

PROJECT FEEDBACK										
GROUP:		UDOM								
	<u>Good</u>		<u>Weak</u>		<u>Weak</u>		<u>Weak</u>		<u>Weak</u>	<u>Weak</u>
<u>Comments on the presentation</u>										
1.50-14.20										
<ul style="list-style-type: none"> ● Try using arial (or a non serif font) for projection. It will be clearer. ● Good on the points by point and flow of slides ● ‘Mahesh’ – spelling ● Veasna – project your voice, increase eye contact and keep the pace slow to improve you communication. ● Key issue don’t want to loose people during the downsizing process ● Kick out = make redundant ● Udom – slow down & use the screen in front of you to keep contact ● Hoang – work on intonation and slow down to highlight key points. Body language useful – but come out from behind the podium so we can see you and the movements. ● Use of reference (‘applying to case Q2’)? How give a reference here? ● Training – can’t do / won’t do problems ISSUE ● Good point on communication – opening and achieving powerful channels ● Referencing – not me – the book. Please revisit the slides. ● <i>The case at the end is relevant – but how it is not included in the report nor is it in the presentation. It is hard to follow. Please either plan and include or do not include at all.</i> ● 5% figure relevant ● 										
Build vision; job analysis / job descriptions / selection process /										
<u>Comments on the report</u>										
<ul style="list-style-type: none"> ● The report has come out well. Particular the first part covers the theoretical ground well. The second part – application of that theory to the case could have focused more on facts and solution rather than adding more theory. What you wanted to do and in what order should have been clearer here. Overall a thorough and good job. ● Note comments on length – focus to key issues. In this situation less is more. Less information = more time for understanding / more information = less time for understanding and confusion (see feedback from class). 										
Grade: Overall 90%										

PROJECT FEEDBACK	
GROUP:	GROUP 2 (CRAIG, ZAYA...) EVALUATION OF GROUP 1 (UDOM...)

<i>Group as a whole</i>					
<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>OK</u>
<u>Comments on the presentation</u>					
<ul style="list-style-type: none"> ● Decent pacing. But too long. ● Good scholarly references. ● Good relevant concrete tips on how to limit the negative impact of downsizing ● Would like to hear more about options in dismissals vs redundancies 					
<u>Other comments</u>					
<ul style="list-style-type: none"> ● Some of the fonts used were not so easy to read. 					
<u>Comments on the report</u>					
<ul style="list-style-type: none"> ● 					
Grade: 82					

PROJECT FEEDBACK	
GROUP:	VEASNA, HOANG, UDOM, IVO, FANKUEI

VEASNA	HOANG	UDOM	IVO	FANKUEI	
<u>Good</u>	<u>Good</u>	<u>Good</u>	<u>Good</u>	<u>Good</u>	<u>Weak</u>
<u>Comments on the presentation</u> <ul style="list-style-type: none">• Too many word descriptions on the ppt file.• The slides can be more clarified. <u>Other comments</u> <ul style="list-style-type: none">• It goes a bit too long.• The group gives pretty clear definition during the presentation.• <u>Comments on the report</u> <ul style="list-style-type: none">•					
Grade: 80					

PROJECT FEEDBACK : GROUP 4 ANDY	
GROUP:	GROUP 1 KERRY , SOPHIA, ZAYA

<i>Kerry</i>	<i>CRAIG</i>	<i>SOPHIA (IMPROVED)</i>			
<u>Good</u>	<u>Good</u>	<u>Good</u>	<u>Weak</u>	<u>Weak</u>	<u>Weak</u>
<u>Comments on the presentation</u>					
<ul style="list-style-type: none"> ● It was a good overview of the general theories. ● Good understanding and clear explanation ● . 					
<u>Other comments</u>					
<ul style="list-style-type: none"> ● Humorous, funny and attract the audience's attention . 					
<u>Comments on the report</u>					
<ul style="list-style-type: none"> ● 					
Grade: 85					

PROJECT FEEDBACK	
GROUP:	1 (UDOM AND IVO AND THE BOYS)

<i>Udom</i>	<i>Ivo</i>	<i>Hoang</i>	<i>Fankuei</i>	<i>Veasna</i>	
<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>OK</u>	<u>Weak</u>

Comments on the presentation

- Covered the issues well. Gave solutions.
- Covered the facts.
- Cited another, personal example but it could have been better included into the presentation.
- Too long.

Other comments

- .

Comments on the report

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Grade: 83

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National Cheng Kung University

College of Management

**International Master of Business
Administration**

(IMBA) program

Seminar on Human Resource Management

Professor: Dr. James Stanworth

Final-Term Project Paper

**Motivation and Downsizing: *Effective strategies for
management to improve Morale during Downsizing***

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INTRODUCTION

This project intends to explore some motivation theories and strategies from previous research studies to support the issue. However, this  paper attempts to raise the main issues of motivation strategies have been researched by previous scholars to apply handling the incident-89 on page 297 of Nkomo, Fottler, and McAfee (2005). Moreover, the purpose of this project is intended to combine some theories of motivation and downsizing to make a discussion with how to solve the problem with employees during the company has trouble with downsizing. Thus, for conducting the project paper we will review some theories as follows:

1.1 Motivation

What is motivation? According to Robbins (2005), and Robbins and Judge (2006) defined as the method of management strategies in terms of individual's intensity, direction, and persistence of effort toward achieving a common goal. Similarly, motivation can be defined as “ which energizes, directs, and sustains human behavior” (Gómez-Mejía, Balkin, & Cardy, 2004). Essentially, most of motivation strategies are not only very popular for the research, but it is also important for helping managers to motivate employees to enhance their works and jobs performance. Similarly, motivation proposed that individuals “are motivated to the extent that their behavior is expected to lead to desired outcomes” (Robbins, 2005, p. 121). In human resource management function, motivation associated with an individual's commitment to doing the best possible job or to exert a high effort to perform working tasks and responsibilities (Gómez-Mejía *et al.*, 2004). In addition, motivation has been using in different ways depend on the organization's situation, and many companies have been

designed motivation tools to motivate and retain their employees. For example, paying, job security, promotions, training, incentive and compensation system, and so fourth (Robbins, 2005). Consequence, many previous studies showed that motivation schemes have been designed by managers aims to improve employees' job satisfaction, and also enhance to perform their jobs to achieve a high performance of organizational goal (Gómez-Mejía *et al.*, 2004; Lambert, 1991).

In practices, motivation is the most important determinant of management tools and techniques, which involved in human resource management practice (HR practices) schemes, and it has been applying into business strategies to enhance employees' knowledge, skills, and abilities to perform jobs effort to attain a common goal (Audea, Teo T.T, & Crawford, 2005; Castro, Marmario, & Ruiz, 2004; Delery & Doty, 1996; Liao & Chuang, 2004; Youndt, Snell, Dean, & Lepak, 1996). In turn, motivations can be associated with management strategies that have been used in an organization, and are more important not only for encouraging employees to stay longer in the organization, but also for reducing turnover, and improving working productivity performance (Comm & Mathaisel, 2006). Recently, research studies suggested that motivation could be divided in two parts such as intrinsic, and extrinsic motivation (Gagne & Deci, 2005). So these theories will be provided more detail in the following parts:

1.1.1 Intrinsic Motivation

What is intrinsic motivation? Based on the previous research, intrinsic motivation is defined as the extent to which workers are motivated for reasons other than financial reward, such as feelings of heightened self-esteem, personal growth, and worthwhile accomplishment (Lambert, 1991). Similarly, intrinsic motivation

refers to actually performing of employees who are working by practicing in experiences of self actualization and feeling of accomplishment such as freedom in job, and working responsibilities (Bhuiyan & Al-Jabri, 1996; Samad, 2006). Moreover, intrinsic motivation is explained as individuals' involvement in an activity of their interest and satisfaction comes out from the activity itself (Gagne & Deci, 2005). The most importantly, intrinsic factors are associated with actual job performed by the subject and are directly related to doing the job (Herzberg, Mausner, & Snyderman, 1959). According to Mehrez (1993), intrinsic motivation associated with the quality of employees' working result activities, it would be extremely high if they were primarily motivated by interesting, enjoyment, satisfaction and challenge of the endeavor itself. However, relative intrinsic motivation factors were explained by Ruthankoon and Ogunlana (2003) as follows:

<i>Intrinsic dimension</i>	<i>Explanation</i>
<i>Achievement</i>	Any event hold results with positive achievement. Success on a job or solve a problem or accomplishment a project a head of the planned schedule or alike.
<i>Recognition</i>	Positive recognition such as praise or thanks for the achievement of a good, well done job. Negative recognition may include blames, criticism. Recognition usually comes from supervisor, peers and subordinates.
<i>Work itself</i>	Easy or difficult jobs, interesting, challenging or boring jobs are included.
<i>Responsibility</i>	Given employee enough freedom, authority or responsibility to carry out the jobs and make decisions is related to this factor.
<i>Advancement</i>	New title that reflects the level of the job one has achieved. Promotion is example of positive advancement.

Source: Adapted from Ruthankoon and Ogunlana (2003)


1.1.2 Extrinsic Motivation

According to Mahesh (1993), extrinsic motivation is involved in the employees' perceive the possibility of attaining other goals through accomplishment of a task, example, satisfaction of physiological, safety, belongings or recognition needs. Additionally, extrinsic motivation is obtained from the rewards given to individuals by the organization, including compensation, incentive, working conditions and job security (Bhuiyan & Al-Jabri, 1996; Samad, 2006). Relative extrinsic motivation factors were explained by Ruthankoon and Ogunlana (2003) as follows:

<i>Extrinsic dimension</i>	<i>Explanation</i>
<i>Company and administration</i>	Fair and good company policies and administration or bad company policies are included in this factor.
<i>Supervision</i>	Supervisors' willingness or unwillingness to teach or to delegate responsibility, supervisors' fairness or unfairness is contributed in this factor.
<i>Interpersonal relationships with supervisors, peers, and subordinates</i>	This point refers to the interaction, cooperation, and discussion with people who one works with and good or bad experience in the social contact.
<i>Working condition</i>	Related to the physical surroundings or environment in which people work.
<i>Salary</i>	Increase, decrease or fairness of the salary or wage or bonuses.

Source: Adapted from Ruthankoon and Ogunlana (2003)

1.2 Downsizing

What is downsizing? Downsizing refers to a deliberate decision  to reduce the workforce that is intended to improve organizational performance (Kozlowski, Chao, Smith, & Hedlund, 1993; Makawatsakul & Kleiner, 2003). In addition, during downsizing company's strategy to reduce costs, the scales (size), and scopes of it

business in order to maintain a profit level and improve efficiency the company's financial performance (Gómez-Mejía *et al.*, 2004; Makawatsakul & Kleiner, 2003). Most importantly, downsizing is involved in lay-off huge amount of managerial and other employees. As a result of downsizing and/or aims to reduce costs, many organizations are outsourcing services that the human resource department previously provided (Byards & Rue, 2006). Additionally, downsizing interventions that try to improve organizational performance by reducing the workforce (Kozlowski *et al.*, 1993). Moreover, Mirabal & Young (2005) proposed that downsizing as the result of merger and acquisition, loss of revenue and technology change in the industry, redesign new organization structure. In addition, downsizing can manifest itself in absenteeism, sabotage, theft (Kozlowski *et al.*, 1993), and decreased motivation, morale, loyalty, productivity (Paterson & Cary, 2002), creativity (Amabile & Conti, 1999), and organizational learning (Fisher & White, 2000) and trust (Mishra & Spreitzer, 1998). Thus, downsizing typically results in job elimination, lower morale, and other unpleasant consequences. While downsizing affects employees who leave, it also affects those who remain even if they are located in different regions of the world, and downsizing efforts frequently experience increased stress and insecurity while simultaneously experiencing decreases in loyalty, motivation and increased pressures is often voluntary turnover (Annavarjula, Roy, & Thamma, 2004). Therefore, according to Richtnér and Åhlström (2006) stated that the general reason for using downsizing is to achieve bottom line objectives (McKinley, Sanchez, & Schick, 1995) and more specifically to: a) achieve a reduction of overhead and operational cost, b) speed up decision making and communication through reduction of management levels, and c) reduce duplication due to mergers (Nienstedt, 1989).


However, in a downsizing process, especially an indiscriminate one, other things often do not remain equal, and therefore the anticipated benefits of employment downsizing do not always materialize (Wayne & Peg, 2004). Companies using downsizing can be assigned into some mutually exclusive categories based upon their level of change in employment and their level of change in plant and equipment (assets). The categories were defined by (Cascio & Young, 2003) as follows:

- Employment Downsizers: Companies where the decline in employment is greater than 5% and the decline in plant and equipment is less than 5%.
- Downsizing by Reducing Assets (Asset Downsizers): Companies with a decline in employment greater than 5% and a decline in plant and equipment that exceeds the change in employment by at least 5%.
- Combination Employment and Asset Reduction (Combination Downsizers): Companies that reduce the number of employees by more than 5% but do not fit into either of the two categories above.

Interestingly, Byards and Rue (2006) mentioned that there are four basic ways to downsize: (1) layoffs, (2) terminations, (3) early retirement inducements, and voluntary resignation inducements. However, downsizing will affect on employees' emotion and behavior because company have to reduce costs, especially layoffs. Thus, downsizing seem contrast to motivation schemes. Motivation strategies attempt to retain employees to stay longer an organization to attain high performance. In this study aims to apply these theories to underlie the main issues of motivation strategies or schemes will use during downsizing and also intend to analysis of "*what should be done to increase moral and motivation during downsizing*"?

DISCUSSION

2.1 Case Summary

Rutledge is a retail industry that operates more than 100 retail stores. To improve the business performance and efficiency, the company's headquarter is going use new information system. Because of the new technology, all the personnel within the corporate office, clerical staff, need to attend a four-day training of new information system very comprehensive, hands-on computer and they were told use the new software in daily, but they could not adapt with the new technology. The new software would primary effect on losing job of the clerical staffs because the management level could perform efficiency without helping from them. Moreover, the unemployment, when the jobs disappear, will have effect on the staff morale, which contain of complacency, lacking of initiative, and complaining. 

In this case, managers need to determine how to motivate the clerical staff for the remaining time before the new technology finished and determine how to motivate some employees to use new software, which the clerical staff should retain, but the firm wants to keep all the clerical staff until then.

2.2 The Problems in the Case

- ❖ Downsizing will be admitted after the modernize finished
- ❖ The clerical staffs could not adapt to the new technology
- ❖ Some clerical staffs will face 'loss of job'
- ❖ The lay-off will affect on the feeling of employees' performance.

- ❖ The manager needs to know how to motivate employee during the remaining time.
- ❖ Who, clerical staff, should be kept when the modernized finished?

2.3 The question must considered in the case

1. What action should be taken in order to increase the morale and motivation level of the clerical staff?
2. What action can be taken to motivate those employees who are not using the new technology required of their job?
3. Should the firm attempts to solve its motivational problem by conducting further training?

2.4 Defining morale

Morale is the level of a good feeling that employees satisfied with their work, and work environment; morale is related to the concept of compasses which contains of interaction, open communication and informal relationship between employees and managers (Mcknight, Ahmad, & Schroeder, 2001). When downsizing happen in the organization it would affects on the morale and loyalty of employees (Makawatsakul & Kleiner, 2003; McConnell, 1996). When the morale is decrease, the employees' belief is gone, and lost confident in company. This decrease in creating the complaining behavior from employee, and the unwillingness to work longer, absenteeism, sluggishness are increase in the organization (Makawatsakul & Kleiner, 2003). McConnell (1996) mentioned that during downsizing period those motivations, job security and wage, are not active motivation. From experiences of AT&T,

communication is the point in restructuring the organization (Brotherton, 1996; Fong & Kleiner, 2004; Makawatsakul & Kleiner, 2003).

2.5 The overall suggestion to improve morale and motivation during downsizing

Makawatsakul and Kleiner (2003) suggested that increase in the morale and motivate employees during downsizing are work citation, education program, fun activities for employee. Moreover, Brotherton (1996) also added two more rated issues, to sharing laughter to the survivor and rebuilding trust. The working paper of downsizing and morale Mishra, Spreitzer, & Mishra, (1998) suggested that several points to be concerned. Based on above arguments with different paper are introduced.

2.5.1 Tell the truth and overcommunication



Communication is the main issue in the company (Robbins, 2005), and communication during downsizing is crucial to problem solving success (Thach, McPherson, & Barbian, 2002). The communication needs to be honest in telling employee the truth about the reasons of reducing some jobs (Brotherton, 1996; Makawatsakul & Kleiner, 2003) and how the change will be managed. Communicating with employee should be done throughout the period of change, not just at the beginning. Moreover, the communication should be done several times and in different ways (Makawatsakul & Kleiner, 2003). The company needs to ensure that the time to listen and understand the employee's concern, need and it must answer the question related to their employees' needs. In addition, face to face interaction is an effective way to reduce misunderstand between employees and managers about the downsizing in the company (Mishra *et al.*, 1998).

Communication should be done fully, completely, repeatedly, until the employees understand that nobody in the organization will be guarantee that employs during downsizing period and the improving productivities are the survivor of the organization, and try to let them understand their jobs security performance (McConnell, 1996). In addition, the effective communication with employees during and after downsizing would help to reduce employees' negative feeling by offering them the opportunity rather than relief (Band & Tustin, 1995). Thus, communication should provide to employee the reasons why they still remain and how they can help to shape the organization (McConnell, 1996).

2.5.2 Helping departing employee find other jobs



The company can create net work with other organization to absorb its employee; for example, AT&T creates a job bank to encourage the other company to hire their employees and the company will offer to pay for the employees who volunteer to work in the publish sector in the bank, and it would pay six months and also supported them with small internship and pay some money when the business start up. (Mishra *et al.*, 1998).

2.5.3 Announce subsequence as planned

Reliability and trust in the employee who work in the organization would happen when the schedule of announcing that the downsizing is followed. Because the employee always count the day of downsizing, they would want to know about that as soon as possible (Mishra *et al.*, 1998).

2.5.4 Be fair in implementing separation and generous to laid-off workers

Mishra *et al.*, (1998) mentioned that the employee would expect to be fairly treated from the organization. In order to be fairly treated during layoffs, the organization should focus on the previous working or jobs performance or some critical criterion that related to the job will change in the future by supposing that make decision about keeping or terminating employee. The organization should provide generous benefits to the workers, and later on, they would feel fairly treated or give them the interview training, stress management consulting.

2.5.5 Provide career counseling



The company needs to encourage employee to think about the future career option, such as in new position in the same company or elsewhere or run their own business. The supporting employee's future career is a crucial way to maintain and enhance morale, productivity and commitment to remaining work force (Mishra *et al.*, 1998).

2.5.6 Employee Education and Training Program:

This case, the company needs to provide the training program to improve working experiences for employee, and can help them to adjust their new job demands. Training is the learning process that involves the acquisition of skills, concepts, rules or attitudes to increase employee performance and the process of teaching new employees the basic skills they need to perform their jobs (Stanworth, 2006).

Further more the company needs to create work to rebuild relationship between and within group, and department by using team building through training

(Makawatsakul & Kleiner, 2003). Gómez-Mejía *et al.*, (2004) mentioned that as the equipment and techniques in the organization change, the employee need to receive directed training from managers. Training should be done in the practical way with the experience workers or managers or both (Mathis & Jackson, 1999) and it is done attempt to improve the mental and motivation to find a new job, and to provide higher quality reemployment; the reason is that employees would be motivated and improved job searching skill to get better job and experience more stability in their works (Tzafrir, Mano-Negrin, Harel, & Rom-Nagy, 2005). Training should be done in order to provide them the confidence to work in the new environment and feel that is convenient with the new technology and easy to carry out their current job (Mishra *et al.*, 1998).

2.5.7 Fun Activities and Concerning:

The purpose of creating fun activities is to distract employee from the problems. Essentially, Thach, McPherson, Barbian (2002) mentioned that the fun activities is one way to convey employees' feeling to recognize the firm caring about them during the rough time of downsizing. These activities are the kind of providing small message about the company commitment to its employee, and their employees will appreciate the company's concern and then they become motivated and productive employee (Thach *et al.*, 2002). Fong and Kleiner (2004) raised about humor in workplace can increase in the morale and the productivity, humor was used as a tool to create fun in the workplaces. Related to humor, it is important to teach employee to deal with everyday stress and survival skill (Fong & Kleiner, 2004).

2.6 Applying to the case

2.6.1 What action should be taken in order to increase the morale and motivation level of the clerical staff?

As mentioned above, Rutledge is going to downsize the employees by equipping new innovation. To increase in employee's morale, this case will use some strategies to enhance the situation in restructuring time. In the situation of Rutledge, employee will not think about money so much because the clerical staff could be lay-off some days when the modernization is finished. Consequently, the feeling of employee will not stable with current task.

As mentioned, their feeling would be uncertainty, frustrated, and fear of losing job so the manager should take time to talk with employees. Importantly, during talking to employees very often and completely communication with them, and try to understand more about the situation, specifically let employee understand that their performance at this moment related to their job security. The manager of Rutledge needs to tell clerical staff honestly and openly to let them know about the reason, and information about changing in organization. Thus, Rutledge should let clerical staff to understand that their ability to contribute to improve in growing of firm performance.

Training should be provided directly from manager to clerical staffs about new technology changed and during the remaining time career support should provide a special in training course by offering job-searching skill for all employees. Doing this way the managers and employees have opportunity to make a clear communication, and rebuilding trust.

Besides communication and training, Rutledge should announce that the day of lay off followed the schedule, not early schedule, because most of employees could predict the time to find a new job, and create fun activities for employees. Moreover, Rutledge can create trust employees in showing them that its responsibility to the situation. Rutledge can help their employee to think about their future career and help them to conduct interview training and create working network with other organization, and send them to working there. One more importance way is to review their working performance and have a clear criteria related to the future job in order make decision to lay-off or keep employee with company when the modernized finished.



2.6.2 What action can be taken to motivate those employees who are not using the new technology required of their job?

Because of ‘modernization’ or new technology, the company has to use employment downsizing. These individuals are often known as the “victims” of downsizing due to research the documents on devastation of job loss, focusing on negative consequences in terms of psychological and physical well-being (Bennett, Martin, Bies, & Brockner, 1995; Cappelli, 1992; Fallick, 1996; Leana & Feldman, 1992). Several researchers have analyzed those who remain in the downsized organization, namely, the “survivors” (Allen, Freeman, Russell, Reizenstein, & Rentz, 2001; Appelbaum & Donia, 2001; Mollica & Gray, 2001; Shaw, 2000; Weakland, 2001). Much of this research focuses on survivor syndrome, or a “set of attitudes, feelings and perceptions that occur in employees who remain in organizational systems following involuntary employee reductions” (Noer, 1993, p. 13). In this case, those employees can be ‘victim’ or ‘survivors’ depending on their skills, adjustment to new technology or performance. On the other hand, those employees who are not

using the new technology required of their job are long-term employees who are accustomed to how the company operated 10 years ago. Thus, although those employees do not provide the full clerical support needed by management they may be 'star' employees. Moreover, it is the company's objective to eliminate the majority of those individuals.

To implement the company's objective successfully, the managers should consider carefully and fairly factors related to main strategies to make clearly decision, which can motivate them without losing of employees' talents.



Firstly, because employment downsizing in this company is unavoidable, and make sure that employees perceive the process of selecting excess positions as fair and make decisions in a consistent manner. Begin by assessing each employee in terms of his or her working performance and ease of replacement. Make special efforts to retain your best performers who would be difficult to replace, and provide maximum advance notice to terminate employees. [Provide as much personal choice to affected employees as possible \(Wayne & Peg, 2004\)](#). If those employees who are not using new technology have good performance, they can be remained



Secondly, managers should give survivors a reason to stay. People need to believe in the organization to make it works, but they need to see that it works to believe in it (De Vries & Balazs, 1997). Additionally, if company has a plan to develop a new business, company should show how the company will be more successful in the long run by implementing its downsizing strategy. The plan should describe how efficiency of using new technology is. At the same time, managers can continue using 'communication' technique, then apply them training. It's better to communicate regularly and in a variety of ways in order to keep everyone abreast of

new developments and information (Wayne & Peg, 2004). To the extent to which talent is essential to implement the strategy of a business (e.g., innovation), take the time to educate everyone on why downsizing employees should be used only as a last resort. In developing an integrated communication strategy, there are four firm rules. We might call them “the four no’s.” There should be no secrets, no surprises, no hype, and no empty promises. Use newsletters, e-mail, videos, the company’s intranet, and employee meetings to get the message out in a regular, consistent manner.

If those employees still refusing to adapt new technology required of their job, and the company’s objective need implemented, two programs can be used:



Voluntary resignation, this program included a severance package commensurate with each employee’s years of service. The company uses this program to help employees own their departure. Moreover, it helps people make the decision to leave and managers might not be getting the full benefit of these folks anyway. However, managers face risk of losing key talent and inaccurate assumptions about who will leave, which requires managers have a careful consideration on those long-term employees.

Voluntary early retirement, this will target some people who are interested in leaving during this time. Some considerations are paid attention. Stock-option incentive is prohibitive; possible age bias and discrimination claims; the company loses key talent; and it will not remove that many from the workforce.

2.6.3 Should the firm attempt to solve its motivational problems by conducting further training?

From the concept of Gómez-Mejía *et al.*, (2004) when the technology changes in the organization, the manager needs to provide direct training courses to employees. Similarly, Rutledge's case, the new technology will be set up and managers will not need support from clerical staffs and most of the staffs are not adapted from the new technologies, and training in this situation is suitable to motivate employees to keep their current jobs. In addition, the way of training should be done in on-the-job training, which is conducting by coaching in a demonstrated and practice in experience's worker, trainer or supervisor (Dessler, 1999; , 2004; Mathis & Jackson, 1999; Robbins & Judge, 2006). By providing on-the-job training is a chance for clerical staffs who do not adapt from the new technology could learn directly by practicing with the supervisor. With this supporting, all the staffs would feel of recognition from the managers and they turn their mind to enjoy working. Training by doing, both managers and staffs will achieve handling the new technology. Another reason, during downsizing the skill and employees' competencies are needed to survive the firm and during the training managers could find out which employees should remain or lay off. Beside on-the-job training to employees, the manager also need to be trained how to communicate with the announcement of downsizing empathetically and how to tell the employee who will lose their job (Mishra *et al.*, 1998) and Mishra *et al.*, (1998) mentioned that manager also need to learn to deal with the emotional of employees when they recognize that they are victim and after sharing the information to the employees who will lose the job when the modernize finished, managers need to make counseling and supporting a fairly way with both survivors and victims. By doing all the way of these trainings, the survivors, clerical staffs, would be motivated to enjoy working again.


CONCLUSION

Based on our discussion and previous studies have been shown, it is clear that downsizing is sometimes unavoidable to any company. The company can use it as a strategy or technique for their target but they should deal carefully with downsizing. Downsizing can affect all involved employees and managers, and then put influence on the reputation and the performance of the company in the future. Thus, some strategies of motivation need applied to solve the problems when downsizing happens, especially the morale of employee. During downsizing, the company can face not only one problem, like our case of Rutledge. Of course, among the most critical factors leading to successful downsizing is the effective management of the human resource system (Cameron, 1994). They can provide clear communication and information sharing, support them with training or some other ways as what managers should do in this case for their goal of requiring new technology in daily tasks. The critical role of HRM function in implementing downsizing, therefore, is a key to achieve the best downsizing practices. However, in Rutledge case, to improve its employee morale and motivation, and the important is to use empathy word to see people of their thinking about how to enhance further training to let their employees familiar with new technology.





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