosocial distress associated with downsizing. Thus while no research evidence has been located which directly addresses employee instrumentalism in the context of organizational downsizing, on the basis of the above arguments the following hypotheses were formulated.

Hypothesis 1: Employees who report stronger instrumental attitudes will also tend to report lower scores on other measures of the centrality of work in their lives, being work involvement, job involvement and organizational commitment.

Hypothesis 2: Employees who have never experienced an organizational downsizing or redundancy will report weaker instrumental attitudes than those who have had such experiences.

Hypothesis 3: Employees who have experienced a greater number of organizational downsizings will tend report stronger instrumentalist attitudes towards the employment relationship.

Hypothesis 4: Employees who have experienced a greater number of redundancies will tend report stronger instrumentalist attitudes towards the employment relationship.

The veracity of Hypotheses 2, 3 and 4 does of course assume that an employee's instrumentalist orientation to employment is amenable to be being influenced by the experience of work and the conditions under which it is offered. There is a contrary view in that Grint (1991) has discussed instrumentalism as an employee orientation to work that is largely independent of the working environment and job performed by a worker. In these terms, instrumentalism influences but is not influenced by what happens at work (see also

Goldthorpe et al., 1968). Instead, prior socialization forces would influence how instrumentalist employees were towards the employment relationship, rather than any particular experiences arising from that relationship. As Mowday, Porter and Steers (1982) observed, employees bring to their organisations expectations that then serve as frames of reference for evaluating and interpreting subsequent experiences. This also consistent with research indicating that the personal characteristics, including existing attitudes and prior work experiences, that people bring to an organisation can influence subsequent job attitudes (e.g., Lee, Ashford, Walsh, & Mowday, 1992; Pierce & Dunham, 1987). On this basis, instrumentalism may well be found to be associated with other work attitudes as predicted in Hypothesis 1, while also being found to be independent of the experience of organizational downsizing.

Following this line of reasoning, work involvement might serve as a previously socialized stable work orientation that is largely independent of the experience of work, but which influences an employee's other work attitudes, including instrumentalism. Work involvement is a secularised component of the Protestant work ethic and can be defined as the degree to which a person wants to be engaged in paid employment (e.g., Warr, Cook & Wall, 1979). Work involvement is conceptually distinct from organizational commitment (Kanungo, 1982; Elloy, Everitt & Flynn, 1991; Mir et al., 2002) in that it reflects people's commitment to work itself, as paid employment, rather than their commitment to a specific organisation. Work involvement has also been conceptually differentiated from job involvement, in that the latter is a belief about, and identification with, one's immediate job (Kanungo, 1982; Randall & Cote, 1991). As a socialized component of the work ethic, work involvement could influence the likelihood of and degree to which an employee adopts an instrumental orientation in response to their employment. It has therefore been used as a control variable when testing Hypotheses 2, 3 and 4 above.

METHOD

The findings presented here were obtained as part of a larger study investigating the relationship between employees' experiences of work and their work related attitudes. The research design for the present study was cross-sectional with the experience of downsizing as the independent variable, multiple attitudinal dependent variables, and an emphasis on the statistical control of secondary variance.

Participants & Procedure

Details of the sample and procedure used have been previously reported elsewhere (citation withheld). Suffice to say that the research population comprised all registered urban electors of working age for a national population who were neither self-employed, members of the clergy, in the armed forces, nor a beneficiary of the state. From this population, a sample of 2000 was then randomly selected and data obtained by means of a self-completion postal questionnaire. Of the initial sample, 120 questionnaires were returned as either undeliverable or from people to whom the questionnaire was not applicable, mainly because they had retired, were unemployed or were otherwise unable to complete the survey. This reduced the valid survey sample to 1880 people from which a total of 424 questionnaires were returned with varying degrees of completion, giving a response rate of 22.6%. The findings reported here are based on respondents with complete responses to all variables of interest for any given analysis.

Exactly 50% of the respondents were female, 22% were of non-European ethnicity, and the mean age at their last birthday was 42.06 years ($SD = 11.74$), with a range from 18 to 69 years. Contrasting the respondent demographics with the expected population values shows no significant differences for gender ($\chi^2 (1) = 1.02, p = 0.31$), ethnicity ($\chi^2 (2) = 0.99, p = 0.61$) or with regard to when the participants were born ($\chi^2 (9) = 3.98, p = 0.91$). In these terms, the respondent sample appears to be broadly representative of the population from which it was drawn.

The respondents had worked for their current employer for a median of 4.6 years (range = 0.08 - 45 years) (log tenure is used as a control variable in the analyses that follow). The median size of the organisations the respondents worked for was 100 with a range from 2 to 12000 employees (log size is also used as a control variable in the following analyses). Most of the respondents were permanent employees, either employed full-time (68.8%) or part-time (14.8%). The balance were employed on temporary or fixed-term contracts, either full-time (13.6%) or part-time (2.9%). Over half were employed in a privately owned company or firm (51.7%), 13.4% worked for a company listed on the stock exchange, 13.7% worked for an overseas based multinational, and the remainder in the public sector.

Measures

The independent variable, *downsizing experience*, was operationalized in three ways. Firstly, participants were asked if they had ever worked for an organisation that downsized while they were employed there and if they had ever lost a job due to downsizing. From this,

a three category variable was created comprising those who had never worked in a downsized organization as a non-equivalent control group (34.0%; Control code = 1), those who had but were not made redundant (31.3%; Survivors code = 2), and those who had experienced a redundancy (34.7%; Victims code =3). Second, Survivors were also asked to state the number of the number of times downsizing had been experienced (median = 2.0, range from 1 to 20). Thirdly, Victims were asked the number of times they had been made redundant (median = 1.0, range from 1 to 6).

Instrumentalism was measured with items sourced from a four item scale originally developed by Shepard (1972). *Work involvement* items were sourced from a six item scale originally developed by Warr et al. (1979). *Job involvement*, a measure of the degree to which someone is psychologically attached to their job as distinct from being committed to one's employing organisation or to paid employment generally, was measured with the six items sourced from the Lodahl and Kejner's (1965) short version of the scale, together with an additional item sourced from Buchanan (1974). Responses on all items for these variables were obtained on a 7-point Likert scale weighted from 'strongly disagree' (1) to 'strongly agree' (7).

While the concepts of work involvement, job involvement, and instrumentalism all pertain to the meaning that work (defined as having a paid job) has in a person's life, there is some confusion in the literature as to the empirical independence of these concepts (e.g., Blau, 1985). As no study was found that explored the factorial independence of the specific measures used in the present study, an exploratory factor analysis was conducted including all the items assumed to measure these concepts.

As Table 1 shows, a four factor solution was found rather than the expected three. Factor 2 comprises the four instrumentalism items and two of the items from the intended job involvement scale. Reliability analyses shows that a scale formed from these six items has adequate internal reliability (see Table 1). An *instrumentalism* score measuring the degree of expressed instrumental beliefs was therefore calculated by computing the average response to the six individual items giving a possible score range from 1 to 7 (higher scores indicating stronger expressed instrumentalism towards work as paid employment).

Factor 3 in Table 1 comprises five of the six items intended to measure work involvement. Coefficient alpha for these five items indicates that a scale developed from these items has satisfactory internal reliability (see Table 1) and a *work involvement* score was therefore calculated comprising the average of the response to the items. This gives a possible score range from 1 to 7 (higher scores indicating higher work involvement).

Interpreting the factor analysis findings for the job involvement items is more complex in that two factors largely comprising the original job involvement items were obtained. Factor 1 is made of three of these items plus one of the original work involvement items. This factor seems to pertain to the respondent's job as a central life interest (Dubin, 1956; Blau, 1985). Reliability analysis on these four items indicated that a scale developed from them would have sound internal reliability (see Table 1). A *job involvement* score was therefore calculated comprising the average of the responses to these four items giving a possible score range from 1 to 7 (higher scores indicating higher centrality of the job in one's life). Factor 4 comprises three items also from the original job involvement items. However the coefficient alpha of 0.60 for this scale (see Table 1) suggests that a variable comprising these items would have weak internal reliability. This variable has therefore not been used in the analyses that follow.

Insert Table 1 here

In addition to instrumentalism, work involvement and job involvement, *organizational commitment* was measured, as an indicator of the centrality in an employee's life of employment with a particular organization, using the 15 item version of the Organizational Commitment Questionnaire (OCQ) (Mowday, Steers, & Porter, 1979; Mowday et al., 1982) (coefficient alpha = 0.91). The OCQ remains one of the most commonly used instruments in organizational research (Griffeth, Hom & Gaertner, 2000; Bozeman & Perrew, 2001). Responses were obtained on a 7-point Likert scale ranging from 'strongly disagree' (1) to 'strongly agree' (7) with higher scores reflecting higher organizational commitment.

Finally, because of the centrality of job security to many conceptions of the traditional psychological contract, and arguments surrounding how this may have been or is being changed, employee job security perceptions were measured using two items measures as a potential control variable when testing for a downsizing-instrumentalism relationship. The first item asked respondents to indicate how satisfied they were with their current level of job security on a seven-point scale anchored from (1) 'very dissatisfied' to (7) 'very satisfied'. The second item asked: "*How likely do you think it is that you will lose your job through organizational downsizing or restructuring in the next two years?*" Responses were coded on

a six-point scale anchored (0) 'not at all likely' to (5) 'extremely likely'. These two items were significantly correlated ($r(403) = -.332, p = .000$), with those who perceive a greater likelihood of losing their job also more likely to report lower satisfaction with their current job security. However, the relationship weak and the items have therefore been analyzed as separate control variables in the analyses that follow. Participant variables of age, gender, length of time in the workforce, and tenure with current employer were also analyzed as potential control variables as prior research shows such variables to be associated with or predictive of at least some of the attitudinal variables included in this study (e.g., Finegold, Mohrman & Spreitzer, 2002; Shore, Cleveland & Goldberg, 2003; Wright & Bonett, 2002).

Common method variance and the associated percept-percept inflation of correlations remains a potential problem for this type of research, although it cannot be said that there is consensus that these are inevitable artifacts of all self-report research methods (e.g., Spector, 1987; Crampton & Wagner, 1994). As Podsakoff, Mackenzie, Lee, and Podsakoff (2003) observe, not only is the strength of the common method variance effect inconsistent across disciplines and constructs, its direction can either inflate or deflate relationships between constructs leading variously to either Type I or Type II errors. It cannot therefore be automatically assumed that common method variance always increases the risk of falsely rejecting a null hypothesis. Furthermore, the use of exploratory factor analysis in this study has maximized the independence of the instrumentalism, work involvement and job involvement variables. As Whitener (2001) notes, the factorial independence of measures goes some way to obviating the possible problem of common-method variance. So yes, to control for possible common-method variance it would have been desirable to have had different referents for the various pieces of data. However, as Spreitzer and Mishra (2000) point out, it is hard to conceive who these more appropriate referents might have been in this type of research. The central variables are affective attitudes that can really only be self-assessed and self-reported. Finally, although one can't determine the order in which participants answer questions in a self-completion questionnaire, the questions pertaining to the downsizing variables were presented after the attitudinal items in an attempt to reduce social desirability demand characteristics. Social desirability is one of the more likely sources of common method variance in self-reports (Kline, Sulsky & Rever-Moriyama, 2000)

RESULTS

Descriptive statistics and correlations for the variables used in this study are shown in Table 2. Significant negative correlations were found for instrumentalism with work and job

involvement, as well as organizational commitment. This lends support to Hypothesis 1. None of the participant variables of age, years tenure (log) nor log size of the employing organization were found to be associated with any of the attitudinal variables and were therefore be dropped from further analysis. Satisfaction with job security was found to be negatively associated with instrumentalism such that those with poorer security satisfaction were also slightly more likely to hold stronger instrumentalist attitudes. Employees with higher job security satisfaction and who were less likely to believe that they would lose their jobs in the next two years were also more likely to report higher commitment to their employing organizations (see Table 2).

Insert Table 2 here

To test for the possible need to control for other sources of secondary variance, means tests were performed on instrumentalism for a number of employee variables. No significant differences were found for employee gender ($t(416) = -0.32, p = .749$), ethnicity ($t(367) = 0.20, p = .843$), full-time or part-time employment status ($t(412) = 1.48, p = .139$), permanent or temporary employment status ($t(412) = 0.27, p = .787$), and type of organisation worked for ($F(3,410) = 1.27, p = .285$). To avoid unnecessarily reducing statistical power, these variables were not therefore included as control variables in the analyses that follow.

Multivariate analysis of covariance (MANCOVA) was used to test Hypothesis 2 concerning the relationship between instrumentalism and downsizing group, while covarying work involvement and the two job security variables as additional possible predictors. Following the arguments and prior research findings outlined earlier in this paper, organizational commitment and job involvement were included as additional dependent variables in the analysis. MANCOVA was therefore used as it has the advantage of reducing the Type I error inflation that running multiple univariate ANCOVAs would involve (Field, 2005). Pillai's *trace* was used for the multivariate tests as it "is considered to have acceptable power and to be the most robust statistic against violations of assumptions." (Coakes & Steed, 2003, p. 182).

The Box's *M* test of the equality of the covariance matrices was not significant ($p = .010$), indicating that this assumption underpinning MANCOVA has been met. Levene's tests

for the equality of error variances were also not significant for instrumentalism ($p = .869$), commitment ($p = .671$) or job involvement ($p = .177$). Significant multivariate effects were obtained for downsizing group ($trace(6, 780) = 3.38, p = .003$), work involvement ($trace(3, 389) = 23.32, p = .000$), and job security satisfaction ($trace(3, 389) = 33.55, p = .000$), but not for perceived job security ($trace(3, 389) = 0.42, p = .739$).

Table 3 shows the univariate between-subjects effects. Statistically significant corrected models were found for all three dependent variables, explaining 11.7% of the variance in job involvement, 23.2% of the variance in organizational commitment, and 11.1% of the variance in the instrumentalism variable. A significant main effect was found for downsizing group and instrumentalism, but not for organizational commitment nor job involvement. Pairwise comparisons between the marginal means for instrumentalism shows Survivors ($M = 3.97$) to have a significantly lower mean than employees who had never worked in a downsizing firm ($M = 4.41, p = .001$) and the Victims of downsizing ($M = 4.26, p = .031$). No significant difference was found between Victims and the Controls ($p = .274$). However, examining the squared partial etas shows work involvement to have a stronger influence on instrumentalism than downsizing group. The covariate of satisfaction with job security also significantly predicts instrumentalism, with the parameter estimates indicating that employees with stronger work ethic beliefs ($b = -.305, p = .000$), or who are more satisfied with their job security ($b = -.089, p = .013$), were more likely to report weaker instrumental attitudes.

Insert Table 3 here

Table 3 also shows that work involvement predicts both organizational commitment and job involvement, with employees with a stronger orientation to this component of the work ethic also being more likely to have stronger commitment to their employing firms ($b = .161, p = .002$) and to psychologically invest more of themselves in their jobs ($b = .461, p = .000$). Satisfaction with job security is however the more influential predictor of commitment ($b = .345, p = .000$). It should however be noted from Table 3 that in all instances, the effect sizes of the statistically significant findings are small.

Given the observed independence of job involvement and organizational commitment from the experience of downsizing, and the association between these attitudinal variables

and instrumental work beliefs shown in Table 2, the relationships between these variables, work involvement and job security perceptions were further explored using univariate ANCOVA analysis (see Table 4). Visual inspection of the scatterplots for the covariates with the instrumentalism variable did not reveal any obvious breaches of the ANCOVA assumption of linearity. Furthermore, Levene's test of the equality of the error variances was not significant ($p = .734$), indicating that the ANCOVA assumption of homogeneity of variances had not been violated. The assumption of homogeneity of the regression slopes was also tested by first running an ANCOVA model of all main effects plus interactions for each covariate with the independent downsizing group variable. No significant interaction effects were found, indicating that the slope of the regression line in each of the cells is similar and that this assumption has therefore been met (Bryman & Cramer, 2001).

Insert Table 4 here

As Table 4 shows, a significant main effect was found for downsizing group when statistically controlling for the covariates. However, examination of the estimated marginal means indicates that it is the Survivor downsizing group that has the lowest level of reported instrumental work attitudes while the Victim and Control groups have similar levels. Multiple pairwise comparisons of the estimated marginal means using a Bonferroni correction confirms this with Survivors (mean = 3.94) being found to be significantly different from both the non-equivalent control group who had never experienced a downsizing (mean = 4.37, $p = .001$) and the Victim group who had been made redundant as a result of a downsizing (mean = 4.32, $p = .008$). No significant difference was found between the Control and Victim group ($p = 1.00$). These findings do not support Hypothesis 2.

The overall model explains 24% of the variance in instrumentalism. However, downsizing group is only the second strongest predictor of instrumentalism after organizational commitment (see Table 4). The parameter estimates ($b = -.305$) show the direction of influence to be negative, the same direction as for work involvement ($b = -.202$) and job involvement ($b = -.119$). These directions are consistent with those predicted in Hypothesis 1. The failure to find significant interaction effects between the downsizing group variable and the covariates, thereby accepting the homogeneity of the regression slopes noted above, also indicates that none of the covariates included in the ANCOVA model moderate

the observed relationship between downsizing group and instrumentalism (Stone-Romero & Liakhovitski, 2002).

To test Hypothesis 3, a simple correlation was performed between instrumentalism scores and the number of downsizings experienced, with the Control group employees coded as having 0 downsizings ($r(416) = -.096, p = .025$). While statistically significant, the correlation is weak and in the opposite prediction to that specified in Hypothesis 3. Repeating the analysis only for those employees who had experienced a downsizing (Survivors + Victims) resulted in a non-significant correlation ($r(276) = -.062, p = .152$), and again in the opposite direction to that hypothesized. Controlling for the time elapsed since the last downsizing was experienced (in months) using partial correlation resulted in no improvement in the strength of the association ($r_p(268) = -.058, p = .172$). However, controlling for organizational commitment, work involvement and job involvement led to a stronger association between the number of downsizings an employee experiences and their instrumental beliefs about the employment relationship, but again in the opposite direction to that predicted in Hypothesis 3 ($r_p(268) = -.129, p = .017$). Examination of the scatterplots does not reveal any breaches of the assumption of linearity for correlational analysis.

Similarly, no significant correlation was found between the number of redundancies experienced and the expression of instrumentalist beliefs about the employment relationship ($r(144) = -.051, p = .271$). The direction of the relationship is also opposite to that predicted by Hypothesis 4. Controlling for the time elapsed since last made redundant (in months) makes no noticeable difference to the observed strength of the relationship ($r_p(137) = -.052, p = .270$). Nor does controlling for work and job involvement, together with organizational commitment ($r_p(137) = -.084, p = .163$). Again, examination of the scatterplots does not suggest that these non-significant findings are due to breaches of the linearity assumption.

DISCUSSION

The results of this study suggest that employees who have never worked in an organisation that downsized, or who have been made redundant at least once, tend to report higher levels of instrumental work attitudes compared to those who have worked in an organisation that downsized but have never themselves been made redundant. Put another way, Survivors are more likely to disagree with statements such as “money is the most rewarding reason for having a job” and “my job is just something I have to do to earn a living”. Thus while instrumentalism was found to vary as a function of an employee’s experience of downsizing, this study found no evidence for the proposition that there is a

connection between the widespread use of organizational downsizing and a growth in instrumental or transactional beliefs concerning the employment relationship. Hypothesis 2 is therefore not supported.

If anything, evidence was found for the reverse. A clear V-function was identified, with survivors showing lower instrumentalism on average than those who had never experienced an organizational downsizing, and with the latter showing similar levels of instrumentalism to employees who had been made redundant. Furthermore, while a weak relationship was between the number of downsizings experienced and instrumentalism, the direction of the relationship was opposite to that predicted. Employees with the lowest instrumentalism levels also tended to be those who had experienced the most downsizings. Hypothesis 3 was also therefore not supported. Furthermore, these findings appear to be independent of a wide range of employee variables, including their job security perceptions, the number of redundancies experienced, and the length of time passed since the last downsizing or redundancy was experienced.

On the evidence found in this study, the arguments outlined earlier - that managements' widespread use of downsizing has led to a fundamental shift in the way employees regard their employment relationship by driving them towards a more self-interested materialist approach to work - cannot be supported. Instead, the findings are supportive of research contrary to a thesis of increasing instrumentalism. Lester, Claire and Kickul (2001), for example, found that employees, while being less tolerant of transactional violations than relational ones, continued to take the intrinsic 'socioemotional' aspects of the psychological contract seriously. Boxall, Macky and Rasmussen (2003) also found that the transactional aspects of the psychological contract fell well down the list of factors driving voluntary turnover or retention, compared to relational issues.

Rather than a reaction to downsizing, it may well be that longer term socialization to the work ethic, and to the desirability of showing loyalty to one's employer and to viewing one's job as a central interest in life, are collectively the more important determinant of instrumental beliefs about the employment relationship. These variables were all found to be significant negative predictors of instrumentalism (Hypothesis 1), and are independent of the experience of downsizing. However, the socialization explanation does not entirely hold unless one is prepared to accept that having lower instrumentalist beliefs about the employment relationship somehow leads employees to work for organisations that are more likely to downsize. More specifically, socialization does not explain how being exposed to more downsizings and being a survivor leads to people to reject statements suggesting that

work is a necessary evil, just something that has to be done in order to earn a living, and that money is the most important reason for having a job.

Reactance theory (Brehm, 1966; Brehm & Brehm, 1981) may have some utility here. In previous research, reactance theory has been used to explain the various adaptive behaviours and negative emotional responses employees can display upon job loss, as they seek to either actively regain control over their lives or react in frustration and anger at the loss of control (Leana & Feldman, 1994). 'Control' in this context connotes personal dimensions of competence, purpose, self-determination and influence in relation to one's work (Spreitzer & Mishra, 2002). If nothing else, downsizing tells both victims and survivors that they have lost control over their employment status (Devine, Reay, Stainton & Collins-Nakai, 2003). Using reactance theory, it could be predicted that the threatened loss of the socioemotional or relational aspects of work that downsizing represents would lead employees to engage with and value these aspects of work more, rather than withdraw from them (as was originally theorized in this paper). In other words, the fear of losing the social relationships inherent in work, as well as opportunities for obtaining intrinsic rewards, motivates survivors to reassert control by valuing them more by de-emphasizing the materialist component of the employment relationship. Alternatively, and perhaps more parsimoniously, reactance theory implies that employees could seek to reassert control over the meaning that work has in their lives by rejecting the managerial implication of downsizing that people are simply costs to be minimized. Logically, this could involve rejecting an orientation to work as simply a means of earning a living (instrumentalism).

Either way, it could be hypothesized from reactance theory that employees would place greater value and emphasis on the relational rather than transactional elements of the psychological contract, the more downsizings they experienced. Redundant employees who had not obtained reemployment would also continue to place high value on the socioemotional aspects of work, as the research literature on the psychological effects of unemployment would indicate (e.g., Macky & Haines, 1982). Upon re-employment, it would be predicted that people would return to levels of instrumentalism similar to those they held before; i.e., similar to employees who have never experienced a downsizing or redundancy. Being successful in finding new employment reduces ambiguity and uncertainty. The unknown is also now known. Until such times as their new managers engage in downsizing, re-employed victims no longer need fear potential job loss and would therefore not need to try to control the socioemotional uncertainties arising from it. Consistent with this prediction is evidence that re-employed victims feel less job stress, greater job control and generally

report more positive outcomes than survivors (Devine et al., 2003). Also relevant here is Brockner, Spreitzer, Mishra, Hochwarter, Pepper and Weinberg's (2004) conclusion from their study that perceptions of control may have a stronger influence on work attitudes in organisations where layoffs had occurred compared to non-downsizing firms.

Furthermore, the socialization and reactance approaches suggested here are not necessarily incompatible, although achieving theoretical integration does require some situational malleability in instrumentalism as a socialized personal attribute. It is theorized that rejecting a previously socialized instrumentalist orientation to work could be a temporary reaction to a perceived threat of job loss. Once this threat is removed, by an actual redundancy followed by new employment, it is predicted that an employee's work orientations would return to some baseline point of equilibrium. This would also be predicted by the cybernetic control theory of job loss described by Latack et al. (1995).

Clearly, the present study raises more questions than it answers with regard to instrumentalism and downsizing. No other research has been identified that looks at instrumental orientations to work in the context of organizational downsizing. However, there are assertions noted earlier that appear, on the findings reported here, to be incorrect. Further research aimed at theory development seems warranted.

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Table 1: Work involvement, instrumentalism and job involvement exploratory factor analysis with varimax rotation and reliability coefficients

Items	F ₁	F ₂	F ₃	F ₄
The most important things that happen to me involve my current job	.81			.17
The major satisfaction in my life comes from my job	.74		.15	
The most important things that happen to me involve work	.66		.26	
I live, eat and breathe my job	.64	-.11		
Working is a necessary evil to provide the things I want for myself and family		.70		
My job is just something I have to do to earn a living – most of my real interests in life are centered outside my job	-.35	.64	-.12	-.12
Money is the most rewarding reason for having a job		.60		
I can't wait until the day I can retire so I can do the things that are important to me		.48		
I do what my job description requires. My employers do not have a right to expect more		.42		-.32
Most things in life are more important to me than my job	-.27	.38	-.13	-.12
I would soon get very bored if I had no work to do	.21		.72	
Even if the unemployment benefit was really high, I would still prefer to work		-.24	.56	
Having a job is very important to me	.11		.55	.17
Even if I won a great deal of money on Lotto I would continue to have work somewhere	.16	-.26	.50	
I should hate to be on an unemployment benefit			.50	.12
I am very much involved personally in my job.	.32		.15	.59
I will stay overtime to finish a task, even if I am not paid for it	.12	-.21		.56
I am really a perfectionist about my job.		.17	.15	.50
Percent of total variance explained (rotated loadings)	13.66	11.35	10.19	6.54
KMO measure of sampling adequacy		0.814		
Bartlett test of sphericity	$\chi^2 (153) = 2062.39, p = .000$			
Standardized coefficient alpha	.83	.72	.73	.60

Table 2: Correlations and Descriptive Statistics

Variable	Mean	SD	1	2	3	4	5	6	7	8
1. Instrumentalism	4.22	1.13								
2. Work Involvement	5.97	1.01	-.29**							
3. Job Involvement	3.07	1.37	-.31**	.35**						
4. Commitment	4.73	1.21	-.39**	.18**	.27**					
5. Age	41.49	11.76	-.03	-.07	.08	.00				
6. Log tenure	1.33	1.27	-.04	.03	.09	.04	.37**			
7. Log size	4.76	2.35	-.01	.02	-.01	-.03	-.05	.19**		
8. Job security satisfaction	5.36	1.66	-.14**	.07	-.01	.47*	-.18**	.02	-.01	
9. Perceived job security	0.80	1.21	.04	.02	.08	-.18**	.08	-.10	.01	-.33**

Note: N = 369. Significance levels for the Involvement and Commitment correlations with Instrumentalism are 1 tailed. All other correlations are 2-tailed. * = $p < .05$, ** = $p < .01$

Table 3: MANCOVA between-subjects effects for instrumentalism, organisational commitment and job involvement

Variable	Instrumentalism			Commitment			Job Involvement		
	F	p	Partial eta ²	F	p	Partial eta ²	F	p	Partial eta ²
Corrected Model (df = 5, 391)	11.28	.000	.126	24.87	.000	.241	11.50	.000	.128
<i>Factor Main Effects (df =2, 391)</i>									
Downsizing Group (IV)	5.95	.003	.030	1.97	.141	.010	1.32	.268	.007
<i>Covariate Main Effects (df = 1,391)</i>									
Work Involvement	33.20	.000	.078	9.29	.002	.023	52.02	.000	.117
Job security satisfaction	6.27	.013	.016	94.86	.000	.195	0.01	.918	.000
Perceived job security	0.00	.983	.000	0.35	.553	.001	0.59	.444	.002

Table 4: Analysis of Covariance

Variable	<i>F</i>	<i>P</i>	<i>Partial eta²</i>
Corrected model (df = 7, 389)	17.97	.000	.244
<i>Main Effect</i> (df = 2, 389)			
Downsizing Group	7.48	.001	.037
<i>Covariates</i> (df = 1,389)			
Work involvement	14.64	.000	.036
Organisational commitment	38.98	.000	.091
Job involvement	8.60	.004	.022
Job security satisfaction	0.21	.650	.001
Job security perceptions	0.10	.922	.000

Organizational downsizing and the instrumental worker: Is there a connection?

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