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EMOTIONAL REACTIONS TOWARD A SIMULATED LAYOFF: BEFORE AND AFTER THE MANIPULATION

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ABSTRACT

A simulated layoff was manipulated to subjects participated in a computerized business game, who were assigned randomly into the control and the experimental groups. Emotional reactions of the subjects in both groups were collected using the DES instrument for before and after manipulation. Different emotions expressed by subjects were found only in the after manipulation. They were basically attributable to the type of experience one went through, but not to the gender of subjects. Personality attributes were found to be highly associated with emotions expressed by subjects.

INTRODUCTION

In the workplace, iSSOs was a decade filled with all sorts of business merges and acquisitions, leverage buyouts (LBO), takeovers, etc. It has been followed so far by downsizing, layoffs, and organizational restructures in the iSSOs.

Events like those often lead to all sorts of negative emotional responses among workers including fear, anxiety, tension, stress, and resistance (Marks, 1982; Marks & Mirvis, 1985; Pritchett, 1985; Schweiger & Ivancevich, 1985). Negative emotional reactions in turn may cause a variety of negative work-related attitudes and effects such as decreased commitment, disloyalty, dissatisfaction, distrust, increased employee turnover, increased absenteeism (Buono & Bowditch, 1989; McLeod, 1986; Pritchett, 1985) and, most important of all, decreased performance or productivity (Wishard, 1985).

The intent of the present study was to conduct an exploratory examination of emotional reactions toward a simulated layoff through the use of a business simulation game. The specific objectives of this study were to address four issues. First, it was intended to test whether or not there was any significant differences in emotional reactions toward a simulated layoff before and after it happened. Second, it was to explore different emotional effects caused by such a layoff on subjects between the control and the experimental groups. Third, it was to examine the effects of gender on emotional responses. Finally, when controlling the effects of gender, who were more vulnerable to such a trauma emotionally based on their personal attributes?

METHOD

A total of 193 (male = 75 and female = 118) business major seniors enrolling in six sections of a capstone business policy course served as subjects of the study. Their age ranged from 20 to 52 with a mean of 29 years old. The majority of them were non-traditional part-time students. Their working experiences ranged from six months to 34 years with a mean of 10.2 years.

Two instruments were utilized in this study. The Izard's Differential Emotion Scale (DES) (1977) consists of 30 adjectives scored in a five-point intensity scale measuring the short-term emotional state. They represent ten basic and fundamental human emotions: ANGER, DISGUST, DISTRESS, ENJOYMENT, FEAR, INTEREST, DOUBT, GUILT, SURPRISE, and SHAME (only the first six emotions were included in this study). Internal consistency tests for the instrument were found to be 0.93 and 0.97 for before and after the manipulation, respectively.

The Steers & Braunstein's Manifest Needs Questionnaire (MNQ) (1976) is a 20-item instrument with a seven-point Likert scale measuring need

strength for the long-term personality trait. It was constructed to measure the needs for ACHIEVEMENT, AFFILIATION, AUTONOMY, and DOMINANCE. Internal consistency reliability test for this study had an alpha value of 0.81. Subjects participated in this business game as members of separate and independent teams, each representing a simulated manufacturing company competing against each other. Subjects were randomly teamed up first to have three or four persons per team and each team was then assigned at random to the either control or experimental groups. Each team acted as the top management of a company. They made totally 14 simulated business decisions representing 14 business quarters, or three and one half-fiscal years.

At the outset of the semester, subjects were administered on the MNQ instrument. In addition, general background information, such as age, gender, work experience, etc. was also obtained. The DES instrument was administered to subjects twice, once right after the intention for a layoff was announced (Phase 1) and once when the layoff was actually completed (Phase 2). The manipulation took place after the conclusion of the seventh decision, which was about the middle of the semester. When the simulated layoff took place, one member of each team was let go. It was due, as subjects were told, to corporate restructuring and reorganization. Each time, when the DES instrument was administered, subjects were specifically explained and reminded to respond to the instrument in terms of how they felt and perceived about the issue of layoff at that point in time.

The simulated layoff did not actually take place after all for members of the control group (control group or C-Group), but subjects in the experimental group went ahead with the planned changes. As a result, 27 subjects (12 males and 15 females) actually experienced the layoff (victims group or V-Group) within the experimental group, while the remaining 54 subjects were survivors of the layoff, who had to witness the departure of one of their own members (survivors group or S-Group). Consequently, the study ended up with three separate testing groups: the C-Group, the V-Group, and the S-Group.

RESULTS

A Duncan's Multiple Range Test revealed that DISTRESS was the only emotional variable that had a significant difference on subjects between S-group and V-group for Phase 1. However, the Phase 2 was a different story. There was substantial differences between the control group and the experimental group for the following emotional variables: ANGER, DISGUST, and ENJOYMENT, and among all three testing groups for DISTRESS AND FEAR. INTEREST was the only variable that did not exhibit any differences among all three testing groups.

A T-test revealed that gender had no impacts on emotional reactions expressed by either males or females toward the simulated layoff in either time period.

Results of a correlation analysis disclosed that three personality attributes out of four were found to have strong correlations with the six emotional variables. They were ACHIEVEMENT, AFFILIATION and AUTONOMY. Those high correlations only exist in Phase 2, but in Phase 1. ACHIEVEMENT was found to be negatively correlated with all six emotional variables at the 0.01 level except ENJOYMENT AND INTEREST, where positive correlations were discovered. AUTONOMY exhibits a correlation at the 0.01 level with ANGER, DISGUST, ENJOYMENT, and FEAR, and at the 0.10 level with INTEREST.

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DISCUSSION

The findings indicate that emotional reactions from subjects in all three testing groups display a pattern that is normally expected of them in terms of the two time phases. Of the six emotional variables, only FEAR is worth noting. Subjects in the three testing groups exhibit three different levels of FEAR in accordance with the type of experience they went through. More specifically, subjects in V-Group showed the highest level of FEAR when they found out that they were leaving their respective teams to become the victims of the manipulation. Subjects in S-Group displayed the next highest level of FEAR. Those with C-Group had the least amount of FEAR because they realized that nobody's job was actually in jeopardy at all. The findings on fear support Izard's theory (1972).

The findings regarding the gender effects may have deviated from the stereotype of the gender role socialization (Eagly and Station, 1986). Many researchers (Collier, 1982; Lerner, 1987) on sex, sex-role, and expression of emotions held a firm belief that women are brought up and educated in this society to not express or to hide their strong feelings and emotions, particularly with anger, because it's a social and cultural taboo for women to express them openly. Zillmann's (1978) model perhaps offers an excellent explanation to the dilemma. There are two sources of arousal: neutral and gender role norms. Under neutral source of arousal, the effects of gender role orientation becomes rather subtle. In that sense, the findings of the study regarding gender and emotional expressions make sense and is also consistent to the findings of some earlier studies (Ben-Zur & Zeidner, 1988; Smith, et al, 1989; Kopper & Epperson, 1991; Blier & Blier-Wilson, 1989).

Kihlstrom (1981) reasoned that cognitive processes are generally mediated by one's personal characteristics, the cognitive interpretation, encoding, and recall of traumatic events may vary from individual to individual. Hence, a close relationship between personality traits and the experience of emotions may be revealed in any given traumatic event. The findings here showed that ACHIEVEMENT stood out as the single most visible attribute to have strong ties to emotional responses. The need for ACHIEVEMENT is defined as the need to excel, it is then easier to accept the generally strong and negative correlations between ACHIEVEMENT and emotions. The implication of this is that success-oriented persons tend to have higher motivation and desire to perform well regardless how adverse the situation is. The harder the situation is, the higher motivation and incentives there is to drive them to excel. As such, they were not bothered (distressed or disgusted) by the manipulation. This seems to fit in what Atkinson and Raynor called the theory of achievement motivation (1974).

Since the need for AUTONOMY is the need for independence, this is why they were distressed, fearful, and angry. They viewed the manipulation of the involuntary job turnover as a form of intervention of or intrusion into their independence.

The absence of any strongly positive or negative associations of DOMINANCE with emotions is understandable. The need for DOMINANCE is viewed as the need to overpower or control others. Subjects with strong will to dominant were basically indifferent to the manipulation one way or the other. This is because while they did have a need to dominant others, they did not and could not control or dictate things that they had no control over. Thus, they might as well take a neutral stand. This findings are supported by a study of the nature of college-student depression and its relation to personality variables, where dominance and lack of control over depression were found to have subtle effects (Vredenburg, et.al, 1988).

The most disturbing findings revealed by the study are perhaps related to AFFILIATION. The need for AFFILIATION is viewed as the need for keeping or securing closely and friendly association. In this regard, one tends to believe that there might exist some strongly negative correlations between AFFILIATION and emotional expressions. However, AFFILIATION was not found to display any strong relationships, negatively or positively, with any of the six emotional variables. Only a rather weak ($p < 0.10$), and negatively weak, interrelations were uncovered between AFFILIATION and four emotional variables including ANGER, DISTRESS, DISGUST, and FEAR in Phase II period. This findings were actually inconsistent with the findings in an earlier study conducted by Larsen and Ketelsar (1991). It is also in conflict with a common belief that a close association between survivors and victims prior to traumatic event such as a layoff, tends to help both identify and support each other (Brokner, et al, 1987; Brokner, 1990; Brokner, et al, 1993). There are a number of possible explanations for this to happen. First, this was after all a simulation, subjects did not treat it as serious as it could have been. Second, the victims did not actually become unemployed. In fact, they were later assigned to other teams and stayed with the new teams until the end of the course. Needless to say, this was a major shortcoming of the study. Finally, since it was a laboratory induced traumatic event, none of the concerns expressed by researchers (Bios, 1987; Folger and Greenberg, 1985; Greenberg, 1987) became an issues which might ignite stronger emotional reactions. Those concerns include 1) whether the involuntary job turnover was a legitimate or not; 2) whether the victims were informed of the news in a fair and straightforward way; 3) Whether the decision rule and the procedure associated with it were properly handled or not; and 4) Whether the victims were fairly and properly compensated or not.

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