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PRESERVING COMMITMENT DURING
DOWNSIZING: AN EMPIRICAL TEST OF THE
MITIGATING EFFECT OF TRUST AND
EMPOWERMENT

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Abstract

Can the commitment of downsizing survivors be preserved at a level comparable to employees who have not been subjected to a downsizing? This paper compares two sets of employees from one firm, one from a plant that has recently announced a downsizing and another from a plant not subjected to a downsizing situation. Drawing on Lazarus and Folkman's theory of stress, we hypothesize that survivor commitment can be preserved at levels comparable to other employees when survivors trust in management and feel empowered. Employee trust in management helps reduce the threat inherent in downsizing. Empowerment helps employees to feel more capable to effectively cope with the downsizing. The results provide support for each of the hypotheses – trust and empowerment mitigate the commitment reducing properties of downsizing.

Preserving Commitment during Downsizing:
An Empirical Test of the Mitigating Effects of Trust and Empowerment

As organizations seek to improve efficiency in the face of an increasingly global marketplace, downsizing has been the subject of growing interest to organizational scholars and business practitioners. Indeed, downsizing continues to be a favored strategy to enhance competitiveness, with 60% of companies planning to downsize over the next several years (Peterson, 1996). Downsizing is defined as a purposeful reduction in the size of an organization's workforce (Cameron, Freeman, & Mishra, 1991; Cascio, 1993). It is conceptually distinct from organizational decline because its aim is the improvement of organizational efficiency, productivity, and competitiveness (D'Aunno & Sutton, 1989; Kozlowski, Chao, Smith, & Hedlund, 1993).

While much of early research on downsizing has focused on its impact on victims, more recent research has focused on examining survivor responses to downsizing. Downsizing represents an unfavorable context for survivors because it may involve immediate unfavorable outcomes such as greater workloads (Brockner, Wiesenfeld, Reed, Grover, & Martin, 1993), constrained material resources (Cameron, Freeman, & Mishra, 1993), or the loss of valued friends and co-workers (Brockner, Grover, Reed, DeWitt & O'Malley, 1987). It may also represent possible future unfavorable outcomes such as the potential to lose one's job (Greenhalgh & Rosenblatt, 1994) or fewer promotional opportunities (Mishra & Spreitzer, 1998).

Downsizing's negative context in turn can negatively influence the commitment of downsizing survivors to the organization, especially if survivors identify closely with victims (Brockner, Grover, Reed, DeWitt, & O'Malley, 1987) or have high prior levels of commitment and perceive the downsizing as unjust (Brockner, Tyler, & Cooper-Schneider, 1992).

Nevertheless, as organizations downsize, they need to retain qualified employees who are willing to take on the additional tasks and responsibilities of those who have exited, who can find creative ways to improve their efficiency, and who can deal with greater task ambiguity (Meyer & Allen, 1997: 83). These issues are potentially relevant for other forms of reorganization that also involve reductions in the size of the workforce or changes in individuals' duties and responsibilities, including mergers/acquisitions and reengineering (Meyer & Allen, 1997).

Prior research has shown that some of the negative impact of downsizing on survivor commitment to the organization can be mitigated by implementing the downsizing in a way that is fair or just (Brockner, Tyler, & Cooper-Schneider, 1992; Brockner, Wiesenfeld, Reed, Grover & Martin, 1992; Davy, Kinicki, & Scheck, 1991). These studies have shown that survivors who perceive the downsizing as more fair have higher levels of commitment than those who perceive the downsizing as less fair. This research also clearly demonstrates that cognitive evaluations of downsizing influence attitudinal and behavioral responses.

Our research extends this stream of research by examining whether levels of survivor commitment can be preserved at a level comparable to employees who have not been subject to an organizational downsizing. The prior research described above examined survivors *within* a downsizing situation and found that depending on the degree of perceived fairness, among other factors, survivors vary in their level of commitment. These studies, however, did not ascertain whether the magnitude of such commitment could reach levels comparable to employees in a non-downsizing context. It may be that survivors who experience a downsizing as fair are more committed to the organization than those who experience less fairness, but that level of commitment may still be relatively low. In this research, we compare downsizing survivors' levels of commitment to that of employees who have not been exposed to a downsizing situation

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to determine whether a downsizing can be implemented in a way that preserves levels of commitment at a level comparable to a non-downsizing situation.

To address these questions, we studied two comparable plants within one division of one Fortune 100 firm. Both plants were unionized manufacturing facilities making similar products in the southwest United States. The plants had somewhat different workforce demographics, but these were controlled for in the analysis. The parent company made the decision to downsize only one of the two sites strictly on market factors alone – the products made at one plant were in stronger demand than the products made at the other plant. The decision was not made based on labor relations climate or presence of a union. This design allowed us to assess whether an organizational downsizing could be conducted in a way that would preserve survivor commitment at a level comparable to employees at the non-downsizing site.

In this study, we first confirm the findings from previous survivor research that suggest that downsizing reduces employee commitment. We then examine whether specific factors such as survivor trust and empowerment can mitigate the negative effects of downsizing to preserve survivor commitment at a level comparable to the commitment of employees at the non-downsizing site. The logic for the expected moderating effects of trust and empowerment is explained below.

Effects of Downsizing on Employee Commitment

Commitment reflects the psychological attachment of an employee to his or her organization (Mowday, Steers, & Porter, 1982). Research has shown that commitment is an important predictor of individual well-being and performance (Mathieu & Zajac, 1990). In this study, we focus our attention on affective commitment. This component of commitment "refers

to the employee's emotional attachment to, and involvement in the organization" (Allen &

Meyer, 1990: 1). Such commitment is likely to be particularly important as an organization

struggles to increase its competitive advantage in the context of a downsizing through more

flexible decision making and innovation (Kozlowski, et al., 1993). Yet, several theoretical

perspectives, including justice theory and psychological contracts, suggest that downsizing and

its inherent job insecurity may systematically alter employees' affective states, especially those

dealing with the employees' relationship to the organization (Ashford, Lee & Bobko, 1989; Buch

& Aldridge, 1991; Sutton, Eisenhardt, & Jucker, 1985). When survivors observe an

organization's downsizing efforts, they simultaneously assess the continuity of their own work

situations for the future and this in turn influences their attachment to the organization.

Drawing on equity theory, the literature on distributive justice suggests that downsizing

reflects a resource allocation decision where employee outcomes are reduced. For example,

employees may perceive their job security to be reduced even if their own jobs are not

immediately lost (Greenhalgh & Rosenblatt, 1984). Or employees may feel guilty that their own

job has been spared while the jobs of their co-workers and friends have been lost (Brockner,

Davy, & Carter, 1985). Employees may also be frustrated because their workload has increased

due to fewer people doing the same amount of work (Brockner, Wiesenfeld et al., 1992). As a

result, employees are likely to respond to such a resource allocation decision by reducing their

attachment to the organization because some valued outcomes they feel they deserve are being

taken away or threatened. This is particularly true if they feel like they have not been treated

fairly in a procedural sense (Brockner, Tyler & Cooper-Schneider, 1992).

The perceived losses stemming from the downsizing may also represent a violation of the

psychological contract between the employee and the employer (Morrison & Robinson, 1997;

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Rousseau & Parks, 1993). Psychological contract violation reflects the emotional state that follows from the belief that one's organization has failed to keep its promises, resulting in injury or damage (Rousseau, 1995: 112). The experience of violation can have serious individual and organizational implications -- research has shown that violation of the psychological contract decreases employee satisfaction, intention to remain with the organization, and extra-role or organizational citizenship behaviors (Morrison & Robinson, 1997). In extreme cases of violation, employees may seek revenge or retaliation, engaging in sabotage, theft or other aggressive behavior (Bies & Tripp, 1996). In each case, a violation of the psychological contract causes employees to reconsider the nature of their relationship with the organization – their level of commitment (Robinson, 1997; Robinson & Rousseau, 1994).

Drawing on both justice theory and theory on psychological contracts, we expect that employees who work in a site that is experiencing a downsizing will report lower levels of commitment than employees working in a work environment not affected by a downsizing.

Hypothesis 1: Employees in sites experiencing a downsizing will be less committed than employees in sites not experiencing a downsizing.

Mitigating the Negative Effects of Downsizing on Commitment

In general, how individuals interpret organizational situations helps form their reactions to those events (Dutton & Jackson, 1987; Dutton, 1986; Ford & Baucus, 1987). Because downsizing represents an unfavorable organization change to employees, it is especially likely to elicit a sensemaking process in which people attempt to re-evaluate their relationship with the organization (Brockner, Siegel, Daly, Tyler, & Martin, forthcoming). Employees seek to understand the causes of unfavorable outcomes, such as downsizing, to determine how it will affect them over the long term. This sensemaking process influences how survivors will react to the change (Morrison & Robinson, 1997; Sutton & D'Aunno, 1989). More specifically, building

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on Staw, Sandelands, & Duty's (1981) threat-rigidity hypothesis, Sutton & D'Aunno (1989) argue that individuals' interpretations of a downsizing will moderate the anxiety typically experienced during threatening situations. To the extent that a situation is uncertain, it will be interpreted as more threatening (Herman, 1963; Billings, Melbourne, & Schulman, 1980; Dutton, 1986). Individuals are also more likely to be threatened by the downsizing when it is construed as unfair, unpredictable, uncontrollable (Sutton & D'Aunno, 1989: 205). In contrast, Weick (1988) argues that individuals who more strongly believe that they have capacity to deal with undesirable situations will be less defensive, see more opportunities for reducing the threat, and have a wider response repertoire to the threat.

We draw on Lazarus's stress theory to provide a theoretical framework for survivors' sensemaking process during downsizing (Mishra & Spreitzer, 1998). In this theory, stress is conceptualized as a process in which environmental stressors are mediated by cognitive appraisal which in turn leads to individual coping responses (Lazarus & Folkman, 1984; Folkman, Lazarus, Gruen, & DeLongis, 1986). Their stress framework posits a cognitive process by which individuals assess threatening situations which in turn shapes their emotional and behavioral responses to them.

Appraisal of stressful situations. Through cognitive appraisal, individuals evaluate whether a particular encounter is relevant to their well-being. There are two types of cognitive appraisal: primary and secondary. Through primary appraisal, individuals evaluate the potential threat of the stressor. Through secondary appraisal, individuals evaluate their own resources and capability for coping with the stressor. Both appraisals in turn influence a wide range of coping responses. Coping responses refer to individuals' emotional and behavioral efforts to deal with the stressful encounter (Folkman et al., 1986), including commitment.

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The Lazarus and Folkman theory of stress is relevant to explain survivor responses to downsizing because downsizing reflects a potentially stressful encounter for survivors (Brockner et al., 1988), stemming in part from its inherent ambiguity (Sutton, 1987). Survivors may experience harm or "an irrevocable loss" (Lazarus, 1993: 5) as they lose valued coworkers or are subject to pay cuts to preserve their own jobs. They may also experience threat or "anticipation of harm that has not yet taken place" (Lazarus, 1993: 5). Survivors may fear that their own jobs could be lost in the future (Greenhalgh & Rosenblatt, 1984), that fewer promotional opportunities will be available as hierarchies are flattened (Sutton & D'Aunno, 1989), or that smaller pay raises may become the norm as cost-cutting is emphasized (Brockner, Grover, O'Malley, Reed, & Glynn, 1993). Moreover, survivors may anticipate workload increases because fewer people are available to do the required work and there may be conflict over shrinking resources (Sutton, 1990). Challenge or "an opportunity for growth, mastery or gain" (Folkman, 1984: 840) is another way in which survivors may view downsizing; they may learn new skills as they take over the responsibilities of the downsized victims.

We propose that employee trust and empowerment will shape the cognitive appraisal process during downsizing and thus moderate the negative effects on commitment to the organization. Trust and empowerment provide independent cognitive means by which individuals make sense of threatening situations such as downsizing and thus influence their reactions. Each reduces uncertainty amidst a threatening situation, with trust reducing the degree of threat evaluated for the downsizing, and empowerment enhancing appraisal of the capacity to deal with the downsizing. Our specific logic for how trust and empowerment may work to preserve employee commitment is provided below.

Trust in management. Trust is defined as a willingness to be vulnerable to others (Granovetter, 1985; Lewis & Weigert, 1985) based on the prior belief that they are trustworthy (Mayer, Davis, & Schoorman, 1995; Mishra, 1996; Sitkin & Roth, 1993). Being vulnerable means that a significant potential for loss exists (Deutsch, 1973; Luhmann, 1979; Zand, 1972). Several key dimensions of trustworthiness have been documented in the organizational studies literature, including a concern for others' interests, competence, openness or honesty, and reliability (Hart & Saunders, 1997; Mayer et al., 1995; Mishra, 1996).

As part of the primary appraisal process, we hypothesize that survivor trust in management preserves levels of survivor commitment by reducing the threat inherent in downsizing. Survivor trust in management minimizes the categorization of threat by helping survivors to understand and believe in management's intentions and expected behavior (Mishra & Spreitzer, 1998). We argue that each dimension additively contributes to a party's trustworthiness and helps to reduce the degree of threat or harm represented by a downsizing. A belief that management is *concerned* about the best interests of survivors leads to less threatening appraisals because survivors believe that top management is acting on behalf of survivors as well. Survivors who believe that management is *competent* may also appraise the downsizing as less threatening because they view top management as capable of enhancing the organization's competitive position. Survivors who believe that top management is *reliable* may also feel less threatened because they believe that top managers will keep their promises. Finally, survivors who believe that top management is being *open and honest* about what is happening (O'Neill & Lenn, 1995) may feel less threatened because uncertainty is reduced.

Prior research has found that employees' trust in management was related to their commitment to their organizations, particularly when they perceived the outcomes associated

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with authorities' decisions to be relatively unfavorable (Brockner et al. forthcoming). The establishment of trust seems to be a potent force in overcoming the otherwise adverse reactions that employees may exhibit in reaction to decisions yielding negative outcomes. By reducing the perceived threat inherent in downsizing, employees who trust in management are less likely to feel a distancing in their attachment to the organization. Thus, we hypothesize that

Hypothesis 2: Survivor trust in management will moderate reductions in survivor commitment during downsizing.

Survivor Empowerment. Through the secondary appraisal process, we suggest that survivor empowerment will work to preserve levels of commitment to the organization by increasing employees' perceptions that they can cope with the downsizing. Empowerment is defined as a personal sense of control in the workplace as manifested in four beliefs about the person-work environment relationship: *meaning, competence, self-determination*, and *impact* (Spreitzer, 1995; Thomas & Velthouse, 1990). Employee empowerment is expected to preserve levels of commitment by providing survivors with a greater sense of control over the process of downsizing (Brockner, Wiesenfeld, Reed, Grover, & Martin, 1993). Survivors may be uncertain about whether they possess the requisite resources and coping skills to deal with the demands posed by a downsizing. But a sense of empowerment can provide a buffer against the helplessness-inducing effects of a downsizing. Layoffs are likely to threaten survivors' sense of control; therefore, factors that enhance a sense of control before and during downsizing are likely to be important in mitigating the helplessness often experienced by survivors during downsizing (Brockner, 1988).

Prior research has found that increased personal control can enhance organizational commitment in the context of downsizing (Davy, Kinicki, & Scheck, 1991). The four dimensions of empowerment help to explain why empowerment should mitigate the negative

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effect of downsizing on commitment by enhancing the belief that survivors have the capability to adequately cope with the downsizing. The more survivors believe they have a sense of *meaning*, the more that they can rely on their own sense of purpose and direction to cope with the ambiguity inherent in the downsizing. Second, the more survivors believe that they have the *competence* necessary to perform well in the changing environment, the more they see themselves as having the personal resources to cope with the changes in work associated with the downsizing. Third, the more survivors believe that they have *self-determination* or job autonomy, the more they see themselves as having choices about or control over how to cope with the downsizing. Fourth, the more survivors believe that they can have an *impact* on the downsizing implementation, the more likely they will believe they have the personal power to cope with outcomes associated with the downsizing. Through enhancing survivors' sense of personal control in the downsizing process, empowerment helps to maintain the attachment of the survivor to the organization thus works to preserve commitment.

Hypothesis 3: Survivor empowerment will moderate reductions in survivor commitment during downsizing.

Research Design

Sample and Data Collection

Employees from two sites of one division of an organization in the aerospace industry head-quartered in Southern California were surveyed in the summer of 1996. All employees were given the opportunity to participate in the survey at each site. The two sites were comparable on numerous dimensions before a downsizing announcement was made at the first site. Both sites were unionized, but neither had a history of poor labor relations. Both were located in the southwest region of the U.S. but were not physically proximate. Both sites had

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comparable levels of technology and made similar electronics products for the aerospace industry. A general employee survey conducted by the organization at both sites approximately one month before our surveys were conducted found no significant differences between the two sites in terms of satisfaction with working conditions, supervisory relations, or overall satisfaction. Thus, the two sites were comparable before the decision to downsize at one site was made.

At the first site, a downsizing announcement was made approximately one month before the surveys were distributed. Employees at this site were told that a substantial number of employees were going to be laid off within the next year. Some employees would be eligible for a transfer to another facility. At the time the survey was distributed, the specific employees who were to be laid off had not yet been completely identified by management, but approximately 10% of the site's contract employees were laid off in the month after the announcement but before the administration of the survey. All of the employees surveyed had been told that they could potentially be affected by the downsizing announcement and could be considered initial survivors of the announcement and subsequent layoff of contract employees.

At this first site, a total of 731 surveys were distributed through the company's internal mail system. All respondents were assured of the confidentiality of their responses. All surveys were mailed back directly to the researchers using pre-addressed, postage-paid envelopes. Of the 731 surveys sent out, a total of 350 surveys were returned for a response rate of about 48%. Analysis of the demographic data suggests that the characteristics of those responding to the surveys were virtually identical to those who did not return the survey; this reduces concerns about the potential for response bias due to non-response.

At the second site, no downsizing announcement was made. At this site, a total of 1793 surveys were also distributed using athrough the site's internal mail system, and the same assurances of confidentiality and survey return method utilized. Of the 1793 surveys distributed, 786 surveys were returned for a response rate of approximately 44%. The same comparison of demographic data between those who responded and those who failed to respond yielded no significant differences. This increases our confidence that respondants were not different than non-respondants.

Measures

All survey measures were assessed with 7-point Likert scales with anchors ranging from very strongly disagree to very strongly agree. To the extent possible, we used already validated scales of each variable in the model. We used Mishra and Mishra's (1994) 16-item measure of trust (α = .97). A sample item for each of the four dimensions include: "I believe that site management tells the truth" (open); "…provides capable and competent leadership" (competence); "…does not try to get out of its commitments" (reliable), and "…would make personal sacrifices for our organization" (concern).[1] We used Spreitzer's (1995) 12-item measure of empowerment (α = .85). Sample items for each of the four dimensions include: "The work I do is very important to me" (meaning); "I am confident about my ability to do my job" (competence); "My impact on what happens in my department is large" (impact); "I have significant autonomy in determining how I do my job" (self-determination).

We drew three items from Mowday, Steers and Porter's (1979) 15-item measure of organizational commitment to measure affective commitment (α = .72). These items also

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represent three of the nine items used by Mayer & Schoorman's (1992) measure of value commitment. We did not measure the items focusing on intentions to remain with the organization because our focus was on the affective component of commitment. These items include: "I talk up my company as a great organization to work for"; "I am willing to put in effort beyond what is normally expected"; "My company really inspires the very best in me in the way of job performance". Although these items are not exactly the same as Meyer & Allen's affective commitment (Allen & Meyer, 1990; Meyer & Allen, 1997), they are clearly much more aligned with the affective dimension than with either the continuance dimension with its emphasis on the costs of leaving an organization or the normative dimensions with its emphasis on obligation or moral responsibility to remain with an organization.

A dummy variable was created to indicate whether a given respondent was employed at the site undergoing the downsizing. Objective data on employees' educational level (a seven-category scale ranging from less than high school to doctoral degree), length of service (years of employment at the organization), and sex were collected from archival sources. These were included as control variables in the analyses because they may have effects on commitment, and because small but statistically significant differences were found between the two sites on several demographics.[2] For example, those survivors with higher levels of education may have more employment options and thus may be less committed to the organization, and a recent study by Mayer & Shoorman (1998) found that level of education was negatively associated with affective commitment. Those survivors with longer tenures at the organization may have greater

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[1] Although theoretically four dimensions of trust were measured, confirmatory factor analyses using LISREL indicated that a single factor model with sixteen items fit the data better than a four-factor model.

[2] Specifically, the mean age for the non-downsizing site was 45 years versus 42 years, mean tenure was 14.5 years versus 10.0 years, and 80 percent of the non-downsizing employees were male versus 70 percent (all significant at p < .001). The mean response for level of education was 3.83 for the non-downsizing site versus 3.65 for the downsizing site (p< .05).

attachment to the firm due to their longevity and thus may be more committed (Dunham, Grub, & Chastened, 1994), and meta-analytic reviews also report positive relations between organizational tenure and affective commitment (Cohen, 1993; Mathieu & Zajac, 1990). Sex was included as some research suggests that female downsizing survivors do differ from male survivors in how much they perceive threat of job loss following a downsizing (Armstrong-Stamen, 1995), although it is not clear *a priori* whether females would have higher or lower affective commitment levels than men (Meyer & Allen, 1997).

Results

Means, standard deviations, correlations and reliabilities are provided in Table 1. As expected, trust in management and empowerment are positively correlated with commitment while being in a downsizing context is negatively related to commitment.

Table 1 about here

All three hypotheses were tested with hierarchical regression analysis. We first entered the demographic variables (gender, years of service, and level of education) as well as trust and empowerment, represented as Model 1 (see Table 2). In the next step, we then added downsizing context, represented as Model 2. In this model, all variables in Model 1 remained significant, and being in a downsizing context was found to be negatively related to commitment (β = -.16***) and the change in adjusted R^2 for adding the downsizing context variable also was significant, providing support for Hypothesis 1.

Table 2 about here

To test hypotheses 2 and 3, we then added the interaction terms downsize*trust and

downsize*empowerment in the third step. The crucial terms in testing hypotheses 2 and 3 are

the interaction effects. The main effects for trust ($\beta = .39***$) and empowerment ($\beta = .42***$)

were significant and positive when the interaction terms were added. These significant

coefficients suggest that trust and empowerment are potentially important predictors of

commitment. Downsizing context also remained significant and negative ($\beta = -.50***$). Of

greater importance, the two interaction terms were also significant, and the change in adjusted R^2

for adding these interaction terms was also significant. These results suggest that trust and

empowerment are potentially more important in a downsizing context.

To understand the nature of the interaction term more completely, we performed

midscale splits on both trust and empowerment, and subsequently computed the mean

commitment level for both high and low levels of trust and empowerment in downsizing and

non-downsizing contexts.[3] As shown in the bottom half of Table 2, this analysis indicates that

the highest levels of commitment occur when survivors trust in management or have a strong

sense of empowerment in a non-downsizing context. The lowest levels of commitment occur

when survivors have little trust in management or a weak sense of empowerment in a downsizing

context. Moreover, this analysis also suggests that when survivors trust in management and have

a strong sense of empowerment, their commitment level is just about as high as employees who

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[3] ANOVAs revealed significant main effects for trust, empowerment, and downsizing ($p < .001$) using the midscale
splits, and interaction between hi/low empowerment and downsizing ($p<.01$), but not hi/low trust and downsizing.

are not in a downsizing context. These results suggest that trust and empowerment can work to mitigate the commitment reducing properties of downsizing.

Discussion

Except for a laboratory study conducted by Brockner, Davy and Carter (1985), this is the first study in a field setting to directly compare downsizing survivors with employees who have not experienced a downsizing. This sort of comparison is useful because it can tell us whether certain factors can mitigate the negative effects of downsizing such that survivor commitment can be preserved at comparable levels to employees who have not experienced a downsizing. Our results suggest that trust in management and empowerment are two important factors which can mitigate the commitment-reducing properties of a downsizing. In fact, our results suggest that when trust in management and empowerment are high, levels of commitment are virtually comparable between survivors and employees who are experiencing a downsizing. Trust in management helps to reduce the threat inherent in a downsizing. Empowerment helps survivors to believe that they have the capability to effectively cope with the downsizing. In these ways, trust and empowerment help to reduce the stress inherent in a downsizing situation.

This is not to say that trust in management and empowerment are only important in a downsizing situation. In addition to the significant interaction effects, the results show significant coefficients for the main effects of trust and empowerment. These coefficients suggest that trust in management and empowerment are important in building employee commitment whether in a downsizing situation or not. Trust may be important for reducing more general threats employees face on the job each day, whether it be negative feedback on the job or a negative interpersonal interaction with a subordinate. Reduced threat, in turn, can

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enhance employees' attachment to the organization. Empowerment helps employees to feel in more personal control of their work environment. When employees do not feel a basic sense of control, they are likely to distance themselves from the organization as a mean of coping and effectively reduce their attachment to the organization. Thus, the results suggest that trust in management and empowerment are both important to commitment, but that they are even more important in the context of downsizing.

The results also suggest some interesting dynamics regarding the role of demographic variables on employee commitment. Men are marginally less committed than women (the coefficient is significant at the .10 level for Model 2). To the extent that men have more extensive professional networks than women, they may have greater commitment to their profession than to their employer, or they perceive greater job opportunities outside the organization and thus may be less committed. Those with more years of education are significantly less committed than those with fewer years of education. This finding is not surprising because those with more education are likely to have more employment alternatives and thus may have less attachment to their present organization.

The significant, negative relationship between length of service and commitment, although counterintuitive, may have several possible explanations. First, we examined only the affective component of commitment. It may be that employees' continuance commitment, which is based on the costs that the employee associates with leaving the organization (Allen & Meyer, 1990; Dunham et al ., 1994) is more closely related to time spent on the job. Greater tenure is expected to increase the level of firm-specific skills the employee possesses, thereby increasing the value of the employee to the focal organization but reducing the employee's value to outside firms. Investments in terms of knowledge of the local area and financial investments

such as housing would also increase as one spent more time with the focal firm. Thus, reduced marketability, and costs associated with leaving a geographic area should increase with tenure, enhancing continuance commitment.

Affective commitment, however, may actually decline with tenure, especially if the organization makes explicit its intent to hire new employees in certain critical areas (e.g., product engineering, marketing) even as it lays off or fails to promote present employees. The perception that experienced employees were not necessarily in demand by top management was repeated in qualitative comments provided to the researchers on back of our surveys and in interviews with a small sample of managers conducted contemporaneously with the surveys. To the extent that more senior employees have skills that are less in demand by the organization, they may receive the implicit message that they are not valued as much as younger employees, and thus would be expected to reduce their attachment or affective commitment to the organization, the component measured in our study. This may be especially true in the context of the aerospace industry in which skills may be outdated more quickly than in less-technologically intensive industries.

Limitations and Directions for Future Research

It would have been preferable to have a real experimental research design where employees were randomly placed into a downsizing or non-downsizing context, but this would be neither realistic nor ethical. It also would have been preferable to have pre-data as well as post-data. The pre-data would have allowed us to show that the two groups were similar on the variables of interest in this study before the downsizing treatment was administered. However, we did not have access to the groups before the downsizing announcement was made, so pre-data

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could not be obtained. However, we demonstrated that the two sites were quite similar before

the downsizing announcement was made in terms of attitudinal and structural variables. The fact

that the decision to downsize only one facility was only made based on product demand

differences between the two sites also indicates similarity on other dimensions. Thus, because

the two sites were similar in many different ways, they provide a valid context for comparison.

Future research should collect one round of data several months prior to the downsizing so that

comparisons among employees at the two plants could be conducted to ensure their similarity.

Such pre-treatment data would also be useful to demonstrate how levels of commitment, trust in

management, and empowerment may change in a downsizing context. It is only through

longitudinal data that the dynamics of commitment can be effectively studied.

Conclusion

Prior research has shown that employee commitment often suffers during organizational

downsizing, particularly when survivors believe that the downsizing was conducted unfairly.

This research extends prior work by showing that levels of employee commitment can be

preserved to levels comparable to employees not subject to a downsizing when levels of

empowerment and employee trust in management are high. While empowerment and employee

trust in management are important for commitment in general, the results suggest that they are

particularly important in the context of a downsizing. Empowerment helps employees to believe

that they have the capability to effectively cope with the downsizing. Employee trust in

management helps to reduce the threat inherent in downsizing. Thus, this research demonstrates

how empowerment and trust in management can mitigate the commitment-reducing properties of

downsizing.

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Table 1
Means, Standard Deviations, Correlations and Reliabilities

Variable	Mean	S.D.	N	1	2	3	4	5	6
1. Gender	1.78	.42	1064	(n/a)					
2. Service	13.33	8.59	1064	.14***	(n/a)				
3. Education	3.78	1.32	1099	.14***	-.08**	(n/a)			
4. Downsize	.31	.46	1131	-.12***	-.24***	-.06*	(n/a)		
5. Empowerment	5.25	.81	1131	.01	.14***	-.09**	.02	(85)	
6. Trust in Mgmt	3.81	1.29	1122	-.05	-.04	-.01	.05	.24***	(.97)
7. Commitment	4.53	1.22	1134	-.06*	-.04	-.15***	-.08**	.50***	.51***

Results of Regression Analyses for Organizational Commitment

Variables	Model 1	Model 2	Model 3
Gender	-.03	-.04+	-.04
Service	-.08***	-.12***	-.12***
Empowerment	.41***	.42***	.37***
Trust in Management	.39***	.39***	.44***
Downsize		-.16***	-.50***
Downsize x Empowerment			.54***
Downsize x Trust			-.20**
ΔR^2		.02***	.01***
Adjusted R^2	.42	.44	.45
F	148.7***	136.47***	105.38

* p<.05, **p<.01, *** p<.001

Mean level of commitment as a function of empowerment and downsizing context*

	Downsizing	
Empowerment	No	Yes
Low	4.18	3.76
High	5.02	5.00

Mean level of commitment as a function of trust and downsizing context*

	Downsizing	
Trust	No	Yes
Low	4.02	3.80
High	5.15	4.89

* Note: Scores range from 1-7 with higher scores reflecting greater commitment