

Impact of Retrenchment on Employee Productivity at Wordpress Namibia Limited

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Abstract: The WordPress Namibia Limited retrenched employees in 2020 to save costs and increased the productivity within the organisation. Therefore, this study was aimed at investigating the impact of retrenchment at WordPress Namibia Limited on employee wellbeing and productivity within the organisation. Retrenchment has become one of the most useful survival strategies implemented by organisations during turbulent business environment. The data was collected through the use of qualitative and quantitative methods with a sample size of forty-four employees. The data collected was analysed and presented using descriptive and deducible statistics to gain applicable answers to the study's exploration questions. SPSS was also used for analysing the research questions, descriptive statistics in the form of simple probabilities, frequency distributions, weighted pars, and standard deviation was used. The main findings indicate that the retrenchment process has negatively affected employee wellbeing and productivity within the organisation. A vast majority of the respondents agreed that the retrenchment process resulted in reduced worker morale, demotivation, increased job insecurity, increased workload and extended working hours for the remaining employees. The study found that there was no prior consultation or effective communication with the employees before the retrenchment process started. It is recommended that retrenchment process should be well planned, with a proper communication strategy and ongoing consultations with the employees. The remaining employees need support from management to cope with the effects of retrenchment. There are other better options to be considered such as voluntary pay-outs, job merging, deployment etc. instead of forced retrenchment.

Key words: retrenchment, employee wellbeing, productivity, organisational performance

I. INTRODUCTION

Retrenchment could be construed as the voluntary termination of employment contracts by the employer, which is mainly implemented to save the organisational profits and avoid losses (Mthembu, 2019). In 2020, WordPress Namibia Limited has retrenched employees due to the deteriorating economic conditions in Namibia, which led to serious financial losses impacting the profitability of the company. Therefore, this study aims to investigate the impact of retrenchment on employee wellbeing and organisational performance at WordPress Namibia Limited in Windhoek, Namibia as an organisation. Similarly, Ekanem & Umemezia (2019) investigated the socio-economic effects of

retrenchment in Nigeria and concluded that retrenchment is mainly implemented in declining economic situations and that companies operating in these conditions employ retrenchment as a turnaround strategy. It is much inferential from the Nigerian experience that retrenchment could be applied to mainly benefit an organisation in terms of saving their profits and turnaround their businesses. According to Rwelamila (2021) retrenchment has become one of the most useful survival strategies implemented by organisations during turbulent business environment. Despite some possible negative effects of retrenchment on remaining employees, it usually leads to desired results in the long run if done in good faith and in a legal manner. Regina (2015) echoed this view and further stated that retrenchments had produced desired results in the private sector and in the developed countries. In developing nations, retrenchments remain a challenge mainly due to prohibiting laws and size of the businesses. A study conducted by Isa, Kakkar & Sharma (2016) assessed the effects of retrenchment on organisational performance and found that retrenchment had a negative effect on the employees retained due to uncertainty over their jobs and demotivation caused by the retrenchments. In concurrence, Mthembu (2019) cited that retrenchment affects organisational performance due to reduced workforce and it is also believed to cause high levels of depression and low morale among the employees.

Background of The Study

WordPress Namibia Limited is a Namibian printing company jointly owned by the Namibia Media Trust, The Namibian Newspaper and businessman Wolfram Jauss. The company's primary services include printing newspapers, advertising flyers and products. The company has over 100 years' business experience and a staff compliment of 42 employees. The retrenchment process at the WordPress Namibia Limited in 2020 was conducted according to the approved guidelines, terms and conditions of the Labour Act 11 of 2007 of Namibia. The Labour commissioner was notified as well as the employees four weeks before the retrenchment process in line with the guiding principles of the Labour Act. Prior the retrenchment process, consultations were held between the employer, affected employees and their trade unions, and written notices were given to the employees. A consensus

seeking process was initiated between the employer and employees to discuss issues contained in the notice as per the specifications of The Labor Act 11 of 2007.

The employees were allowed to make their presentations concerning the matters contained in the notice and retrenchment process. The employer was required to respond to the employees' representatives and in the event that the employer did not agree with the employee consultations, reasons for disagreeing were provided. The retrenchment was carried out fairly and according to the agreed selection criteria. Retrenchment is an undesirable turnaround strategy for any organisation, however it is still being practiced by several organisations around the world (Ekanem & Umemezia, 2019).

Statement of The Problem

WordPress Namibia Limited has retrenched twenty (20) staff members from a workforce compliment of eighty (80) permanent employees in 2020. Although proper retrenchment procedures were followed as the Labour Act 11 of 2007, the management resorts to exercising pressure on the remaining employees in performing their job activities and they were made to work longer hours as the organisation attempted to fulfill production targets with a reduced workforce. This situation could cause decline in the organizational performance and productivity. According to Cummings and Worley (2018), if the problems experienced in retrenchment process persist, the remaining employees might suffer from depression, high levels of stress, low motivation, resentment and anger towards management, poor performance and a decrease in job satisfaction which could lead to poor overall organisational performance. Therefore, this study aimed to investigate the impact of retrenchment on the performance of WordPress Namibia Limited as an organisation.

Research Questions

Considering the current trends in the retrenchment practices in various organisations, this research intends to assess the impact of retrenchment on the performance of WordPress Namibia Limited by soliciting answers on the following questions:

- To what extent does retrenchment impact the performance of WordPress Namibia Limited?
- What were the challenges faced by the organisation after retrenchment process?
- What were the experiences of remaining employees (Survivors)?
- What are the strategies to be used to ensure effective retrenchment process?

II. LITERATURE REVIEW

This section provides and overview on the trends in literature review regarding the impact of retrenchment on organizational performance. Therefore, it is very important to gain a deeper understanding of the concept of retrenchment, retrenchment procedures and its effects on organisational performance. The

focus of this research is on the impact of retrenchment on organisational performance. Hence, it is imperative to create a conceptual understanding of the concepts of retrenchment and organisational performance in the context of this study. The concepts of retrenchment and organisational performance are closely related to the research problem and understanding these concepts will enhance value to the context of the study and provide a better understanding of the research questions/problems.

Understanding the concept of retrenchment

Mthembu (2019), defined retrenchment as the permanent removal of surplus employees in order to change the nature of the organisation. On the other hand, Noe, Hollenbeck, Gerhart and Wright (2019) described retrenchment as the planned removal of many personnel to enhance organisational effectiveness (Noe, Hollenbeck, Gerhart & Wright, 2019). According to Cummings and Worley (2018), retrenchment is defined as a discount of the number of employees to a smaller scale-termination of employment contracts. While the Labour Act no. 11 of 2007 defined retrenchment as a collective retrenchment. According to Francis and Pett (2004), retrenchment is an essential matter in a company's usual overall performance-development technique. In the context of this study retrenchment is used to describe the rationalisation of the workforce in order to save the company from collapse.

The relationship between organisational performance and retrenchment

According to Armstrong (2017), overall organisational performance is a hard and fast combination of monetary and non-monetary symptoms that validate how successfully dreams and impacts are realised. An employer's genuine output or results as measured in relation to its meaning, dreams, and desires is characterised as normal organisational performance. The emphasis is put on an organisation's entire performance, which can be judged by how well it meets its objectives. If the owner or shareholders want to find out what modifications they may make, they must first comprehend their company's overall performance rate.

Organisational performance refers to a long-term effort to improve an organisation's problem-solving ability and its inherent capacity to adapt with changes in its environment through the use of technology (Gerhart & Wright, 2019). Organisational performance, according to Cummings and Worley (2018), is about carrying out dreams through various techniques of changing inputs into outputs. This discusses the relationship between high and low fees (efficiency), final outcomes and final effects (effectiveness), and located and effective fees (efficiency). Some organisations employ profit, inventory price, and earnings data to obtain a competitive advantage in their overall performance (Ochieno, 2013).

Organisational performance is not always an isolated issue in terms of firm success and survival, because it additionally influences retrenchment (Kwamboka & Nassiuma, 2017). Staff retrenchments have become more associated with lower

morale, process dissatisfaction, unproductive, multiple turnover, and absenteeism, all of which have an effect on accessible performance instead of convey reduction, accelerated profit, and specialised effectiveness of banks and stakeholders (Ahmed, 2018). Furthermore, retrenchment has become a common practice used to improve organisational overall performance in the face of technological advancement, additions, deregulations, and global monetary extremism (Mthembu, 2019).

Retrenchment goals are to ameliorate organisational overall performance with the aid of including productivity, lowering expenses, and including competitive gain. According to Ochieno (2013), at the same time as retrenchments may additionally achieve these objectives, several studies have found a marginal development, and in some cases, a decline, in organisational performance following retrenchment. Furthermore, organisational performance is impaired through the loss of organisational understanding and reminiscence possessed by those who have been retrenched on one hand, and remaining employees (survivors) quitting for the duration of the put-up-retrenchment.

Retrenchment practices in Zimbabwe and South Africa

The Zimbabwe Labor Relations Act 1 gives the employers the right to dismiss the employees due to operational requirements (Mathembu, 2019). This is based on the technological, economic and structural needs or the employers. Another alternative allowed is to negotiate with the employees to go for early retirement, and a full retrenchment package is to be given to the employee upon retrenchment. In the case that the employer is financially incapacitated, the law allows them to apply to be exempted from paying the full retrenchment package or any part of it. Similar with Namibia, labour laws within the SADC countries require that the employers give notice to the government, Labor Commission and Trade Unions before retrenching

The employer is then required by law to consult with the employees to agree on the best retrenchment process (Labour Laws in Africa, 2019). Following the right retrenchment procedures as specified in the Labor Act 11 of 2007 would help WordPress Namibia avoid legal challenges and demotivating their employees. The South African and Namibian retrenchment processes are very similar in terms of consultations, selection criteria, notice and packages. According to both the South African and Namibian retrenchment procedures, the employer is required to inform the labour commission and the trade union 4 weeks before the retrenchment takes place. The notice should give reason for the retrenchment, the number and type of employees to be affected and the date of dismissal.

In Namibia and South Africa, the management has the right to decide whether to retrench or not. The employees have a right to approach the courts if they believe they have been unfairly retrenched and if the court decides in favour of the employees, the employer is required to reinstate them. Similarly,

Botswana's retrenchment process follows the same procedures as the Namibian and South African procedures by requiring notice to be given to the government and trade unions before retrenchment takes place (Son, 2009). An analysis of the labor relations laws in African countries have revealed a similar retrenchment process which mainly aim to protect the interest of both the employer and the employee. Retrenchment affects the morale of the remaining employees, increase the workload on the remaining employees, reduces productivity due and increases job insecurity (Titus and Daniel, 2018).

Some benefits of retrenchment processes for the organisation

According to Isa and Adamu (2016) retrenchments help an organisation reduce its cost, enhance its competitive advantage, enhance efficiency and reduce the company's reliance on the markets. Retrenchment can lead to improved profitability and can be used as an effective survival tool during economic downturn. Chinedu (2018) asserted that retrenchment helps an organisation to become economically stable due to reduced expenditure; meaning that the value of the shareholders will be increased.

Organisations use retrenchment as a turnaround strategy and the aim is to remain profitable or increase profitability by optimum utilisation of the available human resources. Jamal and Salisi (2021) carried out a study on retrenchment and organisational performance within the Malaysian construction industry. They found that retrenchment had no effect on organisational performance. This implies that retrenchment had no effect on the firm's return on investment (ROI) and return on equity (ROE). In this context, one can understand that a retrenchment has the ability to increase productivity and the stock charge of an organisation. The significance of retrenchment is to enhance ordinary overall performance and productivity, grow competitive gain, reduce fees, and enhance exceptional performance (Chazuza & Dube, 2015). While retrenchment does not generate extra sales, it is well worth noting that a few organisations/companies have been able to significantly lower their prices within the short time period. Doe (2019) that the remaining employees can agree to put in more effort and out of fear they agree to put in more hours, and that the organisation becomes more productive, and this generally comes at reduced labour cost.

Chinedu (2018) argued that although retrenchment leads to job losses for the employees, employees can benefit from work experience which can help them to find a fresh start in other organisations. Some organisations give their retrenched employees good recommendation which they can use to find employment in other organisations. Retrenchment has been the start of entrepreneurship for some former employees as they can use retrenchment packages to start businesses and thereby doing away with reliance on salaries (Van der Walt & Van Rensburg, 2018).

The negative impact of retrenchment on the productivity within an organisation.

Lewin and Teece (2019) cited that retrenchment has a disproportionately large impact on the organisation's remaining workforce as well as organisational performance. Retained employees or employees that survive the retrenchment usually feel demotivated and are always concerned about the security of their jobs. Nkemakolam (2020) echoed this view and asserted that retrenchment has a significant impact on the self-esteem and self-assurance of the group of employees who remain in the organisation. Employees who are still capable to continue after retrenchment, become discouraged and withdrawn as they foster feelings of unskillfulness and anxiousness, which interfere with their usual, ordinary overall performance.

Choma and Ramafalo (2021) argue that employers tend to overload the remaining employees with work which leads to work stress and an uncondusive work environment. Francis (2020) argue that the effect of retrenchment on organisational performance was dependent on the size of the organisation and its workforce. Small organisations generally employ fewer employees therefore retrenchments do not have a significant effect on performance as compared to large organisations which employ a high number of employees. If large organisations retrench a considerable number of employees, it reduces their financial cost significantly, which in most cases saves them from bankruptcy (Sayed, 2013).

The effectiveness of retrenchment in enhancing organisational common performance depends strongly on the response and behaviour that survivors undertake (Mtembu (2019). On the other hand, the effectiveness of retrenchment in enhancing organisational regular overall performance depends on the remaining employee's retrenchment manner, which brings about the impact of a loss of self-assurance, reduced worker morale, work-life warfare, stress, and changes in personnel attitudes that influence organisation's standard overall performance, which cascades to decreased financial ordinary performance, decreased common overall performance, and decreased productivity (Armstrong , 2017).

Lewin and Teece (2019) developed a retrenchment and organisational model that allows for a full assessment of the impact of retrenchment on organisational performance. It merely indicates that retrenchment has the greatest impact on the organisation's remaining staff. Abolade (2018) underpins this statement and further stated that retrenchment has a significant impact on the self-esteem and self-belief of employees who are pushed to the back of the company. Sengwe (2015) found that perceived justice is related to survivor syndrome, work effort, and intention to leave. As a result, employee performance suffers, and thus does organisational performance.

Retrenchment methods that could be applied in any organisation

The voluntary retrenchment approach could be considered during which the employees offer to be retrenched and agree not to sue the company for alleged unjust dismissal in exchange for a monetary pay-out or perks above what he or she is legally entitled to (Mthembu, 2019). An employer has the right to refuse a voluntary retrenchment application based on the employee's well-being. However, by volunteering to be retrenched, the worker may already be disengaged, resulting in challenges with motivation and productivity. Rwelamila (2021) argues that reduced conflict between the employer and employees is the advantage of voluntary retrenchment which results in reduced negative effect of retrenchment on the workforce. However, management must minimize resentment among the remaining workers by ensuring that improved packages are not viewed as a reward for employees who are unproductive or lack the necessary abilities, since this can lead to poor working relationships.

There is also a compulsory retrenchment used by many organisations, which is defined by Regina (2015) as the retrenchment done after an employee's spends a specific amount of time at the organisation and the selection is based on an employee's time span in the workplace.),

Compulsory retrenchment is more reliant on accurate employee records, and caution must be used to ensure that the cause for dismissal is redundancy (Isa, Kakkar and Sharma, 2016) (Regina, 2015). The method entails the evaluation of employee job performance records, absence records, and time keeping. When using this method, management should ensure that there are no strained relationships between the supervisor and the employees, as unfair appraisals can result, and retrenchment based on information from such relationships can harm the organisation's performance by causing it to lose the wrong people. By keeping top performers, this strategy tends to strengthen the organisation's performance culture, because the workforce's morale is raised when strong performance is rewarded with increased job security.

The means of communication during retrenchment process

The efficacy of communication can be harmed by a flaw in one of the elements. Communication is important during retrenchment as it is used during the consultation between the employees and the employer. The employer can use communication to explain the objective of the retrenchment and thereby help the employees understand and accept the retrenchment (Smith & Rutigliano, 2011). Rumours is one means of communication used during retrenchment and it is defined as the unofficial type of communication of either true or untrue facts between two or more people. Workshops are another means for communication during retrenchment where employees can gather and engage in extensive conversation on the positive and negative aspects of retrenchment. Most of the well-established organisations use workshops to discuss the best ways of retrenchment and employees are usually

more active and feel comfortable to participate during such discussions.

Effective employee retrenchment strategies for consideration and application

Lewin and Teece (2019) stated that for retrenchment to be effective without causing problems, matters of consultation, communication and providing feedback play an important role. Ochieno (2013), anchored the sentiments of clear communication, transparency as well as providing accurate feedback to employees to avoid an uprising or conflicts. According to Kotter (2018), there are several ways to ensure that termination or retrenchments are effective. These include, consultation, notice of retrenchment, opportunity for feedback, criteria for feedback and severance pay.

Consultation is defined by Regina (2015) as the process of involving every stakeholder into the decision-making process. Like every other termination or retrenchment each ought to be procedurally and substantively fair. The Labour Act 11 of 2007 calls for all consulting events to attain consensus at the diverse subjects specified. Israelstam (2019), stated that the employer must issue a written notice inviting staff members to consult and provide relevant information after the meeting so that the employer may make its comprehensive decision to carry out retrenchment, and then issue a notice of retrenchment to the affected employees.

Besides consultation, notice of retrenchment is an effective way to retrench, which simply means notifying the affected employees of their impending retrenchment. The Labour Act 11 of 2007 calls for the business enterprise to reveal in writing to the personnel or their unions all applicable records on the motives for the retrenchment, including the alternatives taken into consideration, the quantity of employees possibly to be affected, the proposed approach of selection, and severance pay. Israelstam (2019), anchored the above sentiment that clear alternatives to retrenchments should be considered, approaches for selection as well as attractive packages to employees. Armstrong (2017) reiterated that it is important for organisations to re-employ previous workers should an opportunity arise and to ensure reintegration of previous workers back into the organisation.

After notice of retrenchment, the employees are given the opportunity to provide their own feedback. Employees are given the opportunity to provide their opinion about the retrenchment process, which will allow the employee to provide additional information to the employer (Ahmed, 2018). They can use this opportunity to communicate why retrenchment was the only available option that the organisation had to utilise as a business' sustainability option. Barbera et al. (2017) argued that it is critical for parties to receive each other's perspectives and have a chance to express their concerns regarding condition of employment and labour matter that may lead to retrenchment.

The Namibian Labour Act no.11 of 2007 offers that employer can also additionally select personnel to be retrenched

consistently with the standards they have agreed upon through the consulting parties. If no standards were agreed upon than the choice have to be honest and objective. The LIFO ('last in' – 'first out') foremost is frequently used method, however isn't the most effective one as it can include possible bias (Labor Act 11 of 2007).

According to Mwende (2017), managers need to communicate to remaining employees on a face to face basis instead of memos or emails to cause them to feel grateful and appreciated, valued, and needed. Retrenchment is unavoidable in a few cases, therefore, it is very important to make sure that the right, honest administrative approaches are accompanied by controls to control the process. On the other hand, individuals to be retrenched, change unions, or representatives of such personnel need to be consulted in order that the right date for retrenchment, the repayment required, and a way to reduce the effect of retrenchment on the personnel may be established (Ahmed, 2018).

Challenges faced by remaining employees (survivors) after retrenchments and its impact organizational performance

Retrenchment has a great impact on the work of remaining employees, which ultimately leads to poor organisational performance. Employee punctuality, timeliness, adherence to organisational policy, cooperation, and employee availability at paintings are all impacted (Noe, Hollenbeck, Gerhart & Wright, 2019). Equally essential, surviving personnel are considerably demotivated due to retrenchment in terms of welfare and remuneration. This has an instantaneous impact on worker loyalty to the agency (Cummings & Worley, 2018). Furthermore, fee reduction has an extended-term impact on the exceptional of labor and products.

The insecurity generated by the possible loss of their own employment causes dangerous tension in the stayers within the corporation and there are piercing upsurges in the work surplus, prolonged operating hours and smaller leave days which cause inadequacy and exhaustion (Ahmed, 2018). Retrenched team of workers feel the pain of starvation, deficiency social care, cannot offer the fundamental standard of living support to their households and will want to depend on circle of relatives and friends in particular as denoted in Nigeria.

Challenges faced in organisational performance after retrenchments as well as strategies that can be used to safeguard effective organisational performance after retrenchment should be considered. In the face of technological development, acquisitions deregulation, and the global extremity, retrenchment has become a commonplace practice used to enhance organisational performance (Sengwe, 2015). While retrenchments have become a more common directorial strategy in corporations, their effectiveness in increasing organisational effectiveness is unknown (Ochieno, 2013).

Retrenchment is stimulated by organisational performance, which is not a remote aspect in terms of firm increase and

survival (Kwamboka & Nassiuma, 2017). At the moment, employee retrenchments are related to lower morale, activity dissatisfaction, unproductive comportment, high turnover and absenteeism, all of which have an impact on organisational performance instead of carry discount, accelerated income, and specialised efficiencies of banks and stakeholders (Ahmed, 2018). Furthermore, in the face of technological advancement, additions, deregulations, and the global crisis, retrenchment has become an uncommon practice used to improve organisational performance (Mthembu, 2019).

Organisational retrenchment is becoming no longer an unusual practice, and studies have observed that remaining employees of retrenchments are frequently disregarded in advance than after retrenchment. However, the survivors are the business enterprise's foundation, and the enterprise's profitability is depending on their determination. Retrenchment motives a growth in workload, which motives paintings-associated strain (Kusum, 2004). Personal violations purpose a variety of behavioral modifications and emotional reactions, which have been named "survivors' syndrome" (Leopold & Harris, 2009). Gerber (2010), state that retrenchment embodies emotions of betrayal and mistrust, frustration, and bitterness.

According to Leopold and Harris (2009), survivor syndrome is characterised through pervasive emotions of rage, tension, worry, method lack of confidence, guilt, sadness, and despair. As result, the emotions and feelings can also have a terrible impact on the health of the members that are retrenched which could result in poor organisational performance. Staff retrenchment has an impact on staff that stay with the company. Furthermore, Kwamboka and Nassiuma (2017) contend that employees will experience various emotions due to the retrenchment process. Workers may additionally feel hopeless, irritable, or depressed. Similarly, survivor's syndrome, in line with the literature on downsizing survivors, describes a not unusual place set of signs and symptoms that emerge in laid-off survivors. Among the signs and symptoms and are guilt, anxiety, fear, insecurity, anger, and, in extra intense cases, depression or extraordinary emotional and physical ailments (Titus & Daniel, 2018).

Strategies to sustain/retain effective organisational performance after retrenchment

There are strategies that can be implemented to ensure that retrenchment effects do not have a negative impact on organisations' ability to remain productive and efficient.

Both during and after retrenchment, training has been demonstrated to boost worker performance (Armstrong, 2017). Training programs result in higher levels of satisfaction and increased survivor performance, according to the findings of a study of layoffs in several firms. According to Gerber (2010), persons who do not obtain effective employee assistance programs face penalties. The workers in the programs were dissatisfied with their occupations. As a result, training sessions were undertaken to guarantee that positive

abilities, knowledge, and attitudes were present. Training has been found to have a direct impact on job performance by displaying new job skills or indirectly by lessening the negative effects of layoffs (Cummings & Worley, 2018).

Retrenchment organisations rely even more on remaining employees to take on additional duties, aside from the apparent link between motivation and production. Changes in work procedures, for example, may necessitate greater responsibility and the acquisition of new skills. Following the retrenchment exercise, individual preparation in appropriate programs has been proven to greatly boost performance (Smith & Rutigliano, 2011).

Counselling could be used reduce fear and anxiety cause by retrenchment to assist them to cope with work stress and for motivating and correcting the thoughts and attitudes of survivors (Armstrong, 2017). According to Kotter (2018), the management should maintain open lines of communication within the company to allow employees to express themselves and stay informed. Organisational leaders should define the company's approach and communicate clearly, which includes explaining the company's approach. Noe, Hollenbeck, Gerhart & Wright (2019) underpin this view and argue that after the strategy has been defined, a wide range of retrenchment options may be diagnosed and analysed, and then the changes can be executed. This stage entails enforcing tactics for shortening the life of the corporate enterprise and fulfilling the desires of surviving and departing employees. It is critical to assist not only those who work for the corporation, but also those who depart.

The main reasons or causes of retrenchment

The motivations for downsizing differ greatly among industrial sectors. The reasons for retrenchments frequently include a general business or industry downturn, efforts to improve efficiency, technological changes and automation, competitive pressures (including foreign competition) and deregulation of previously regulated industries, and the belief that a lean staff is the best staff. For some industries, it is a general movement towards a freer market; for others, it is an attempt to downsize an over-staffed bureaucracy; for others, it is the result of a fiscal crisis mandating a significant reduction in government spending; and for some, it is a combination of all of these (Aguinis & Kraiger, 2019).

According to Kassie (2017), whether a business is large or small, employee retrenchment can be used to achieve any of the following goals: to help the business survive a downturn, to improve productivity, to be competitive in the global market, and to improve operating profits by reducing the number of employees (Kassie, 2017). Another reasons for retrenchment is when introducing a new strategy and new technologies to improve productivity, the use of new economic model, hiring of knowledge employees, implementing new organisational structures which are reliant on labour market (Kassie, 2017). Globalisation, deregulation, mergers and acquisitions, technological development, and

rising prices are all factors promoting retrenchment (Shafiq, 2018).

Retrenchment is also vital since it allows for the discovery, articulation, and realisation of possibilities at all situations and at all levels of the system. The rising popularity of global benchmarking is a crucial element leading to retrenchment and discovering that one's overhead expenses are insufficient in comparison to not just local but also worldwide competitors has been transformed into a compelling rationale for laying off a big number of people.

Globalisation is understood as the method of increasing interconnectedness between countries to the point that events in one region of the globe have an impact on people and societies in other parts of the world (Doe, 2019). With globalisation, a decrease in one region of the globe has an impact on other parts of the world's markets and the new age of the capitalist system is defined by fierce worldwide rivalry and state-led industrial liberalisation. As a result, corporations utilise retrenchment to achieve structural simplicity and flexibility, as well as to adapt to increased financial pressures (Nyaberi & Kiriago, 2013).

Globalisation of commercial, cultural, social, technical, and political activity has forced businesses all over the globe to undergo enormous and revolutionary modifications in order to compete effectively (Mthembu, 2019). Mthembu (2019) believes that competitive landscape, market liberalization, shifting consumer demands, and increased efficiency are forcing companies to eliminate wasteful and ineffective activities and focus resources on their core competencies in order to achieve a sustainable competitive advantage. According to Choma and Ramafalo, (2021), corporations retrench in order to remain competitive in an ever-increasing global market. Since a result, it is evident that globalisation is a fundamental force that cannot be ignored, as it provides obvious benefits to a huge number of individuals. Nonetheless, in a larger sense, it endangers life, which means that the impact of globalisation, regulatory norms, and increased corporate competitiveness impacts the workplace and modifies working circumstances for employees.

Economic downturn is another factor that contributes to retrenchment. Organisations are experiencing a difficult time in the present economic climate. Some are fighting for survival, while others are looking for methods to capitalise on opportunities to use their processes, technology, or market positions and grow where others cannot (Olungo & Ukpere, 2021). Economic situations make it incredibly difficult and difficult for organisations to manage their workforces. According to Regina (2015), economic difficulties and uncertain times allow top managers to make difficult judgments when undertaking organisational changes. The economic crisis necessitates cost-cutting measures such as reorganising the organisation and personnel, which may include the forced retrenchment of employees in order to achieve productivity increases (Regina, 2015). Firms conduct layoffs and other types of retrenchment during an economic

crisis, believing that these steps would help them compete better in the end.

The economic crisis necessitates cost-cutting measures such as reorganising the organisation and personnel, which may include the compelled retrenchment of employees in order to facilitate productivity increases (Abolade, 2018). Firms conduct layoffs and other types of retrenchment during an economic crisis, plainly thinking that these steps would help them compete better in the end. According to Jamal and Salisi (2021), retrenchment has been used more than forty years. It was mostly used by organisations facing economic issues in the 1980s and early 1990s. However, since the mid-1990s, it has become a major strategy of choice for a wide range of businesses all over the world (Jamal & Salisi, 2021).

Titus and Daniel (2018) agree that it is a highly unfavourable decision for any organisation and has been extensively implemented in organisations, particularly during economic downturn or re-organisation periods. In the discipline of formalised neoclassical microeconomics, a recession is defined as a decrease in a country's gross domestic product across two or more clearly defined phases (Titus & Daniel, 2018). Economic downturn usually creates unpleasant consequences, such as retrenchment/layoff, and those who remain in organisations must handle more responsibility because roles are frequently shared and expanded (Titus & Daniel, 2018). Isa, Kakkar & Sharma (2016) also assert that economic downturns result in widespread organisational closure, resulting in increased unemployment and insecurity.

Credit crisis, currency dislocations, pay reductions, layoffs, and decreased demand are some of the other global implications of the economic downturn (Francis, 2020). In conclusion, retrenchment techniques appear as being the most usual method taken by firms to cope with economic downturn circumstances, particularly in the near term, including decreasing operational expenses and disposing unimportant assets (Chinedu, 2018).

The administrative influence of the radical transition in technological tools is another cause for the continuous implementation of retrenchment procedures. New technology has opened the road for less labor-intensive production while simultaneously limiting the job options for less trained employees (Ramdhani et al., 2014). Advances in such technologies have resulted in an increasing duplication of the old go-between position of management level group of employees once tasked with gathering, analysing, and transmitting information regarding the organisation (Ramdhani et al., 2014). Technological advancements in the global market have accelerated the rate of retrenchment (Rwelamila, 2021). As technology improves, so do the skills required to stay constantly skilled with the hardware and software (Rwelamila, 2021). According to Ekanem and Umemezia (2019), technical breakthroughs and progress result in increased productivity and the need for fewer personnel. According to Ideh, Okpala & Chidi (2020), an increase in human and technology expenses leads to

retrenchment. Changing technologies alter industries, applications, and consumers, introducing new applications and adjusting existing ones. Evolving technologies can enable new competitors to enter industries and provide new capabilities that challenge established technologies and enterprises.

Doe (2019) believes that organisations must alter in order to survive and succeed in an ever-changing technology world. Cost cutting is another factor that causes retrenchment, the following passages outlines how the cost cutting measures leads to retrenchment. In today's highly globalised economy, organisations have a considerably difficult experience than those in the past to remain cost efficient. Organisations are under pressure to maintain production and running expenses to a low in order to counteract the unpredictable market circumstances for monetary exchange values (Nyaberi & Kiriago, 2013). A confidence in a market-driven system has transformed government policy, and in many nations, labor laws have been relaxed. In other words, by lowering the number of employees, organisations enhance their profits or decrease their expenditures (Nyaberi & Kiriago, 2013). Simplifying all activities in order to produce efficiencies by reducing redundant and unnecessary activities is what cost saving entails. It results in a greater number of positions being abolished. The new organisation is then designed to behave properly and to meet the new organisation's planned objectives (Mthembu, 2019). Local enterprises are forced to become even more effective by becoming smaller as a result of foreign competition. Whenever dealing with economic stress that necessitates the imposition of spending cutbacks, public organisations have essentially two options: first, refuse or delay the cuts, and second, make genuine cuts (Mthembu, 2019).

Organisational decline is another factor that contribute to retrenchment. Massive losses over time characterise organisational decline, which can be a progressive process or a sudden, unanticipated interruption. Significant organisational deterioration leads to a crisis when the firm's viability is challenged (Choma & Ramafalo, 2021). Organisational decline also involves layoffs caused by a decrease in labor demand as a result of a decrease in demand for a company's products or services. According to Olungo and Ukpere (2021), organisational collapse is caused by the decrease in demand for the organisation's products or services, which results in financial difficulties and even insolvency. Organisations that are mature or in decline are more prone to retrench (Regina, 2015). Firms suffering poor performance generally turn to downsizing as their primary recovery approach. Declining enterprises with exceedingly bad performance are more likely to confront severely constrained internal resources and, as a result, will be more inclined to retrench (Abolade, 2018). In this situation, retrenchment happens as a fast solution to postpone closure or bankruptcy. As a result, it is viewed as a means of delaying the unavoidable. Experts think that retrenchment is triggered by a desire for efficiency and productivity, whether in reaction to

organisational collapse or as a method to increase corporate profitability in non-decline situations (Jamal & Salisi, 2021). The following passages explains how privatisation causes retrenchment.

Today's society is evolving at a fast pace, and the environment wherein organisations function is marked by insecurity as a result of, among other things, restructuring and privatisation (Titus & Daniel, 2018). Privatisation occurs when organisations move ownership and operations from the state to private companies (Titus & Daniel, 2018). Privatisation is thought to be another source of retrenchment (Francis, 2020). According to the author, one of the primary purposes of the privatisation hypothesis is to enhance output through improving worker performance. However, this is not always the case, since the new owners of the privatised firm keep just a portion of the government employees and dismiss the others (Francis, 2020). In this case, private entrepreneurs therefore look for opportunities to reduce employee numbers and sometimes even close or sell off operations (Francis, 2020).

Ethical Considerations

Ethical considerations were considered during exploration of secondary data collection as well as analysis and interpretation, given its sensitivity. This study adhered to all of the applicable moral principles, considerations, and hints which are anticipated of each person carrying out a study, consisting of acquiring permission from appropriate authorities, consisting of WordPress Namibia.

The purpose of the study was communicated to participants. The consent settlement paperwork could be dispensed to all contributors. This paperwork dealt with all applicable moral concerns, consisting of consent, knowledgeable consent, dangers and harm, confidentiality and anonymity, voluntary participation and withdrawal, and participant respect (Leedy & Ormrod, 2016). Furthermore, the assurance was made that the participants' responses are dealt with confidentiality and anonymity, that their participation is voluntary, and that they could withdraw from the study at any time. Participants were also informed that the data collected would be used completely for study purposes, that it would be saved securely, and that it would be discarded (Saunders, Lewis & Thornhill, 2019). Hence, this voluntary process did not infringe on the rights of any respondents.

III. RESEARCH METHODOLOGY

Research design and approaches

This research provides a framework of research techniques and methods selected by the researchers to obtain primary data on the impact of retrenchment on WordPress Namibia Limited. The research design allowed the researchers to implement research methods that are suitable to the study by providing answers on the research questions. Saunders, Lewis & Thornhill (2019) and Daniel (2016) stated that research design can be broadly categorised into qualitative, quantitative, and mixed research design. This study used a

mixed research design, this means integrating both the qualitative and quantitative methods into a single study. Using a mixed research method enhanced understanding the impact of retrenchment on organisational performance thereby strengthening the research findings.

The WordPress Namibia in Windhoek employs a total of 80 permanent employees, who was the study's target population. A target population identified for this study is made up of all the items, people, or events that the researcher is interested in to allow for the collection of important data from the target audience. Purposive sampling was used to select five (5) participants for interviews, which mainly focused on selecting participants based on their knowledge and professional judgment, because the researchers have to rely on their own judgement. Hence, five (5) employees in management positions were selected for interviews. Quantitative data was collected using research questionnaire and the sample size was 39 respondents. The researchers used both open-ended and closed-ended question of the questionnaires. Closed-ended questions were used to offer unique and particular statistics, while open-ended questions were used to permit for the expression of private evaluations and feelings. Questionnaires are remarkable device due to the fact they are able to without difficulty obtain records for big samples, store time, keep confidentiality, and dispose of the opportunity of interview bias.

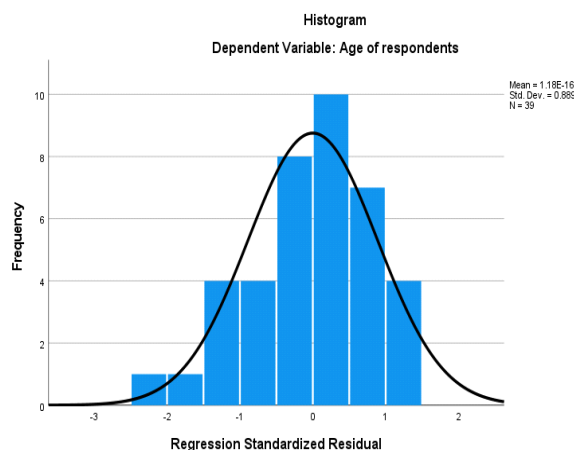
Data analysis

The data collected for this study was analysed and presented using descriptive and deducible statistics to gain applicable answers to the study's exploration questions. For analysing the research questions, descriptive statistics in the form of simple probabilities, frequency distributions, weighted pars, and standard divagation was used. Grounded on the nature of the data collected through exploration instruments, the research objects were tested using deducible logical tools similar as ki-forecourt, t- test, and Pearson's Product Moment Correlation (PPMC) (Leedy and Ormrod, 2016). This study also used SPSS version 25 because of its high descriptive and multivariate statistical power for quantitative data analysis. SPSS were applied because minimal statistical knowledge is needed to manipulate the software and it is suitable for smaller samples and still have confidence in the research results. SPSS was easy for the researcher to learn, and it has a powerful user interface which makes it easier to interpret the results. Data collected was captured into Excel Sheet then loaded into SPSS, cleaned to remove errors and data was analysed using frequencies and presented in the form of tables and figures. The time required to analyse data using SPSS was minimal, and the software can successfully analyse both quantitative and qualitative data. By determining the common, mode, and percent of the collected records, data analysis safeguards descriptive records.

Research results and findings

Out of the total employees (44) selected for data collection, five (5) employees were at managerial level, while thirty-nine (39) employees were at lower levels. The researcher did not experience any refusal, all the employees cooperated and responded very well. It is always important that before the researcher could start with the analysis. A test was done to determine if data is normally distributed and one of the methods to do the test is to create a histogram or a P-P Plot. A symmetrical distribution occurs when the values of variables appear at regular frequencies and often the mean, median, and mode all occur at the same point.

Figure1: Normal distribution histogram.



Source: Primary data collection (2022)

If a line were drawn dissecting the middle of the graph, it would reveal two sides that mirror one another. This is what exactly presented by figure1 below, the distribution is falling between -3 and 3. The standard deviation shows that there is not much of a deviation of the sample population from the true population mean, the standard deviation is 0.8.

Results from the interviews (qualitative data)

The following section presents qualitative study results obtained from the interviews conducted with five employees at the managerial level.

The relationship between retrenchment and organisational performance

The study sought to determine the relationship between retrenchment and organisational performance. The managers were asked during the interviews if the retrenchment which had occurred had affected the performance of the organisation. The results revealed that Retrenchment at WordPress helped reduce the cost of doing business thus gave the company a chance to get itself out of the financial crisis. One responded stated that retrenchment was used to avoid liquidation of the company and although the process disappointed the employees, the company is in a better

financial position than it was before the retrenchment occurred. The respondent stated the following:

WordPress Namibia Limited has experience retrenchment which was primarily used to free a company from commercial attachments that are not performing as well as expected. These risky investments eventually outperformed them. WordPress Namibia Limited began reducing the number of employees to avoid having to close the company, beginning with reducing the number of positions introduced, which resulted in disappointment. In any case, eliminating redundant involvement is one method of enforcing a cost-effective relationship between the company and its employees. (Respondent 1)

During the interviews, it became apparent that retrenchment at WordPress helped improve the service delivery. One respondent revealed that retrenchment had helped improve the organisational performance and it became easier to address the challenges at the company. This respondent stated the following:

As projected by the organisation retrenchment Improves service: Because that appears to be the goal, performance naturally improves following the retrenchment. Getting rid of redundancies makes problems much easier to handle because it reduces monetary losses. Salaries are frequently reduced to the bare minimum during times of adversity. As a result, employees scramble from pillar to post to resurrect the company's failing health and restore the pay scale. It is ultimately the responsibility of the employees to look after the company. As a result, the service from their end must undoubtedly improve, or else the next round of retrenchment will fall on their shoulders. (Respondent 2)

The retrenchment process seems to have negatively affected the moral and motivation of the employees who seem to work out of fear rather than real interest for their work. The employees are worried about their job security as they know that they will not be spared in the next round of retrenchment. In support of this finding, one respondent stated the following:

As much as WordPress Namibia had good intentions by Keeping everyone on their toes: It goes without saying that a new round of layoffs will keep everyone on their toes. Employees understandably were so worried about the possibility of future workforce reductions. Employees are on high alert because they are afraid of being fired if they do not perform satisfactorily. They cannot afford to be liberal in their working methods when there has previously been a retrenchment. So, these are some of the positive ways that retrenchment can improve organisational or company performance with just a word or two of motivation from the employers. WordPress noticed tremendous performance and behaviour deep in the employees which resulted in drop revenue and company shares, subsequently as we thought this would

improve the financials of the organisation, it ended up suffering financial loss (Respondent 3).

Strategies to sustain/maintain effective organisational performance after retrenchment.

The study sought to determine the strategies that can be used to safeguard effective organisational performance after retrenchment. During the interviews the respondents were asked about the strategies that the organisation can use to ensure effective organisational performance after retrenchment. Several strategies were suggested for instance one respondent suggested that the employees need to be trained and counseled to help boost their morale and motivation, this particular respondent stated:

Because of the impact on the morale of the remaining workforce, retrenchment poses a greater threat to the performance of any organisation. For organisations to remain proficient and well-organized, strategies such as training, counseling, and communication must be implemented to ensure that retrenchment effects are not catastrophic to the organisation. (Respondent 4)

Employers need to engage their employees through effective communication to ensure that all employees get the necessary support. Issues that lead to a feeling of job insecurity and low work morale need to be dealt with. Therefore, support structures and honest communication will help ensure effective organisational performance after retrenchment. This was suggested by one respondent who stated the following:

To begin, organisational leaders must define corporate strategy and communicate clearly, for example, by clarifying the organisation's strategy. This is a common misunderstanding. Second, assess retrenchment alternatives and make appropriate decisions. Once the strategy is in place, the full range of retrenchment options can be identified and assessed. Finally, the changes can be put into effect. This stage entails putting methods in place to reduce the organisation's size and, finally, addressing the needs of survivors and those who leave. It is critical to support both those who remain and those who leave the organisation. Finally, stick to your expansion plans. The final stage of retrenchment entails putting in place a process of organisational renewal and growth. (Respondent 5).

The study found that organisations need to create trust between management and the employees by ensuring that proper retrenchment procedures are followed and that the retrenchment process is done according to the law.

Results from the quantitative data collected

The impact of retrenchment on employee and organisational performance is illustrated in Table 1. The responses from the employees are presented with the statements in Table 1 below, using the Likert scale of 1 to 5 (1 = Strongly disagree, 2 = Disagree, 3 = Undecided, 4 = Agree and 5 = Strongly agree).

Table 1: Impact of retrenchment on employee wellbeing and organisational productivity

Statement and count	No	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree
Communication/engagement before retrenchments. Count	100%	46.2%	51.3%	2.6%	0	0
	39	18	20	1	0	0
Information received through rumours. Count	100%	0	0	5.1%	53.8%	41%
	39	0	0	2	21	16
Employees live in fear after the retrenchment process Count	100%	0	0	0	53.8%	46.2%
	39	0	0	0	21	18
Retrenchment increases workload Count	100%	0	0	0	56.8%	43.2%
	39	0	0	0	22	17
Negative effect of retrenchment on loyalty and commitment Count	100%	0	0	0	56.8%	43.2%
	39	0	0	0	22	17
Retrenchment leads to excessive working of overtime Count	100%	0	0	0	56.8%	43.2%
	39	0	0	0	23	16
Retrenchment increased productivity at work Count	100%	38.5%	23.1%	5.1%	15.4%	17.9%
	39	15	9	2	6	7
Feel motivated after retrenchment Count	100%	53.8%	46.2%	0	0	0
	39	21	18	0	0	0
Retrenchment increased stress at work Count	100%	0	0	0	51.3%	48.7%
	39	0	0	0	20	19
Retrenchment was forced or imposed on employees Count	100%	0	5.1%	15.4%	46.2%	33.3%
	39	0	2	6	18	13
Employees feel traumatised at work after retrenchment Count	100%	0	0	10.6%	46.2%	43.2%
	39	0	0	4	18	17
Job security is threatened at this organisation Count	100%	0	0	10.6%	46.2%	43.2%
	39	0	0	4	18	17
Want to leave the organisation for another job Count	100%	0	0	0	51.3%	48.7%
	39	0	0	0	20	19
Feeling of relieved when I was informed that I was not going to be retrenched. Count	0	0	12.8%	15.4%	25.6%	46.2%
	39	0	5	6	10	18
Employees affected mentally and emotionally Count	100%	0	0	0	48.7%	51.3%
	39	0	0	0	19	20
I got support from the organisation to cope with the effects of retrenchment Count	100%	59%	41%	0	0	0
	39	23	16	0	0	0

Ideally, any retrenchment process has to start with consultations between the employer and employees to explain the purpose of the whole process and get the buy-in and acceptance of the employees. However, the findings from the data collected revealed that a vast majority of respondents (20) (51.3%) disagreed, (18) (46.2%) respondents strongly disagreed that there was a prior and a clear communication and employee engagement on the retrenchment process before it was applied. The remaining one (1) (2.6%) respondent was undecided. A majority of the employees agreed that they only

heard about the imminent retrenchment through rumours as 21 (53.8%) agreed, 16 (41%) strongly agreed while only 2 (5.1%) were undecided. According to Table 1, a vast majority (21) (53.8%) of respondents agreed that they lived in fear after the retrenchment process, whereas eighteen (46.2%) indicated that they strongly agreed. The participants were asked if the retrenchment increased their workload and working hours. A majority (22) (56.4%) of respondents agreed that the retrenchment has increased their workload and working hours, whereas the remaining seventeen (43.6%) indicated that they

strongly agreed. It simply means that the reduction in workforce or man power has increase the workload and working hours at WordPress Namibia Limited.

The study found that retrenchment reduces employee loyalty and commitment as twenty-two (56.4%) of the respondents indicated that they agreed and seventeen (43.6%) of the respondents strongly agreed. The data collected also revealed that a majority (59%) of respondents agreed, while sixteen (41%) indicated that they strongly agreed, that due to retrenchment, the remaining employees are working overtime in order to meet the production targets. Table 1 indicates that the retrenchment was forced on the employees as 53.8% strongly agreed, whereas 46.2% agreed. It is evident from the data collected that the retrenchment process did not increase the productivity within the organisation as 61.6% (24) respondents disagreed that the productivity has increased, whereas 33.3% (13) employees strongly disagreed. It is much inferential from the data collected that the reduction in manpower the levels has negatively affected the productivity and organisational performance. This situation could have been caused by the loss of critical skill and poor planning of the retrenchment process. It was also found that the management has added additional workload and hours to the work of retained employees to address the challenges faced in production levels, which resulted in imbalance of work life and family time for employees.

Table 1 indicates that a vast majority of respondents denied that they felt motivated to work hard and produce more after the retrenchment process as a majority (21) (53.8%) of respondents strongly disagreed, while eighteen (46.2%) disagreed that they felt motivated after the retrenchment process. The data collected revealed that a vast majority (51.3%) of respondents agreed and 48.7% strongly agreed that the retrenchment led to work stress. It is also evident from the data collected that the retrenchment was forced or imposed on the employees as a vast majority (31) (79.5%) of the respondents agreed/strongly agreed. The remaining six (15.4%) indicated that they were undecided, whereas two (5.1%) respondents disagreed. It is much inferential from these results that the retrenchment process did not follow prescribed retrenchment procedures in accordance to the Labour Act 2007. Most of the respondents (35) (89.7%) felt that they were traumatised at work due to the retrenchment, whereas the remaining four (10.3%) are undecided.

The data collected revealed that a vast majority of respondents 20 (51.3%) agreed and 19 (48.7%) strongly agreed that they felt like their security was threatened at work. They also indicated that they will leave the organisation if they get an opportunity elsewhere as the majority 20 (51.3%) agreed while 19 (48.7%) indicated that they strongly agreed. Table 1 indicates that a vast majority of respondents felt that the retrenchment process has affected their mentally, emotional and physical wellbeing as 20 (51.3%) of the respondents agreed 19 (48.7%) strongly disagreed. The data collected also revealed that the organisation did not provide any support to

the surviving employees to cope with the effects of retrenchment.

IV. DISCUSSION OF FINDINGS

The WordPress Namibia Limited retrenched its employees in 2020 to improve productivity, save cost and to increase operational efficiency. However, the findings of this study revealed that the retrenchment process had a variety of detrimental effects on employee wellbeing and organisational productivity/performance.

During a retrenchment, top management is responsible for ensuring that the retrenchment is both aligned with long-term organisational goals and appropriately managed. In fact, a clear quarterly and long-term strategic plan must be in place, with retrenchment clearly stated, to ensure that all activities are carried out according to plan, that all employees are informed, that the organisation continues to aggressively pursue its mission, and that survivor employees are given the necessary support.

Communication is very important during a retrenchment as it is used during the consultation between the employees and the employer. The employer can use communication to explain the objectives of the retrenchment and thereby help the employees understand and accept the retrenchment process (Simiyu & Auka, 2018). However, the data collected revealed that the retrenchment process was not well planned and not well communicated in advance with the employees to get their buy-in and acceptance of the process. In this context, Eisenberg (2016) argues that communication is very important, as it is the exchange of written, oral and other forms of information within an organisation, and that the factors in the communication process affect the communication's quality.

A vast majority of respondents revealed that the employees first learned about the looming retrenchment process through rumours within the organisation. Harrison (2015) affirmed that rumours are unofficial type of communication of either true or untrue facts between two or more people. Therefore, it could be concluded that some flaws in the rumours on retrenchment have harmed the efficacy of communication, and it did not assuage employees' concerns about job security, but rather creates uncertainty.

The findings of this study revealed that the employees have lost complete trust and faith in the top management, which has affected detrimentally employee commitment and productivity. The retrenchment process at the WordPress Namibia had a tremendous impact on workplace dynamics as job commitment, team spirit, motivation and job security were all negatively impacted. It is evident from the results of this study that the top management failed to effectively manage the retrenchment process, leaving the survivors in fear, demotivated and demoralised. It is also inferential from the data collected that the retrenchment process has increased the working hours and workload of the remaining employees for the company to meet the production targets. This situation has

caused that most of the employees experienced burn-out and their work life balance and family life time was also affected negatively.

The survivors are the backbone of the organisation and organisation's profitability depends on their commitment. However, the findings revealed that a survivor syndrome occurred after the retrenchment, in which individuals who survived feel guilty for having survived and they become demotivated and worried, and develop feelings of ineptitude and stress. It is also inferential from the results of this study that the company did not do anything to assist or support the survivors to cope with the situation after retrenchment. According to Vermeulen (2010) fairness of the retrenchment method has a significant impact on survivors' mindset and behaviour, because the surviving employees are more likely to react positively if they believe their retrenched colleagues were treated fairly, received an adequate severance package, were given clear explanations, and were given the opportunity to appeal. As a result, organisational justice is critical at some point throughout the retrenchment process.

The data collected from the management revealed that the main concern and the reasons for retrenchment are cutting cost, improved productivity, and increased profitability of the company. However, the participants in this study had differing perspectives on the usefulness of retrenchment as a means of increasing profitability. The management construed retrenchment is the sole cost-cutting strategy, whereas the employees at lower levels affirmed that retrenchment has a negative influence on their wellbeing and productivity. Some managers pointed out that the poor general economic performance cannot be directly related to retrenchment, whereas the others affirmed that there are no indicators that can be used to assess the impact of retrenchment on profitability growth of the company. The findings of the data collected indicates that counselling is another critical strategy to assist the remaining workforce in dealing with the tremors of retrenchment and fears that it would happen again in the future. In many cases where retrenchment is consistent, the outstanding workforce become even more pretentious, and counselling is required for them to cope with the work.

V. CONCLUSION

The researchers conclude that the retrenchment process conducted at the WordPress Namibia Limited had a negative impact on the wellbeing of employees and productivity within the organisation. The findings revealed that the working environment was no more conducive and insecure, which caused anxiety and demotivation in the organisation. The retrenchment resulted in increased workload, extended working hours, fewer leave days and employee burn-out. Furthermore, the study concludes that retrenchment had a significant impact on workplace dynamics, as job satisfaction, trust, job commitment, and team spirit were all negatively impacted.

WordPress Namibia Limited intended to boost the revenue generation through retrenchment, but it actually resulted in decreased revenue and slumped in the company shares. For the organisation to remain proficient and well-organised, strategies such as training, counselling and communication must be implemented to ensure that retrenchment effects are not catastrophic to the organisation. Retrenchment is a part of organisational change and such changes are normally resisted by employees. Therefore, there must be an organisation's strategy in place for its action to be fruitful. The findings revealed that communication is essential for mitigating the negative effects of job insecurity and low employee's morale, and that management must maintain open lines of communication within the organisation, for employees to be able to discuss their emotional states and become well-versed in matters surrounding planned retrenchment (Billier, 2014).

Successful implementation of any retrenchment process could be achieved through effective planning, focussed on the long-term view and consideration of key strategic capabilities within the organisation. The management should have tried to maintain productivity at all times and structure the retrenchment process is such a way to ensure profitability of the company. Although an overstaffed industry is unproductive and inhibits economic growth, unemployment caused by retrenchment has a negative impact on the national economy as well. Not all retrenched employees have outmoded skills. Many people have the potential to contribute to our economic development (Hehn, 2016).

VI. RECOMMENDATIONS

The researchers make the following recommendations based on the best practices in retrenchment processes and the summary of key findings.

- After retrenchment process, the remaining employees should be supported through counselling and training to mitigate the impact of retrenchment which will eventually cascade to poor organisational performance. Counselling, in addition to communication, is critical in assisting survivors in dealing with the shock of layoffs and any concerns they may have about their future in the workplace. In most cases, the remaining employees are impacted even more, and counselling is required to help them cope with work stress. Counselling is critical for motivating and correcting thoughts and attitudes of employees because of the uncertainty that looms in the employee's work life.
- Unhappy employees have always a negative impact on organisational performance, therefore, the management should think about permitting voluntary layoffs in the future by providing appealing severance pay-outs to employees as a motivation. The financial management team must ensure that the packages do not worsen the company's financial situation. In the case of forced retrenchment, a clearly stated reason as well as an acceptable

retrenchment strategy must be provided to allow employees to come to terms with the retrenchment/layoff process (Bergström & Arman, 2016).

- Armstrong (2017) suggested that training the employees after retrenchment help improve their performance, instead of forcing employees to be effective. Cummings and Worley (2018) cited that training has been found to have a direct positive impact on job performance and can also lessening the negative effects of layoffs.
- Employee consultation prior and during the retrenchment is essential and must be an ongoing process to ensure that a consensus is reached between the employer and employees even before the retrenchment has taken place. Consulting the employees means that the organisation is being forthright with its decision to retrench, and employees will understand the organisation's decision. Israelstam (2019) underpinned this view and further stated that the employer must issue a written notice inviting staff members to a meeting for consultation and provision of relevant information based on the purpose of retrenchment.
- Retrenchment has an impact on trade unions as well, as it is perceived as undermining their strength. As a result, trade unions are hesitant to accept redundancy and may agree to job sharing or cooperative formation in order to protect their members' right to work. All reasonable measures should be taken to avoid retrenchment, and close union consultation should be held at all phases, according to trade union cooperatives.
- Outplacement additionally called 'profession transition' is one of the best methods to assist retrenched people to discover a new activity. These packages might also additionally consist of man or woman counselling on their social wellness after retrenchment in addition to financial counselling. Retrenches will also be given education on a way to grow to be success activity seekers through coaching them to discover their competencies and abilities, in addition to growing marketable curriculum vitas. Outplacement packages may additionally consist of presenting recommendation to retrenches on a way to address anger, depression, stress, grief or lack of shallowness related to activity loss. Some retrenching companies normally keep outplacement presents to offer retrenches with help after that have bodily left the organisation.
- Before embarking on a retrenchment exercise, an organisation must demonstrate beyond a reasonable doubt that it is truly necessary to do so, as well as explore alternatives to job losses, such as hiring freezes, enforcing retirement ages, reducing employee hours or salaries, and ceasing to use

contract workers, among other options. The retrenchment exercise must also be based on gathering important facts as well as understanding the legal, economic, and even political climate in which the organisation operates. As a result, businesses must obtain information on problems such as worker rights and employer responsibilities in relation to the retrenchment process.

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