

**FACTORS INFLUENCING EMPLOYEE SATISFACTION
AND HOW TO RETAIN EXISTING EMPLOYEES
AFTER THE BANK'S DOWNSIZING**



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**A THEMATIC PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENT FOR
THE DEGREE OF MASTER OF MANAGEMENT
COLLEGE OF MANAGEMENT
MAHIDOL UNIVERSITY
2019**

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Thematic paper
entitled
**FACTORS INFLUENCING EMPLOYEE SATISFACTION
AND HOW TO RETAIN EXISTING EMPLOYEES
AFTER THE BANK'S DOWNSIZING**

was submitted to the College of Management, Mahidol University
for the degree of Master of Management

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ACKNOWLEDGEMENTS

This thematic paper would not have been completed without the guidance from my advisor, Asst. Prof. Winai Wongsurawat. I would like to express my sincere gratitude for your great advice and encouragement throughout the research process.

I would like to thank my family, who gave me the opportunity to pursue my master degree at College of Management, Mahidol University. Thank you for all caring, understanding and supporting to keep me energized and motivated.

My appreciation also extends to all faculties, who have enlightened me the valuable knowledge and experience from all courses.

Additionally, I am thankful to all my friends for getting through the group work together. Without your cooperation, I would not have been successful as today.

Finally, I am very grateful to my company for being my inspiration for the topic of research and also all 4 interviewees, who took their valuable time to share their ideas and experience for my research.

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ABSTRACT

The purpose of this research is to understand the key factors that influence employee satisfaction after the bank's downsizing so that the bank can take the right action to keep valuable employees to work longer. The factors were identified by reviewing the theory of Maslow's Hierarchy of Needs and collecting the information from the past researches. The qualitative research methodology has been used by in-depth interview with 4 employees, who have different ages, teams and working years.

The results revealed the correlation between factors from literature review and information from the interview that the bank should prioritize and take action to 3 factors driving employee satisfaction and decision to work longer after downsizing, which are compensation, work relationship, and work itself. The recommendations for existing employee management have been provided based on the insight found from in-depth interview with the employees.

Although the research is originally from the real case of ABC bank that the writer is working for, the writer believes that this case could happen in some other companies and really hopes that this paper can be applied for the benefit of human resources management after downsizing in many business industries.

KEY WORDS: Downsizing/ Corporate Downsizing/ Employee Satisfaction/ Staff Satisfaction/ Employee Retention

32 pages

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CHAPTER I

INTRODUCTION

Nowadays, there are intense competitions in every industry in the business world. The stronger ones, who have high competitive advantage, could defeat in the battlefield. To survive in the high competitive market, some businesses use growth strategy such as diversification, product development, market penetration and market development in order to provide more valuable products or services to the customers. But some businesses use cost reduction strategy by cutting unnecessary cost, eliminating the non-profitable business unit and focus on the business unit that could make money in order to strengthen the products or services to the customers and grow stronger.

In Thai banking industry, the competition is very intense among local and foreign banks. Not only competing with existing players in the industry in term of providing superior products and services, but every bank is also struggling with the arrival of digital transaction. The E-banking war becomes intensive when many banks announced the cancellation of online transaction fees in 2018. People can transfer money, pay the bill, fill up money for mobile phone and withdraw money via application without transaction fee. This means that all the banks are losing their huge revenue, which is mainly from transaction fee. People would prefer to do online transaction via E-banking rather than go to the branches. Some large local banks reveal that they could make money on investment fee, interest and other financial services to compensate what they lose from transaction fee. While some other banks have to tackle with this problem by closing down the branches.

ABC bank is the bank that the writer has been working for almost 4 years. It is one of the foreign banks, who has been struggling in a difficult situation competing with large local banks for many years. Finally, there was the announcement from management to all employees in December 2016 that the bank had signed agreement to transfer retail business to DEF Bank in September 2017. As

part of ABC Bank's global restructuring, we eliminate not profitable units and strengthen our potential ones. In Thailand, retail banking business has high competition among large local and foreign banks. Instead of competing in retail business with powerful local banks, we would rather focus more on corporate, commercial and institution banking businesses. Therefore, all 27 branches were closed down.

Since the scope of work was reduced, downsizing was unavoidable. The bank had deliberate decision to implement downsizing strategy by reducing the number of workforce to save the cost and expense in order to optimize the resources and improve the company performance. By December 2017, the bank had laid off approximately 1,300 from 2,100 employees. Even though the bank had to pay a large number of severance package for unemployment, we expect to be more profitable and survive in the industry for the long run.

In term of financial consequence, it was obvious that ABC bank gained profit from selling retail business by 2,323 million baht in 2017. In the following year, the bank had increased earning per share by 0.46 and profit by 450 million baht, which was resulted from higher performance on net income, gain on trading and investment and lower operating expenses. The financial result was quite satisfactory.

In term of non-financial result, it becomes unfavorable. Although the management convinced us that all remaining employees can work regularly and there was no plan for another layoff, there were always rumors among employees that another shock will definitely occur in the near future. Many employees felt depressed and had low morale after their colleagues were laid off. Also, they felt insecure in their job and started looking for new opportunities in other companies. From my observation, 20 employees in my central finance department were laid off from 50 employees. Moreover, 4 and 7 people in my department voluntarily resigned after the announcement in 2017 and 2018, respectively

Regarding the result of My Voice survey of 2018 which has been completed by 98.5% of ABC bank's employees, it is shown that the majority of employees have experienced positive emotions toward the bank with "Happiness" and "Contentment" sitting among the top scorers. Nevertheless, "Anxiety" has weighted down the positive tone. It is very interesting to explore that why employees have

anxiety working at ABC bank, what the root cause is and what the action plans the bank can do to mitigate that anxiety.

In my opinion, the positive financial performance is the short-term outcome. We cannot only consider it as key indicator for the success of downsizing. The most challenging thing is on existing employees, which is the key driver for business performance in the long run. Employee is one of the important resources for the company. If there is no employee, the company cannot operate either. If the scale of employee satisfaction in the company is low, this could result in work efficiency and business performance also. To measure the success of downsizing, the existing employee satisfaction should be taken into account also.

The objective of this paper is to explore the factors or concerns that layoff survivors have after the company's downsizing so that the company knows exactly what actions have to be done in order to retain those valuable existing employees to work longer with the company. This leads to the research question that "What are the factors influencing employee satisfaction and how to retain existing employees after the bank's downsizing?".

In this paper, the factors or concerns that layoff survivors have after the company's downsizing are identified by collecting and reviewing information from the past researches and theories. After that, qualitative research methodology has been used by in-depth interview with 4 employees who have different ages, teams and working years with ABC bank to see different points of view. In the end of this paper, the findings analysis and conclusion has been summarized the alignment between the factors from literature review and information obtained from the interview. In addition, the recommendation for existing employee management after downsizing has been done based on the insight found from in-depth interview with the employees.

Although the research is originally from the real case of the bank that the writer is working for, the writer believes that this case could happen in some other companies and really hopes that this paper can be applied for the benefit of human resources management after downsizing in many business industries.

CHAPTER II

LITERATURE REVIEW

2.1 Definition of Downsizing

Before we explore in-depth on influencing factors on employee satisfaction after company's downsizing, it is essential to understand clear definition of "Downsizing" first.

Decenzo and Robbins (1999) described downsizing as the process of restructuring the organization that results in the organization reducing its number of employees in an effort toward making the organization more efficient.

Malik et al. (2010) also provided the definition that "Downsizing is a strategy that has been used more regularly in recent years to respond to different competitive environments. It is a form of reorganization or restructuring companies through which carry out improvement in work systems, redesign organization and establishing adequate human resources to maintain business competitiveness."

This form of restructuring is implemented when the companies are facing the challenges such as economic downturns, increased competition, external threats, or internal inefficiencies. (Gandolfi and Hansson, 2015)

From the definition, it is certain that there will be the after-effects of downsizing on existing employees' satisfaction. Let's examine more on employees' concern that have an impact on their satisfaction to work for the company.

2.2 Compensation

One of the primary employee satisfactions is the compensation. If the employees are satisfied between what they receive and what they contribute to the job, they are more likely to work longer at the company.

Maslow (1954) explained the basic concept of "Hierarchy of Needs" in Theory of Human Motivation that he developed in 1943. This is also applicable to the

working world. 5 levels of human needs consist of physiological needs, safety, belongingness, esteem and self-actualization. The lower level needs must be met before higher level needs. Financial compensation helps the employees meet their physiological needs in work context.

Pfeffer and Lawler (1980) concluded from his survey that increases in salary are associated with greater job satisfaction and higher intention to stay with the organization. Moreover, Reichheld and Detrick (2003) revealed that employee retention in Northwestern Mutual is high as 96% because of pay and benefits given as the best in the industry.

2.3 Job security

Job security or job stability is one of the basic needs of every employee. They may feel anxious about the future of their own jobs when the company is struggling in difficulties.

Regarding “Hierarchy of Needs”, the second level of need is safety. (Maslow, 1954). This is physical and mental safety. When employees feel physically safe in work environment and also have job security, they are satisfied at work.

Borg and Elizur (1992) indicated that job insecurity influences the evaluation of all the aspects of job and company. When the company makes employees feel confident in their job security, they tend to have more commitment and satisfaction working with the company. (Gholamreza et al., 2011)

2.4 Work relationship

This factor covers peer relationship, superior support and team management. The employees could work at one place for a long time if they have good relationship with their colleagues and bosses.

Refer to “Hierarchy of Needs”, the third level of need is belongingness. People want to be loved and have society. (Maslow, 1954). Kressler (2003) explained that when physiological and security needs are fulfilled, then employees are motivated

to have community spirit. This can be in the form of positive relationships with co-workers and supervisors in the organization.

Süß and Kleiner (2010) revealed in their study on commitment and work related expectations of German IT Freelancers that positive relationship with colleagues and managers promote commitment among employees. Jaramillo and Mulki (2008) revealed in their sales effort study that the leader has an impact on their subordinates' performance. The leader, who always gives support, can be a good motivator to their subordinates. And this leads to higher sales force efforts. Ng and Sorensen (2008) also found that 90% of supervisor support and 85% of perceived coworker support have impact on work attitude and related to turnover intentions significantly.

2.5 Recognition

The employees take recognition as their feelings of appreciation and value. When they get acknowledgement, their morale get boosted up which have an impact on productivity.

Maslow (1954) explained that the fourth level of "Hierarchy of Needs" is esteem. Esteem needs can manifest through gaining self-confidence, dignity and being acknowledged and esteemed by others in the workplace. (Kressler, 2003)

Kini and Donahue (2005) revealed his survey result that the factor that the employees valued most for recognition was "managerial support and involvement", which could be done by asking their opinions, engaging them in decisions, giving them autonomy to do their jobs and supporting them when they make mistake. Moreover, employees want basic praise. It can be in many forms such as personal, written, public and electronic praise. And none of them costs the money.

Deeproose (1994) also supported that providing employee recognition can enhance the employee motivation and productivity. Ultimately, it will result in improved performance of organizations.

2.6 Career development

Most employees aim for career development. When they work for a period of time, they are looking for more challenging work and learning to develop themselves. Also, they are more likely to seek for promotion either within company or outside company.

Maslow (1954) defined the highest level of “Hierarchy of Needs” as self-actualization. People desire to understand and acquire wisdom. And they need to grow and develop themselves and fully use their talents, capacities and potentialities.

Kressler (2003) highlighted that training and development are essential investments in enhancing worker competence. And they are important motivators for workers also. Moreover, they make the company attractive for the talented people to join.

Moreover, Moncarz et al. (2009) revealed in their study on hotel and lodging companies in US that promotion have positive impact on employee retention of both management and non-management employees.

Furthermore, Gandolfi and Hansson (2015) indicated that the company could provide training for survivors to mitigate negative effects after downsizing. This will make existing employees perceive that the company value and invest in them by getting them trained.

2.7 Organization

One of the key factors for employee’s decision to work for a company could be organization. Bakotić (2016) revealed the results of his study confirmed that there is the correlation between organizational performance and employees’ job satisfaction in both directions. However, the relationship between job satisfaction and organizational performance is stronger than the previous one.

Bowen (2000) highlighted about organizational pride that when employees feel good about what they are accomplishing as individuals and as a group for the company, they are motivated to do more. Employees’ organization pride is exhilarating. It is good for business as it increases productivity and improves quality.

2.8 Work itself

All employees need to be communicated about their roles, responsibilities and expectations properly. If they are not clear about what is expected, they may feel discontented and dissatisfied.

Kini and Donahue (2005) explained that when employees understand how what they do drives the company's objectives and contributes to business success, they will find their jobs meaningful and be motivated to work. Furthermore, Bowen (2000) revealed that configuring proper job design and job responsibilities is effective method for communicating how employees' contribution goes to ensure the success of the company. If they have clarification on job contents and goal, they will have more positive attitude towards their work.

Moreover, Tang and MacDermid (2010) highlighted in their research on work flexibility of U.S. employees that a large majority of employees place high value on flexibility at work. But some employees who do not have the flexibility, they need to manage their lives at and away from work.

Decenzo and Robbins (2001) revealed the survey result of more than 2,000 college students and recent graduates. When asked what they value most in their career decision, 42 percent chose balancing work and personal life, while only 26 and 23 percent chose compensation and advancement potential, respectively.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research design

The qualitative research has been used on this paper to obtain information and draw our findings on the factors influencing existing employee satisfaction after the bank's downsizing so that the company knows exactly what actions have to be done in order to retain those valuable existing employees to work longer with the company.

In this qualitative research, in-depth interview has been selected because it is appropriate approach to obtain not only the insight of the topic being discussed from the population, but also their emotions while interviewing. One-on-one interview with open-ended questions enable us to get their stories, which are realistic information in greater detail from their attitude and experience.

The main objective of the interview is to have the discussion with 4 people, who are existing employees in central finance department of ABC bank to understand their thoughts, their attitude towards the company after its downsizing, what their concerns are and their recommendations for the bank to increase their job satisfaction and make them stay longer with the company. This will benefit the company to hear employees' thought so that they can implement action plan to improve ABC bank to be a pleasant place for every employee to work.

3.2 Interviewee Selection Criteria

Since the writer has been working for ABC bank in Balance sheet management team under central finance department for almost 4 years, the interviewees of this research are the writer's colleagues. The writer selected the population from central finance department of ABC bank because they are easy to be approached and also have good relationship with the writer. This research will focus

on employees under central finance department, including Balance sheet management, Performance management, Regulatory reporting, Financial reporting and Accounts payable teams. The interviewees have been experienced the change of downsizing in the company as the writer since 2016. Therefore, they are really willing to share their experience and help us on this research by expressing their thoughts frankly.

In order to fit with the research context, only 1 layoff survivor is insufficient to conclude the finding on ABC employee satisfaction. The different points of view from various age groups, different teams under department and number of working years should be considered. Therefore, the writer decided to select 4 employees from central finance department as a sample size to conduct one-on-one approximately 30-minute interview.

For confidential purpose, pseudonym will be used to describe 4 employees' profile as follows:

The first interviewee is Ms.Moon (27 years old). She is a new joiner and the youngest employee in our department. She joined ABC bank in July 2018. Before joining the bank, she worked for the audit firms for 3 years and consultant firm for a half year, specialized in banking industry. Now, she is working for Performance management team for almost 10 months. She is single and goes to the gym almost every day as her hobby.

The second interviewee is Ms.Mercury (45 years old). She has been working in banking industry for over 20 years. She joined ABC bank since September 2012, working in Balance sheet management team for 7 years. She is married and has 2 sons. Moreover, she is doing homemade bakery shop online. Normally, we order her bakery on weekday but she also has delivery service around her home area on weekend.

The third interviewee is Ms.Mar (53 years old). She started working for XYZ bank as her first workplace since 1991. After that, it was merged and became ABC bank in 1999. She is one of longest service employees, who has been working here for almost 30 years. Now, she is working for Regulatory reporting team. She is still single, taking care of her parents. And she always practices Yoga twice a week with her colleagues, hiring the trainer to train them at the office.

The fourth interviewee is Ms.Jupiter (39 years old). She had joined the bank as a management trainee in 2007 and worked here for 6 years. After that, she moved to work in FMCG company for 5 years. In 2014, she rejoined ABC banks as a senior manager working in Performance management team for another 5 years. She has been working here for total 11 years. Now, she is single and owns the apartment for rent.

3.3 Interview Questions

As the research question for this paper is “What are the factors influencing employee satisfaction and how to retain existing employees after the bank's downsizing?”, open-ended questions were developed whereby they allow interviewees to freely share their experience and thought on the factors or concerns that they have after the company's downsizing so that we can explore the insight from existing employees and develop the action plan to improve employee satisfaction level and make ABC bank to be a great place to work.

In order to examine the factors that have an impact on employee satisfaction to work with ABC bank longer after its downsizing, the interview questions are divided into 7 aspects of concern that employees may have as table below.

Table 3.1 Interview Questions

Topic	Question
Compensation	Do you think you get reasonable salary compared to your value and contribution to the bank? Do you think your hard work is paid-off by bonus and incremental salary?
Job security	For existing employees : Do you have any concern about your job position after downsizing? Is there any rumor spread in the company? Are you the one express “Anxiety” experience in My Voice 2018 survey?

Table 3.1 Interview Questions (cont.)

Topic	Question
Job security (continued)	<p>Have you ever tried to find another opportunity after hearing the news of downsizing?</p> <p>For new joiner after downsizing :</p> <p>Do you have any concern about your job position when you see some colleagues got laid off after you join the bank?</p> <p>Have you ever tried to find another opportunity after joining the bank?</p>
Work relationship	<p>Do you have good relationship with your team, leader and colleagues?</p> <p>Is there any activity held by the bank to bond you with your teammates?</p> <p>Are good colleagues the main reason why you are still working here?</p>
Recognition	<p>Have you ever get compliment from your leaders or colleagues?</p> <p>Did you receive it privately or publicly?</p> <p>How do you feel?</p> <p>Have you ever engaged in the team's decision making?</p> <p>Do your leaders always ask your idea and listen to your opinion?</p> <p>Have you ever been assigned to work on a project?</p> <p>As a project team or individually?</p> <p>Have your leaders ever let you take full responsibility on the project without management intervention?</p>
Career development	<p>Do you think there is a room to grow in the company?</p> <p>Did you get promoted here?</p> <p>How long does it take from one to another level promotion?</p> <p>Does the bank encourage you to get trained for your development? E-learning? In-house or outsource training?</p> <p>Do you think it is sufficient for your career growth?</p>
Organization	<p>For existing employees :</p> <p>How did you feel about layoff announcement at that time?</p> <p>How do you feel today?</p> <p>Do you have any concern about the bank performance?</p> <p>Did you work here because of its reputation or performance?</p>

Table 3.1 Interview Questions (cont.)

Topic	Question
Organization (continued)	For new joiner after downsizing : Have you ever heard the bank's downsizing news before joining? What did you think about company's performance? Why did you decide to work here? What was the reason to work with the bank?
Work itself	Have the role and responsibility been communicated from your leaders to you clearly? Have the job objectives and expectations been discussed between you and leaders? What do you think about the work process? Has the job transition from previous employees to successors been well-organized and seamless? Do you think downsizing reduces redundancy and helps you work effectively in the team? Do you like your job now?

CHAPTER IV

FINDINGS ANALYSIS

All interview sessions were arranged in an informal setting at ABC bank. Ms.Moon's and Ms.Mercury's interview were held on 8 February 2019, whereas Ms.Mars's and Ms.Jupiter's interview were performed on 12 February 2019. The one-on-one interview was done at each interviewee's office desk, which has the partition for privacy. The interview took approximately 30 minutes per session.

When the writer explained the objective of this interview, all the interviewees were really willing to tell us their stories from what they truly experienced. They really hope that their voices will be useful for the reader and the management, who are undergoing downsizing in the company. After the constructive discussion, there are many interesting attitudes and opinions from employee side that the management should understand in order to keep their high level of employee satisfaction and make them desire to work with the company for long term. Below are the full analysis of findings.

4.1 Compensation

Ms.Moon said that her compensation is satisfactory. Her salary is favorable. She really enjoys 20 days of annual leave, including 10 days of block leave which she cannot find from any other company. She understood that the bank wanted to fix the cost on a new joiner so her bonus was fixed x month written on the contract.

Ms.Mercury told that it is really nice that company's group insurance covers medical fee not only for her but also her husband and kids. But the bank does not offer competitive salary, compared to other banks in the industry. Annual incremental salary is not satisfactory. She also added that when she got the new job and signed the contract already, the bank did not offer competitive salary for her but persuaded her to reconsider in term of job itself.

Ms.Mars told that she got less than 5% incremental salary per year, which is pretty low but she is still fine. She thinks that the bank offers less salary and bonus for employees, compared to competitors now. She has an idea that the bank should compensate low bonus with higher salary but it has not existed here. She said if she was the bank, she would retain resigning employees by offering competitive salary to them.

Ms.Jupiter has no issue with compensation. She is satisfied with her contribution and what she gets. Also, she told that the current medical insurance which covers both employees and their families is the most favorable thing that keeps people to work here for long term.

4.2 Job security

Ms.Moon said that she does not feel insecure about her job because she has just been hired for almost a year. However, she confessed that she was looking for another opportunity while working here too. That was not due to job security concern but because she still has her ultimate career goal to be an investment banker. And she does not think she will be working here until retirement. What makes her feel insecure about the job is the development of Artificial Intelligence (AI). When the routine transaction can be done by the robot, the bank can lower the cost by decreasing human resources. In the next 10 years, the technology will replace human and now she needs to prepare herself to be a valuable worker to survive in the age of AI.

Although Ms.Mercury thought that another downsizing could occur in the future, she did not have an idea that she will be a layoff victim. If it was her, she would be more than happy because she wants to get a lot of money from severance pay. On the other hand, if the opportunity from another company knocks the door, she will definitely open her door and go to have an interview.

When the bank announced downsizing, Ms.Mars was worried whether it had an impact on her work or not. But she realized that as long as Bank of Thailand requires reporting from commercial banks, her work which is regulatory reporting is not affected. With her age of 53, her job security concern is less than others in the

company. She will definitely work here until she retires. If the closure of the bank occurs before she becomes 60, she will be delighted to be early retired.

Ms.Jupiter said that if she had been laid off, she would have been happy from severance package. After downsizing, she was not worried about her job security but had more concern about her job scope and volume of work. Moreover, she confessed that she was seeking for another job opportunity also. Maybe there was no job matching with her skills and it was not the right time for her. That is why she is still working here.

4.3 Work relationship

Ms.Moon told that maybe she is the youngest one in the team. She is not that close to her colleagues. They are talking about work only. Sometimes, she has to start the conversation with the news. She confessed that she misses her old society at the audit firm. She explained that they were more than colleagues. They are friends that she could talk in personal issue and go to see movies after working. She thinks what the bank should do is about non-financial support. The leader should create the unity within the team and motivate subordinates to work with happiness in the nice working environment within the budget that the bank has.

Ms.Mercury said that she had good relationship with the colleagues. There were more people with fun working environment. Many activities were organized such as outing, team building, CSR, team lunch, new year dinner before downsizing. When her colleagues were laid off, she felt a bit lonely but she still has her close friend in her team. According to the new organization structure after downsizing, her team was moved from under one boss to the other boss. She felt like an orphan as her new boss did not seem to welcome her team. On the other hand, her old boss left their hands and let them go. No any communication and synchronizing activities between 2 bosses were held. In finance department town hall meeting, she told that CFO usually talks about what the financial performance we want to reach but do not take employee activities seriously. He asked us to share an idea on activity within the department but he never arranges any activity as we requested.

Ms.Mars told that she weighed people other than any other factor while working. She confessed that she was frustrated, working with her old bossy leader and did not want to go to work. When her old boss resigned, she was really glad to hear that. On the other hand, she is lucky that she always has good teammates even though there have been decreasing to 2 people. In term of company's activity, she told that there were outing and team building that she really loves to join. But these activities were paused from 2012 onwards due to company's tight budget.

Ms.Jupiter said that she had good relationship with her internal team except some other teams. For connection activity, there were corporate outing and finance department's outing in the past. Our finance department used to have outing, team building, new year dinner. She thought these activities enable relationship building among employees. It is like a reward for employees. But unfortunately, there were no longer activities since 2012.

4.4 Recognition

Ms.Moon humbly said that although she got compliment from the boss, she did not accept that because she is still making some mistakes. Since she is a new joiner, her routine work has been closely reviewed by her senior manager. Therefore, she has not been assigned to do the project yet. But she told that her boss always ask her opinion about working files in order to simplify and improve the efficiency of working process.

Ms.Mercury told that she had been assigned to work on the project to coordinate with the data center team for financial system implementation. She was relaxed to work when her boss gave her autonomy to work by herself and was ready to give her consultation whenever she needed. She felt content that her dedication on half-year project had been implemented successfully. She added that she actually does not desire for compliment from the boss or coworkers. As long as they know what she is working every day, she is fine.

Mr.Mars was proud with the certificates received on 5, 10 and 20 years of service with the bank. She said that she used to act as a team leader when the senior manager was on one month leave. She felt that her boss trusted in her capability to

lead the team during his absence. She said that she did not care much about the compliment. Because everyone knew her contribution on what she has been doing for long time. She added that money is much more motivating her.

Ms.Jupiter said that her team leader has been arranged quarterly meeting to let the team discuss about what problem they are facing and listen to the team's opinion on how we could solve issues and make our work done smoothly. She realized that her boss value her ideas. Also, she told that she did not crave for compliment. As long as the boss, the team and colleagues treat her with respect and value what she is doing, she has energy to work every day.

4.5 Career development

Ms.Moon saw that there is a room to grow in this company but it takes time longer than other companies that she worked before. The organization is quite flat, it is hard to get promoted if no one resigns. For the training, she saw training encouragement from the bank. But when she requested, she was failed from CFO rejection of external training. However, she tried to understand that it is not easy to approve all employees' request because CFO has to control the budget for our department's training cost.

Ms.Mercury is working here as a manager without subordinate. Promotion is not her goal because she does not want to be a leader and get pressure from high expectation on her new role. Her ultimate goal is not about work but family. For training, she thinks that internal mandatory E-learning is not specific enough to benefit for her specialization. At her old workplace, there were many interesting lessons available to register to learn freely. For external training, she was not satisfied when her training request was rejected by CFO.

Ms.Mars is satisfied with her manager role and does not aim for any promotion. For her, she got promoted from officer to manager from her long working experience. To get fast promotion here, she told that you need to have outstanding performance, excellent at English and full support from the boss. And she knew herself that her normal performance and limited capability in English could not let her reach senior manager position. In term of training, she said that the bank has tight

budget for outside training reserved for only the head level and let them teach other levels in the bank after they are back. Moreover, she found that e-learning is compulsory thing that we just do it. Sometimes, it is annoying to complete it within the deadline. Thus, we do not gain much knowledge from e-learning.

Ms.Jupiter believed that there is a room to grow in this bank. But she thinks that she is successful in her life, being a senior manager. Working in good environment and having work-life balance is enough for her. In the past, the bank encouraged employees' training. But the recent years, the bank has controlled the training cost. She understood this situation and hoped that the bank will encourage more training for all employees when the budget is less tight.

4.6 Organization

Ms.Moon admitted that most of her friends heard the news of ABC bank's Retail business selling. They said, "Do not go! The bank is going to be closed soon." But a friend, who was working here, confirmed that the situation was not that severe. However, she decided to join the bank because she thought that it was good chance to try and work for her experience. Moreover, she thought that she is still young and not difficult to find another job if she is not satisfied with this company. Since she worked as a consultant for many banks that have the comparable size to ABC bank before, she considered that ABC bank still has more workforces working in Thailand and service centers in other countries than those banks. Therefore, she predicted that the bank has high possibility to downsize again to fit with its capacity to compete in the market. The favorable financial performance is from one-off situation such as selling property and equipment.

Ms.Mercury told that when the bank announced downsizing, her first concern was the impact of less people and the volume of work in her team. She and her colleagues felt sympathetic. They had many questions in their mind that why some smart people were laid off but why those who deserve were not, what the criteria for downsizing of the bank was. For the reputation, she decided to work here as ABC bank was a famous foreign bank in Thai market in the past. But now she thinks that less people know our bank name if they are not people in banking industry.

Ms.Mars said that she has been working for the bank for so long. She has seen every single change of this company. In the past, the bank's former name was XYZ until it was merged by ABC bank. She told that it was very fun to come to work every day with nice environment and colleagues. ABC is the only workplace in her life because she does not like the change. She does not like to leave here, where is her comfort zone to experience the new environment that she is not confident whether she can adapt herself to fit in easily or not. For the bank performance, she thinks it is not that better like CFO boasted in town hall meeting because it was mainly from special situation not the normal operation of the business. In her opinion, she will not recommend people not come to work here.

Ms.Jupiter said that the bank has well-organized structure, good information system and clear policies and procedures from the Group company. She found that working here is systematic and easier than other places as her experience. The corporate culture here is working as a family. She does not get pressure from competition among colleagues. After downsizing announcement, her team was reduced from 5 to 2 people, including her. But the other survivor sought for another opportunity and left the bank. When she knew that she was the only one left in the team, she admitted that she was very stressed with work load. She had been asking for resignation at least 5 times but the boss did not approve. In term of the bank's performance, she thinks the bank performance is improving to survive but not that strong to defeat in intense competitive market.

4.7 Work itself

Ms.Moon confessed that one of the main reasons that she moved to work here was that her old job was stressful and not her career goal. Before joining here, she thought that the job description was very challenging to analyze overall performance of the bank. After working here, she found that it is not just analysis as she understood from interview with the boss. She needs to have more understanding of nature of the product, business and system, which are the sources of information. The job transition went well but sometimes she did not understand when teammate taught so quickly. In term of work flexibility, she said that the bank offers flexible working hour just like

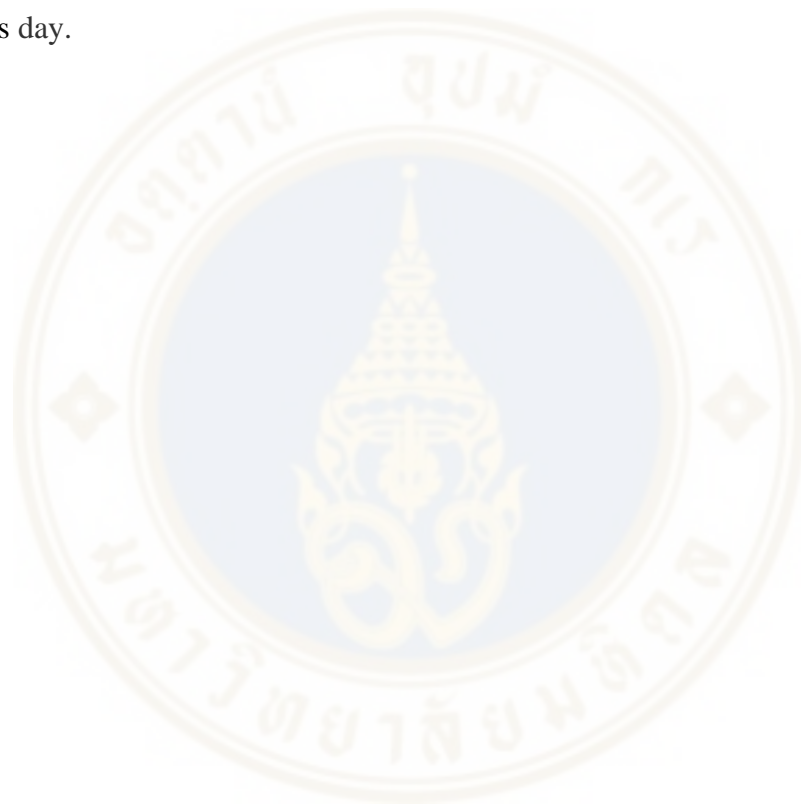
her old work place. Moreover, she confessed that actually this role is not her ultimate goal. She could leave the company once she gets the job as an investment banker as her dream.

Ms.Mercury explained that her team had some people resigned before downsizing announcement. There were 2 people working for her team. After downsizing, there was a headcount freeze in her team. Therefore, no new joiner came to replace the old ones. Although job objectives and expectations have been discussed with the boss in the beginning of the year, she is bored when another team throws some work to her because there is a blur line in the scope of work. Currently, she is facing the problem of unclear responsibility among departments. In addition, she admitted that she got the new job in September 2018. But after she realized that her new role requires high dedication to implement the complex reporting system to the company, she decided not to go because she did not want to stay late night at the office. Working hour here is also very flexible for her to send her kids or attend school's event before going to work. She really wants to have time with her family. When she was asked about more challenging in work, she confessed that she did not want more challenge. Now, she has no passion for work. She just works every day as her responsibility. Her priority is her family. She wants to see her sons' growth and enjoy her cooking for online bakery shop as her hobby.

Ms.Mars said that her work was easier after retail business selling because of less scope of work. However there was a headcount freeze after someone in the team resigned, her team has adjusted and allocated work within the team properly. Furthermore, she said that she has been doing regulatory reporting work for the whole of her life. She is very satisfied with her job scope and responsibility right now and does not long for any challenging work because of her age. In addition, she really enjoys work flexibility here that she could go to hospital with her dad and back to work and finish work late without any penalty.

After restructuring finance team, Ms.Jupiter had difficulties moving from one team to the other team. Since she was the only one left in her team, she could not handle all the work of 4 people for sure. She asked the boss to take some action, otherwise she would resign. After that, the boss discussed with her about role, responsibility and the team management. The boss decided to retain her by letting her

move to the other team, hiring new staffs for working in her old team. But the problem is while she was doing her job in the new team, she had to be a coach for the new joiners working in her old team. Although she moved for a year, they have been asking for her guidance making her annoyed. What she really needs is a clear-cut job description and duty assignment. Now, she thinks she is working in her full capacity already. But if it is necessary to have more assignment, she is fine to do it. As long as there is flexible working hour in this company, she is fine to get more work and come to work late in the following morning when she has to work until late night on the previous day.



CHAPTER V

CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusions

After ABC bank's downsizing, we can conclude based on the interview with 4 different ages, teams and working years of existing employees that job security, recognition, career development and organization are less important factors to existing employees' satisfaction. To retain them after downsizing, ABC bank should focus on the most influential factors driving their satisfaction and decision to work longer for the bank, which are **1) compensation, 2) work relationship, and 3) work itself.**

In their opinion, most of interviewees have less concern on **job security.** Some are willing to get laid off so that they will get severance pay or get early retired. Some think that they are open when the opportunity from another company knocks their doors. Therefore, this could not be influential factor for ABC bank's employees.

For **recognition,** most of them have the good leaders who listen to employees' voice and take action from their ideas. One of them has been assigned to work on a project without management intervention. The other one has been trusted to act as a team leader during the boss's absence period. They believe that as long as their boss and co-workers know and value what they are contributing to the job, they are satisfied to work here. When they get compliment or certificate, they feel proud of themselves for short term but not long term. However, some of them say money is much more motivating employees. Therefore, the existing employees pay less attention to this factor when they decide to stay or leave the company.

Regarding **career development,** most of them are satisfied with their current positions. Some think that they are already successful with their roles. Some think that they are more focusing on family than career. Therefore, they do not aim for promotion. They think that the organizational structure is quite flat. Although there is a room to grow, it takes time and needs high qualification to get promotion. For training, they found that mandatory E-learning is useful but annoying to complete

within the deadline. They think specific field training is required but also understand that the boss did not approve due to limited training budget. Thus, this could not be one of the factors that existing employees have more concern.

In term of ABC bank's **performance** after downsizing, they think that it has been just surviving but not that strong to defeat in the intense market. They predict that another downsizing could occur in the near future. While the reputation of the bank is not good now, people outside the bank misunderstand that we are not doing the business since retail business was sold. Some people think that the bank will be closed soon. Other than people working in banking sector, less Thai people know ABC bank name. Therefore, this could not be the reason for existing employees to stay longer.

From our constructive discussion, the writer found correlation between factors from literature review and information obtained from the interview that the company should prioritize and take action to 3 factors, which are the most concerns of existing employees in order to keep valuable employees to work longer with the company as follows:

Compensation is the most important factor that the employees consider to stay or leave the company. The answer from interviewees proved the primary level of human need in Theory of Human Motivation that financial compensation helps the employees meet their physiological needs in work context (Maslow,1954). Also they proved the survey of Pfeffer and Lawler (1980) that increases in salary are associated with higher job satisfaction and greater intent to stay with the organization.

Overall, they think that the compensation such as salary, bonus and medical benefit is satisfactory. Some of them really feel satisfied with company's group insurance that covers not only employee but also spouse and kids. While some really enjoy 20 days of annual leave, including 10 days of block leave which they cannot find from any other company. But some of them think that salary provided by the bank is not competitive compared to other companies in the industry. One of them were offered the job with higher salary but the bank did not offer competitive one to retain her but persuaded her to reconsider in term of work itself. Finally, she did not leave the company due to her personal factor of family and transportation. However, she and the other interviewee think that annual incremental salary should be adjusted as the salary is still less than competitors in the industry. One of the interviewee said

that if she was the bank, she would retain resigning employees by offering competitive salary to them.

Work relationship is the second factor, driving employee's decision making to work longer. All answers from interviewees agreed with "Belongingness" in Theory of Human Motivation that people want to be loved and have society.(Maslow, 1954). Furthermore, all answers proved what Süß and Kleiner (2010) that good interpersonal relationship with superiors, peers and subordinates influence job satisfaction and promote commitment among employees. The interviewees have good relationship with teammates. But some of them think that they are not that close since they can talk about work only. Some do not think that they get along well with other teams due to the conflict of unclear scope of work. Some of them think that they were lack of positive support from their superiors when they moved from one team to the other team after restructuring organization. For relationship activity, they understand that it has been reduced for many years due to limited budget. But it would be really nice if there will be many relationship building activities like in the past. Some of them said that CFO focused more on financial performance but did not take their ideas requested on employee activities seriously.

Work itself is the third factor that employees have concern when they decide to work. All answers from interviewees proved what Bowen (2000) explained that configuring proper job design and job responsibilities is effective method for communicating how employees' contribution goes to ensure the success of the company. If they have clarification on job contents and goal, they will have more positive attitude towards their work. One of interviewees told that job content here is not her ultimate goal to be an investment banker. Therefore, she will leave the company if she gets her dream job. Some of them think their teams have adjusted and allocated work within the team properly after downsizing. But reducing workforce from both voluntary resign and layoff made some of them face difficulties due to the volume and unclear scope of responsibility. There was an interviewee who was the only one left in the team after downsizing. She asked the boss to resign more than 5 times but was managed by discussion about work responsibility and moving her to the other team. But the problem has not been solved completely as she has to be a coach for the new joiners in her old team for more than a year until now, which is annoying

her. Since all of them are the new joiners, they do not have anyone to ask the background and knowledge except her.

Moreover, all interviewees proved what Tang and MacDermid (2010) highlighted that a large majority of employees place high value on flexibility at work. The answers from interviewees agreed on what the employees value most in their career decision is balancing work and personal life. (Decenzo and Robbins (2001). Most of them enjoy flexible working hour. Some of them said that they can attend school's event or go to the hospital with her dad before going to work and finish work a bit late without any penalty. One of them thinks she is fine to get more work and come to work late in the following morning when she has to work until late night on the previous day.

5.2 Recommendations

5.2.1 Compensation

We need to accept the truth that we all are not working for free. We are working for some compensation. Some employees may work for social benefit and expect less salary. But more than half of employees are working for money. They usually expect proper amount of what they should get, comparing to what they contribute to the company. As the medical benefit of ABC bank is favorable already, no additional suggestion is needed. The day off that ABC provides employee per year is 20 days, which is very satisfactory. But for salary, ABC bank has to pay more attention to this aspect. Since the bank has been downsized, many employees have been looking for another opportunity and challenge. When they are about to leave, the company should offer some compensation to make them stay such as higher salary, bonus and more day off. Actually, the company should not only care about retaining resigning employees but keeping existing employees' satisfaction on compensation also. Salary based on performance plus industry comparison in term of role and position should be considered in the calculation for annual incremental salary. Moreover, bonus should be fairly calculated based on both company and employee performance. The company could take mid-year performance discussion as a chance to

update the company performance, together with the appraisal result on their performance. When the employees know the financial position of the company, they can roughly estimate how much they will get for bonus earlier. This method could mitigate their disappointment when it is not what they expected and also boost up their motivation to work harder to reach their target at the same time.

5.2.2 Work relationship

Since all employees spend more than half of their time at the work place. Good work relationship with the colleagues makes life comfortable and relaxed. The company should prioritize relationship building activities to enable strong relationship among employees. Although there is limited budget, the management should allocate and control the cost for developing employee satisfaction properly. The good company may be excellent in term of performance but the great company always takes care of its people. To make ABC bank to be the great place to work, the company has to win employees' heart by taking employee satisfaction seriously. Team building activity should be held occasionally and properly to create unity among employees. This could be in form of eating after meeting, outing, karaoke, concert, bowling, sport game and monthly birthday celebration. This has to be done both within department and corporation-wide to break the ice, enhance employee spirit and get rid of conflict between the team and outside the team.

Moreover, leader should be a role model and good motivator for subordinates. The training for management level could help all the managers know how to act as a good leader to let employees follow and how to motivate subordinates to share their ideas and have dedication to their works. In order to win subordinates' heart, the leaders have to give their heart to them first. Making them trust will get their trust back. The leaders have to be open-minded and generous. It is very essential to listen to their voice and take their valuable ideas into action. Giving some compliment or gift and treating them some meals when there is a chance makes them feel motivated. When the employees have some problems, the good leader could be their shelter for both work and personal life.

5.2.3 Work itself

Since work itself is the main thing that every employee comes to the workplace for, the employee satisfaction on work itself plays important role in decide whether they should stay with the company or not. For the employees who do not like the job content and have their own personal dream to reach, it is hard for ABC to retain those people because they will finally leave once they get the desired job. But for those who are satisfied with work itself but struggling with difficulties on work load and unclear scope of responsibility, the company should solve this problem as soon as possible because this is entire organization impact. The leaders should arrange monthly team meeting to discuss on the job content and process with the subordinates. This could be benefit for both employees and team performance. Because when the leaders often talk and review work with subordinates, they will know exactly what their subordinates do. They will have the overview of working process in the team. When there is any problem, they know who they should reach. When there is work load, they know exactly what should be cut and simplified. And when there is additional work required, they know who still have a room to add more. Therefore, they can allocate work and manage the team effectively.

Even though most of interviewees enjoy work flexibility that ABC offers, it is not appropriate to let employees get to work late in the evening and leave the office at late night. Apart from flexible working hour, the company should encourage work-life balance to the existing employees. For example, let employees finish work early 1 hour on Friday and let them choose either to back home early to do their personal business or attending relaxing activities provided by the bank such as board game, aerobic exercise, yoga, table tennis. This could make them feel appreciated that the company does not pay attention to their work only but also their personal life.

5.3 Limitation in the scope of study

However the interview sessions were arranged with 4 interviewees who are existing employees with different ages and working years, they are from finance department only. Moreover, all of them are female. The findings and conclusion drawn could be much on females' feeling and attitude.

If I were to explore this topic at a thesis level, I would have more discussion with male and more employees from other departments. The writer believes that we can draw findings and conclusions from much more different points of view to understand their factors on decision making to work at ABC bank in order to develop effective and practical recommendations for the management to retain their existing employees to work with ABC bank longer after downsizing.



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