

Organizational downsizing and its perceived impact on quality management practices

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Abstract

Purpose – Many organizations with quality management programs in place have also engaged in downsizing. Aims to show how employees' perceptions of their organization's quality management practices provide some indication of how organizational downsizing affects an organization's quality management initiative.

Design/methodology/approach – Managerial and professional employees from 343 Canadian organizations completed a questionnaire assessing their perceptions of the extent to which their organization was currently engaging in quality management practices.

Findings – Respondents in organizations that had downsized their workforce perceived significantly lower organizational-level quality management practices (management commitment to quality management program, management communication of mission and goals, customer service focus, provision of quality-related training) than respondents in organizations that had not downsized. Respondents in downsized organizations also perceived significantly lower employee-level quality management practices (empowerment, employee commitment to quality management, job security).

Research limitations/implications – The cross-sectional research design does not allow insight into whether prior differences existed in quality management practices. Future research is needed to investigate how other issues related to organizations and to downsizing influence employees' perceptions of their organization's quality management practices following downsizing.

Practical implications – For practitioners and managers, this study illustrates the need for careful planning of downsizing efforts to avoid their organization's quality management practices being seriously undermined.

Originality/value – Little research has been conducted on the effect of downsizing on an organization's quality management program. The findings show that employees from diverse organizations perceive organizational downsizing to have a detrimental effect on those factors that are critical in promoting and sustaining quality management.