

Rightsizing: Is this a Right Strategy for Surviving Workforce in IT Industry?

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ABSTRACT

The pandemic-driven disruptions and geo-political disturbances at global level are exacerbating macroeconomic uncertainties ensuing sluggish growth for business world-wide. The information technology and information technology enabled services appeared as a savior during challenging times of COVID-19. Some crucial sectors of economy like healthcare, education, research and development, supply-chain, business, and financial sector were facilitated by technology and digitalization. The technology industry outperformed all other sectors remarkably, but in recent times this industry is trying hard to weather out the recessionary trends. Most of the IT companies are restructuring their work models and trimming workforce in the name of “rightsizing” to grapple with uneven demand, soaring costs and efficiency issues by. The current research paper makes an analysis of select IT companies, which have adopted ‘rightsizing strategy’ and made sizable lay-offs since past few years to achieve cost-rationalization and improve organizational performance with efficiency and effectiveness. The author has opted for a descriptive cum diagnostic research design and has used both primary and secondary data to assess the impact and efficacy of rightsizing strategies on surviving employees of IT Industry with the help of statistical tools of correlation, regression, and path analysis in this study.

KEYWORDS

Rightsizing, pandemic-driven disruptions, layoffs, geo-political tensions, Cost-rationalization, restructuring, performance.

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INTRODUCTION

The challenging times of COVID-19 with a series of lockdowns, spotlighted the significance of ‘information technology and information technology enabled services’ on social and commercial fronts. The IT sector facilitated the virtual format of communication and work with its remote-working technologies. The dependence on mobiles and various social media teleconferencing devices like WhatsApp video call, Google hangouts, Zoom, and Microsoft Teams managed the functioning of some crucial sectors of economy like healthcare, education, research and development, supply-chain, business, and financial sector. The Information Technology Industry was making an astounding growth and kept equipping itself with intelligent automation technologies infrastructure to meet up forthcoming demand. There were predictions of a massive business boom of IT Industry with a rise in revenues from US\$ 131 trillion in 2020 to US\$ 295 trillion by 2025. But the current geo-political disturbances at global scenario and pandemic-driven disruptions have already started intensifying macroeconomic uncertainties and affecting the growth trajectory of IT sector. As per the annual review reports of Nasscom (National Association of Software and Service Companies) the growth of IT sector has nose-dived with a growth rate of just 3.8% in the year 2023, in comparison to 8.4% growth rate in the year 2022. The revenue has also dipped to US\$ 250 Trillion only.

Apart from these, there may be numerous other reasons for the sluggish growth of technology sector. Environmental challenges of probable economic slowdown, fluctuating product demand and falling market capitalizations of firms, supply chain uncertainties, raw material shortages, increasing expenditure on state of art technology infrastructure and security, and enactment of new legislation and trade restrictions have made the situation even worse. IT services disruptions, shortages and delays in product supplies, increased production costs, and ebbing global sales are few of budgetary constraints which are forcing IT companies to reassess and change their business model. Since a significant part of cost base of these organizations comes from the cost incurred on employees, the firms are curtailing it through downsizing as cost-rationalization. Even the rise of Artificial Intelligence (AI) is helping organizations to replace non-customer-facing roles and making notable job cuts. IT organizations are spinning off, trimming jobs, cutting employee benefits, decreasing facilities, implementing salary freezes, making designation correction, or cut in employees’ variable pay etc. as a common practice.

Tech employees faced the worst nightmare since the beginning of 2022 by experiencing mass layoffs, and career breaks. As per Layoffs. Yi data reports more than 2.5 lakhs workers were sacked from their jobs across 1189 technology companies and the figure is still increasing day by day. The companies are starting job cuts as part of reorientation strategies. Layoffs and downsizings are again on headlines in media news every day. Major technology giants like Google, Accenture, Amazon, Meta, Dell,

Ericsson, IBM, Cognizant, Oracle, and yahoo etc. have announced plans to slash their staff as part of rightsizing i.e., cost rationalization and restructuring strategies.

The companies have started making job cuts a regular feature as part of their reorientation strategies named ‘Rightsizing’. In fact, rightsizing is the procedure of restructuring a business by reducing the workforce, changing job roles, reordering upper management, and cutting costs to achieve organizational objectives and efficiency. Earlier also, organizations used to make reckless layoffs as a hasty reaction to crisis caused by changes in external business environment. The management used to sort out the question ‘What to do for survival now?’ by opting for convergent downsizing to reduce their operating cost. But off late, to address the primary strategic question ‘What is imperative to succeed in the future?’ a proactive action ‘rightsizing’ is being practiced. Business organizations, especially IT organizations are frequently implementing job cuts along with some other variants like reducing employee benefits, decreasing facilities, salary freezes, hiring freezes, designation correction or cut in employees’ variable pay etc. in the name of rightsizing. These are aiming to improve efficiency through restructuring and changing the head count as well as the skills of the work force to achieve long-term competitive advantage.

Business environment also, has played a vital role in such strategic move of IT sector in the following manner–

- Due to consecutive geopolitical tensions occurring in different parts of world, global demand for IT products and services has dipped. As a result, IT companies are able to get hold of fewer big-ticket projects. Along with it, other emerging global players with cutting edge technology, are giving a tough competition to big giants. In the situation of lesser work and projects there is more pressure on the margins and balance sheets. Companies are forced to sit back and restructure strategies to recuperate.
- Radical changes in traditional technology like cloud computing artificial intelligence, machine learning, robotics and artificial intelligence are displacing people.
- Mandatory compliance of stringent corporate governance norms for IT companies nowadays is another issue to shake the trust of shareholders. Any deviation causes huge penalties and capital out-flow and lesser profitability as well.
- Cost rationalization or cost cutting measures are being explored and adopted by the IT organizations to survive and thrive. Since, the revenue cannot be increased due to competition; the only viable option left is to reduce cost.

LITERATURE REVIEW AND CONCEPTUALIZATION

Rightsizing is an organizational strategy which ensures a right number of people with right skills and experience, to do the right work at right time to deliver business outcomes of productivity and profitability. It encompasses redefining the relationship with technology for cost rationalization and efficiency. In the process of rightsizing employees' termination is inevitable which is also coined as organizational downsizing. Retrenchment or downsizing means discharge of surplus workforce. It is a general tactic of the organizations which occurs either reactively or proactively to curtail costs for financial viability or to bolster competitiveness. Downsizing may be 'Convergent downsizing' a reactive quick fix action taken by the organizations in external environmental crisis. Through layoffs, salary freezes, designation correction or variable pay-cuts of employees, organizations make reduction in operational costs to achieve for financial sustainability. But 'Reorientation downsizing' or 'Rightsizing' is a well-planned shift from past systems and strategic focus of the organization. It involves the redesigning of organizational structure, workflow processes, control systems and technology. Whenever any organization takes such moves by curtailing its operations and scale, the workforce is bound to be decreased proportionally. The organizations need to undertake action research programmes in such situations and require a comprehensive workforce planning. By implementing rightsizing by the top management, certain behavioral consequences also creep into the organizations as an offshoot of this process. There may be increase in conflicts due to lack of communication, rigidity reactions of workers, lack of trust towards management, and low employee morale, which may directly impact employees' commitment and employees' citizenship behavior. "In an applied sense, the organizational citizenship behavior augments the organization's operational ability, productiveness, and the effectiveness by fully utilizing its resources. The five aspects of 'Organizational Citizenship Behavior' were propounded by (Organ 1988) - namely: sportsmanship, conscientiousness, civic virtue, altruism, and courtesy." As per study of (Williams & Anderson, 1991) the most popular dimensions indicating organization-directed behavior (OCB-O) are conscientiousness, civic virtue, and sportsmanship, which effect productivity and performance of employees.

It is evident that rightsizing decision taken by an organization creates a ripple effect. It changes the internal dynamics of organization and the citizenship behavior of employees as well. This research explores that how the organizational citizenship behavior of employees gets affected by the personnel-oriented policy of rightsizing, and then further influences the organizational performance with respect to productivity, profitability and good work-relations resulting in better organizational performance.

Different research studies made in past years point toward either positive or negative relationship between

downsizing, job-cuts, and performance of the firms. The results of research made by (Whetten, Cameron, & Kim 1987) indicated a negative relationship between layoffs and organizational performance. Since, "fewer workers are left to do the same amount of work, inefficiencies due to work overload, burnout, conflict and low morale come out as possible consequences (Brockner 1988)". On the contrary, (Weitzel and Jonsson 1989) considered downsizing as an opportunity for employees to enhance their potential and performance under challenging conditions. It affects the 'core' as well as 'discretionary' behaviors of employees. Their capabilities may undergo positive changes to improve their performance as well as organizational performance (Motowidlo and Van Scotter, 1989). (Hammer, 1996) also argued that downsizing often results in better teamwork and empowered workforce, which comes up due to elimination of positions and management layers. In a changed and favorable internal environment, multi-skilled employee teams can come up with innovative ideas, thus, can improve efficiency and organizational performance.

The study made by (Hunter, 2000) has explored that the retrenchment in organizations leads to negative effects like decreased motivation and efficiency in the remaining employees. (Redman, Wilkinson, 2001) have also raised a similar concern about 'organizational effectiveness' of "anorexic organization" post downsizing. In a research conducted on Fortune 100 firms (DeMeuse et al. 2004) observed that the act of trimming the organizations' size by layoff up to 10% or more of their workforce, an adverse effect was visible on their financial health, as the financial variables like Profit margin and ROA have shown a declining trend. (Marjorie, Martha and Denise 2005) tried to pinpoint the perceived impact of organizational downsizing on quality management practices prevalent in the organizations. Downsizing segregates relationships and destroys a firm's existing networks as per the observations made by (Bhattacharya & Chatterjee 2005) in their research.

The organizational performance majorly depends upon efficiency and emotional commitment of employees in an organization (Podsakoff & Blume, 2009). It is directed by their organizational citizenship behavior or in-role behavior at work in the organizations. The "diligent employees, who go 'beyond the minimum requirements of their job description', decrease inter-group conflicts, increase commitment, reduce inconsistencies, and display efficiency, help in increasing organizational performance." But positive reactions anticipating better opportunities for promotion and career within the organization due to lesser competitors are also another facet of layoffs. In a study (Rao 2010) observed that restructuring is generally a procedure adopted by the employer to assess the business needs with an intention of limiting losses or increasing profits via reduction in the number of its employees. According to (Marques 2014) organizational restructuring brings about considerable changes in the organizational configuration of any firm like divisional redesigning and reduction in work force. As a result, an extensive set of activities affects organizational behavior resulting into improved efficiency,

considerable changes in the organizational configuration of any firm like divisional redesigning and reduction in work force. As a result, an extensive set of activities affects organizational behavior resulting into improved efficiency, productivity and competitiveness. (Moss 2016) opined “In organizational citizenship behavior, sportsmanship designates employees’ willingness to tolerate difficulties at the workplace, refraining from unnecessary criticisms and complaints; conscientiousness talks about employees’ adherence to workplace rules, genuine acceptance and compliance to the rules, regulations, and procedures of the organization; and the civic virtue denotes the active participation and constructive involvement in organizational life, such as meetings, events, and functions’ etc. in the organization”. These behavioral patterns are instrumental in exceeding minimum required levels of attendance, housekeeping, punctuality, and productivity of employees; (Bamel, Garg and Paul, 2016).

An integrated picture of organizational performance and rightsizing relationship is difficult to be presented in a single frame because performance is the outcome of employees’ efficient and effective actions towards work completion within and outside the organization (Talib, Shahuri and Romle 2016). The organizational citizenship behavior i.e. the attitude and behavior of workers at the workplace reflects their commitment that ensures performance (Paul, Bamel and Garg, 2016). Though, the organizational performance and downsizing are not related directly, but a connection between citizenship behavior affected due to layoffs, and the performance at organization level can be very well investigated (Batra, 2017). (Slaughter, 2020) has explored the association between rightsizing operation and the performance of employees of organizations in the time of Covid pandemic. After identifying revised objectives and goals of the organization in the new normal environment, the organizations have made priorities of mobilizing, fixing the transformation cost, and planning the organizational activities through effectively implementing the rightsizing strategy.

(Shivangi, 2021) also investigated that the one of the best ways to adapt the huge change in the business environment is to right size a wider scope of operation in firms. A business should have the strategic preference to mobilize, stabilize and strategize. The best choice for it is to right-size to adapt to the business environment and capitalize on the new business opportunities (Mishra 2021). (Labib, 2022) observed downsizing a common practice in the times of economic uncertainty. Firms, despite adopting this necessary evil, try to achieve their new strategic objectives by restructuring, keeping in view the ethical responsibility for surviving employees. The retraining and skill enhancement programmes can help in maintaining employees’ productivity and developing them both- within the organizations as well as independent of the organizations.

OBJECTIVE OF THE STUDY:

The present study has been made with the following main objective-

- To examine the impact of rightsizing (reorientation downsizing) on organizational performance, through mediation of organizational citizenship behaviour.

HYPOTHESES:

Following hypotheses has been formulated to weigh up the objective of this research -

- H-1: Reorientation Downsizing is related positively to Organizational citizenship behavior.
- H-2: Organizational citizenship behavior is related positively to Organizational performance.
- H-3: Reorientation Downsizing is positively related to Organizational performance.
- H-4: The relationship between Reorientation downsizing and Organizational performance is mediated through Organizational citizenship behaviour.

Proposed Model:



RESEARCH METHODOLOGY:

The present study has opted for descriptive as well as diagnostic research design. The descriptive research has helped in finding out the current conditions and underlying patterns of the research problem through secondary information. In fact, descriptive research points out the prevailing status of the phenomena. Various elements of organizational citizenship behaviour (OCB-O)- namely civic virtue, sportsmanship, conscientiousness, and performance as well have been examined for discussion of conceptualization and their connotation, therefore, the present study is descriptive.

The diagnostic research design determines the association of phenomenon with other variables. It facilitates further investigations and compares the results with the results previously obtained. This type of research evaluates the root cause of the problem and by testing hypotheses, determines, whether certain variables are associated or not. So, the present research design is diagnostic as well.

Universe and Survey Population:

In this research the universe of the study was 71 IT companies and 21 public listed software companies. Out of these 12 giant technology companies were chosen as

‘survey population’ based on their market capitalization, revenue and profit status. These are Infosys, TCS, Wipro, Tech Mahindra, Google, Accenture, Amazon, Meta, Dell, Ericsson, IBM, and yahoo the firms which own most of the characteristics of the universe, so these are true representative of the technology industry.

Sample size and Sampling Techniques:

From the above-mentioned twelve survey population organizations, 500 employees were identified and contacted to seek their consent for participation in the present study. Out of these 254 complete questionnaires were received, thus, were selected as samples for data collection. Records speak, that layoffs are taking place mainly at junior level engineers/ employees and middle level managers/ engineers. Senior level employees are not much affected by the downsizing. But to get a better perception towards rightsizing, and a sample ratio of 50:40:10 has been taken up from different levels of hierarchy, i.e. junior level, middle level and senior level. Efforts were made to include at least 20 participants from each organization. Strict adherence to the inclusion criterion has been made for selection of sample.

For selection of samples in this study purposive non-random sampling technique has been used.

COLLECTION OF DATA

Secondary data and primary data, both have been taken into account in this study. Secondary data have been collected from various sources namely- journals, magazines, newspapers, published business reports available on internet and different study books. The primary data with respect to reorientation downsizing, organizational citizenship behaviour (OCB-O) and organizational performance have been collected by mailing structured questionnaires to the participating employees of sample organizations through google docs. The questionnaire for primary data collection was

prepared using- Downsizing checklist; Organizational Citizenship Behaviour Checklist (OCB-O): Fox, Spector, Goh, Bruursema, & Kessler (2009) and Performance checklist: William & Anderson (1991). The data was statistically examined through the Measures of central tendency, Measures of variability, Pearson’s coefficient of correlation, Regression analysis and Path analysis for testing the hypotheses and finally deriving conclusions.

From the correlation table below following observations have been made-

- **H 1: Reorientation downsizing is related positively to Organizational citizenship behavior.** Reorientation downsizing is significantly and positively correlated with organizational citizenship behaviour (OCBO). It has been observed that the effect of downsizing on OCB is moderate but positive, therefore, H1 is being supported partially.
- **H 2: Organizational citizenship behavior is related positively to Organizational performance.** Table no.3 indicates that organizational citizenship behaviour (OCBO), is positively and significantly related to the organizational performance. Thus, H2

is supported and accepted.

- **H3: Reorientation downsizing is positively related to Organizational performance.** From Table no.3 it is very much evident that downsizing and organizational performance are significantly correlated, but the magnitude of correlation value is just 0.29. This indicates establishment of weak correlation with respect to H3. In table no.4 these hypotheses have been designated as Model 1, Model 2, Model 3 and Model 4 with proper explanation.

Table No. 1
Sample distribution

Gender	Male	86.22% (219)
	Female	13.77% (35)
Age	23 years -30 Years	49.21% (125)
	30 years -37 Years	31.88% (81)
	37 years & above	18.89% (48)
Designation	Junior Manager/ Engineer	58.26 % (148)
	Middle Manager/ Engineer	37.40% (95)
	Senior Manager/ Engineer	04.33% (11)

(Based on 254 respondents)

Table No. 2
Descriptive Statistics

Descriptive statistics regarding mean and standard deviation of 254 responses have been indicated in table no. 2 given below-

Variables	No. of Items	N	Mean	Std. Deviation
Reorientation Downsizing	7	254	3.31	0.60
Organizational Citizenship Behavior (OCBO)	7	254	3.33	0.64
Employee performance	5	254	3.58	0.62

Author's sources

Correlation analysis

Pearson Correlation Analysis in research studies generally validates the correlation existing between the variables. It measures the direction, magnitude, and significance, of the relationship between the variables taken up in the study.

Table No. 3**Correlation Amongst Variables**

Variables	Downsizing	OCBO	Performance
Reorientation Downsizing	1		
OCBO	0.468**	1	
Performance	0.291*	0.651**	1

*P < 0.05

**P < 0.01

Number of Observations: 254

REGRESSION ANALYSIS:

Following table no. 4 indicates the results of regression analysis which reiterate that reorientation downsizing may influence the variables of organizational citizenship behavior OCBO namely (sportsmanship, conscientiousness and civic virtue and the organizational performance) affecting their 'In-role behavior & relationships' as well.

The requisite data for analysis has been shown here

and regression equations have been obtained. The R2 coefficients in the table no.4 indicate the percent of the total variance that has been explained by the independent variables. From F values t values have been calculated and deliberated with the table values to find out that which hypothesis may be accepted or may not be accepted in this study.

Table No.4**Regression Analysis**

Independent Variable	Model 1	Model 2	Model 3	Model 4 Mediation
	Dependent Variable			
	OCBO	PER	PER	PER
Constant	2.35	1.50	2.96	1.71
Reorientation Downsizing	0.42**		0.16*	- 0.06
Organizational Citizenship Behaviour (OCBO)		0.53**		
P value	0.00	0.00	0.02	0.16
F value	44.29	80.04	5.76	1.12
R ²	0.18	0.28	0.03	.19
Adj. R ²	0.17	0.27	0.02	.17
D-W	1.72	1.76	1.89	1.68
Number of observations = 254				
* p < 0.05, **p < 0.01				

The coefficient of Model 1 is significant overall, as it was found that the value of β_a is 0.42. It is evident that the calculated t value is 6.65 is less than table value and $p < 0.05$. These support hypotheses 1, denoting that reorientation downsizing has significant and positive influence on organizational citizenship behaviour.

For Model 2 it is observed that the coefficient of β_b is 0.53 and the value of $p < 0.05$. Moreover, the calculated t value is 8.95 happens to be less than its table value. This means that organizational citizenship behaviour (OCBO) & performance are significantly and positively related. It justifies and accepts hypothesis 2.

In Model 3 the coefficient values of β_c , is 0.16. It has been noticed that $p > 0.05$, which is significant. Calculated t value is 2.40 which again has been found to be greater than its table value. This means that reorientation downsizing, and performance are significantly and positively related, but relationship is weak as value of β_c is very small.

Model 4 of the table is an expression of Hypotheses 4. The relationship between reorientation downsizing and organizational performance is mediated through organizational citizenship behaviour. It is observed that coefficient of Model 4 carries a negative value, i.e., β_d is -0.06. and the value of p is less than 0.05. which means that reorientation downsizing does not have significant impact on performance.

It is evident in the study that reorientation downsizing has significant impact on OCBO. OCBO also has significant impact on performance, whereas reorientation downsizing does not have significant impact on performance. This is the case of full mediation. Thus, H4 is accepted.

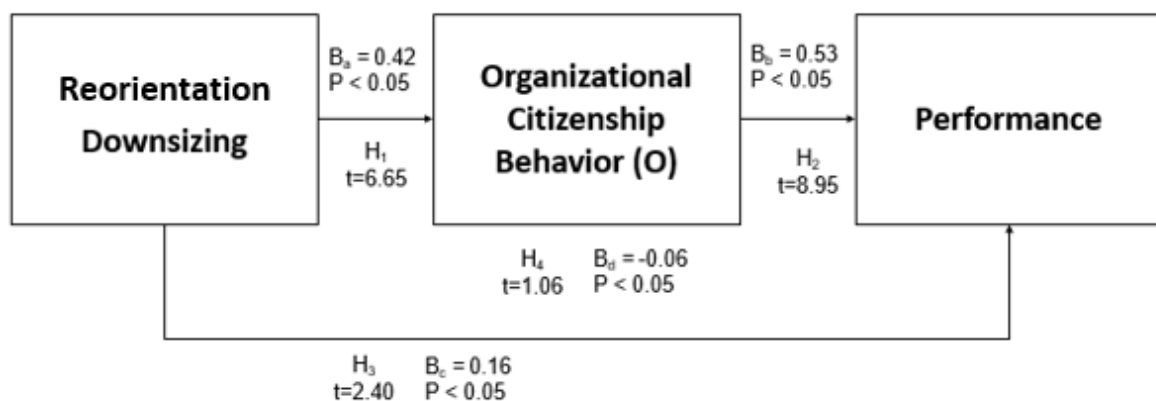
In other words, the layoffs in an industry influences performance of employees in the organization, because all the variables of OCBO namely- sportsmanship, civic virtue and conscientiousness affect the 'in-role behaviour of employees' and the relative performance of firms.

Whether reorientation downsizing influences organisational performance through OCBO or not, can be determined by studying figure 1. Taking the four conditions of hypotheses as the basis (Barron and Kenny, 1986), figure 1 indicates the results of mediator-path analysis.

According to figure 1, the regression analysis includes correlation coefficients in path diagram ($\beta_a \beta_b \beta_c \beta_d$). The effects of downsizing on organizational citizenship behaviour (OCBO) is ($\beta_a = 0.42$, $t = 6.65$ and $p < 0.05$). The impact of OCBO on performance of organizations is ($\beta_b = 0.53$, $t = 8.95$ and $p < 0.05$). The effect of reorientation downsizing on organizational performance is ($\beta_c = 0.16$, $t = 2.40$ and $p < 0.05$).

All of these values are significant. Moreover, the indirect effect of reorientation downsizing on performance is insignificant, as it is being observed that ($\beta_d = -0.06$, $t = 1.06$ and $p > 0.05$). Thus, the initially significant direct effect path has become insignificant when the mediator has been included. This matches conditions 1 to 4 from (Kenny and Barron, 1986), and indicates the potential existence of mediating effects in the given model. This justifies that reorientation downsizing is affecting OCBO, which further can reasonably improve the organisational performance. Therefore, the results of path analysis also support the hypothesis 4.

Figure 1. Path analysis of mediating effect of OCBO



MAJOR FINDINGS

Following are the key findings of this study:

1. When organizations lay-off employees in the wake of restructuring and reorientation, the organisational citizenship behaviour of employees gets impacted as per hypothesis 1.
2. With introduction of reorientation strategy of downsizing in firms, various aspects of OCBO, undergo changes and impact the relative performance or in-role behaviour of workers. This strengthens and validates Hypothesis 2.
3. Due to job-cuts in the name of reorientation and retrenchment downsizing firms directly influence organisational performance with positive and significant effects like cost rationalizing and effective utilization of existing resources. Moreover, due to change of role, bigger responsibilities, and innovativeness makes efficient use of human resource and thus, more productivity, sales, and profitability can be attained. This is reflected by significant positive effects of downsizing on contextual performance in organisations supporting hypothesis 3.
4. The firms engaged in reorientation downsizing reflect better performance due to improved OCBO. It is a known fact that layoffs cause an environment of uncertainty in the industry as the surviving employees in organisations are constantly under the risk of losing job. This may either lead to demotivation and inefficiency in workforce or may compel them for better compliance of rules / norms and forced commitment. They also get change of role and bigger responsibilities, and so, tackle challenges with innovativeness. Consequently, the citizenship behaviour improves, and despite job cuts, the organisational performance advances. In this way, organisational citizenship behaviour influences the contextual performance of employees indirectly, and the organizational performance in general. This reflection substantiates Hypothesis 4 of this study.

DISCUSSION AND CONCLUSION

The findings of this study indicate a positive relationship between restructuring job-cuts and performance of firms, which do not resonate with the results of study made by (Whetten, Cameron, & Kim 1987). But the outcomes of this study fall in consonance with (Weitzel and Jonsson 1989) who considered downsizing as a strategic shift for organizational metamorphosis. Downsizing might not always affect the performance an organization negatively, but an impending danger of loss of job and uncertainty to retain their positions creates a feeling of fear and anxiety amongst employees. This affects the 'core' as well as 'discretionary' behaviors of employees. As a result, their potential and performance both undergo positive changes

to improve their performance. This research finding of present study falls in line with the research observations made by (Motowidlo and Van Scotter,1996).

The organizations where downsizing takes place, employee-level quality management practices like employee commitment, empowerment and job security may decrease, which ultimately result in poor performance (Marjori, et.al 2005). Even (McClure, 2009) also held the similar opinion that convergent downsizing may have a detrimental effect on an organization's capability to meet performance expectations. But the results of present study do not go along with these approaches. It has rather been deduced that the emotional commitment of employees, which is directed by organizational citizenship behavior OCBO affects employees' in-role behavior in the organizations. This observation happens to be in consonance with the views of (Podsakoff & Blume, 2009) that the diligent employees, who go 'beyond the minimum requirements of their job description', decrease inter-group conflicts, increase commitment, reduce inconsistencies, and display efficiency, help in increasing organizational performance. This is also supported by the study of (Hammer,1996) who argued that in a changed and favorable internal environment, multi-skilled employee teams can come up with innovative ideas, thus, can improve efficiency and organizational performance.

Moreover, behavioral pattern of surviving employees mirrored through OCBO, enhance the compliance of requisite norms related to discipline, punctuality, attendance, and targeted productivity (Paul, Bamel and Garg, 2016). These attributes facilitate smooth functioning of work flows in the organizations, resulting into efficiency and effectiveness. And this may lead to more productivity, profitability and better organizational performance, the ultimate objective of restructuring and rightsizing.

Whereas it is difficult to frame an integrated picture of rightsizing and organizational performance relationship because performance is the consequence of employees' behavior towards dispense of their duty within the organization in most efficient way (Romle, Talib and Shahuri, 2016), it has been observed that the employee performance has been impacted positively with improved OCBO after rightsizing in IT organizations. Since in post-pandemic times businesses should have the strategic preference to mobilize, stabilize and strategize. (Mishra 2021) research findings that the best choice for it is to right-size to adapt to the business environment and capitalize on the new business opportunities. This research findings are also in consonance with the (Labib, 2022) that retraining, and skill enhancement programmes help in maintaining employees' productivity and performance. Restructuring and rightsizing strategies are in vogue, as these are instrumental in cost rationalization and growing profitability, apparently.

But this 'spinning-off' phase of rightsizing is really

painful for the workforce. The organizations are suggested to train their employees for up scaling their skills and then absorb them in some new or alternative projects. To protect employees' morale, they should also think of 'renegotiating contracts' with the employees of their organization. For exercising successful rightsizing practice and reaping maximum benefits associated with it, the organizations should also implement strategies of regular communication and information sharing, employee involvement, rewarding, appraising, re-training, sharing a coherent vision and then administering lay-offs in a fair and trustworthy manner. It has been rightly said "if people have a consent and 'voice' in a decision, they cannot make 'choice' in that decision".

LIMITATIONS OF THE STUDY

It is evident from media reports the employee downsizing is taking place in the business units of various industries like education, healthcare, media & entertainment, automobile, logistics & supply chain, manufacturing and FMCG, professional and business services, leisure and hospitality and telecommunication sector etc. But the present study focuses only on IT industry, which has been the worst hit amongst all these. One of the major limitations of this study is that single research cannot consider various business units from industries of different nature. Some other constraints for research in terms of availability of time, financial resources, universe and sample of the study have also been faced. Along with it, this study has been conducted on the basis of perceptions of the respondents

and observations made by the researcher, while collecting primary data. So, the minor manipulations made by the respondents could not be checked.

FUTURE SCOPE OF THE STUDY

This study would be greatly helpful to the academicians, to get a deeper insight in the phenomenon of downsizing and its repercussions for the organizations. These will explicate the types, root causes and the role of downsizing in IT organizations for a better comprehension and analysis of the problem. Researchers may ponder over the issue to find out how this strategy affects the performance of organization in terms of various key result areas and how to channelize the energy of employees positively, especially at the times of organizational crisis. Moreover, the study will contribute to the existing literature of management, specifically human resource stream, to give some inputs, while designing HR oriented personnel policies to keep workforce spirited, motivated, and committed to the organizations.

This research study prepares a ground for emergence of new research area. The future scope of this research is that similar types of studies can be conducted in other industries of the business to get insights and be able to mobilize the workforce, for more efficiency and effectiveness resulting into organizational performance in competitive environment.

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