

## Impact of Layoff on Survivors Productivity: A New Peril Stigma and Workforce Diversity Implication

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### Abstract:

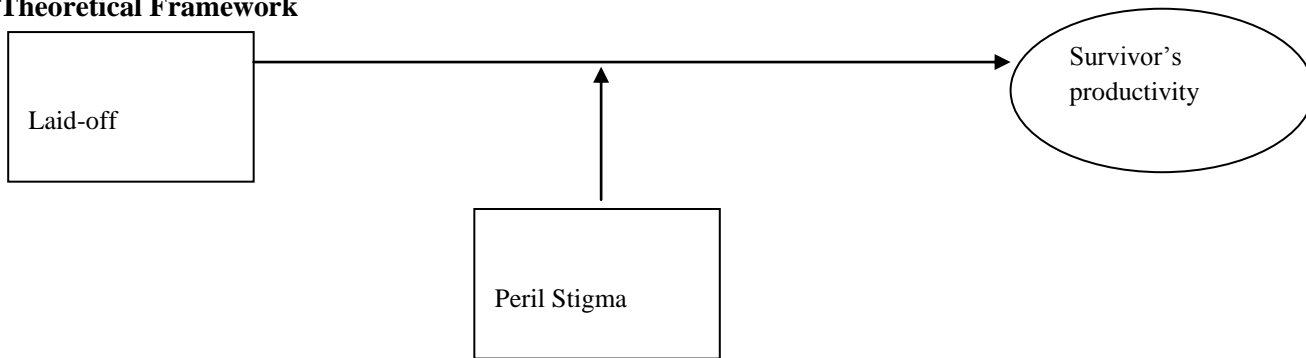
*The key objective of this research study is to examine the relationship between layoff with survivor's 'productivity, in particular situation as stigma peril (psychological form) is formed between workers, when layoff judgments are made on biasness. Earlier Research studies demonstrate to layoff has an unenthusiastic effect on survivor's productivity; though, presently is no reasonable justification of effect of layoff judgments which are made on the base of discrimination on employees who are survivors' productivity. Such biasness generate a psychological state identified peril stigma which is elaborated the same like sensitivity or threat in the psyche of persons. Consequently, the reason of this research to make known and give suitable justification of connection between threat peril stigma, which is formed as a result of unfairness in layoff judgments and survivor's productivity. Methodology e research is quantitative and main strategy is survey. Questionnaire was disseminated to the staff of telecom industry. Data was analyzed using IBM SPSS 20. The results proposed that there is unenthusiastic association among layoff judgments formed due to any biasness and survivors for the reason that threat stigma peril generates unenthusiastic belongings. Danger Stigma peril may possibly be forbidden all the way through balanced layoff judgments. Future study possibly will be execute on the combined belongings of further kinds of Threats ,psychological stigmas in conditions of various other variables for instance further kinds of unfairness similar to caste, obesity ,age, race, mental sickness and sex, which are fundamental to the functioning of the survivors productivity.*

**Key words:** survivor productivity, Diversity implication, layoff, peril stigma

**Introduction:** The term layoff proved to be the significant tool in the previous few decades around the globe due to recession organization and employees are significantly concerned related the layoff policies (Waraich and Bhardwaj, 2012). Competition among the organization, companies are no more concerns about the productivity of the employee and moving towards the concept of efficient and effective employee and utilizing the full potential of the employee with the assistance of latest technological improvement know a day's companies are gaining competitive advantage through the impressive utilization of employee performance (Tsai and Yen, 2008). These practices are significantly impacting the performance of employee productivity in the organization; these practices are affecting the performance due to which productivity decreases. On the other hand recession is playing significant role the theses practices and competitions among the organization are becoming intense. The unanswered question related the protocol of the layoff whether the required results related increasing the productivity and efficiency and effectiveness organizational day to day operations are increasing or decreasing the phenomenon remain unanswered (Guruprasad et al., 2010). The division among downsizing and layoff is that the earlier is perpetual and the second is provisional. Economizing and downsizing is the conception used to facilitate the layoff approach executed by the business and firms to rise the productivity (Hurley-Hanson and Giannantonio, 2006). By reason of depression and competent equipment in the market the practice of layoff special effects the implementation capability of enduring employees significantly due to the diffidence rising between them as the transitory employees are laid off, this uncertainty evidences to decreased usefulness and deviations in thoughts that straight or circuitously touches the productivity of the permanent staffs (Lewis, Lutgen-Sandvik et al., 2009). From a collective point of view the consequences of this layoff strategy are habitually pessimistic; an additional negative influence of the layoff is the vicious situation of the workers that survive on the layoff (Guo and Giacobbe-Miller, 2012). Later the main focal point of the business necessity is to build and assert an optimistic approach from the layoff survivors in the direction of the managerial tasks, which leads them to be creative and add on the way to the advancement. The noticeable destructive appearances of the social changes in the layoff survivors are reduced productivity, enlarged absence and declined employment commitment that in turn directs to inferior productivity and unfortunate communicative procedure which marks the liaison with other workers, administration and customers (Money

and Gardiner, 2005). Though the belongings vary from individual to individual, for example, in some circumstances it drops the degree of commitment, raised work anxiety and reduced advanced working (Tsai and Yen, 2008). This research portrays the similarity among the layoff and survivor's output because of product advancement, though there is a wide spread research mandatory in Pakistan to practice a relation between the mutual sensitivities and mind stigma which consecutively have significant belongings on the individual as well as managerial directions (Waraich and Bhardwaj, 2012).

**Literature Review:** Layoff is a loom which is used further repeatedly in present condition to oppose to diverse viable environments (Ren et al., 2010). It is a structure of restructuring or reformation organizations from side to side which perform growth in work systems; do up organization and beginning satisfactory HRM to prolong business competitiveness. Enhancement organizational efficiency subsequent to a layoff procedure is robustly connected to the response, performance and feedback that existing employees would take (Lutgen-Sandvik et al., 2009). Layoff has turn into a more and more trendy means over the past a small number of years in all over the world because of collapse of markets and other reason is the recession in all over the world that are dangerous for mutually the organization and the workers. Because of powerful competition increasingly organizations are touching towards less human resources and the related job load is competently divided between the efficient workers and most up-to-date expertise and knowledge, this commencing company's point of view is enhanced to grant them with competitive edge in the market (Worrall et al., 2001). Because of collapse of markets in the world and well-organized equipment the process of layoff strategy special influence the working capability of stable workers significantly by reason of the lack of confidence arising between them as the temporary human resources are laid off, this uncertainty direct to reduce efficiency and changes in approach that straightforwardly or not directly but affects the output and productivity of the permanent human resources (Lutgen-Sandvik et al., 2009). Laid-off is experienced Cosmo politically situation when companies want to reduce and apply cost effective strategy (Worrall et al., 2001). On the other hand the belongings laid-off always not as a useful tool all the period, otherwise are not as proposed as a result of the firm (Tsai and Yen, 2008). At period the special impacts of layoff is rewarding for the firm in the little period other than when observed in a long term case extent the influences are frequently harmful, which becomes the reason of the distraction of psychological attachment among the worker as well as the company most important to lack of confidence, stigma specially peril stigma which is in the mind of worker (Malik, 2013), if the labor force is decreased fairly many of penalties could influence the job. This could impact into to a great extent work, ineffectiveness, incongruity and low self-respect. The mainly significant position in reducing the harmful effect on top of mentioned practices is fairness in procedure and the behavior in which it influence the proficiency group, company and the legislative body working by the company for the period of the procedure by the side of with the thinking the victims hold for these persons (Worrall et al., 2001). The previous study generally rotates just about the penalties of the laid-off on the survivors and their effectiveness because of enlargement of stigma (Malik, 2013) by the side of organizational matters that becomes obvious throughout the procedure (Plant and Devine 2003). Though latest studies in this particular issue represents that the layoff procedure not only influence the persons who turn out to be jobless or persons who someway slipped conceded the starved point in time, however in actuality it has a significance influence taking place the persons that are appointed by the company to perform the work because of the maturity of stigma danger that creates in their conscious and mind (Ren et al., 2010) & (Yu and Nickerson ,2011). The uniqueness of a person which has a stigma in his mind was an objective or psychosomatic disheartened, the person was identified the same as stigmatized person which cause the harmful response which inclined their dealings among the social order (Ransbotham and Kane, 2011). In the firms most recently layoff is rising faster's fashion the necessary major things concerning how to well again put into practice layoff policy converse to the existing employees or survivors to put together them conscious about managerial importance making, generous assertion, assess and contributing most excellent explanations to survivors. Black workers are further to be expected to lay off as contrast to white groups yet efficiency appraisal, work, job stage, the probability are far above the ground that staff fit in to minorities will be layoff ( Hung et al., 2012). Stereotype and cognitive thinking which creates biasness frequently happen in administration decision-making. Group frequently not including human intervention categories group and stereotypes population with others on the base of background and gender (Waraich and Bhardwaj, 2012). In adding to this, persons expressive these kinds of stereotypes commencing more than a few outdoor causes and information (Plant and Devine, 2003). This separation commence with a usual categorization, habitually by the way of race, gender, and ethnicity (Jones, 1984) ; (Rush, 1998). Layoff results possibly will demonstrate to be productive in the extended period, however in the shorter period nearby are harmful impact as a result of the observable fact of stigmatization, yet although the persons who continue to exist have got to be reassured other than they have an lack of confidence the same as they view the persons being laid off fit within to the similar ethnicity cluster because they are, therefore the consideration outline is of panic because they experience a extended laid-off, So would be think after that individuals also to go away (Hung et al., 2012).

**Theoretical Framework**

Diversity has many types here local diversity is also a variable that can be effect the productivity so it should moderate the link between labor force diversity and employee size and productivity. As employee size rises, it happens more complicated to manage jobs or work between individuals (Worrall et al., 2001). However, (Kim and Lee, 2011)at the similar time this synchronization becomes very significant (Stone et al., 2012).Diversity has many types here local diversity is also a variable that can be effect the productivity so it should moderate the link between labor force diversity and employee size and productivity. As employee size rises, it happens more complicated to manage jobs or work between individuals (Elamin and Alomaim, 2011). However, at the similar time this synchronization becomes very significant (Salter-Townshend et al., 2014). The previous fashion in the layoff results creator was to create decisions stand upon the subsequent things: output documentation, sexual point of reference, customs, compensate actions and the job record. On the other hand a good number surprising reality of the layoff judgment creation is that the judgment producer are incapable to give good reason for the correct basis or the sum of the beyond mention aspects that came keen on play throughout the result making procedure (Elamin and Alomaim ,2011). The businesses that experience layoffs as effect of economic or financial lack are habitually paying attention on the way to take relieve of workers those who are on extremely high salaried and have a extended job phase (Qin, Salter-Townshend et al., 2014). On the other hand ethically warranted layoff results are to create on basis of the subsequent factors like efficiency records, everyday jobs, ability set and other substantial factors (Cummings et al., 2013) By reason of the unfavorable harmful results that go behind the layoff the business have to directly pursue the attitude change happening in the layoff survivor's (Kim Sherman, 2012). Business firms are extremely insightful about costs and payback to obtain most favorable profits. The accurate volume of employees is essential in favor of the flourishing endurance of all business. Globalization formulates the trade world more viable and composite. To fight with the participants the business require to look up competence, raise output and excellence, which consist of the decrease of costs also (Worrall et al., 2001). A lot of firms have apply a variety of running approaches such as reorganizing, mergers, acquisitions, decrease of responsibilities and get the services from outside to supervise with the hard contest. To fight with the rivals the business requires regulating its structural chain of command (reformation) and revamping managerial (restructuring) usually known as layoff (Kittur and Kraut, 2008). Human resources are being arranged to engage in multifarious troubles and issues that were once the field of established organizational teams (Karren et al., 2012).However, distinct their managerial complements, we recognize, a lot fewer about what facilitates healthier retention and productivity in workers (Waraich and Bhardwaj, 2012) ,our information of what directs to efficient employees effort has not set aside pace by the use of employees in our universal economy (Stone et al., 2012).As employees turn into an gradually more essential to how work get done, there is a need to better see what circumstances smooth the progress of improved retention and productivity (Henry and Jennings, 2004).The future of life comprises job, family unit, physical condition, relaxation, and financial conditions. Furthermore the phases of human being life, happiness also comprise the employees' emotional conditions (I – e) emotionally happy agreeable or disagreeable (Fiske, 2004). This paper proposed that the relations b/w layoff and survivors productivity moderated by the peril stigma. So Hypothesis of this study are:

H1: Peril stigma has significant positive impact on survivor's productivity

H2: Biasness in laid-off decisions has a negative impact on survivor's productivity

**Methodology:**

Philosophy of the research is positivism, approach is deductive moreover research strategy is survey .Sampling have been done using non probability sampling .Data collection method was Questionnaire, Different analysis have been done like reliability, normality, regression, descriptive correlation. And tool is SPSS 20 (Kidwell et al., 2011).

**Target Population:**

Target population was Telecom sector of Pakistan and like Egyptian telecom Warid, Mobilink, PCO Indigo Ufone, Zong, Telenor, WorldCall Wireless Warid Telecom (Pakistan), WaridPCO, PTCL etc these companies have done layoff in last few only those businesses, which are at present functioning in Pakistan, are targeted. Sampling frame enclosed the population from telecom companies from Islamabad Lahore Gujranwala the companies are selected on the convenient basis the reason of that selection is mostly layoff decisions are applied in telecom sector of Pakistan.

**Sample Size:**

Sample is from Telecom companies .There are total 310 questionnaires distributed in employees of telecom sector which is acknowledged on convenient sampling. Out of 310 survey questionnaires 268 questionnaires were utilizable for analysis function (Evrard et al., 2006). As well, according to (Hair, 2010) who suggested a sample amount of at least 200 however not more than 400.

**Sampling Technique:**

In this study, Probability sampling random sampling was used Researcher had chosen this sampling method for the reason that sampling frame was existed. All employees have the same possibility of being elected for survey, and cover all the audience with having equal chance.

**Instrument Development:**

Questionnaire was as a tool as this tool was frequently used in the most of the previous research studies. Which was very closely relevant to this study? Such as regarding Survivors Productivity and layoff questionnaire adopted from (Malik, 2013) and stigma peril questionnaire adapted from (Sowjanya, 2010) furthermore Discrimination questionnaire was also adapted from (P. Jennings, 2004).

**Reliability:**

In this examination contemplate; the legitimacy of exploration poll can be gotten to through two ways (Belson, 1986). To start with, the members that effectively finished the poll and gave back the survey to the scientist, the probability of low authenticity are higher in positivist methodology when contrasted with phenomenological approach, since it identifies with the precision of the estimation (Hussey and Hussey, 1997). General Reliability of estimation scales utilized to direct this overview poll was 0.710. As to the individual dependability of the every variable utilized as a part of this examination study differed from 0.675 to 0.785. This portrays every variable has inner consistency among things used to quantify that specific variable (Field, 2006). Along these lines, the overview survey is dependable for looking at Survivors profitability cutback and Stigma.

All Variables	Cronbach's Alpha	Variables items
(Survivor's Productivity)	.675	19
(Lay-Off)	.785	6
(Peril-Stigma)	.721	4
( Discrimination)	.740	4
Overall Variables	.710	33

**Results & Discussion:**

Regression analysis was used to test the both hypothesis of the research. The outcome indicate that layoff and peril stigma have significant negative impact on the survival productivity. The below presented table presents the values of the R

square 0.097. This explicate is that 9.7% of the variation in the survivors productivity preserve to be explain by variation(s) in the IV Independent variable.

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1.	.097	.009	.001	.45581

This obtains the equation form  $Y = (a + b_1X_1 + b_2X_2 - b_3X_3)$  basically a is constant, b is the beta that is degree of influence to the independent variable the Xs are the independent variables. Although X1, X2 and X3 and so on are the independent variables with beta coefficients influence the dependent variable which is Y.

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1.	(Constant)	2.066	.166		12.433	.000
	Layoff	-.051	.036	-.089	-1.431	.152
	Peril Stigma	-.014	.029	-.028	-.478	.333

a. Dependent Variable: SP

Beta value is negative (-.089) , which demonstrates a moderate negative significant impact on (SP) Survivors productivity, although the (Sig. < .05).The beta value .152 point out the degree of influence of peril Stigma has on variations in the (SP) Survivors productivity.

The value beta for (PS) Peril Stigma is -.028 which demonstrates negative significant impact on (SP) Survivors productivity, while the (Sig. < .05). The beta value .333 signified the degree of influence of (PS) Peril Stigma has on variations in the (SP) Survivors productivity.

### Table Summary of Results of Hypothesis Testing

Hypothesis	Results
H1: Peril stigma has significant positive impact on survivor's productivity	Rejected
H2: Biasness in layoff decisions has a negative impact on survivor's productivity	Accepted

### Discussion

The stigma (peril) has significant harmful impact on survivor's productivity. Employees who survived, subsequent to an imposed layoff leads disbelief and bunking off, higher pressure, which includes their job excellence and productivity (Balkin, 2000).The layoff is not permanently receiver for as a substance of element, reducing employees not always marks positive for the administration's (Jones, 1984) ; (Rush ,1998). It might be helpful in short-run conversely long-term belongings might be dangerous for the survivors, for the reason that utmost of the period it possibly will be linked by way of survivors physiological condition, comprising work anxiety, unfairness, monetary disaster, and panic (Karake, 1998). The primary hypothesis of this investigation job is that peril stigma has destructive influence on survivor's productivity. The cause at the back is that ultimate and nondiscriminatory laid-off policy is further possible to improved consistency



performance appraisal and performance of survivor (Rush, 1998). Now a day's firms are focusing to reduce their employees rather than to improve the quality of work from survivor, Means layoff policy making is important but how to deal with survivors are also very important. The theory of research is that discrimination which is in the mind of employees ultimately this pressure, danger, threat will convert into low productivity (Fiske, 2004). Classification on the base of any error and cognitive unfairness habitually happened in organization decision-making. Employees generally involuntarily classifies employees and stereotypes workers with others along the source of background, caste, and sex (Karake, 1998). In accession to this, employees articulate these kinds of biasness from numerous outer basis and information (Henry and Jennings, 2004). This distribution commence with a ordinary classification, commonly by the means of caste, sex, and ethnicity (Henry and Jennings, 2004). Decisions which made either depends on diversity or not but employees involuntarily take it as a prejudice and proposed that ethnically prejudiced workers were essential as contrast to fewer prejudiced (Kittur & Kraut, 2008). Thus, ethnicity, caste, sex these types of discriminations in layoff decisions might cause harmful effect on survivors productivity.

**Conclusion** Research will explore the relation of biased decisions during layoffs can cause serious consequences. After workers are recognized for layoff, you should properly develop a system data and conduct fair system. The layoff is not permanently receiver for as a substance of element, reducing employees not always marks positive for the administration's (Rush, 1998). It might be helpful in short-run conversely long-term belongings might be dangerous for the survivors, for the reason that utmost of the period it possibly will be linked by way of survivors physiological condition, comprising work anxiety, unfairness, monetary disaster, and panic (Karake, 1998). The primary Hypothesis of this investigation job is that peril stigma has destructive influence on survivor's productivity. The rationality behind this that ultimate and nondiscriminatory layoff policy is further possible to improved consistency performance appraisal and performance of survivors (Jones, 1984) During layoff employees feel threaten that recognized as Peril stigma and have negative relation with survivor's productivity. (Kim Sherman, 2012), "Laid-off strategies related to Survivors' productivity Study explores an ability-based, Research has established the significance of excelling the stigma (peril) created against specific ethnicity group, or ethnicity (Chun Guo and Giacobbe-Miller, 2012),"

#### **Future Recommendations:**

The conclusion and results of this research study have not enough to Layoff other stigma types and biasness due to diversity or errors for the reason that the layoff and survivors area are not more experienced by scholars and researcher (Cummings et al., 2013); on the other hand, literature extensively supports hypothesis of this research, although it as well raises further study related survivors issues, which are not up till now to be explored, i.e. kinds of biasness and kinds of stigma, threat, dander which is constantly cause of low survivors performance, Future studies should comprise time, caste, and other proportions of stigma to the associations accompanied by layoff and survivors productivity (Stone et al., 2012). Further experiential study through diverse sample and field or industry is required along these variables so we can think about the variables that can improve the performance and productivity after layoff productivity (Henry and Jennings, 2004). The author presumes that work will proposed researchers with instruction to enhanced understanding the impact of prejudiced or biased layoff on survivor's. In this comprehensive research field, researchers took single dimension of retention. Additional dimensions provided by (Elamin and Alomaim, 2011). It can also be empirically experienced by means of diverse sample amount and industry. moreover further kinds of favoritism can be experienced with performance and productivity (Campbell-Jamison, Worrall et al. 2001).

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