EMPLOYMENT IMPLICATIONS OF DOWNSIZING STRATEGIES AND REORIENTATION PRACTICES: AN EMPIRICAL EXPLORATION.

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ABSTRACT

The aim of this study is to investigate the employment implications of different downsizing approaches. Therefore we executed 19 case studies in Belgian organizations that recently were confronted with downsizing. Based on the results of this empirical study a two-dimensional categorization model is developed. The first continuum of the model represents the time frame (reactive to proactive) of downsizing strategies, while the second continuum represents the focus of reorientation practices towards the internal or external labor market. Based on this categorization scheme, employment implications were explored. Further, theoretical, managerial en governmental implications are suggested.

KEYWORDS: DOWNSIZING, LABOR MARKET, EMPLOYEE REORIENTATION
INTRODUCTION

Many labor markets are characterized by a paradoxical nature. While ever more vacancies cannot be filled in because of labor market shortages (Lamberts et al., 1999), there is also a growing group of inactive people for whom entrance or re-entrance to the active labor life is not a given (Kerkhoff, 2000; Lucas & Ralston, 1997; McDonald & Potton; Schokkaert, 1999). Within this labor market context, Belgian economic life still is confronted with downsizing practices. Stressed by globalizing economies and growing international competitive pressure, organizations are forced to rationalize production or service delivery processes. Organizational restructuring remains the far most popular solution to survive in a competitive market (Cascio, 1993).

Downsizing, as stressed by Cameron (1994), refers to a set of activities, undertaken on the part of the management of an organization, designed to improve organizational efficiency, productivity, and/or competitiveness (Cameron, 1994, p. 192). Downsizing is seen as an intentional set of activities that involves reductions in personnel. Although it is not limited solely to this aspect. It relates to the proportion of employees to the work that has to be done, or the units of output that are required. In this sense, downsizing focuses on improving the efficiency of the organization. It represents a set of activities targeted at organizational improvement, thereby affecting work processes (Freeman, 1994; Freeman & Cameron, 1993).

International studies confirm downsizing to be a major phenomenon within economic life. Table 1 gives a view on some conclusions drawn from studies on the magnitude of downsizing.
Downsizing sometimes is considered as a phenomenon of the eighties and nineties but most research does not predict an immediate end to this tendency, although the positive effects of downsizing operations are not that clear (Budros, 1999).

**MOTIVES FOR DOWNSIZING**

A diversity of reasons can lead to the decision to downsize. Organizations and employees are being forced to adapt to an environment characterized by augmented competition, government deregulation, technological evolutions, etc. Organizations, who systematically used to attract too many employees during the eighties, are now almost forced to restructure as a ‘way of surviving’ in this new economic environment. Especially when involved with firms being part of a broader corporation, corporate level shows to have considerate impact on decisions in this area. In function of the strategy and objectives at corporate level, daughter companies will have more or less freedom in realizing imposed cost-reduction operations (Porter, 1998).

Previous research has shown that cost-reduction and raise in productivity are important objectives in case of downsizing (Axmith, 1995; Cascio, 1993; Wyatt, 1993). However, the fact that 81% of downsizing organizations are profitable (Cascio, 1993) underlines the importance of strategic motives. The core competence issue seems to play a role of importance. In order to realize organizational strategies, specific competencies at the employee level are needed. Future competence needs can differ from those that are available nowadays and this can have an impact on the organizational workforce (Hamel & Prahalad, 1994; Prahalad & Hamel, 1990). When future competence needs differ
strongly with the existing and available competencies, there’s a higher risk that some employees do not possess the potential or learnability to acquire these competencies (Buyens, Van Schelstraete, De Vos & Vandenbossche, 1997). This can ultimately lead to layoff-decisions.

McKinley, Sanchez and Schick (1995) also distinguished some less rational motives. They identified three forces pushing downsizing to become an institutional norm. The norm ‘Bigger is better’ that ruled during the eighties has now changed to ‘mean and lean’. Personnel reductions have become much more desirable (especially by shareholders kicking on announcements of cost-savings). The second force is imitation. During times of uncertainty, organizations grasp to examples from the neighboring environment. The third force is learning behavior. Consultants, business schools and professional magazines adhere to and spread downsizing strategies (McKinley, et al., 1995).

**Downsizing Strategy and Practices**

Downsizing implies drastic organizational changes and therefore requires strategic considerations, embedded into a global management strategy. Cameron (1994), based on earlier research (Freeman & Cameron, 1993) and a four year period study in thirty organizations within the U.S. automotive industry, identified three strategic downsizing approaches: the linear reduction strategy, organizational redesign and the systemic approach. One of the main elements this distinction is based upon is the timeframe. Where the linear reduction strategy is focused on eliminating headcount in the short run, organizational redesign applies a medium-term perspective where the central focus lies on reducing work, rather than reducing the number of employees. The systemic
approach aims mainly at changing the organizational culture and employees’ values and attitudes within a long term perspective (Cameron, 1994).

Out of the strategic framework, downsizing practices are derived. The body of literature on downsizing (see e.g. Burke & Nelson, 1995; Cameron, 1994, 1998; Cascio, 1993; DeWitt, 1993; Feldman & Leana, 1989, 1994) presents a whole set of concrete practices towards employees. These practices can be categorized into three groups: internally oriented practices; externally oriented practices and outsourcing.

**Internally oriented** actions purpose the employability of the organizational workforce. These actions are based on a decision to reemploy within the internal labor market by structural measures as there are labor redivision or rotation. Rotation can be accompanied with the decision not to prolong temporary employment contracts. Employees with a long-term employment contract can then execute these functions (Sugalski, Manzo & Meadows, 1995). An important condition for these actions to be implemented is that the proper employees dispose the competencies in order to fulfil these tasks (Cameron, 1998; Cameron, Freeman & Mishra, 1993; Koslowski et al., 1993). Further, characteristics of the production process, labor time patterns and task characteristics will determine if those kinds of actions can be implemented (De Jonge & Geurtz, 1997; Sels & Dejonckheere, 1998).

**Externally oriented** actions have as a consequence that employees will have to leave the organization, whereby a major part of them will enter the external labor market. In some cases, employees are asked to deliberately leave the organization, with a so-called ‘golden hand-shake’ as a financial compensation. Selection criteria on which dismissal of employees can be based are age, seniority, competencies, potential or performance appraisals (Feldman & Leana, 1994; Koslowski, Chao, Smith & Hedlund,
1993; Martin, Staines & Pate, 1998; McClune, Beatty & Montagno, 1988, Lee, 1987). A dismissal is mostly experienced as traumatic (Brockner, 1988) and can lead to demotivation to seek for another job. Seen the traumatic nature of experiencing a downsizing and the financial compensation, especially older employees (Kerkhoff, 2000; McDonald & Potton, 1997) and second-income earners (Lucas & Ralston, 1997) do not feel a short-term pressure to apply for another job. Employment-implications of externally oriented actions are therefore on a longer term sometimes very negative.

When the decision to *outsource* organizational activities is taken, the organization can also choose to transfer the employees executing these activities to the contractor. This makes it possible to realize personnel reductions without having to refer employees to the external labor market or to unemployment. Employment stays intact, while the jobs within the organization disappear (Claydon, 1997). Cameron (1994) refers to this as “Aiming at organizational downsizing at work, rather than at workers” (Cameron, 1994, p. 214).

**EMPLOYEE-SUPPORTING MEASURES**

Downsizing very often negatively affects individual well being in a profound way (e.g. loss of self-confidence, physical stress symptoms, and social deprivation). Therefore, offering genuine support towards the employees involved is commendable. Decisions that are taken on part of management towards the workforce can be supported by several measures, varying from a financial compensation to support internal or external reemployment and individual counseling. Especially within the Belgian organizational context, negotiation between employers and employee-representatives (unions), plays an important role in the decision process determining the compensatory
financial dismissal package and more broadly the supporting actions towards employees (De Vos, et al., 1998, De Vos & Buyens, 1999). A financial compensation remains the most important supporting measure. In most cases, an intensive negotiation process (on a collective level) decides on the extent of this dismissal compensation. Training, retraining and employee development can be crucial in order to augment the internal employability or reorientation possibilities (Koslowski et al., 1993). Outplacement can be initiated as an instrument to support reorientation practices (Pickard, 1993). Research (De Vos & Buyens, 1999; De Vos et al., 1998, Pickard, 1993) shows that employees offered outplacement are very positive about this support. Further, outplacement enhances the chance to reemployment significantly (De Vos et al., 1998). Some organizations establish an internal employment agency in order to support internal reorientation practices. Competencies and potential are screened, employees are accompanied in their reorientation process and the necessary amount of training is offered (see e.g. Buyens & Dewettinck, 1999a, 1999b).

**Research questions**

This research-project’s objective was to develop a view on how downsizing is realized in Belgian organizations, with a special interest in the strategic scope, the reorientation practices implemented and employment implications. Therefore, the level of analysis within this research is the organization itself, not the individual or the industry. Within this study, the central research scope is on the relationship between organizational downsizing strategies, downsizing practices and employment-implications (see figure 1).
The first unit of analysis is downsizing strategies. Which are the strategies used in Belgian companies in case of downsizing, and which antecedent variables do have an impact on this decision process, are the main questions to be answered here. Secondly, we want to identify downsizing practices, and link these with the strategies identified. We especially wanted to create a clearer view on how employee reorientation practices are used in case of downsizing, and evaluate them according to their employment-implications, extrapolated to societal level.

METHOD

With the above stated research questions in mind, we applied a multiple case study approach (Hutjes & Van Buuren, 1992; Yin, 1984). The first motive thereto was the complexity of the unit of analysis. Downsizing strategies and practices are complex phenomena that are difficult to isolate from their contextual environment. Elements as labor market characteristics; governmental policies and regional influences have a great influence on the appearance of the process, the motives and effects. Consequently, profound data collection and intensive analysis were necessary in order to grasp the phenomena as they appear in reality and to gain insights into the complexity of the subject in study. Secondly, when the number of subjects to be studied is small in comparison with the number of elements to be studied, a case study design is the most appropriate method (Hutjes & Van Buuren, 1992). Thirdly, the sensitivity of the subject

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1 This research project has been commissioned and funded by the Flemish Ministry of Employment.
in study called for a case study approach. Taking into account the nature of downsizing processes, developing a questionnaire and realizing a reasonable response rate seemed very difficult to accomplish.

Case studies were developed using semi-structured interviews with different parties within each organization (e.g. personnel directors, union representatives, external parties involved in the downsizing process) and document-analysis was executed. An interview-scheme was used to guide the interviews, so that comparison of cases became possible. However, the questionnaire comprised of open-ended questions and was used as a guideline. Using this methodology, the specificity of each case could be grasped, without losing the opportunity to compare between different cases.

The questionnaire has been developed as a result of an extensive literature study focusing on the motives and strategies for downsizing, the bargaining process, the measures taken and the support offered to employees; personal, organizational, labor market and societal implications (Cameron, 1994; Cascio, 1995; Feldman & Leana 1989, 1994; Freeman & Cameron, 1993; Mishra & Mishra, 1994). In addition, three exploratory interviews with experts within the field were used as input for the development of the interview scheme. Using this approach, maximal alignment between the questionnaire and the subject of study as it appears in reality was our objective.

Third, the empirical findings, because of the case study approach, were used as input for a focus group-session (Krueger & Casey, 2000). In order to generalize our findings, HR-directors (others than those out of the companies involved in the case study process) and representatives from unions, the national employment office, outplacement agencies, employer institutions and educational institutions were invited to discuss the case study findings. In order to limit dynamics as there are group conformity and social
desirability; an element of the Delphi-technique was introduced. The results of the multiple case study were translated into concrete discussion topics. Before discussing these themes, focus group members were asked to write down their individual visions and remarks concerning the topic handled and the results presented. Next to the moderator of the focus group, two observers were appealed to write down relevant remarks made during the discussions.

**Sample selection**

We aimed at a limited sample of downsizing organizations with as much diversity as possible. Criteria that were taken into account within the sample selection were organizational size (ranging from 27 to approximately 20,000 employees) and industries (high-tech, telecom, automotive, textile, glass-industry, food-industry, bank and insurance, and governmental organizations were included). As we wanted to study the influence of corporate level, we also counterbalanced our sample according to the country of origin of the corporations involved. Within our attempt to identify interesting cases we scanned national economic newspapers and analyzed annual accounts using a database of the Belgian National Bank. Further, we interviewed some experts with a good view on downsizing occurrences within Belgian companies.

Our preliminary sample extended with the suggestions of a panel of experts, resulted in a sample of 30 organizations. After contacting these organizations and executing exploratory interviews, 19 companies were selected and were prepared to collaborate within this research project. Table 2 gives an overview and description of the sample selection.
RESULTS

As the implementation of a downsizing operation is not an evident process (Brockner, 1988), in most cases it is looked upon as being painful but necessary. The confrontation between the internal organization and contextual elements forces organizations to take profound measures. Market evolutions appeared to be an important motive for restructuring. Especially in labor-intensive industries where wages are taking away a major part of the total operating cost, we found that declining demand, leading to overcapacity, can be a direct motive for restructuring. Also, technological evolutions influence the magnitude of downsizing. A first observation is that the labor-intensity of production processes can decline very heavily by technological innovations. These can lead to a quantitative misfit between the number of employees involved in the production process and the number actually needed. When this misfit cannot be intercepted by raising production-volumes or changes in the labor organization, restructuring can rectify the mismatch. A second observation is that technological innovation can influence the market, and can lead to a changed demand. Sometimes this change can not be responded on because the needed competencies are not available within the organization. Altering production processes is most of the time less difficult than altering employees’ competencies. Depending on the speed whereby technological innovations influence market demands, the degree of innovation and the difficulty to upgrade competencies, organizations can take the option to rightsize human resources. As another option to
anticipate technological and market evolutions, organizations can decide to concentrate on core processes. Supporting processes are then outsourced to contractors. However, in case of downsizing, such a strategic choice is sometimes influenced very heavily by more short-term objectives. In such cases, with cost-savings as the primer goal, organizations identify those processes that can be outsourced most easily without reflecting too much on core-competency matters. A third important observation concerning motives of downsizing is the impact of mergers and acquisitions. Processes are then reengineered and optimized. Double functions are eliminated, which can lead to restructuring initiatives.

**TOWARDS A NEW CATEGORIZATION OF DOWNSIZING PRACTICES**

Based on our case study analysis, we developed a model that provides a more comprehensive view on different downsizing approaches. The model uses two dimensions in order to categorize downsizing processes.

The first dimension uses the time frame perspective. Cameron’s (1994) distinction between downsizing strategies taking into account ‘time frame’ as an important factor, proved to be very relevant in this respect. Within each of the cases we assessed whether the measures that were taken towards the workforce were designed in order to reduce the workforce or whether these practices were designed to prevent cost reduction by means of a reduction in the workforce. Therefore, within our categorization model, we suggest a continuum with on the one end of the continuum a reactive approach, and on the other a proactive approach. Identifying the different downsizing measures that were taken within each case derived the global assessment of each case. We then assessed the practices as being reactive versus proactive. Taking the mean of these characterizations of the
different practices within each case, we were able to situate each case as a whole on the continuum.

A second important dimension that proved to be very relevant in our attempt to categorize the cases is a continuum with on the extremities: internal versus external. It refers to the focus of labor market reorientation practices. For each of the practices that we could distinguish in the different cases we assessed whether these practices had the objective to enhance the re-employment possibilities of the employees within the internal labor market versus the external labor market. Again, the summation of the characteristics of different practices within each case made it possible to derive a global assessment of each case on this dimension.

Using this analytical framework, interpretation of the empirically based findings on the downsizing practices resulted in the development of a two-dimensional model. The dimensions used are thus: time scope (reactive to proactive) and focus (external labor market to internal labor market). Figure 2 depicts each of the studied cases on this model.

This two-dimensional model made it possible to make an empirically based distinction between downsizing approaches. The first approach can be categorized as reactive external. Reduction of headcount is the explicit objective and is realized by transferring employees to the external labor market or to inactivity (pension plans, etc.). The reactive internal approach is also focused at reducing headcount, but tries to find new jobs for employees within the internal (organizational) labor market. This approach is applied mainly in large organizations, for example because of the closure of a specific
plant or site. The internal reorientation process is in most cases supported by training and development initiatives. As an inherent characteristic of the reactive approach, internal employee reorientation must be realized in a relatively short period of time. When this is not possible because of substantive competence gaps that need to be crossed, organizations evolve relatively quickly to an external approach. The third categorization is the proactive external approach. Here, strategies are developed to anticipate environmental changes by employing people in less sustainable forms, for example by temporary or interim work (De Jonge & Geurts, 1997). The borders between the external and internal labor market are made less stringent. Finally, we could identify the proactive internal approach that tries to enhance the employability of the workforce (Moss Kanter, 1989). This approach has much familiarity with the systemic approach, stated by Cameron (1994). Although employability has an external component, the process of augmenting employability has to start within the organization. Initiatives with the purpose of enhancing the competency-levels of employees, their mobility-readiness and their knowledge of the internal and external labor markets (Gaspersz & Ott, 1996) are important.

Looking at actors influencing the strategic choice of which approach to use, we could recognize a strong influence at the global company-level (for those organizations that belong to an international corporation). In one third of the cases, the decision to downsize was taken at global or European corporate level. Consequently, these companies were almost forced to apply a reactive approach. We were not able to distinguish between different downsizing strategies based on other organizational characteristics, as the characteristics of our sample made this not possible. Nevertheless, it seemed that especially those organizations with extended previous experience with
downsizing moved along to the proactive and internal extremities of the continua of the two-dimensional model. This makes us hypothesize that these organizations experienced rather negative long-term implications of past reactive externally oriented downsizing-practices, forcing them to explore new ways to downsize.

LABOR MARKET IMPLICATIONS

The implications of the downsizing strategies identified towards a sustainable employment policy cannot be determined unequivocal. Measures taken towards employees and support delivered have a great impact. Still, in reflecting on policy-optimization towards downsizing organizations, it can be fruitful to consider labor market implications of each of the strategies identified.

The reactive external approach’s starting point is outflow of personnel, thus being the most critical approach concerning a sustainable employment policy. Especially in those cases where older employees are referred to the external labor market, a negative impact on employment has been identified (Kerkhoff, 2000; McDonald & Potton, 1997). The relatively comfortable (financial) position those ex-employees are confronted with and lack of stimulation towards seeking for new employed status forces them into inactivity. When external reorientation is premised, labor market implications depend very heavily on the support that is offered towards the laid-off employees. Offering outplacement and providing retraining programs proved to be important antecedents of external reorientation success towards sustainable jobs. External reorientation proved to be less successful when employees were not motivated (financially) to choose the active (re-employment) rather than the inactive (pension, unemployment) path.
The *reactive internal* approach is focused on internal reorientation and therefore most favorable when employment implications are taken into consideration. Nevertheless, there is an important constraint as introducing a successful internal reorientation process depends very heavily on competency-gaps that need to be crossed. Although training and development initiatives are important supporting elements, the possibilities are not endlessly. Giving the fact that a reactive approach calls for short-term action and results, too substantive competency-gaps often result in initiating an external reorientation procedure. Thus, our conclusion is that employment implications are not unequivocal positive in case of reactive internally oriented reorientation practices.

A *proactive external* approach is reflected dominantly in employment via less sustainable forms, in order to anticipate changes in the external organizational environment. As a result, the border between the internal and external labor market becomes blurred. Application of this type of strategy has grown sharp during the last decade (Sels & Dejonckheere, 1998). The impact of this trend towards sustainable employment is negative, as these kinds of employment contracts are a surrogate for more sustainable forms.

The *proactive internal* strategy offers most opportunities within a sustainable employment policy. It focuses at the employability of the workforce, i.e. the ability to become employed. Although the employability-concept has also an external element (employees’ knowledge and skills concerning scanning external labor market opportunities and reacting to these), the basis for developing an employable workforce lies within the organization itself. Employees’ skills and knowledge need to be developed in a continuous way (lifelong learning), mobility between different functions needs to be fostered and employees’ knowledge on the opportunities within the internal labor market
must be developed (Gasperz & Ott, 1996). The employability-theme can be seen as a consequence of recent evolutions in the labor relations’ domain. Moss Kanter (1989) illustrates this evolution as a change from ‘employment security’ to ‘employability security’ as a basis for labor security. Given the flexibility demands towards organizations, employability seems to be an important element within a sustainable employment policy in the long run.

**DISCUSSION**

An in-depth study of recent Belgian experiences with downsizing and employee reorientation processes resulted in setting up a two-dimensional model with timeframe and labor market focus as dimensions. It gives opportunity to develop a better understanding on downsizing strategies, reorientation practices and their employment implications. From a theoretical perspective, by linking different strategic downsizing options with employment implications, the model presented results in an extended view on downsizing and different approaches that are applied. Seen the explorative nature of this study more effort is needed in order to understand this relationship. As this study only comprised Belgian based companies or plants, a larger sample selection crossing national borders is recommendable. More quantitative oriented studies could be fruitful here. Such an approach makes it possible then to falsify the model presented, which is the result of an inductive exercise. Another lack within the body of literature is on the antecedents influencing the strategic downsizing decision process. What we have learned is that especially those organizations with extended previous experience with downsizing moved along to the proactive and internal ends of the continua of the two-dimensional model. Organizations with none or limited experience with downsizing are more likely to
adopt to a reactive and externally oriented approach. This makes us hypothesize that former experience is an important antecedent factor of strategic downsizing decisions. Further research is needed to develop a broader understanding on organizational and contextual elements that influence the organizational strategic decision process concerning which approach to apply when confronted with downsizing.

Initiating and implementing downsizing practices is foremost an intra-organizational matter. Nevertheless, governmental policies can have an important impact on the way downsizing is realized within organizations. Employment implications are then one of the most important criteria on which government will evaluate downsizing projects. Developing governmental policies steering and supporting downsizing and reorientation actions, one can gain from the insights provided by the model presented. For example, motivating organizations to offer outplacement and retraining could governmentally support reactive external reorientation processes. Also, reorientation across different industries could be stimulated. Creating stimuli for (re-) training and development initiatives at the organizational or industry level could support internally oriented reactive downsizing. Creating external flexibility of the human resources, as is being done within an externally oriented proactive approach, can be realized without having a negative impact on sustainable employment. Creating conglomerates of organizations (within the same industry or region), wherein employees can take up different jobs within different organizations while they have a long-term employment contract towards the conglomerate gains most attention in this respect. An internal proactive approach could gain from governmental support in realizing lifelong learning and employability enhancement.
On the intra-organizational level, the results of this study give HR practitioners the opportunity to broaden their view on downsizing options and their employment implications. The way in which an organization deals with downsizing and restructuring could have an important influence on the perception of the ‘employer brand’. Especially in times when there is labor market shortages, adoption of proactive internally oriented downsizing strategies could have a positive effect on the environment’s perception of the ‘employer brand’. In turn, this can have an effect on the success of recruitment and attraction procedures. Although life long employment is not any longer subject of the psychological contract between employee and employer, the fact that an organization is perceived as being caring towards its employees can have an impact on the individual decision to join and stay within an organization.
REFERENCES


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TABLE 1
Research conclusions concerning the magnitude of downsizing-practices

<table>
<thead>
<tr>
<th>Researchers</th>
<th>Region</th>
<th>Conclusions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freeman &amp; Cameron, 1993</td>
<td>U.S.</td>
<td>Blue collar – as well as white collar workers and middle management are involved</td>
</tr>
<tr>
<td>Wyatt, 1993</td>
<td>Canada, France, Germany, U.K., Japan en U.S.</td>
<td>90 % of all companies have downsized.</td>
</tr>
<tr>
<td>Henkoff, 1994</td>
<td>global</td>
<td>1/3 to ½ of all medium sized to large companies downsized yearly since 1988</td>
</tr>
<tr>
<td>Henkoff, 1994</td>
<td>global</td>
<td>2/3 of downsizing companies repeat it afterwards</td>
</tr>
<tr>
<td>Axmith, 1995</td>
<td>Canada</td>
<td>¾ of all companies downsized in 1994</td>
</tr>
<tr>
<td>Burke &amp; Nelson, 1995</td>
<td>global</td>
<td>85 % of all Fortune 1000 companies downsized between ’87 en ’91, 5 million jobs were lost</td>
</tr>
<tr>
<td>Thomas, 1996</td>
<td>U.S.</td>
<td>Loss of 10 million jobs since 1979</td>
</tr>
<tr>
<td>Company name</td>
<td>(# employees)</td>
<td>Industry</td>
</tr>
<tr>
<td>--------------</td>
<td>---------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>A</td>
<td>3000</td>
<td>Bank &amp; Insurance</td>
</tr>
<tr>
<td>B</td>
<td>8000</td>
<td>Telecom &amp; high-tech</td>
</tr>
<tr>
<td>C</td>
<td>6800</td>
<td>Bank &amp; Insurance</td>
</tr>
<tr>
<td>D</td>
<td>16.800</td>
<td>Steel manufacturing</td>
</tr>
<tr>
<td>E</td>
<td>20.000</td>
<td>Telecom / governmental</td>
</tr>
<tr>
<td>F</td>
<td>120</td>
<td>Confection</td>
</tr>
<tr>
<td>G</td>
<td>27</td>
<td>Textile</td>
</tr>
<tr>
<td>H</td>
<td>3900</td>
<td>Services / transport</td>
</tr>
<tr>
<td>I</td>
<td>12.900</td>
<td>Glass-industry</td>
</tr>
<tr>
<td>J</td>
<td>24.348</td>
<td>Food</td>
</tr>
<tr>
<td>K</td>
<td>650</td>
<td>Textile</td>
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<tr>
<td>L</td>
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<td>Textile</td>
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<tr>
<td>M</td>
<td>7000</td>
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</tr>
<tr>
<td>N</td>
<td>150</td>
<td>Services / transport</td>
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<tr>
<td>O</td>
<td>900</td>
<td>High-tech</td>
</tr>
<tr>
<td>P</td>
<td>1800</td>
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<tr>
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<tr>
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<td>High-tech</td>
</tr>
<tr>
<td>S</td>
<td>800</td>
<td>Food</td>
</tr>
</tbody>
</table>
FIGURE 1

Research scope

Downsizing-strategies → Downsizing practices → Employment-implications
FIGURE 2

Two-dimensional model on downsizing-approaches