

## **Impact of Employees' Perceptions of Organizational Downsizing Practices on Employee Commitment**

Erandika, M. D. K.<sup>1</sup> and Ranasinghe, V. R.<sup>2</sup>

Sri Lanka is currently experiencing its worst financial crisis in decades. The building construction industry can be cited as one of the leading industries affected by this situation in Sri Lanka. This study examined whether employees' perceptions of organizational downsizing practices impact their commitment. This was carried out as a cross-sectional field study among a sample of 204 employees in three already downsized construction firms in the Colombo District, Sri Lanka. Simple random sampling technique was applied to select the sample. Data were collected via distributing an online standard questionnaire. SPSS version 23.0 was used to analyze the data. Descriptive statistics, correlation, and simple regression were performed to analyze data. When analyzing data, the researcher identified those employees' perceptions of their organizations' downsizing practices have a significant positive effect on their level of commitment. Moreover, the researcher found a significant positive impact of employees' perceptions of downsizing on employees' affective, continuance, and normative commitment. Maintaining effective communication before, during, and after the downsizing process is recommended.

**Keywords:** *Affective Commitment, Continuance Commitment, Employee Commitment, Normative Commitment, Organizational Downsizing*

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<sup>1</sup> Department of Human Resource Management, Faculty of Commerce and Management Studies, University of Kelaniya (krishmaerandika98@gmail.com)

<sup>2</sup> Department of Human Resource Management, Faculty of Commerce and Management Studies, University of Kelaniya (vimanshar@kln.ac.lk)