



Exploring employee morale and productivity
following organisational restructuring in a selected
petrochemical company in South Africa

KM Mokheseng

 **orcid.org**

0009-0009-9704-9962

Mini-dissertation accepted in fulfilment of the requirements for the
degree *Master of Business Administration* at the North-West
University

Supervisor: Dr N Khumalo

Graduation: May 2025

DECLARATION

I, **Konrad Mokheseng**, hereby declare that this study **“Exploring employee morale and productivity following organisational restructuring in a selected petrochemical company in South Africa”** submitted herewith to the North-West University in partial fulfilment of the requirements for the Master of Business Administration (MBA) degree is my own original work. It has been text-edited in accordance with professional communication standards and has not been previously submitted to any other institution for evaluation purposes. All sources I have used or cited have been appropriately indicated and acknowledged using complete references.

ACKNOWLEDGEMENTS

First and foremost I thank God for His grace and blessings as it was through Him that I managed to get this far. May His name be glorified through this work. I am deeply thankful for the support that my family provided me with through my studies and for walking through this journey with me. I offer my heartfelt gratitude to my beautiful wife Poppy and my lovely daughters Khalalelo and Khothatso. The sacrifices you made do not go unnoticed and I pray that God blesses you abundantly. I sincerely thank my employer Sasol, particularly my line manager Nico Esterhuyse, for giving me the opportunity to pursue my MBA studies, which I fully believe will bear favourable fruits, not only to my advantage but also to that of the organisation at large. I trust that the insight obtained in this study can be used to ensure the success of the organisation as we navigate through uncertain times, the VUCA world as others would put it: Volatile, Uncertain, Complex and Ambiguous.

I also gained a lot of support from my colleagues at Sasol, particularly those based in Sasolburg, who made this study possible through their inputs and thoughtfulness. May you also find prosperity in your endeavours. I learnt a lot and enjoyed working with my syndicate group, The Buoyants and The Dauntless in the shadows yet prominently present. I wish you all the best and trust that our paths will cross again in the future. The MBA 2023/2024 class was a vibrant class, and it was a pleasure walking this journey with you, I wish you joy and success.

Many thanks go to the North West University institution, the lecturers and the supporting staff who shared their expertise and knowledge to make us better leaders of tomorrow. The seed that you planted will surely bear fruit to the benefit of the community at large.

Most importantly, to my selfless, diligent and supportive supervisor, Dr N Khumalo. It was through your guidance and care that we managed to reach this valuable milestone. Your supervision was truly inspirational, and I cannot thank you enough for making this a reality. Thank you very much, may you and your family be truly blessed and may all your aspirations come true.

ABSTRACT

The petrochemical industry has recently been faced with macro-economic challenges such as volatile oil prices, high cost-pressure and technological advancements forcing them to implement strategic business transformation measures to ensure survival. Despite change management being inevitable and this process having been studied extensively, the failure rate remains high where unintended consequences include reduced employee morale and consequently poor business results. The need was therefore realised from this study to explore any impact that the organisational restructuring may have on the employee morale and productivity. By mitigating any adverse effect that the restructuring may have on employee morale and productivity, the desired benefits of the change process can be maximised, which include cost reduction, increase in productivity as well as profitability. This study used qualitative method of choice where semi-structured interviews were conducted to explore the perceived employee morale and productivity following an organisational restructuring process from a selected petrochemical company in South Africa. The study furthermore employed an interpretivism paradigm which implies that participants interviewed in this study would interpret and react towards organisational restructuring subjectively based on their individual experiences. The study concludes that while there may be a negative impact on employee morale and productivity following a restructuring process, it is imperative that the process is conducted fairly with transparency, open communication, human factor and clear goal setting as this will help increase the likelihood of success as well as improve employee morale and productivity. To ensure that benefits from the restructuring process can be maximised and the risks are mitigated, it is recommended that organisations ensure constant communication and the achievement of strategic alignment, that appropriate vacancy placements are implemented, and employee wellness programs and support systems are made available on a continuous basis. It is envisaged that through implementing these recommendations, organisations can contribute favourably towards SDG 8: Decent work and Economic growth.

Key terms: Organisational restructuring; Employee morale; Employee productivity; Petrochemical industry

TABLE OF CONTENTS

DECLARATION	I
ACKNOWLEDGEMENTS	II
ABSTRACT.....	III
CHAPTER 1 NATURE AND SCOPE OF THE STUDY	1
1.1 Introduction	1
1.2 Background to the study	4
1.3 Problem statement	6
1.4 Rationale and significance	8
1.5 Research objectives.....	9
1.5.1 Primary objective.....	9
1.5.2 Secondary objectives.....	10
1.6 Research questions	10
1.7 Definition of key concepts.....	11
1.8 Demarcation of the study	12
1.9 Outline of the mini-dissertation.....	13
1.10 Conclusion.....	14
CHAPTER 2 LITERATURE REVIEW.....	16
2.1 Introduction	16
2.2 Theoretical framework	16

2.3	Understanding organisational restructuring	18
2.4	Impact of organisational restructuring	22
2.5	A view on employee morale and productivity	23
2.6	Strategies to enhance employee morale and productivity	26
2.7	Conclusion	29
CHAPTER 3 RESEARCH DESIGN AND METHODOLOGY		31
3.1	Introduction	31
3.2	Main objective of the study	31
3.3	Research paradigm	32
3.4	Research approach	32
3.5	Methodological choice	33
3.6	Research design	33
3.7	Time horizon	34
3.8	Inclusion and exclusion criteria	34
3.9	Research population	35
3.10	Sample technique and size	36
3.11	Data collection instruments	37
3.12	Measuring instruments	38
3.13	Data collection	38
3.14	Power relationships and gatekeeper intervention	40
3.15	Data coding and analysis	41

3.16	Summary of research methods	43
3.17	Limitations of the study	44
3.18	Ethical considerations	45
3.19	Conclusion	46
CHAPTER 4 EMPIRICAL STUDY		47
4.1	Introduction	47
4.2	Lessons learnt	47
4.3	Results and discussion	49
4.3.1	A profile of the participants of the study	49
4.3.2	Linking themes with the research questions	51
4.3.3	Theme 1: Perceived employee morale and productivity	52
4.3.4	Theme 2: Perceived challenges	58
4.3.5	Theme 3: Perceived opportunities	61
4.3.6	Theme 4: Success factors for organisational restructuring	66
4.4	Integrated Framework	72
4.5	Conclusion	74
CHAPTER 5 CONCLUSION AND RECOMMENDATIONS		76
5.1	Introduction	76
5.2	Conclusion	77
5.3	Recommendations for implementation	81

5.4	Recommendations for future research.....	85
	REFERENCES	87
	APPENDICES	99
	Appendix A: Consent form	99
	Appendix B: Interview protocol (Semi structured interviews).....	100

LIST OF TABLES

Table 2-1. Various types of restructuring and their corresponding descriptions.	19
Table 4-1. A depiction of the link between the research questions and themes.	52
Table 4-2. The link between codes and categories for Theme 1.	53
Table 4-3. The link between codes and categories for Theme 2: Perceived challenges.	58
Table 4-4. The link between codes and categories for Theme 3: Perceived opportunities.	62
Table 4-5. The link between codes and categories for Theme 4: Success factors for organisational restructuring.	66

LIST OF FIGURES

Figure 2-1. Organisational justice model adopted in the current study (Sourced and adapted from Robbins and Judge, 2024:257).	18
Figure 2-2. Kotter's eight-step change model and key competencies required (Sourced and adapted from Sittrop and Crosthwaite, 2021:15).	21
Figure 3-1. An illustration of a flow of data coding and analysis in accordance with the Grounded Theory (Author's own illustration).	42
Figure 3-2. A summary of the research methods for the current study (Sourced and adapted from Saunders <i>et al.</i> , 2009:108).	43
Figure 4-1. A distribution of years of service of the participants (Author's own illustration).	50
Figure 4-2. A distribution of roles that the participants occupy in the organisation (Author's own illustration).	51
Figure 4-3. Thematic analysis representation of Theme 1 with the associated quotations (Author's own illustration).	57
Figure 4-4. Thematic analysis representation of Theme 2 with the associated quotations (Author's own illustration).	61
Figure 4-5. Thematic analysis representation of Theme 3 with the associated quotations (Author's own illustration).	65
Figure 4-6. Thematic analysis representation of Theme 4 with the associated quotations (Author's own illustration).	71
Figure 5-1. An interactive Plan, Act, Review and Improve cycle for continuous improvement (Author's own illustration).	84

CHAPTER 1 NATURE AND SCOPE OF THE STUDY

1.1 Introduction

Many organisations globally have been faced with the need to restructure their businesses to survive and meet their financial challenges (Chaddha, 2016:06). According to Chaddha (2016:06), organisations that fail to deal with the restructuring successfully may lose their independence, or even face extinction. It has been stated by Okechukwu and Ugwu (2015:172) that there are several reasons that compel managers to restructure their organisations and change their business practices, and these reasons include increased and intensified international competition, new information and communication technologies, and the enhanced power of outside investors. There are indeed many other factors that can force organisations to restructure, and it is important to note that these factors are organisation-specific, and the “blanket approach” cannot be used when undergoing restructuring. The specific nature of organisational restructuring is corroborated by By (2005:369), where it is stipulated that it is important for an organisation to be able to identify where it needs to be in future, and how to manage the changes required in getting there. This means that organisations would need to implement different restructuring strategies to achieve specific outcomes based on their needs. Restructuring can come in various forms such as reducing the size of the organisation, expanding the business and/or reorganising the structure for optimal operation. This is in accordance with Umar (2023:3) where it is stated that reasons for organisations to undergo restructuring can vary from expansion, corporate control, through to shrinkage. It is also important to note that organisational restructuring and organisational change are the same concepts in the context of the current study, and these terms may therefore be used interchangeably.

According to Mensah *et al.* (2023:88), there are different views regarding how organisational change can impact employee performance and productivity, where some researchers indicate a positive relationship and others a negative relationship. From the negative relationship point of view, Mockus (2009:5) indicated a decline in performance during a change period as observed through higher fault proneness and lower software quality for developers who were in close proximity to the change. On the other hand,

Ozcelik (2010:12) reported an improved organisational performance following organisational change, as measured by labour productivity, return on assets, and return on equity. Ochuko and Ayo-Balogun (2020:32) state that a well-planned and implemented organisational change can yield tangible benefits, which include improved competitiveness, better financial performance, and higher levels of customer and employee satisfaction. It is therefore in the best interest of organisations to mitigate any potential risks towards employee productivity associated with organisational change.

The petrochemical industry, also referred to as the oil and gas industry, has been faced with several challenges on a global scale that require resilience to secure growth. According to King Abdullah Petroleum Studies and Research Centre “KAPSARC” (2016:3), this industry has faced challenges such as slow economic growth, increased price volatility of feedstock, intensified geopolitics, and trade barriers as well as growing safety, health, and environment requirements. These challenges require the petrochemical industry to enhance its resilience to ensure future growth, where interventions such as comprehensive digital solutions and strategic planning will improve competitiveness (KAPSARC, 2016:3). Furthermore, KAPSARC (2016:6) states that the Covid-19 pandemic resulted in a significant shrinkage in the global gross domestic product by over 2% in 2020, which was compounded by increased volatility in oil and gas prices, negatively affecting profit margins, and these disruptions and uncertainties are driving the transformation of the industry. Strategic planning and the said transformation of the industry entail organisational restructuring as a response to enhance financial discipline and operational efficiency. This view has been corroborated by Eloy and Manuel (2018), where it was mentioned that the industry has made several adjustments both to their portfolio and the operating models in a quest to maintain profitability and cash returns to shareholders. According to Eloy and Manuel (2018), there has been a dramatic reshuffling of the industry in recent years following oil prices crash with companies reducing headcount globally and combining portfolios to reduce both capital and operational expenditure.

Taufan *et al.* (2021:3) caution that human resources affect organisations in achieving their predetermined profit targets and it is therefore imperative to ensure that employees demonstrate performance that can contribute to productivity. It is furthermore stated by

Kanimozhi and Vinothkumar (2018:507) that employee morale is an important part of organisational climate because high morale leads to high productivity enabling organisations to achieve their objectives. It is therefore evident that any adverse impact that organisational restructuring can have on the well-being of employees, particularly with regards to morale and productivity, would need to be mitigated so that an organisation can achieve its intended goals. According to Chaddha (2016:13), one way in which employee morale can be improved during restructuring is through consultation strategies across all groups and including employees in the process of decision-making. It is often infeasible to implement this recommendation uniformly in large organisations and this leads to a fragmented process, where one department experiences the restructuring process differently from the other one. Aligned with this view, Brand and Wilson (2000:98) state that various organisational interventions such as organisational restructuring affect multiple climates of organisations differently. A question therefore remains as to how other areas were affected by the restructuring process that was undertaken in the organisation. Contradictory theories and approaches on how to implement change, result in employees experiencing negative psychological response after having gone through organisational change (Okechukwu & Ugwu, 2015:174). According to By (2005:378), exploratory studies on how organisational restructuring is managed, and how its success is measured will help in identifying critical success factors, which will subsequently assist organisations in realising the intended benefits of the changes undertaken. A global petrochemical company based in South Africa has not been immune to latest trends of company restructuring, as it had to undergo several organisational restructuring processes in recent years. One such process was investigated by Dreyer (2016:4) where the need for the management of this organisation to understand the possible impact of restructuring on employee job security, and subsequently safety performance was highlighted. Contradicting views regarding the outcomes of organisational restructuring is evidence that there are many aspects of this phenomenon that warrant further investigation and understanding.

The report for this study starts with providing the context to organisational restructuring and the impact that this process can have on employee morale and productivity. An insight is also shared on the theoretical framework that this study aims to contribute towards, which pertains to the organisational justice model. This study followed an

interpretivism paradigm aligned with the qualitative methodological choice, details of which are provided in the research methods section. The ethical considerations section highlights ethics pertaining to the participants, which are aligned with the protection of personal information act (POPIA). Limitations that should be considered from this study are also listed.

1.2 Background to the study

The impact of Covid-19 pandemic in the petrochemical industry has been highlighted by Wheeler *et al.* (2020:3), where it is stated that a plunge in the oil price due to a collapse in demand following economic restrictions aimed at arresting the spread of the pandemic triggered a global recession. According to Wheeler *et al.* (2020:3), the impact of low oil price on the global economic growth was deemed worse than the previous episodes since it found industries already faced with deteriorated positions and foreign exchange safeguards to support their economies owing to the previous oil price plunge in 2014 – 2016.

The organisation investigated in this study has not been immune to the above-mentioned challenges that the petrochemical industry has been facing in recent years. According to Sasol (2021), the organisation had to transition and reinvent the business to ensure sustainability and to embrace the benefits of its integrated value chain through interventions such as the Response Plan and Sasol 2.0, with the latter termed a complete end-to-end transformation programme. While previous researchers such as Dreyer (2016) have investigated the impact of restructuring in this organisation, the more recent transformation which was accompanied by unprecedented challenges in the history of the organisation is yet to be investigated particularly for the Research and Development department that experienced consecutive restructuring processes. According to Harney and Freeney (2018:253), collecting data at different time points before and after organisational change helps in providing a clearer understanding of the consequential effect of organisational restructuring on employee work intensity and well-being. It is furthermore stated by Mensah *et al.* (2023:78) that knowledge pertaining to the impact of organisational change on employee performance still needs to be uncovered, which

indicates potential gaps that are yet to be filled in this field of study. Moreover, Ndege and Ogollah (2020:27) emphasise the lack of empirical evidence on the effects that organisational restructuring has on the performance of global organisations.

The importance of employee performance has been emphasised by Ochuko and Ayo-Balogun (2020:32) where it is mentioned that the company's success and profitability depend not only on how the organisation makes the most of its employees' competences but also how it improves employee performance and stimulates commitment. Commitment for employees to perform tasks can be described as employee morale, which can in turn have an impact on productivity. This view has been corroborated by Osho *et al.* (2006:109), where it is stated that morale relates to employees' motivation and is defined as employees' state demonstrated through confidence, joyfulness, discipline, and inclination to perform tasks that have been assigned to them. In a study carried out by Osho *et al.* (2006:108), it was determined that when morale is low, productivity will also be low and as a result organisational profits may be adversely affected. It was however cautioned that linking morale directly to the profitability of an organisation is difficult because there are more factors driving profitability than just the productivity of employees (Osho *et al.*, 2006:108).

The need to explore employees' subjective experiences and impact of change on their well-being has become prevalent in recent years in relation to obtaining in-depth understanding through qualitative studies as highlighted by Nel and van Niekerk (2023:83). Aligned with this need, Nel and van Niekerk (2023:100) further propose research to be conducted focusing on managers that must enact organisational changes with the objective of gaining insight into their experiences and skills they need to acquire to ensure successful change initiatives. It is for this reason that the current study will include managers as part of the participants with the objective of addressing this gap. Furthermore, Jacobs and Keegan (2015:87) identified a research gap on exploring whether employees undergoing organisational structuring are also driven by ethical considerations, and whether they genuinely consider what is experienced by their colleagues as well as the overall impact of outcomes on the organisation. According to Jacobs and Keegan (2015:87), the question that remains to be answered is the following: *At what point and for which reasons do organisational considerations outweigh those of*

individuals? Through exploring in-depth understanding of the perceived employee morale and productivity following organisational restructuring, an aspect of organisational benefits and losses will also be incorporated to address this research gap.

1.3 Problem statement

According to Mathisen *et al.* (2023:1), challenges emanating from volatile oil prices, high-cost pressure and fast technological developments have caused the petroleum industry, also referred to as the petrochemical industry, to undergo significant change processes in recent years. This view has been corroborated by Eloy and Manuel (2018) where it is stated that the petrochemical industry has seen dramatic reshuffling and headcount reduction in recent years in a quest to maintain profitability and cash returns to shareholders following oil prices crash. A petrochemical company of interest in this study was also faced with unprecedented challenges compelling an end-to-end transformation program in a quest to reinvent the business to ensure sustainability (Sasol, 2021).

However, many researchers have demonstrated that despite change management being inevitable and this process having been studied extensively, the failure rate remains high where unintended consequences include reduced employee morale and consequently poor business results (Beylerian & Kleiner, 2002:30). The need, therefore, remains to continuously assess any impact that the organisational restructuring may have on employee morale and productivity. By mitigating any adverse effect that the restructuring may have on employee morale and productivity, the desired benefits of the change process can be maximised.

It is important to note that different restructuring interventions come with their own unique justification and implementation strategy, and consequently, the impact that each process may have on employee morale can differ significantly. It is within the context of this dynamic environment that the impact that any organisational change may have on employee morale and productivity should be assessed diligently so that measures can be implemented to ensure change management success with positive business outcomes.

Contextualisation of the study is given below where the specific problem that the study aimed to address is also highlighted.

Generic context of the problem

The study aimed to assist organisations in addressing the challenges faced due to organisational restructuring. There are different views regarding how organisational change can impact employee performance and productivity, where some researchers indicate a positive relationship and others a negative relationship (Mensah *et al.*, 2023:88). However, a well-implemented organisational change can yield tangible benefits, which include improved competitiveness, better financial performance, and higher levels of customer and employee satisfaction (Ochuko & Ayo-Balogun, 2020:32). This study therefore aimed at providing an insight on what companies should consider when undertaking restructuring to ensure that the outcomes of such an exercise are favourable and result in improved business performance.

The specific problem the study aims to address

The poor success rate of organisational restructuring observed through the literature indicates that this process can lead to unfavourable working conditions, adversely impacted productivity, and consequently poor business performance, which will negatively affect a drive towards sustainability development goal (SDG) 8 that relates to decent work and economic growth (Morton *et al.*, 2017:86). By exploring employee morale and productivity following a restructuring process, risks associated with such a process can be mitigated and consequently improve business results. It is therefore envisaged that recommendations made from this study will assist organisations in maximising the success rate of their organisational restructuring initiatives and enable them to achieve the intended benefits from such a process.

1.4 Rationale and significance

The contribution that this study will make is outlined as follows:

Theoretical contribution

From a theoretical point of view, this study will contribute to the body of knowledge in the field of organisational behaviour, where it will provide insight into the impact that organisational restructuring can have on employee morale and productivity to bridge the gap identified in change processes resulting in a high failure rate. Contributions from this study will be applicable in the talent management field, which encompasses the human resources field, as it seeks to explore organisational behaviour in relation to employee morale and productivity. Moreover, the core contribution of this study is underpinned by operations management as it aims to assist organisations to ensure that any organisational restructuring undertaken does not negatively impact business operations through adversely impacted employee morale and productivity. The theoretical framework underpinning this study relates to the organisational justice model which is concerned with the fairness evaluation of individuals regarding how they have been treated at the workplace (Yean & Yusof, 2015:798). More details on this are given in the theoretical framework section below.

Practical contribution to managers and policymakers

From a practical point of view, recommendations made from this study will help organisations undergoing restructuring to review change management strategies to maximise the benefits that the process intends to yield and consequently improve the business results. In terms of policies, organisations undergoing restructuring would need to review their policies to ensure that they are regularly updated and remain relevant for enhanced employees' value proposition. This is in line with a recommendation made by Shaban *et al.* (2017:6) where it is stated that management should work on strong and sustained compensation policies that bridge the gap between the payrolls of the employees to keep employees motivated, keep the morale high and increase productivity.

Contribution to responsible management (related to Sustainable Development Goals [SDGs])

Members of states of United Nations (UN) adopted 17 Sustainable Development Goals (SDGs) which have been listed by Morton *et al.* (2017:86). This study will particularly contribute towards SDG 8: Decent work and Economic growth in various ways. Diligent implementation of restructuring processes will help ensure that work conditions for employees are improved, or at least not worse off, and will also help prevent employees from being overworked (due to reduced labour force) with no improvement on their remuneration. Secondly, if companies can realise the intended benefits of the restructuring, which include improving the profit margins, then this can create conditions that are conducive to economic growth where the restructured organisation can contribute even more towards the economic growth.

There has also been personal learning emanating from this study through understanding dynamics around research execution and the actual impact that restructuring can have on the employees in general. Any organisation undergoing restructuring and that wishes to maximise on the intended benefits of such a process also stand to benefit from this study, particularly when considering the objectives and recommendations made based on the study outcomes.

1.5 Research objectives

1.5.1 Primary objective

In line with the problem statement stipulated above, the primary objective of this study was to explore employee morale and productivity, as a function of the perceived challenges and potential opportunities encountered after having gone through an organisational restructuring process, and the focus of the study was on a selected petrochemical company in South Africa. Exploring this phenomenon can be beneficial to organisations owing to the potential positive impact it might have on the business outcomes.

1.5.2 Secondary objectives

In a quest to address the primary objective stipulated above, the secondary objectives of this study are listed below:

- To explore the perceptions related to employee morale and productivity after an organisational restructuring process.
- To obtain an insight into the perceived challenges that the restructuring process brought about in relation to employee morale and productivity.
- To explore any potential opportunities that can be realised through the restructuring process aligned with employee morale and productivity. This is from the perspective of both employees and the organisation itself.
- To make recommendations on aspects that organisations undergoing restructuring should focus on to mitigate any negative impact this exercise can have on employee productivity.

1.6 Research questions

In the process of exploring employee morale and productivity following a restructuring process, this study aimed at answering the following research questions:

- How is the perceived employee morale and productivity influenced following an organisational restructuring process?
- What are the perceived challenges that are brought about by the organisational restructuring process in relation to employee morale and productivity?
- What are the potential opportunities that can be realised through organisational restructuring aligned with employee morale and productivity, from the perspective of both employees and the organisation itself?
- What aspects should organisations undergoing restructuring focus on to mitigate any negative impact that this exercise can have on employee morale and productivity?

1.7 Definition of key concepts

Concepts that form a key aspect of this study are defined below.

Organisational restructuring

A process undertaken by organisations where the structure is reviewed and amended as necessary to ensure that it is aligned with the company strategy and supports organisational objectives. For example, some researchers have indicated that the common restructuring strategy employed by management is to downsize to meet their financial challenges (Chaddha, 2016:07). Organisational restructuring and organisational change are the same concepts in the context of the current study, and these terms may therefore be used interchangeably.

Employee morale

Employee morale is defined by Mallik *et al.* (2019:3289) as the job satisfaction, and feelings of well-being that exhibit employees' attitude and satisfaction at the workplace environment, where dissatisfied employees are classified as having low employee morale.

Employee productivity

According to Andri *et al.* (2021:1), employees can produce satisfactory achievement if they have high performance, or productivity, and companies must have knowledgeable, skilled, and loyal employees for their activities to run well. It is furthermore stated by Andri *et al.* (2021:1) that achieving productivity successfully is determined by not only mastery of in-depth knowledge but also through behavioural attitudes that employees have regarding how they deal with work. This view demonstrates that while productivity can largely be influenced by the ability of the employee to perform a specific task, there is also an element of behaviour, engagement, and willingness to perform a task. This study will focus mainly on the latter part where productivity is viewed more in a context of engagement than the skill itself.

Petrochemical industry

In accordance with Dickson (2016), petrochemical industry is concerned with the large-scale production of a wide range of chemicals such as polymers, detergents, fertilizers, fine chemicals, and alternative fuels. This process is the branch of chemistry that employs raw materials such as hydrocarbons, oil, and gas to yield the desired products (Dickson, 2016). By virtue of oil and gas being raw materials, this industry is also often referred to as oil and gas on which the current study is based.

1.8 Demarcation of the study

This study was undertaken within the demarcations of a specific petrochemical company in South Africa. The majority of employees who were interviewed are based in the Sasolburg operating facilities. This is because such is the population that is easily accessible, consisting of several departments that were significantly affected, that is: they experienced consecutive restructuring processes and had a high percentage of headcount reduction. Where feasible, other operational sites like Secunda were also considered as well as headquarters employees based in Sandton. In terms of field of study, demarcation for the current study was within the boundaries of talent management, which is concerned with a deployment of a pool of talent to achieve organisational objectives, beyond the traditional human resources discipline. To further illustrate the field of talent management in the context of the current study, Ingram and Glod (2016:340) state that organisations that are committed to actively engaging talents must establish ways of capitalising on their competencies and prepare structures, strategies, and environment to encourage employees on essential positions to contribute to the success of the organisation. The current study was also core to operations management as it endeavoured to assist organisations to achieve operations excellence through mitigating adverse impact of organisational restructuring on employee morale and productivity.

1.9 Outline of the mini-dissertation

The mini-dissertation comprises chapters that are listed below together with their corresponding purpose.

Chapter 1

The first chapter provides a background on employee morale and productivity in relation to organisational restructuring in the introduction section. Reasons compelling organisations to undergo restructuring are discussed and the need to explore employee morale and productivity is highlighted with the objective of ensuring that business results are not adversely affected due to the restructuring process. This chapter also provides study objectives where the research questions are formulated. Aligned with the study objectives, contributions that the study aims to make are listed from the practical point of view, to the theoretical framework, which is concerned with the organisational justice model.

Chapter 2

The second chapter provides a literature review aimed at highlighting publicly available knowledge on employee morale and productivity in relation to organisational restructuring as the main constructs for the study, where peer-reviewed articles were sourced as far as possible. The literature review employed secondary data research to provide an insight on the high failure rate of organisational restructuring and the impact that this can have on employee morale and productivity. Consequently, the adverse impact that poor employee morale and productivity can potentially have on business results is highlighted, thereby demonstrating the need to explore this phenomenon to assist organisations in mitigating adverse impact on the business. Gaps in the literature that this study aims to address are also highlighted in this chapter.

Chapter 3

This chapter provides details of the research methods that were employed in this study. Aligned with the qualitative research methodological choice, this study followed an interpretivism paradigm following an inductive approach. Since this study had participants where semi-structured interviews were conducted, details on data collection

and analysis are also provided in this chapter including ethical considerations that this study conformed to.

Chapter 4

The fourth chapter shares observations made from the study and provides associated discussions on the results. Discussion of the results is aligned with the literature review and an assessment conducted on whether the gaps identified in the literature review were adequately addressed.

Chapter 5

The last chapter highlights conclusions made from the results obtained and provide recommendations for considerations. Recommendations made from this study are aimed at providing potential mitigation steps that organisations can consider when undergoing restructuring to help ensure that employee morale and productivity are not adversely impacted to the detriment of business results. Conceptual theory culminating from this study is provided as an insight towards the theoretical framework pertaining to the organisational justice model. Potential future research is also proposed based on the limitations of this study.

1.10 Conclusion

This chapter provided a background to organisational restructuring, where it was noted that globally, organisations have been faced with the need to undertake some form of organisational restructuring to ensure business survival. Similar to many other petrochemical companies, the organisation of interest in this study has also been impacted by macro-economic effects such as a decline in the oil price requiring it to transition and reinvent the business to ensure sustainability (Sasol; 2021).

The objective of this study was outlined in this chapter, which is concerned with exploring the perceived employee morale and productivity in the selected company in South Africa following an organisational restructuring process. Research questions were also

formulated in this chapter aligned with the objective of the study. It is envisaged that by identifying aspects that organisations should focus on when undergoing a restructuring process, this study will help organisations to mitigate risks associated with this process in a quest to increase the success rate of restructuring. A detailed literature review is provided in the next chapter where the theoretical framework on which this study is based is also provided.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

The background to organisational restructuring was provided in the previous chapter where the problem statement that this project aimed to address was also highlighted. This chapter covers an insight towards employee morale and productivity in the context of organisational restructuring using secondary data. A theoretical framework on which this study was based is firstly stipulated, which relates to the organisational justice model. Ramifications of organisational restructuring if this process is executed ineffectively are shared in relation to the perceived employee morale and productivity. Some of the steps that organisations can consider implementing to mitigate these ramifications are listed. This chapter concludes by highlighting the importance of assessing whether employees undergoing organisational structuring are also driven by ethical considerations encompassing impact on other colleagues and the organisation at large.

2.2 Theoretical framework

This study was underpinned by the organisational justice model, which is explained by Yean and Yusof (2015:798) as being concerned with the fairness evaluation of individuals regarding how they perceive to have been treated at the workplace. According to Yean and Yusof (2015:799), the perception of fairness, which is synonymous to justice, can have a significant impact on organisational productivity and success through creating trust between employees and the employer, resulting in improved teamwork, increased employee's organisation citizenship behaviour and reduced conflict. Conversely, if certain organisational interventions are not well implemented and employees perceive the management to have acted unfairly, this can result in a counterproductive behaviour with a negative impact on employee morale and productivity.

The organisational justice model is composed of the following three classes, which are said to be the type of things that people evaluate in determining whether they have been treated justly (Cropanzano & Molina, 2015:379):

- **Distributive justice:** The perceived fairness of outcomes, being how people judge what they receive as being just or not. If employees perceive that the outcomes were distributed equitably then they would be more accommodating to what they receive.
- **Procedural justice:** The perceived fairness of the process followed in the decision-making. In this instance, employees will be more understanding and act favourably if the decision-making process followed is deemed to be transparent and unbiased.
- **Interactional justice:** Over and above outcomes and the process, employees are also concerned with the way they were involved and the interaction level during the process. According to Robbins and Judge (2024:258), this class of justice can be subdivided into informational justice and interpersonal justice. Informational justice is concerned with the level of information shared and explanation provided to employees in the decision-making process. On the other hand, interpersonal justice relates to the perceived dignity and respect with which employees were being treated during the process.

This study adopted the abovementioned organisational justice model, where it explored the phenomenon of morale and productivity of employees based on their perception of the outcomes of the organisational restructuring, how the process was executed and the level to which they feel they were engaged. This framework is summarised in Figure 2-1 below (p18) aligned with an illustration provided by Robbins and Judge (2024:257).

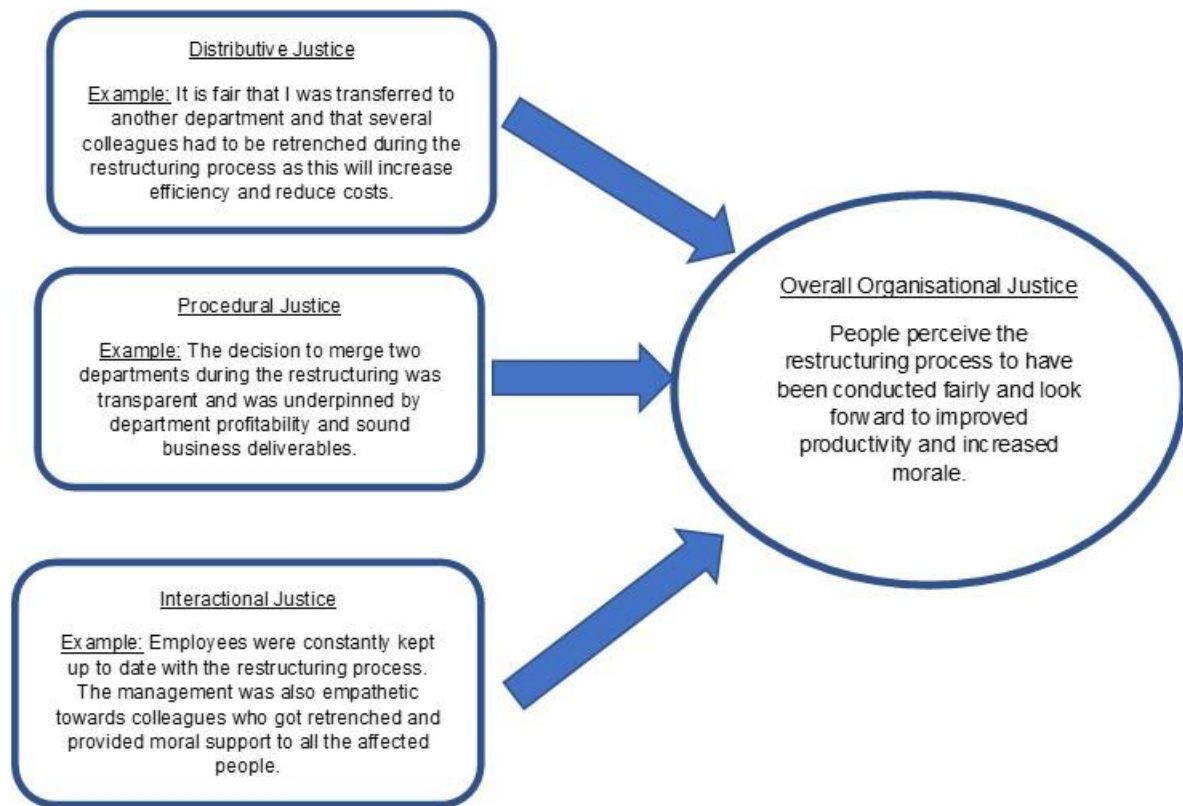


Figure 2-1. Organisational justice model adopted in the current study (Sourced and adapted from Robbins and Judge, 2024:257).

It is envisaged that through exploring the perceived employee morale and productivity following an organisational restructuring process, this study will have contributed to the organisational justice model aligned with the examples provided above for the respective classes of this framework.

2.3 Understanding organisational restructuring

Organisational restructuring has become an inevitable phenomenon that organisations undertake to ensure their survival in the global and dynamic marketplace. At times referred to as downsizing, Khan and Cheema (2010:158) state that organisational restructuring has become a relevant strategy to reduce costs and improve profitability and this process affects both public and private institutions. In support of this view, Zafar and

Naveed (2014:238) state that organisations are forced to make dramatic improvements due to the globalised economy that creates more hazards and opportunities for everyone to compete for survival, where some of the driving forces are listed as technology changes, global economic integration, local market maturation and international communism. According to Zafar and Naveed (2014:237), there are different classes in which the scale of change can be categorised spanning all the way from wide-ranging, incremental through to transformational and radical change, where the latter includes cultural and structural changes. Various types of restructuring are provided below in Table 2-1 together with their associated description aligned with views by Umar (2023:3).

Table 2-1. Various types of restructuring and their corresponding descriptions.

Type of restructuring	Description of the restructuring
Legal	Changes in ownership and legal paperwork such as agreements.
Financial	Changes to the capital structure of the business. This can also involve cost cutting avenues where the objective is to mitigate financial challenges.
Repositioning	Transitioning to a different business model.
Portfolio	Changes in the asset mix of the company or business make up, which can overlap with repositioning.
Technological	Acquiring new technological trends such as digitalisation of processes to improve efficiency.
Organisational	Changes to the human resources policies and this can include downsizing or rearranging the workforce.

(Sourced and adapted from Umar, 2023:3).

Over and above the various restructuring types as listed above, Umar (2023:3) states that restructuring can also be internal where the company does not involve any third party, or external where third parties can be involved through processes such as mergers and acquisitions. It is important to note that these restructuring types can occur in a concurrent and integrated manner. While these changes should not be viewed in complete isolation, the focus of the current study was particularly on organisational restructuring primarily involving changes to the workforce, which in turn would have an element of financial restructuring in a form of cost cutting.

The restructuring process entails some form of change management, which is mentioned by Okechukwu and Ugwu (2015:175) as the integration of changes without damaging the organisational culture or efficiency. The overarching objective of any organisational restructuring is to remain competitive and improve business results. This view has been emphasised by Ojo (2015:76) where it is stated that restructuring is a process of achieving enhanced provision and sustainable service delivery at minimum costs and maximum efficiency. According to Ojo (2015:76), there is a paradigm shift in the restructuring process where focus is more on the results than the process itself, through the implementation of three “E’s” being economy, efficiency, and effectiveness. This view emphasises the need for organisations to look deeply into the restructuring process to maximise the success rate for improved business performance. It is further stated by Rogovsky *et al.* (2009:1) that while organisational restructuring is no longer an option but necessary as the only option for survival, it nevertheless needs to be conducted such that the value of human capital is not jeopardised.

Extensive research has been conducted on change management to ensure that the envisaged goal can be achieved, including the eight-step change model developed by Kotter (1998), which has since been investigated by several researchers with the objective of managing change effectively and minimising business risks. Amongst others, Sittrop and Crosthwaite (2021:13) evaluated the application of the change model with the aim of establishing how it can be used effectively to enhance the value and utilisation of a customer relationship management system, where key competencies essential for the implementation of the model were identified to be the following: 1) delivering visible benefits 2) communication of strategy, vision, and success 3) creating useable and meaningful information 4) knowledge management and technical proficiency and 5) leadership competency with teamwork. An illustration of the change model together with these key competencies is given in Figure 2-2 below (p21) in accordance with Sittrop and Crosthwaite (2021:15).

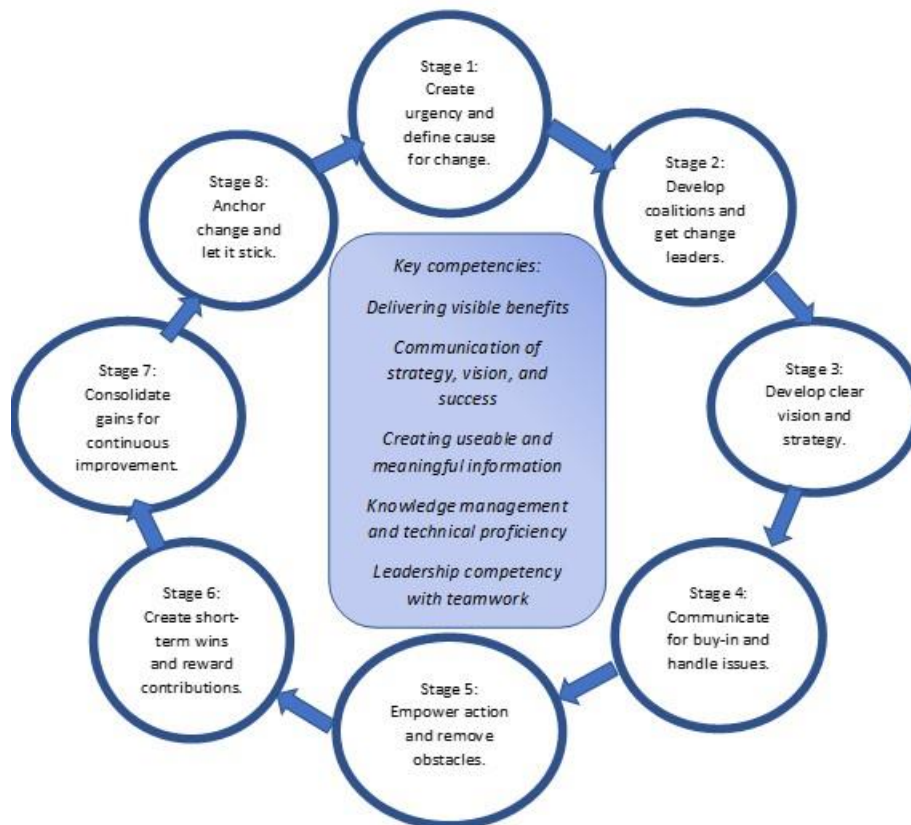


Figure 2-2. Kotter's eight-step change model and key competencies required (Sourced and adapted from Sittrop and Crosthwaite, 2021:15).

The application of Kotter's change model was further investigated by Laig and Abocejo (2021:32), following a concern that despite organisations following change steps to achieve the desired strategic goals, they still fail along their change process. According to Laig and Abocejo (2021:47), change readiness factors such as job satisfaction and organisational commitment are key in preparing and guiding employees to buy into organisational change. Despite the change process having been researched extensively, there are still gaps in understanding how to better ensure a successful organisational change in today's world (Jones *et al.*, 2019:156). Jones *et al.* (2019:156) attribute this gap to the fact that the validity of widely held assumptions about the scale of change programme failure has not been questioned, including the best change leadership style to adopt and the sufficiency of empirical evidence supporting change management models. Conclusions made from this study corroborate findings from previous studies where it was stated that change models and leadership styles differ depending on the context, these should be used in a flexible manner where ongoing communication,

leadership and teamwork are essential in enabling change (Jones *et al.*, 2019:174). These findings indicate that more research will be valuable in helping to improve the effective implementation of change strategies to achieve the intended benefits. Considering benefits that organisations aim to obtain from their restructuring interventions, there are mixed views regarding the outcomes and the success of such a process. The section below provides a literature assessment on the outcomes of organisational restructuring covering both favourable outcomes and failures that have ramifications on the business.

2.4 Impact of organisational restructuring

Aligned with ensuring business profitability, benefits envisaged from an organisational restructuring process include cutting costs, boosting productivity and positioning companies for the long term (Chaddha, 2016:07). Downsizing, as a form of organisational restructuring, is also said to eliminate redundancies and help organisations to compete efficiently, as well as improve profitability (Anekwe & Nwanah, 2021:1800). A study conducted by Berber and Bracanovic (2019:165) concluded that amongst different effects of organisational restructuring on the performance of the company itself, it can assist in cost reduction, increase in productivity as well as profitability.

This process should however be executed with care as it may also have dire consequences if it is not implemented correctly. Some of the negative consequences that can be realised from organisational restructuring are said to be associated with employee morale and attitudes, which include lower organisational citizenship behaviour, decline in motivation, conflict, and insecurity (Berber & Bracanovic, 2019:165). According to Chaddha (2016:13), if organisational restructuring is not implemented effectively, employee morale can drop significantly post the restructuring process with employees demonstrating the potential loss of loyalty and trust in the organisation, feelings of insecurity, the implementation of seemingly unfair downsizing processes and confusion over roles and expectations. By understanding and subsequently improving the implementation of organisational changes, the adverse effects of poorly implemented strategies can be mitigated in a quest to reduce the change process failure rate and consequently improve business results.

A high failure rate of organisational restructuring was reported by Meaney and Pung (2008:01), which was estimated to be in the region of 60% and this was largely attributed to poorly defined targets. Furthermore, Balogun (2001:02) attributes some organisational change failures to implementation rather than formulation, stating that for strategic intent to become reality, it is necessary to change how individuals within an organisation behave. Upon evaluating the after-effects of downsizing, Beylerian and Kleiner (2002:30) established that 31% of those who survived the layoffs said that their morale declined severely and nearly 40% said that productivity dropped, with many exhibiting dysfunctional work behaviours such as reduced performance or lowered commitment. This survey provides proof that despite companies undergoing restructuring to improve business results, a significant amount of these changes still leads to reduced employee morale and productivity, which have a negative impact on the business results.

Ramifications of organisational restructuring on those who survived the process was further investigated by Khan and Cheema (2010:166), where it was established that in addition to feeling insecure about their new jobs, the employee morale and long-term planning were lower for the lower levels' employees in comparison to those at middle management levels. Amid organisational restructuring, employee morale and organisational commitment can be improved through active communication and interactive policy (Khan & Cheema, 2010:166). According to Agwu *et al.* (2014:7), managers can harness potential benefits of organisational restructuring through ensuring that the survivors have access to counselling, and they also receive honest and impartial information. Insight on employee morale and productivity is provided in the next section aligned with findings from the literature.

2.5 A view on employee morale and productivity

Aligned with the insight on organisational restructuring that has been provided above and the associated impact of such a process on organisations, it is prudent to also provide the context of employee morale and productivity as assessed through the literature review. According to Mutharasi and Thaiyalnayaki (2022:3567), employee morale

comprises a combination of six factors being job satisfaction, team spirit, improved productivity, positive attitude, zest, and lack of absenteeism, which can be influenced by work experience and hierarchical role in the company. It has furthermore been stated that as a behavioural outcome, positive morale yields high performance where productivity consequently increases (Mutharasi & Thaiyalnayaki, 2022:3567). In accordance with this view, one can argue that employees who perceive team spirit as being an important factor of morale will exhibit high productivity if there is team cohesion and harmony. Furthermore, high productivity can also be expected from employees who believe that job satisfaction plays an important part of morale if they feel content with their jobs.

The importance of employee morale has been highlighted by Mabindisa and Legoabe (2021:87) where it is stated that morale can influence the quality of employee performance, labour productivity and consequently business profitability. According to Mabindisa and Legoabe (2021:92), organisations incur costs and experience significant losses in productivity from hiring and training new employees due to low employee morale and high turnover. It has furthermore been cautioned by Obi *et al.* (2021:31) that employee morale can be reduced due to increased workload that needs to be shared amongst employees who have survived the restructuring, and this can lead to organisations failing to achieve their corporate goals. Conversely, Obi *et al.* (2021:30) contend that there is an association between high employee morale and increased employee productivity. This view points to the importance of employee morale and productivity in relation to organisational restructuring. It is indeed in the best interest of organisations to understand how they can improve not only the employee morale, but also productivity due to the benefits that are associated with it. At the organisational level, Nguyen *et al.* (2019:131) argue that productivity provides a measure of a company's capability to utilise its inputs to maximise output as best as it possibly can. Productivity is furthermore defined by Singh *et al.* (2022:183) as time spent actively on tasks requiring execution, which has an element of efficiency and effectiveness in the context of management. According to Singh *et al.* (2022:183), the benefits of productivity include optimised competitive advantage of organisations, economic expansion, increased profits, better working conditions and conducive opportunities for employment. It therefore goes to say that high productivity benefits both organisations and employees.

The link between morale and productivity has also been demonstrated by Weakliem and Frenkel (2006:357), where it is stated that positive feelings about the organisation and management lead to higher productivity since enhancing morale not only makes work more pleasant but also produces productivity gains. In particular, Chukwudumebi and Kifordu (2018:90) established that there is an association between fringe benefits and welfare issues in the workplace, where enhancing good health or job performance was observed as an effective ammunition for higher productivity. In another study where the effect of morale on productivity and competitiveness was investigated (Shaban *et al.*, 2017:1), the real cause for low employee morale was said to include uncertain business conditions, job security issues, lack of compensation policy and excessive outsourcing policy. All these factors can result from organisational restructuring. Shaban *et al.* (2017:6) furthermore recommend that management should work on increasing productivity by increasing job satisfaction through re-engineering systems and processes and providing incentives, education, and training. According to Hasan *et al.* (2017:97), job satisfaction relates to the attitude and feelings that people have towards their work, where positive attitudes indicate job satisfaction and negative attitudes indicate job dissatisfaction. Aligned with the organisational justice model in accordance with Cropanzano and Molina (2015:379), if employees perceive organisational restructuring to have been fair, then they can be expected to exhibit organisational commitment, job performance and a cooperative organisational citizenship behaviour. Conversely, a counterproductive behaviour can be exhibited if employees perceive any injustice from organisational restructuring, the outcome of which can have a negative impact on the organisation. This is aligned with views by Shao *et al.* (2022:826) where it is mentioned that the main stress scenarios that lead to counterproductive behaviours include organisational constraints, social conflicts, and perceived injustice. Ensuring that employees perceive favourable organisational justice during a restructuring process can therefore assist in minimising a detrimental counterproductive in favour of cooperative organisational citizenship behaviour.

A positive correlation between job satisfaction and productivity has furthermore been demonstrated by several researchers, where Kaur and Verma (2018:87) state that employees who are satisfied with their jobs are willing to extend more effort to their jobs, consequently leading to improved productivity. If companies can incorporate factors that

enhance job satisfaction into their organisational restructuring strategies, then any adverse effect that the change process can bring on employee morale and productivity will be mitigated. Other strategies that managers are advised to implement to minimise adverse impact of organisational restructuring on employee wellbeing include creating an environment where employees feel that their work is meaningful and they are valued (McManus & Mosca, 2015:40). It is furthermore stated by McManus and Mosca (2015:40) that it is important for managers to create a perception of fairness and objectivity as this will enhance trust and engagement by employees. More details on strategies that organisations can consider implementing in their quest to enhance employee morale and productivity are provided in the next section in the context of organisational restructuring.

2.6 Strategies to enhance employee morale and productivity

The importance of high employee morale and productivity has been elaborated upon in the previous section, where both the employee and the organisation stand to benefit from these attributes if they are well managed. This section deals with strategies that organisations can consider in creating a conducive environment for enhanced employee morale and productivity.

Aspects that are related to organisational restructuring that can have an adverse impact on employee morale include job insecurity, too many outsourcing practises, unfair compensation policies and ambiguous business conditions (Arun & Agalya, 2020:1168). Several measures that organisations can consider employing to enhance employee morale and mitigate some of the abovementioned detrimental aspects are listed as follows in accordance with Kanimozhi and Vinothkumar (2018:512): job enrichment, conducive working environment, a transparent performance management system and suitable incentive policies. Outsourcing of services can be minimised through upskilling employees thereby creating inhouse job enrichment. Furthermore, a transparent performance management system can create a positive perception of the reward policy where employees feel that they are compensated fairly.

It is prudent to appreciate the link between productivity and performance, where Nguyen *et al.* (2019:137) indicate that organisations that want to improve their performance on a long-term basis need to improve their employee productivity. On the other hand, Taufan *et al.* (2021:15) concluded that employee performance is a vital variable that should be considered for increasing work productivity of a company. It is therefore evident that productivity and performance are so interrelated that an improvement in the one leads to an increase in the other, and vice versa. The outcome of a study by Nguyen *et al.* (2019:137) concluded that building a good working environment for employees is one of the mechanisms that organisations can employ to improve employee productivity. In support of this view, Zhenjing *et al.* (2022:11) stated that a conducive workplace environment has a positive impact on employee performance. A positive work environment is mentioned to provide a nurturing atmosphere that enhances employee commitment and loyalty where employees exhibit a higher level of task performance (Zhenjing *et al.*, 2022:11).

Another aspect that has been shown to have a significant impact on productivity is work engagement, where Hanaysha (2016:67) provided empirical evidence of the significant positive effect that work engagement has on employee productivity. This study concluded by recommending that managers put adequate emphasis on work engagement and regularly keep track of employees' progress for the benefit of their organisation (Hanaysha, 2016:67). From the restructuring point of view, organisations need to be on the lookout for aspects that promote conducive work environment and enhance employee work engagement so that they can achieve the intended benefits of the process. Some of these aspects are mentioned to include providing financial and physical resources that reinforce employee productivity and adopting a bilateral communication strategy between employers and employees (Hanaysha, 2016:67). Aligned with an inclusive communication strategy, several recommendations were proposed by Kurgat (2016:652) regarding restructuring in a quest to ensure that organisations yield maximum benefits from this process and mitigate any potential ramifications, and these are listed below:

Communication and stakeholder engagement

Inclusive communication is pivotal in keeping all stakeholders informed about any kind of changes and getting their support towards the changes. This is aligned with Stage 4 of

Kotter's eight-step change model where it is stated that for any change to be successful, change drivers need to communicate with the involved parties to get buy-in and handle any issues that might arise (Sittrop & Crosthwaite, 2021:15). Communication with all stakeholders will also help remove fears and any potential resistance can be overcome from stakeholders such as trade unions and the employees. When employees feel that they have been involved in the restructuring process and their fears have been removed relating to the process, they can become more engaged leading not only to improved productivity but also to a successful restructuring process.

Clear standards must be set and followed

Setting standards helps in providing clarity on what can be expected from the restructuring process and allow organisations to develop benchmarking criteria for definition of success. This is corroborated by Alosani *et al.* (2020:177), where it is stated that organisational performance is positively affected by benchmarking and is employed as a tool that assists organisations in gaining competitive advantage.

Rightsizing and restructuring

Another form of restructuring is mentioned by Umar (2023:4) to be mergers and acquisitions where two or more business entities combine with the objective of achieving either financial or operational synergies. Synergies created can result in improved productivity through more available resources coming from the merging companies. It is therefore important for organisations to approach organisational restructuring with an open mind and not only focus on downsizing but also incorporate other forms of restructuring such as acquisitions and mergers that can bring growth and improved productivity to the business.

Elements of fairness such as trust, transparency and respect

Perceptions that employees make regarding the fairness of organisational restructuring can have a significant impact on employee behaviour and attitude, which can lead to failure or success of the process. This is aligned with views by Yean and Yusof (2015:799), where it is stated that the perception of fairness can impact organisational productivity through creating trust between employees and the employer, resulting in increased employee's organisation citizenship behaviour and reduced conflict. It is

important to note that respect includes allowing employees to speak up and taking feedback with regards to best practices on restructuring as this will create a conducive environment that encourages new ideas and innovative solutions that can be beneficial to the organisation (Ismail & Owaida, 2023:88). This view is further emphasised through a study by Pahkin *et al.* (2015:453) where is established that important factors that are likely to influence the way employees experience organisational changes include opportunities to participate in the process and the support they obtain from top management.

There are various forms of responsible restructuring that will help ensure the success of the process and that organisations can yield the maximum benefits of the process, and these are listed below in accordance with McLachlan (2022:34):

- **Regulatory:** Adhering to legal compliance and going beyond the minimum statutory requirements where meaningful employee consultations are undertaken.
- **Procedural:** There should be evidence of formal processes and policies that were followed in the restructuring process, and these should be appropriate to the demographics of the workplace.
- **Communication:** Organisations need to conduct interpersonal interactions through sharing strategic and financial information pertaining to the restructuring process.
- **Employment:** Opportunities for internal redeployment should be pursued where effort is made by the organisation for retraining and reskilling the workforce.

It is envisaged that through implementing the abovementioned strategies, organisations will be able to enhance employee morale and productivity while mitigating any adverse impact that can emanate from their organisational restructuring initiatives.

2.7 Conclusion

As employees' morale and productivity are explored in this study in relation to organisational restructuring, aspects that organisations need to take note of to enhance perceived organisational justice have been highlighted. The aspect of organisational

justice did not only cover the perceived justice enacted towards employees but also towards the organisation and other colleagues. This is aimed at addressing a gap identified by Jacobs and Keegan (2015:87), which is with regards to exploring whether employees undergoing organisational restructuring are also driven by ethical considerations encompassing impact on other colleagues and the organisation at large. The research method that was followed during this study is described in the chapter that follows.

CHAPTER 3 RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

The previous chapter provided a theoretical framework on which this study was based, which relates to organisational justice. It also detailed the literature review relating to organisational restructuring. Saunders *et al.* (2009:5) stipulate that for any investigation to be considered as research, it should satisfy the following criterion in general:

- Data should be collected systematically.
- There should be a systematic way in which data gets interpreted.
- There should also be a clear purpose aimed at finding things out.

Aligned with this criterion, this section provides a research method that was followed in addressing the topic at hand. The research method given in this section stipulates a systematic approach that was implemented with data collection and interpretation thereof in a quest to achieve the objective of the study. Justification for the research method of choice is supported through literature definitions.

3.2 Main objective of the study

Before delving into the research methods that were followed in this study, it is prudent to provide a reminder of the objective of this study. The primary objective of this study was to explore employee morale and productivity, as a function of the perceived challenges and potential opportunities encountered after having gone through an organisational restructuring process and the focus of the study was on a selected petrochemical company in South Africa

The research method that was followed to answer this question is presented below, starting with the research paradigm as stipulated in the next section.

3.3 Research paradigm

This study followed an interpretivism approach, which is defined by Saunders *et al.* as people perceiving situations in varying ways based on their views (Saunders *et al.*; 2009:111). Saunders *et al.* (2009:111) further mention that different interpretations from people will likely influence their actions and how they interact with others. Similarly, employees who were interviewed in this study had different, subjective interpretation of the organisational restructuring. Employees' perception, therefore, of how the recent restructuring process affected them, was primarily be based on their individual experiences. This would consequently have an impact on their morale and productivity. For example, if they perceived the restructuring exercise as only benefiting shareholders' profits and create negative perception about the exercise with a view that it will only result in their jobs being at risk, then their morale would be negatively affected as well as their output. However, if their experience dictates that the restructuring process was beneficial as it assisted with the sustainability of the organisation, and consequently enrich their value proposition, then they would have a positive view of the exercise, where their morale would increase resulting in an increase in productivity. The subjective nature of the topic indicates that this study also had a subjectivism element associated with it.

3.4 Research approach

This study employed an inductive approach which was aligned with the qualitative nature of the methodology that was followed. This approach implies that interviews were conducted, and data analysed to derive an understanding of the impact of restructuring on employee productivity. According to Saunders *et al.* (2009:126), the inductive approach means that the results of the analysis from a study may culminate into a formulation of a theory or confirm an existing one. Aligned with this definition, the formulation of a theory from this study followed data collected as opposed to a deductive approach which is an inverse of this approach, that is., data follow theory, typically given in the form of hypothesis (Saunders *et al.*, 2009:124).

3.5 Methodological choice

The method of choice for this study was qualitative where interviews were held with the participants to obtain an in-depth understanding of the topic being investigated. In a quantitative method, the researcher relies on questionnaires being filled in by a large enough population to obtain statistically significant data to be able to conclude, and this method can be superficial without providing a detailed understanding of human experience. This is in line with the views of Rahman (2017: 106), where one of the disadvantages of quantitative method is mentioned to be the fact that this method has not been able to take information deeply, but rather gives the overall picture of variables. On the contrary, interviews with the participants in a qualitative method offer the researcher an opportunity to have more in-depth interactions that can provide an understanding of underlying behaviours, which was an important aspect of this study. This is corroborated by Rahman (2017:103), where it is stated that the qualitative method can refer to research about persons' experiences, behaviours, emotions, and feelings, as well as about organisational functioning, where it is furthermore said to incorporate multiple realities as opposed to being statistical. These attributes of the qualitative method were important in the current study since it entailed obtaining a deeper understanding of employee morale and productivity resulting from organisational restructuring.

3.6 Research design

Saunders *et. al.* (2009:139) state that exploratory studies are useful when a researcher wishes to clarify an understanding of the problem and get clarity on the nature of the problem. This study was exploratory in nature as it endeavoured to establish whether the observed gap in the literature regarding a high failure rate of restructuring was prevalent in the company under investigation. Interviews were conducted with the relevant people to gain an in-depth understanding of how the recent organisational restructuring affected them with regards to their performance. Since this study investigated a real-life context of the restructuring process, it also had an element of a case study in it. This is aligned with Saunders *et. al.* (2009:145) where a case study is described as a manner of conducting research that involves an investigation of a particular phenomenon in its real-life context.

3.7 Time horizon

Setia (2016:261) describes a cross-sectional time horizon as a study where the investigator measures the outcome of the phenomenon based on the exposure of the participants at a specific time and the researcher does not alter the exposure status. Similarly, the time horizon of this study was cross-sectional as it focused on a specific restructuring process that occurred at a given time. Interviews were conducted with employees within a relatively short space of time to get a snapshot of their experiences of the specific restructuring process. Although it is inevitable that other restructuring processes that occurred in earlier years will have had an impact and employees also referred to them, the major focus was still on a specific occurrence justifying this study's horizon as being cross-sectional. Inclusion, therefore, of other restructuring processes would make this study a multi-case study as opposed to a single case study where a single event is considered. Furthermore, the exposure status of participants was not altered but participants were included based on their exposure to the event and those who have not been exposed to the restructuring process were excluded.

3.8 Inclusion and exclusion criteria

Since the entire organisation underwent restructuring, majority of participants qualified to take part in the study. The study did not require any specific characteristics that would disqualify a significant number of participants. However, the only requirement that disqualified a small number of participants was the employment period. Employees that joined the company in less than 4 years were excluded from the study since they would not have had a first-hand experience of the impact of the recent restructuring process. This study therefore targeted employees who had a service period of longer than 5 years as they would have been able to comment on their productivity and morale levels before and after the restructuring process, and therefore be able to provide a view of how they experienced this process. The Research and Technology employees formed an integral part of the study as they were the most affected and were also convenient to include as participants. Furthermore, managers that had to implement the changes were included with the aim of addressing a gap identified by Nel and van Niekerk (2023: 100), where it

is stated that research needs to be conducted that focuses on managers that must enact organisational changes with the objective of gaining insight into their experiences and skills needed to be acquired to ensure successful change initiatives. Service providers and contract workers were not included in this study due to the limited exposure they had on the restructuring process.

3.9 Research population

Choosing a population for qualitative research inevitably depends on gaining and maintaining access to the participants as well as ensuring that the participants will provide adequate information that will address the research objective (Saunders *et al.*, 2009:169). Furthermore, Saunders *et al.* (2009:170) caution that there may be difficulties in gaining access to the participants due to several reasons including perceived misalignment between the value of the study and the organisations' work agenda, the sensitivity and confidentiality nature of the research topic and lastly, perceptions about the credibility and doubts pertaining to the competence of the researcher. Aligned with the objective of this study, the population was chosen such that the abovementioned challenges were mitigated. Firstly, the contribution that the study will make will be beneficial to the organisation considering the relevance of the topic. Following the organisational restructuring processes that the organisation has undertaken, it would be in the best interest of the company to understand the prevailing morale and productivity of the employees to help mitigate any potential risks to business operations. Secondly, it has been stated in the permission letter that no company sensitive and confidential information will be sourced and used, rendering the study to be of low risk to business operations and reputation. Lastly, the professional nature in which the research is presented and allowing access to the research outcome through a mini-dissertation promoted credibility and built confidence towards the researcher.

The population of the study was derived from employees of a specific petrochemical company in South Africa. While most of the population was from a Research and Technology division, which was the most affected by the recent restructuring exercises, care was taken to include employees from other departments to ensure an inclusive

population and mitigate bias. At the time of the research, the headcount of the Research and Technology division was roughly 400.

3.10 Sample technique and size

According to Guest *et al.* (2020:17), saturation point refers to the point at which incoming data from interviews yield little to no new useful information in relation to the objective of the study. This point therefore provides an indication of the minimum data that should be collected for analysis where conducting more interviews will not yield any beneficial outcome in addressing the research question. Mwita (2022:417) states that researchers conducting qualitative studies would wish to reach the saturation point early where resources such as time and money may influence considerations for early data saturation. While one would want to collect adequate data that will ensure that the research objectives are met, bulky and lengthy data can jeopardise the quality and relevance of the study (Mwita, 2022:417). According to Mwita, (2022:414), factors that affect data saturation include pre-determined codes and themes, sample size, relevancy of research participants, number of research methods, and length of data collection sessions. All these factors were considered to ensure that data saturation was reached at the appropriate time where the study validity could be increased.

A non-probability purposive sampling was employed in this study as it is said to be the most appropriate sampling technique for qualitative research because it allows the researcher to purposefully select relevant participants that can provide in-depth understanding of the study phenomenon (Subedi, 2021:5). In the absence of specific prescriptions on the specific number of participants in qualitative research, the approach used by Subedi (2021:5) emphasises that what is most important is choosing suitable participants that have rich information to ensure that the research questions can be answered rather than focusing on the specific number of participants. Furthermore, Etikan *et al.* (2016:3) contend that heterogenous sampling, as a subset of purposive sampling, involves selecting participants across a broad range of spectrum regarding the topics of the study and this type of sampling is useful when the sample pool is small, and a random sample is not taken.

Twelve participants were interviewed as this ensured an appropriate sample size. This pool of participants comprised a wide range of employees in terms of the skill level, spanning from postgraduates and scarce skills scientists and engineers, chemists, business enablement, through to semi-skilled research assistants. Both the employees and managers were included in the research sample to ensure heterogeneity. Aligned with Mwita (2022:414) on the length of data collection to ensure saturation point, no more than 10 open-ended interview questions were formulated such that participants did not lose focus and interest on their contribution towards the study. The twelve participants interviewed were considered sufficient and believed to have achieved rigor. The focus was more on data sufficiency rather than the saturation point, which can be gesticulated by the deterioration of the frequency of new codes from successive interview transcripts (Hennink & Kaiser, 2022:3).

3.11 Data collection instruments

Data were collected through open-ended and semi-structured interviews with the participants. The interview protocol that was followed in this study can be obtained in Appendix B. In accordance with Mwita (2022:415), it is stated that interviews are commonly used to collect data in qualitative research because they allow researchers to obtain an understanding of the actual feelings of the participants. Furthermore, the semi-structured interview approach involves a prepared list of questions for participants with an option of follow-up questions for further clarification. This method was found to be most suitable for the purpose of this study as it allowed for flexibility while also gaining insight into how the participants experienced the restructuring process and how this affected their performance. Saunders *et. al.* (2009:233) state that for instances where resources are limited or the sampling frame cannot be specified, non-probability sampling technique is used.

Employees of the organisation under investigation were engaged through various means such as in-person meetings, virtual interactions such as MS Teams and telephone calls, where further follow-up interactions were also conducted through email as required and where appropriate. All these means were practical and are currently used in the

organisation, making it feasible to reach the population. More details on data collection can be obtained from the interview protocol which is attached in the appendix section.

3.12 Measuring instruments

Bashir *et. al.* (2008:35) define validity as an extent to which data is plausible, credible, and trustworthy, and these concepts are mentioned to be appropriate for attaining rigor in qualitative research. It is therefore important to ensure that they are given attention in this study to help ensure that it is defensible should it be challenged.

According to Coleman (2022:2042), it is advisable to capture interviews using digital audio recording devices and transcribe the recordings as this will help mitigate any validity threats and increase the credibility of the study. To this effect, interviews with the participants were recorded using digital audio recording devices such as a smart phone for face-to-face interviews and a laptop for instances where interviews are conducted virtually using Teams. Furthermore, audio recordings can help enhance reliability of the study as they offer an opportunity to be reviewed if needed to help establish procedural trustworthiness (Coleman, 2022:2044). The validity of the study was furthermore enhanced by capturing and explaining occurrence of any contradictory data as well as paraphrasing and seeking clarification from the participants where there was ambiguity (Coleman, 2022:2044). This ensured that data were captured accurately without any bias

Stahl and King (2020:27) contend that peer scrutiny with co-researchers or supervisors can enhance credibility and trustworthiness of a qualitative study because it provides researchers with a detached reaction to the initial research procedures and outcomes. Aligned with this view, a review of the final report by the supervisor further enhanced the credibility and trustworthiness of this study.

3.13 Data collection

It is critical to note that ethical clearance from NWU was firstly obtained before any interaction could be undertaken with the participants. A permission letter from the relevant person where the study was undertaken was also obtained. An email notification

was sent to the participants at least a week before the interviews to provide the participants with an opportunity to indicate their willingness to take part in this study before any interview invitation could be sent out. This email notification also contained a consent form that clearly stipulated the voluntary nature of participating in this study where participants were made aware that they could withdraw from the study at any stage if they wished to do so without any repercussions. The distribution list was blind carbon copied to protect the anonymity of the participants.

While face-to-face interviews have an advantage of providing a researcher with additional information from nonverbal gestures that can be relevant to the objective of the study, computer mediated communication is becoming more popular where technologically inclined participants may prefer the latter due to several reasons such as ease of access (Opdenakker, 2006). This study therefore afforded participants with an opportunity to choose between face-to-face and virtual interviews using Teams as an interaction platform for the latter. This was done to accommodate participants who preferred this mode of interaction to make them feel comfortable to participate in the study.

Invitations to the interviews were then sent to the willing participants at least two days in advance based on their preference and availability as indicated from the email notification, that is, face-to-face or virtual interviews. A time slot of 1 hour was allocated where follow-up interactions were scheduled as needed based on the outcomes of the original interviews. Interview questions were sent upfront, together with the interview invitations, to provide the participants with an opportunity to familiarise themselves with the questions and prepare appropriately. This also helped to ensure that participants felt comfortable with the interview questions and could withdraw from the study upfront if they wished to do so. The specific interview questions are listed in the interview protocol which is attached in the appendix section. The only demographical information that was requested was the service period of the participants as well as their role in the organisation, that is, whether manager or employee. This information was only used to assist in providing a context aligned with the objective of the study and ensure that suitable candidates were interviewed. It was emphasised that information obtained will not be used to discriminate or identify any participant.

Regarding the actual interviews, it was important to ensure that the interview timeslots were adhered to so that interviews were started promptly at the scheduled time and did not run over the allocated ending time. Participants were reminded about their voluntary participation in the study before any recording could be started. Clarity was provided that the recording was to help ensure accuracy of the data and would not be used to identify the specific individuals. Sticking to the stipulated questions was also critical as this would strengthen credibility of the study and confidence of the participants. However, clarifying follow up questions was required in instances where there was ambiguity. Participants were asked if there was any additional information, they wanted to share pertaining to employee morale and productivity in relation to organisational restructuring that had not yet been covered in the interview. Lastly, participants were thanked for their participation towards the study and for any contribution they may have made towards the study.

Recordings were reviewed, and transcripts captured after each interview as this helped optimise on time management and efficiency on data capturing as the information was still fresh. A stepwise approach on how data was analysed is illustrated in the data coding and analysis section. Data was secured on a laptop with restricted access to avoid any unauthorised access or exposure, for example, the laptop was used only by the researcher and equipped with password and logging in credentials. The outcome of the study was then captured in the form of a mini-dissertation which can be made available upon request through the appropriate channels.

3.14 Power relationships and gatekeeper intervention

According to Karnieli-Miller *et al.* (2009:280), the content of the inquiry and the context in which the study is carried out can affect the relationship between the researcher and the participants, where the researcher aims at creating a conducive environment in which the participants can share their experiences and views willingly. A conducive environment was firstly created through sharing of the consent form and the interview questions so that participants could prepare beforehand and could familiarise themselves with the contents of the interview. This also afforded them an opportunity to withdraw from the study if they were uncomfortable with the study. Furthermore, the topic being discussed

was of low risk towards the participants and enabled them to feel free to share their views anonymously.

The researcher and participants were colleagues from the same organisation, some of which belong to a different department thereby limiting any potential conflict of interest. Peers on the same level or higher were considered to ensure that there was no conflict of interest pertaining to hierarchal relationships. Therefore, no subordinates of the researcher were included in this study. The use of trained researchers was considered during data collection to minimise any potential conflict of interest risks. Managing hierarchal or power relationships was done with care such that the objective of the research was not jeopardised. It is therefore declared that there was no conflict of interest in the study particularly pertaining to hierarchal relationships and otherwise.

3.15 Data coding and analysis

According to Khan (2014:224), researchers conducting qualitative research usually employ an inductive Constructivist Grounded Theory, which is said to entail conceptual thinking and theory building from the data being analysed as opposed to the empirical testing of a predetermined theory. Aligned with this view, the current study employed the Grounded Theory analysis where data were analysed through coding techniques to assess any emergent themes that may culminate into a specific theory inductively. This required open coding, which entailed reading transcripts repeatedly through each sentence to identify codes and if there were re-emerging elements that could lead into specific themes (Yu & Smith, 2021:557). Atlas.Ti 24 version 24.0.0.29576, being the latest version of qualitative analysis software, was employed in this study, which was accessed through the NWU site. The data analysis process followed the sequence highlighted below in accordance with Cooper *et al.* (2012:5):

- **Initial coding:** This is the initial phase of the analysis that endeavours to discover any concepts in the data with an open mindset.
- **Axial coding:** The second phase aims at identifying any relationship amongst concepts identified in the initial phase.

- **Theoretical coding:** This phase entails the selection of codes to convey a specific concept and identify categories, which is a build-up of the next and final phase.
- **Construction of theory:** The last phase of data analysis entails assessing a range of themes identified in the previous phase to derive a specific theory, which will eventually lead to addressing the research questions.

This approach is aligned with that stipulated by Akinyode and Khan (2018:166), where they contend that transcripts are to be read repeatedly to gain a proper understanding of the participants' views and coding conducted to reduce data into meaningful and manageable segments from which themes can be interpreted. A graphic illustration of data coding and analysis is provided in Figure 3-1 **Error! Reference source not found.** below.

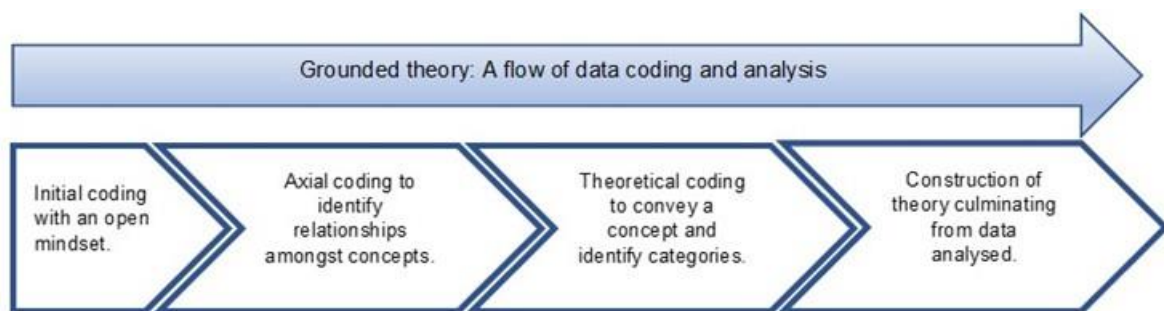


Figure 3-1. An illustration of a flow of data coding and analysis in accordance with the Grounded Theory (Author's own illustration).

Interpretation of themes was aimed at addressing the theoretical framework of this study which pertains to the organisational justice model. This theoretical framework should not be viewed as a pre-existing theory that the study aims to prove or disprove, but rather as a guideline to provide context and a systematic structure to the study. The data were approached with an open mind from which conclusions could be derived inductively, aligned with the objectives of the study.

3.16 Summary of research methods

A summary of the research methods that were followed in this study as described above is illustrated in Figure 3-2 below in accordance with Saunders *et al.* (2009:108).

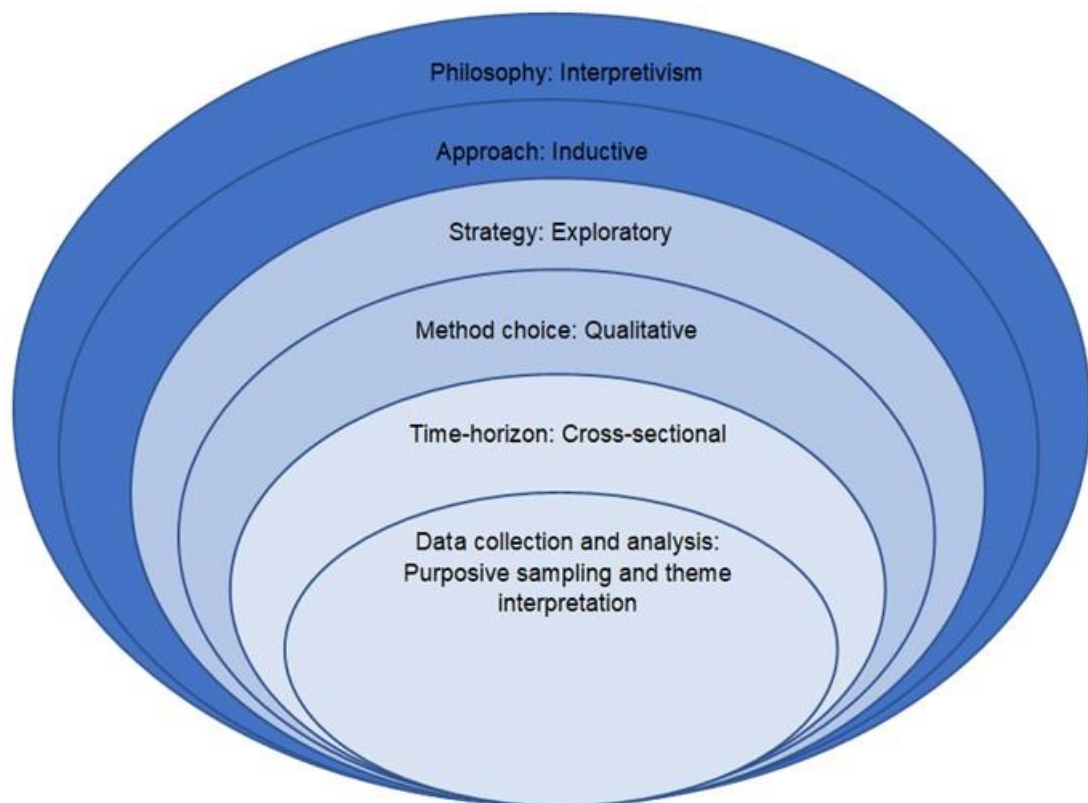


Figure 3-2. A summary of the research methods for the current study (Sourced and adapted from Saunders *et al.*, 2009:108).

The research methods that were followed in this study, as mentioned above, were considered appropriate and aligned with the objective of the study. Furthermore, recommendations made will add value to the field of study and contribute favourably to the relevant body of knowledge.

3.17 Limitations of the study

Several aspects that were considered to ensure that this study was successful in reaching its objectives have been listed in this document. However, as with any research undertaking, there are always limitations that need to be considered that may jeopardise its success. The following points are potential limitations to the current study that should be noted and were mitigated as much as possible.

Generalisability

Bashir *et. al.* (2008:40) state that issues of validity, generalisability, and reliability are specified in a quantitative paradigm but confusing in a qualitative one, where validity has to do with description and explanation in the latter. Aligned with this view, the aspect of whether any given explanation fits a given description and aligned with answering the research question is viewed as a potential limitation, that is, do the explanations provided from the interviews fit the intended description and adequately answer the research question? Furthermore, while care was taken to ensure a representative sample of the population, the generalisability of the study remains a challenge both for the actual organisation and beyond.

Premature saturation point

Although Mwita (2022:417) states that researchers conducting qualitative studies would wish to reach the saturation point early, one would also want to avoid reaching this point prematurely. If the saturation point is reached too early, then the objective of the study might not be reached due to limited amount of credible data received.

Levels of participation

Lastly, although confidentiality of participants was ensured including their anonymity, participants were still somewhat sceptical about the study. This then resulted in participants being reserved about disclosing their actual experience about the restructuring process, and less eager to participate, which made it difficult to obtain the required data for the study.

3.18 Ethical considerations

Ethical clearance from NWU was firstly obtained before any interaction could be undertaken with the participants. A consent form was also shared with the participants before interviews could be conducted. Another ethical consideration included obtaining a permission letter from the relevant company representative/manager. Furthermore, there were several other ethical considerations that were considered in this study, and these are listed by Saunders *et. al.* (2009:185) as follows:

- Privacy of possible and actual participants.
- Voluntary nature of participation and the right to withdraw partially or completely from the process.
- Consent and possible deception of participants.
- Maintenance of the confidentiality of data provided by individuals or identifiable participants and their anonymity.
- Reactions of participants to the way in which you seek to collect data, including embarrassment, stress, discomfort, pain, and harm.

These ethical issues formed a paramount aspect of this study where a declaration was made before any engagement could be undertaken with the participants, and that their confidentiality was protected. Notification was made that participation was completely voluntary, and participants could withdraw from the study at any point should they wish to do so. No personal information of the participants was required, only their demographical information was taken in an aggregated form to help provide context to the study and would not be used to identify or isolate any participants, for example, years of service which provided clarity on exposure to the restructuring processes undertaken by the organisation. Information collected was also used purely for the intended purpose of the study and conformance with the Protection of Personal Information Act (POPIA) was ensured. The study was also not sensitive in terms of race, gender, and vulnerable groups, since these demographics were not of focus in the study. There was no risk or reward for participating in this study, the value of the study lay in the envisaged contribution to the theoretical framework and to organisations regarding mitigating any potential adverse impact of organisational restructuring on employee morale and productivity. Anonymity of the participants was ensured throughout the study.

Participants were also notified that they could have access to the data, in the form of the final mini dissertation, if they so wish and this helped increase their confidence in the anonymity of the study.

3.19 Conclusion

This chapter provided details of the research methods that were followed in this study within the research paradigm of interpretivism approach. The methodological choice of the study was qualitative in nature, where interviews were conducted with the participants to obtain in-depth understanding of the topic being investigated. This was viewed as the most suitable research method aligned with the explorative nature of the study with regards to employee morale and productivity. This chapter furthermore outlined the data analysis method that was followed, being the Grounded Theory analysis that involved data analysis through coding techniques to establish emergent themes that may culminate into a specific theory inductively.

Potential limitations of this study were also outlined in this chapter. Lastly, ethical considerations that underpinned this study were provided including the need to obtain ethical clearance from NWU before any data could be collected and any interactions undertaken with the participants. Data analysis and discussion of results are provided in the next chapter that is labelled the empirical study section.

CHAPTER 4 EMPIRICAL STUDY

4.1 Introduction

As discussed in the research design and methodology section (Chapter 3), this study used qualitative method of choice where semi-structured interviews were conducted to explore the perceived employee morale and productivity following an organisational restructuring process from a selected company in South Africa. It was furthermore noted that this study employed an interpretivism paradigm which implies that participants interviewed in this study would interpret and react towards organisational restructuring subjectively based on their individual experiences. This is aligned with views by Saunders *et al.* (2009:111), where it is stated that people will perceive situations in different ways based on their views and experiences.

Data analysis was conducted following a Grounded Theory that employs coding techniques to assess any emergent theory that may culminate from the data inductively (Saunders *et al.*, 2009:111). Before delving into data analysis and the discussion of results obtained, a section below provides highlights of experiences encountered during the study and lessons learnt beyond the actual interviews.

4.2 Lessons learnt

There were several experiences that the researcher encountered, and lessons learnt during the study that were not particularly part of the data collection process. These experiences are shared in this section as they were deemed valuable and can contribute meaningfully to the overall study.

At the time when data was collected, it coincidentally happened that the organisation was going through some form of a transition. This process was called streamlining where the senior management specifically mentioned that it was not a restructuring process.

Employees found it difficult to comprehend the difference between streamlining and restructuring as they viewed the two processes to be similar, with the difference being the business outcomes based on the predetermined organisational goals. This means that employees viewed the perceived morale and productivity to be the same regardless of the term used for the transition process. The researcher found it prudent to clarify the context of the study, indicating that the study was not linked with the ongoing streamlining process. It was reiterated that at the time the study was decided upon, and a research method crafted, there was no streamlining process, and this process only occurred coincidentally during the data collection phase. Furthermore, it was important to state that the study was not conducted on behalf of the organisation but was rather for the Master in Business Administration (MBA) qualification requirement with the North West University (NWU) Business School.

The importance of sending the interview questions beforehand to allow for the participants to prepare and familiarise themselves with the responses was expressed by the participants beyond the actual interviews. Several participants mentioned that although they did not read the questions in detail, they appreciated the opportunity they were given to browse through the questions and have an idea of what the study aimed to achieve. The participants also found the questions to be concise and interviews were of the acceptable depth and duration. As opposed to the quantitative research method that employs questionnaires that the participants indicated to be used to, they expressed the suitability of in-depth semi-structured interviews for the interpretivism paradigm of the study. This resulted in the participants not feeling anxious or stressful with their responses as they were based on their perceptions and own experiences of the organisational restructuring process rather than being right or wrong answers. The participants also expressed their concerns with regards to the frequency of the restructuring processes, citing that they did not expect the streamlining process to be undertaken soon after restructuring occurred less than 5 years ago, full benefits of which were still to be realised. Lastly, the importance of transparency from the top management and being open and honest about the intended goals were expressed several times by the participants aligned with the data collected as discussed in the next section.

4.3 Results and discussion

4.3.1 A profile of the participants of the study

This section covers a detailed analysis of data obtained where a link with the literature is also highlighted on the selected responses. It is worth noting that before every interview was conducted, ethical aspects underpinning this study were outlined as illustrated in Appendix A. Participants were informed about the voluntary nature of the study and that they could withdraw from the study at any point they wished to do so without any repercussions. A notification was also given to the participants that the interviews were recorded purely to ensure accuracy of data capturing, where their privacy and confidentiality would be protected at all times.

A total of 12 participants were interviewed and data obtained was deemed sufficient for the objective of the study. According to LaDonna *et al.* (2021:607), there can be a significant confusion with regards to reaching a saturation point in a qualitative study where researchers are instead urged to go beyond saturation but are rather encouraged to employ concepts such as rigor, richness and data sufficiency. It is furthermore noted that if a researcher aims at describing a phenomenon through framing data generation and analysis, as opposed to generating a theory, data sufficiency will likely be reached with fewer interviews (LaDonna *et al.*, 2021:607). Since the objective of the current study was to describe the phenomenon and not to generate a theory, it was noted that a limited number of interviews would be sufficient based on the richness of data collected.

Upon examining data generated relative to the objective of the study, and the narrowness of study which focused on a selected petrochemical company in South Africa, 12 participants were deemed adequate to provide rich enough data to ensure data sufficiency and to address the objective of the study.

The nature of the study did not require detailed demographic data, so this was not collected. However, years of service and the role of the participant in the organisation were requested from the participants for the following reasons:

- **Years of service:** This information was requested to ensure that the participants interviewed have been exposed to some form of organisational restructuring. At

the time when this study was initiated, the organisation of choice went through several restructuring processes with the last one undertaken in 2019. It was therefore important to ensure that participants had no less than four years of service in the organisation as they would have been exposed to the last restructuring process.

- **Role in the organisation:** It was deemed important to cover both the managers and employees in this study in a quest to obtain a holistic view of the perceived morale and productivity in relation to organisational restructuring. While employees provided their experiences from the perspective of the restructuring process being enacted upon them, managers would in addition provide their view in relation to enacting the actual restructuring process.

A graphic illustration of the distribution of years of service of the participants that were interviewed in this study is given below in Figure 4-1 while the role distribution is given in Figure 4-2 below (pp51).

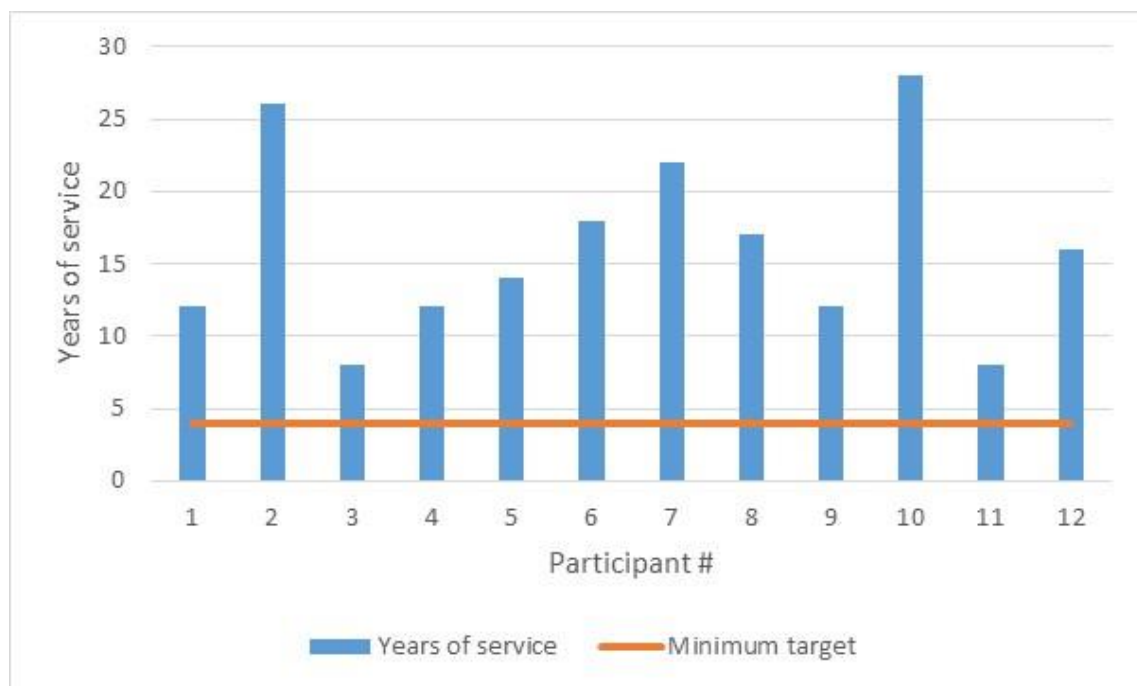


Figure 4-1. A distribution of years of service of the participants (Author's own illustration).

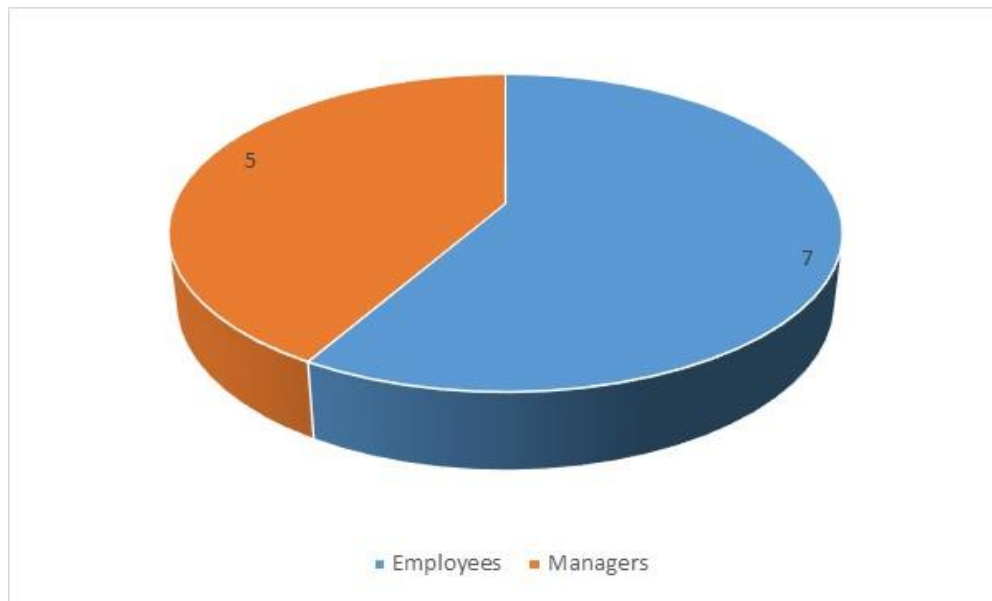


Figure 4-2. A distribution of roles that the participants occupy in the organisation (Author's own illustration).

As indicated from the graph above (Figure 4-1), all participants had longer than five years of service confirming that they have indeed been exposed to at least one organisational restructuring process, where the minimum years of service was eight years. As a point of interest, the total years of service amongst the participants was 193 at an average of 16 years indicating that this was an experienced population. From the role point of view, out of 12 participants interviewed seven were employees and five were managers. Since the aim was not to obtain a symmetrical distribution of roles but rather inclusion of several managers, this role distribution of the study was adequate. Data analysis was then conducted, and a discussion of the results obtained is given in the section below.

4.3.2 Linking themes with the research questions

According to Dawadi (2020:63), the depth of data analysis in qualitative research can be maximised through utilising an abductive analysis, where a researcher uses both deductive and inductive approaches. This implies that as an initial point of departure, data can firstly be analysed relative to themes that emerged through the literature review or based on the phenomenon that is being studied (Dawadi, 2020:63). This is the deductive part of data analysis generating priori themes. As the researcher interacts with

the data, some themes can also inductively emerge from the data culminating into a theory. This study employed the approach where themes were generated from the research questions while data were analysed to culminate into a theory inductively. The link between research questions and themes is depicted in Table 4-1 below.

Table 4-1. A depiction of the link between the research questions and themes.

Research question	Themes
How is the perceived employee morale and productivity influenced following an organisational restructuring process?	Perceived employee morale and productivity (Theme 1)
What are the perceived challenges that are brought about by the organisational restructuring process in relation to employee morale and productivity?	Perceived challenges (Theme 2)
What are the potential opportunities that can be realised through organisational restructuring aligned with employee morale and productivity?	Perceived opportunities (Theme 3)
What aspects should organisations undergoing restructuring focus on to mitigate any negative impact that this exercise can have on employee morale and productivity?	Success factors (Theme 4)

(Author's own illustration).

Following the development of themes, data were then analysed inductively to derive categories through identifying codes relative to the themes where the link between the data and literature was also highlighted. Further discussion of the results obtained is given in the section below.

4.3.3 Theme 1: Perceived employee morale and productivity

The first question of the interviews was with regards to the perceived employee morale and productivity following an organisational restructuring process. Participants indicated that based on their experience and perception, employee morale and productivity are

negatively affected following any restructuring process. When responding to the probing question regarding the perceived fairness of the process, they indicated that this is contingent as it depends on how individuals were affected. Upon providing their reasons for this view, codes were identified in the responses which culminated into categories. An association between codes and categories is given below in Table 4-2 in relation to Theme 1: Perceived employee morale and productivity.

Table 4-2. The link between codes and categories for Theme 1.

Categories	Codes
Job insecurity	• Retrenchments • Job loses
Uncertainty	• Unsure about the future • Unanswered questions
Relative	• Employee perception • Dependent on standpoint

(Author's own illustration).

As illustrated in Table 4-2 above, codes that were identified from the participants' responses for Theme 1 were classified into three categories being job insecurity, uncertainty and relative. The first category to be discussed relates to job insecurity, where several participants indicated that the morale and productivity were adversely impacted due to employees being concerned about losing their jobs. Participants indicated that during organisational restructuring processes, employees worry about losing their jobs typically through retrenchments, with Participant 6 citing that there have been instances where people had to apply for their jobs again. Two quotations from Participant 4 and Participant 7 are given below confirming the concern employees had regarding job insecurity:

Participant 4: People thought that they were going to be retrenched or replaced.

Participant 7: We get impacted by changes within our environment and whether we will lose our jobs or not.

The observed employees' concern over job insecurity is aligned with the findings by Chadi (2023:10), where it was established that there is a strong relationship between the perceived job insecurity and organisational restructuring in a form of downsizing. According to Chadi (2023:1), job insecurities that are brought about by organisational restructuring can lead to poor sleep quality, which in turn has been shown to have an adverse impact on the workforce productivity with 200,000 working days lost in Germany per year due to sleep deprivation. This observation suggests that organisations would need to take measures in addressing job insecurities during a restructuring process as this can have a negative impact on the productivity of employees.

Another category that was associated with Theme 1 was uncertainty, where participants attributed the decrease in morale and productivity following a restructuring process to being uncertain about their future or the impact that the process will have on them. Concerns pertaining to employee uncertainty have already been raised in the literature where a study by Hakmani (2023:381) highlighted that employees had fears and were over-thinking the impact of restructuring on their future with such issues of uncertainty not having been resolved post the restructuring process. A selected quotation is given below where Participant 5 went further by describing the process as being traumatic:

Participant 5: Because it involves uncertainty. It involves a lot of questions that some of them cannot be answered. So it's a traumatic process.

Along with the feeling of uncertainty that the participants indicated can adversely impact morale and productivity in relation to organisational restructuring, some participants added that this uncertainty can also cause anxiety where employees feel that they do not have control over certain aspects of their work life. The negative impact that lack of control has on employee productivity is corroborated by literature, where Jamil *et al.* (2023:504) established that work challenges such as heavy workload, resources, feeling

of powerlessness and job insecurity are amongst several factors that influence job stress levels. According to Jamil *et al.* (2023:515), high job stress levels emanating from these factors can lead to a decrease in employee productivity due to the compromised ability to complete tasks efficiently.

While most of the participants defined the perceived morale and productivity as having deteriorated following an organisational restructuring process, others provided an interesting view that the adverse impact is temporary and can improve with time. Participant 7 indicated that while there may be an initial impact on the employees, over time employees get used to the process and reach a comfort zone. This participant further elaborated that once the comfort zone has been reached, both the morale and productivity start to increase. This concept was further corroborated by Participant 10 with the following quotation:

Participant 10: The best I can think of, is that concept of storm, norm and perform.

In this concept, Participant 10 indicated that in the beginning the morale and productivity will likely decrease, attributing this decline to uncertainty and job insecurity, labelling this phase as the storm part. The norm part then sets in when things become clearer, and employees start accepting the situation and seeing the benefits from the restructuring process. Lastly, the perform part is when the morale and productivity increase where the benefits of the restructuring process start being realised.

When asked about the perceived fairness of the process, virtually all the participants indicated that this is relative to how the employees were affected and how they experienced the process. This is in line with the interpretivism nature of the study approach where it is stated that people will have different interpretations of situations based on their experiences, which will influence how they react to such a situation (Saunders *et al.*; 2009:111). As an example, Participant 2 mentioned that the level of fairness is dependent on the angle from which you are standing. It was further clarified

that this means that employees who were negatively affected by the restructuring process may perceive the process as having been unfair, but if the process suits the employees, then they will consider it as having been fair.

Another response given regarding the perceived fairness of the restructuring process is in support of the theoretical framework that underpins this study, where some participants indicate that employees will react favourably if they perceive the process to have been conducted fairly. This is particularly true for distributive justice that states that people will be more accommodating and accepting of the situation if they perceive that the outcomes were distributed equitably and the results are therefore perceived to be fair (Robbins & Judge, 2024:258). A quotation to this effect is given below as received from Participant 5.

Participant 5: In my view, really the answer lies in the fact that how the employees perceive the restructuring or that process as progressive or as regressive. If you buy into it and people believe it is something that is necessary to be done, and they understand exactly why this is being done and they buy into the fact that it needs to be done. I think you can come out on the other end with some level of positive attitude or productivity, influences.... There are those that do not believe in it. They do not buy into it, and they feel it is unnecessary, or they don't feel anything. It becomes the negative outcome.

This therefore indicates that while the employee morale and productivity may be perceived to be unfavourable following an organisational restructuring process, there is also an element of relativity where the morale and productivity can be perceived as being favourable depending on the perceived fairness with which the process was undertaken, which is in support of the organisational justice theoretical framework. A thematic analysis representation of Theme 1 with the associated quotations is illustrated below in Figure 4-3 (p57).

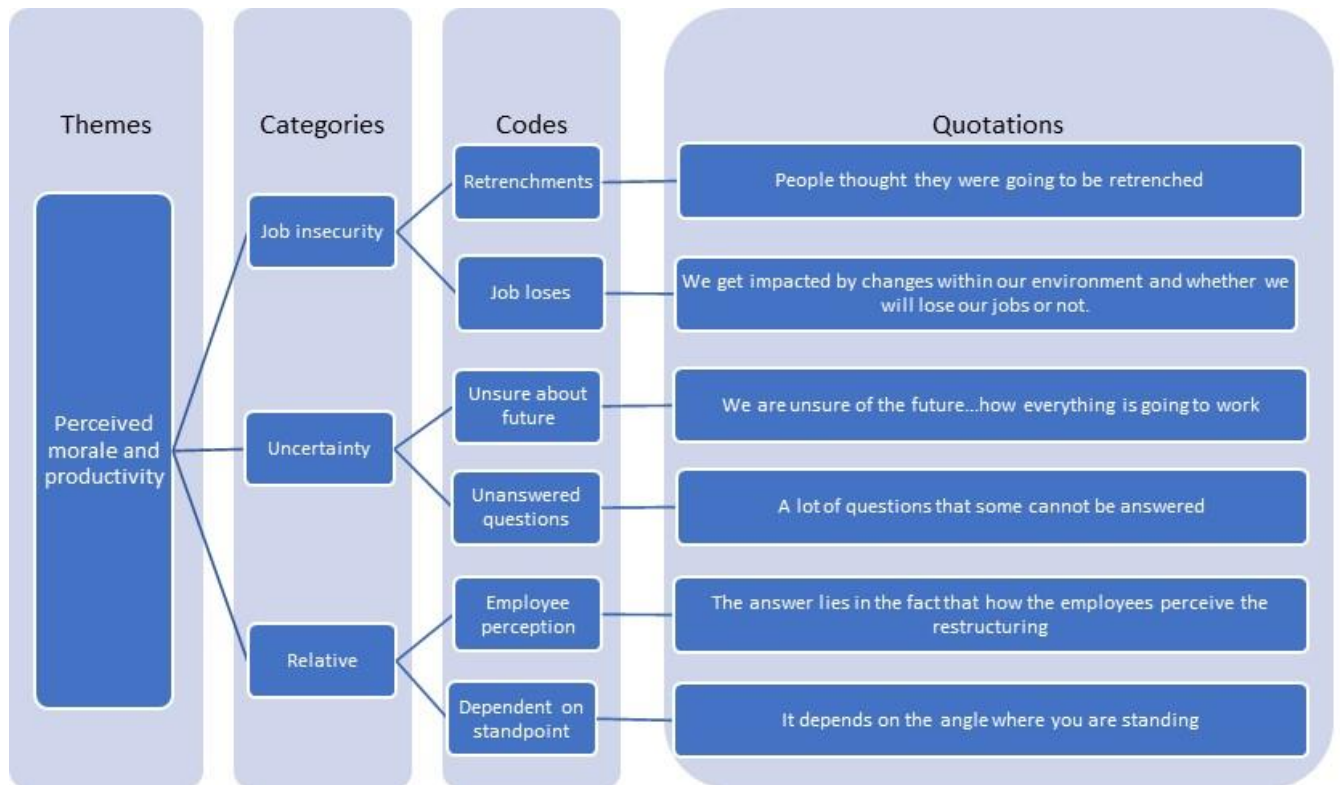


Figure 4-3. Thematic analysis representation of Theme 1 with the associated quotations (Author's own illustration).

It should be noted that the above analysis was largely based on the common codes identified from the data collected that were aligned with the identified categories. There were also outliers noted with a specific mentioning of Participant 11 who mentioned to have been negatively affected by the organisational restructuring process due to lack of resources such as policies and updated procedures. This will likely be true for the restructuring type that is concerned with changes to the human resources policies, which according to Umar (2023:3) can include downsizing or rearranging the workforce. Participant 11 was in this instance starting to mention the perceived challenges following organisational restructuring which are discussed below as Theme 2.

4.3.4 Theme 2: Perceived challenges

The next theme that was identified in the study is associated with the second question of the interview relating to the perceived challenges following an organisational restructuring process. Responses obtained from the participants generated codes where the associated categories were classified into ways of work, placements and wellbeing. The link between the identified codes and categorised is illustrated below in Table 4-3.

Table 4-3. The link between codes and categories for Theme 2: Perceived challenges.

Categories	Codes
Ways of work	• Workload • Operations
Placements	• Relocation • Unfavourable vacancy
Wellbeing	• Morale restoration • Culture and work relationships

(Author's own illustration).

Regarding ways of work, participants indicated that since the restructuring process can involve moving to a different department or merging various business units, the restructured department may need to operate in a different way and employees may find it difficult to adapt to new ways of operation. Furthermore, other participants indicated that the employee morale and productivity are adversely impacted by the increase in the workload that is often experienced by those who survived a restructuring process. A quotation relating to this concern is given below from Participant 2:

Participant 2: Normally, the after effect, the people that are not affected or they are standing there with their jobs... normally they say their workload is a lot now.

Participant 2 continued to explain that although the surviving employees may still have retained their jobs, they would be left unhappy due to the increased workload leading to absenteeism and work stress. This is in support of literature findings where it was

established that employee morale can be reduced during a downsizing restructuring process due to the remaining employees having had to take up responsibilities that were previously fulfilled by those who left the organisation (Obi *et al.*, 2021:31). Another challenge that was mentioned to be associated with the organisational restructuring process is job placements. The restructuring process that aims to optimise on human resources may involve moving employees to the various geographical areas or departments that are deemed suitable for the organisation. While this may be a suitable placement for the organisation from the employee expertise point of view, some participants raised concerns that such job placement may not be aligned with the employees' career aspirations as indicated in the quotation listed below.

Participant 4: Okay. From an employee point of view, the challenge is that you could be forced to move to a different site, or take on a new job, which might not be in line with your career at all.

In corroboration with this view, Participant 5 mentioned that an employee can be placed in a position that they do not like, and they will be forced to either accept it or leave the company. It can happen that employees who leave the company are talented individuals with a lot of experience and expertise, which the company will lose. This observation is aligned with literature findings where Khan *et al.* (2023:174) established that a turnover in an organisation plays an important part in organisational development and profits, together with the recruitment of suitable employees and creating conducive working conditions. It was concluded that having appointed the right candidates, it is furthermore important for an organisation to retain this talent through inspiring them to help minimise employee turnover (Khan *et al.*, 2023:174). This implies that if organisations want to maximise on profits and overall business performance, they need to minimise employee turnover and keep the workforce inspired. It was for this reason that employee placement was perceived as a challenge by some participants in relation to organisational restructuring as it can increase turnover if it is not done correctly.

The last category identified in this theme was employee wellbeing, where the participants indicated that it can be difficult to restore the reduced morale and reduce the trust deficit following an organisational restructuring process. A quotation to corroborate this view is given below from Participant 9.

Participant 9: So I'm struggling to remain positive and motivated, which impacts my ability to be a manager.

In addition to comments made by Participant 6 stating that one of the challenges is that the morale is low and people will stagnate, Participant 10 emphasised that it is not the technical matters and core things that bring challenges but rather the “softer” things such as feeling of belonging, culture, and the working relationships. The impact of employee wellbeing on productivity has already been studied extensively, where De Neve *et al.* (2023:22) stated that happier employees with positive wellbeing exhibited as much as 12% increase in productivity in comparison to their counterparts with less favourable wellbeing. This suggests that if the restructuring process negatively impacts employee wellbeing, then productivity will likely decrease posing a challenge to the organisation to restore the deficit. It is therefore imperative for organisations to be considerate towards how employee wellbeing is affected during a restructuring process and implement measures to minimise any negative impact.

In summary, the main perceived challenges on employee morale and productivity in relation to organisational restructuring were categorised into ways of work, vacancy allocations or placements and employee wellbeing. If organisations want to maximise the success of the restructuring process, they will therefore need to ensure that these aspects are addressed to help minimise any negative impact they might have. This includes taking the employees through proper change management processes to allow them to adapt to new ways of working, ensuring that suitable candidates are placed in the correct positions while being mindful about their career aspirations and alignment

thereof with organisational objectives as well as making employee wellness sessions available. A summary of thematic analysis for Theme 2 is given below in Figure 4-4.

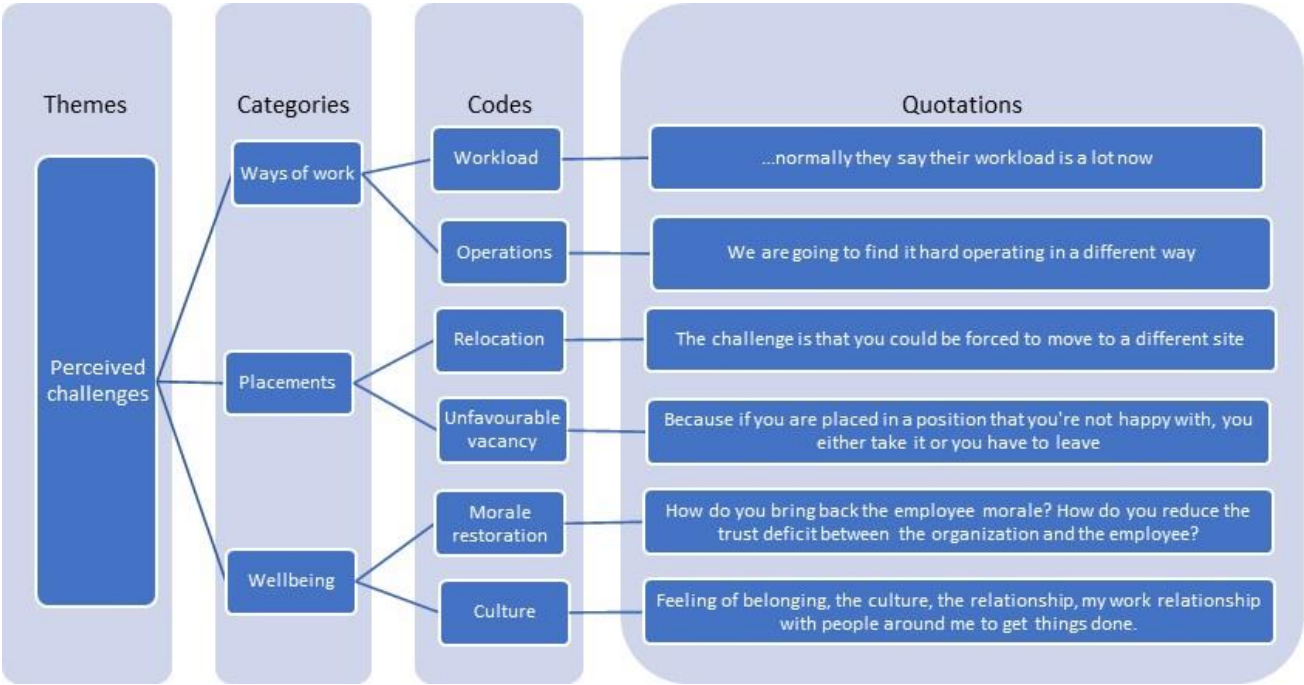


Figure 4-4. Thematic analysis representation of Theme 2 with the associated quotations (Author’s own illustration).

It is believed that by addressing these perceived challenges during an organisational restructuring process, organisations will be able to mitigate any negative impact these challenges may have and consequently increase the likelihood of success.

4.3.5 Theme 3: Perceived opportunities

It was noted that while there may be challenges associated with the organisational restructuring process, there may equally be opportunities associated with this process and this was viewed as Theme 3 aligned with the third question of the interviews. The main categories that were identified from the codes for Theme 3 are career growth, structural optimisation and strategic alignment. The link between these categories and codes for Theme 3 is illustrated below in Table 4-4.

Table 4-4. The link between codes and categories for Theme 3: Perceived opportunities.

Categories	Codes
Career growth	• Promotions • Development opportunities
Structural optimisation	• Refining positions • Vacancy fit
Strategic alignment	• Organisational objectives • Business success

(Author's own illustration).

Nearly all the participants identified personal benefits such as career growth as one of the main perceived opportunities that can be realised from an organisational restructuring process. For employees who are close to their retirement, one participant indicated that taking an early retirement package would be a benefit as this would usually come with additional incentives. As illustrated in the two quotations listed below, growth opportunities can be realised willingly as a result of a direct career move or indirectly as a result of being compelled to think differently about one's career and the strategy of the organisation:

Participant 7: You always find that there is growth outside of a comfort zone. So there are always opportunities for people to grow into different experiences, different fields or different areas of a business.

Participant 8: And I think it can forcefully make you want to do better in your own space with your career. It can get you into innovation thinking, and you become more innovative. You focus better on your career and future. You are forced to focus better on the strategies for your company.

Participant 5 further stated that a restructuring process opens up opportunities for people to pursue career development avenues that they have always wanted but either did not get those opportunities or did not have the courage to pursue. Participant 12 also stated that the organisation provides a platform for career development for employees during such organisational changes, leading to a win-win situation between employees and employers.

This observation is in support of literature findings where Idajor (2023:106) established that career development measured in relation to training, mentoring and advancement significantly improved employee productivity. In this study, Idajor (2023:106) recommended that organisations should facilitate career progression opportunities which can be done through avenues such as organisational restructuring, job enhancement or career paths variety as well as making retirement more favourable.

The second category associated with Theme 3 was structural optimisation, where participants indicated that organisational restructuring provides an opportunity to redefine vacancies and put the right people in the right positions. While this aspect was seen as a potential challenge if not done correctly, where there will be a high turnover if employees are not satisfied with their placement, it was also viewed as a potential opportunity if done correctly as an optimised organisational structure will perform efficiently. According to Khan *et al.* (2023:174), in addition to other aspects such as facilitating conducive working conditions and inspiring employees to reduce turnover, recruitment of appropriate employees plays an important part in the organisation's profit and consequently productivity. Quotations below from Participant 5 and Participant 6 confirm the perceived opportunity of structural optimisation associated with organisational restructuring:

Participant 5: It offers business opportunities to optimize their structures and systems in such a way that either they are agile enough to adapt to the changing environment or they are designed to be full proof.

Participant 6: I think there is also an opportunity to put the right people in the right positions.

In support of this observation, a study conducted Permana *et al.* (2023:1614) concluded that the implementation of a restructuring process has a major impact on business performance improvement of the organisation as it enables company's strategic policies from both the business and operational perspectives.

Aligned with strategy enablement, the third category identified for this theme was strategic alignment that can be brought about by organisational restructuring. Some participants indicated that organisational restructuring offers the business opportunities to align their objectives and strategic imperatives, as indicated below from Participant 5:

Participant 5: So organizational restructuring is an important instrument that organization can exploit for business sustainability and business success. And obviously to aligning business, with opportunities and objectives that we do.

Participant 7 supported this view by stating that opportunities envisaged from organisational restructuring are all about profits and the bottom line. It was furthermore stated by Participant 7 that if organisations do not change and they do not accommodate the way the world is moving, they can become non-existent. In support of this view, Gunawan *et al.* (2023:368) state that optimisation of organisational design has a direct impact on organisational performance where the prevailing uncertainties in the business environment call for organisations to be ready to tackle these changes.

As a probing question for this theme, participants were asked to share their views regarding at what point would they consider organisational benefits to outweigh those of the individuals. This question was raised to bridge the research gap identified by Jacobs and Keegan (2015:87) on whether employees undergoing organisational structuring are also driven by ethical considerations. Responses obtained from most participants confirm

that employees are indeed driven by ethical considerations since they agree that organisational restructuring is an important process that organisations are compelled to undertake that stand to benefit both the organisation and the employees. The importance placed on the employee wellbeing in Theme 2 and the perceived opportunities on the individuals' career development is evidence that participants genuinely consider what is experienced by their colleagues. Furthermore, participants exhibited genuine concern regarding the overall impact on the organisation, where the restructuring process is seen as an important instrument that the organisation needs to undertake for business sustainability and success. Aligned with this view, Participant 10 stated that organisational needs and objectives should be given priority, and once these have been achieved, then the organisation will be able to fulfil the needs of the employees through its growth and business success. In summary, Figure 4-5 below provides a thematic analysis of data collected for Theme 3 together with the corresponding quotations.

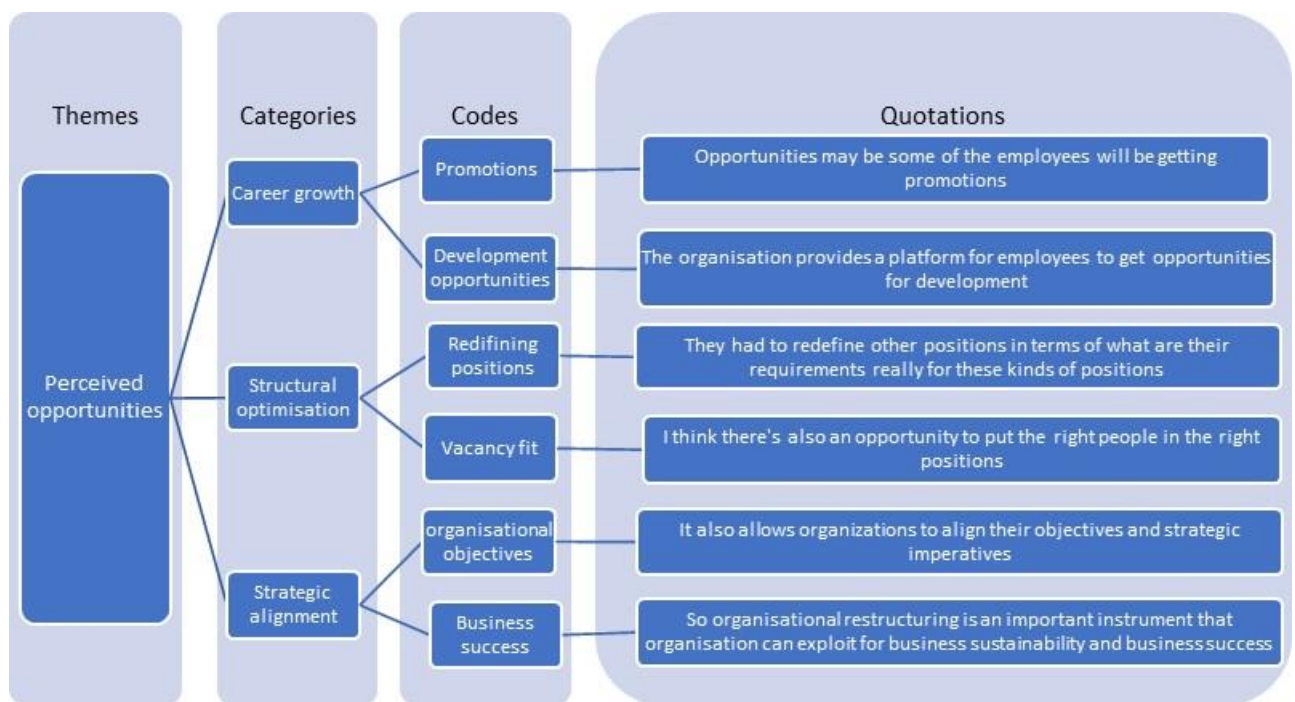


Figure 4-5. Thematic analysis representation of Theme 3 with the associated quotations (Author's own illustration).

Based on the data obtained for Theme 3, organisations will endeavour to ensure that their organisational restructuring processes are a success to realise the perceived opportunities. It has been established from the literature associated with this theme that achieving these perceived opportunities categorised as career growth, structural optimisation and strategic alignment will have a positive impact on business results.

4.3.6 Theme 4: Success factors for organisational restructuring

The last theme identified in this study relates to success factors for organisational restructuring. Having assessed the perceived challenges and opportunities in relation to organisational restructuring, it was deemed valuable to establish which aspects organisations should focus on in a quest to increase the likelihood of success for any restructuring process undertaken. The link between codes and categories for Theme 4 is illustrated below in Table 4-5.

Table 4-5. The link between codes and categories for Theme 4: Success factors for organisational restructuring.

Categories	Codes
Communication	• Transparency • Tailored message
Human factor	• Humanising the process • Organisational fairness
Goal setting	• End in mind • Clear strategy

(Author's own illustration)

A prominent category that emanated from this theme was communication which is in line with the lessons learnt outside the data collection process. Most participants indicated that communicating the process clearly will assist in ensuring that there is a buy-in from the employees and this will help ensure a successful process. This communication should be clear and understandable by employees at all levels of the organisation. This was emphasised by Participant 5 cautioning that since the business language is not understood by all, the message should be tailored all the way from the executive level down to the “shop-floor” level to ensure that everyone is clear about, and can buy into,

the restructuring process. In association with communication, aspects such as honesty, openness and transparency also came out prominently as demonstrated in the quotations given below.

Participant 6: So, for me, like I say, openness and honesty and transparency is a key thing because you know, it's not always good.

Participant 10: So, the communication needs to be clear. This is what you're trying to achieve, this is what you are doing, and this is the process you're going to follow.

These views were supported by Participant 2, where it was stated that the organisation must be open about the process to be undertaken and those implementing the restructuring should be open from the onset. The importance of communication in any change management process has already been highlighted by Sittrop and Crosthwaite (2021:15) where it was emphasised that as Stage 4 of Kotter's eight-step change model, it is critical to communicate the planned changes and the process to be followed with the involved parties and obtain their buy-in. Having clear, honest and transparent communication will remove anxiety caused by uncertainty, which was mentioned as one of the issues that can cause a decrease in the perceived morale and productivity as discussed in Theme 1.

The second category identified in Theme 4 as a success factor was employee wellbeing. In this category, participants emphasised the need to bring in the human factor in the restructuring process since they add value to the organisation. Participant 7 mentioned that employees are valuable assets of the company, so it is important to have programs in place that assist with employee wellness. This is in line with the literature where Agustian *et al.* (2023:114) contend that it is imperative for organisations to recognise that human resources management is a key aspect that can determine the sustainability of an organisation. It is furthermore stated that organisations can enable sustainable achievement in the competitive business environment through prioritising an integrated

approach that involves employee development, appropriate recruitment processes, enhancing motivation and satisfaction, agility towards change and digital transformation (Agustian *et al.*, 2023:114). Aligned with the literature, the following quotations are listed pertaining to the employee wellbeing category for Theme 4.

Participant 3: ...the organisation needs to obviously put people at the forefront and then try and make sure that the process will be understandable. In other words, they should prepare people first.

Participant 8: Remember that how you deal with the people stays, so this is important. And the people that stay also know how you dealt with the people that left...

These views are in support of the theoretical framework underpinning this study, in particular interactional justice which is subdivided into informational justice and interpersonal justice (Robbins & Judge, 2024:258). From the informational justice point of view, engaging with the employees and making them feel part of the restructuring process through providing regular communication will provide a perception that the process was conducted fairly and therefore they will likely respond favourably towards it. Participant 8 supports the perspective of interpersonal justice which argues that employees will likely respond favourably to the restructuring process if they perceive to have been treated with dignity and respect.

It was also not surprising that employee wellness was listed as one of the success factors since it was also seen as a perceived challenge that organisations need to overcome if they want their restructuring process to be a success. In addition to having support systems and wellness programs for employees, Participant 11 emphasised the importance of seeking opportunities for motivating people to grow since this individual growth also benefits the organisation. To assist in mitigating anxiety and reducing stress levels, Participant 12 mentioned that there needs to be change management skills that involve constant communication. A positive impact of employee wellness on the

organisation has been highlighted by Nel and van Niekerk (2023:82) where it is stated that wellbeing is a central concept in an organisation and employees will likely grow, exhibit competence and be engaged in their work if they perceive there is an authentic sense of belonging in the organisation.

The third category identified in Theme 4 was goal setting, in which participants emphasised the need for the organisation to be clear about the objectives and vision of the restructuring. Several participants mentioned that it is important for the organisation to be clear about the end goal and what process will be followed. According to Sittrop and Crosthwaite (2021:15), this is Stage 1 of Kotter's eight-step change model where in addition to creating urgency, there should also be clear benefits of the change process through an understanding of the business strategy. Quotations to this effect are listed below linking communication with clarity on the end goal.

Participant 9: But the other thing is also be clear about the intentions.

Participant 10: But before you share that, you need to be very clear in terms of that process, ensure that that the process is not flawed.

This observation is in line with literature where Negi (2021:8795) stated that clear communication of the organisational vision to all the affected parties assist in creating a shared understanding and unified purpose, which will in turn inspire employees to work towards the envisaged change. Negi (2021:8800) furthermore concludes that organisations can increase their likelihood of successfully implementing change if they followed strategies that include clear vision, proper planning, leadership support for the human aspect and having adequate training and development interventions for the management of change.

Along with clarity on the end goal and communication of the vision, several participants also stated that there should be a clear strategy on which the structure is based. A

common term used to relate to this view was “structure follows strategy”, which appeared to be an indigenous term used in the organisations where employees highlight the need to have a clear strategy before embarking on organisational restructuring. The term “structure follows strategy” was mentioned in several instances such as in Theme 1, Participant 7, Theme 3, Participant 10 and the quotation given below came from Theme 4: Participant 9.

Participant 9: ...structure needs to follow strategy, and strategy needs to be clear and in place in order for you to do that.

A view that there needs to be a clear strategy that will guide how the organisational structure should look like to enable the strategy is supported by literature where Kyalo (2023:31) stated that an organisational structure has a profound effect on the organisation achieving its objectives and business results. According to Kyalo (2023:31), organisational structure has an influence on how the strategy is implemented and is seen as an essential link between the implementation of the strategy and those enacting the implementation. A summary of the thematic analysis of Theme 4 is given below in Figure 4-6 including the associated quotations.

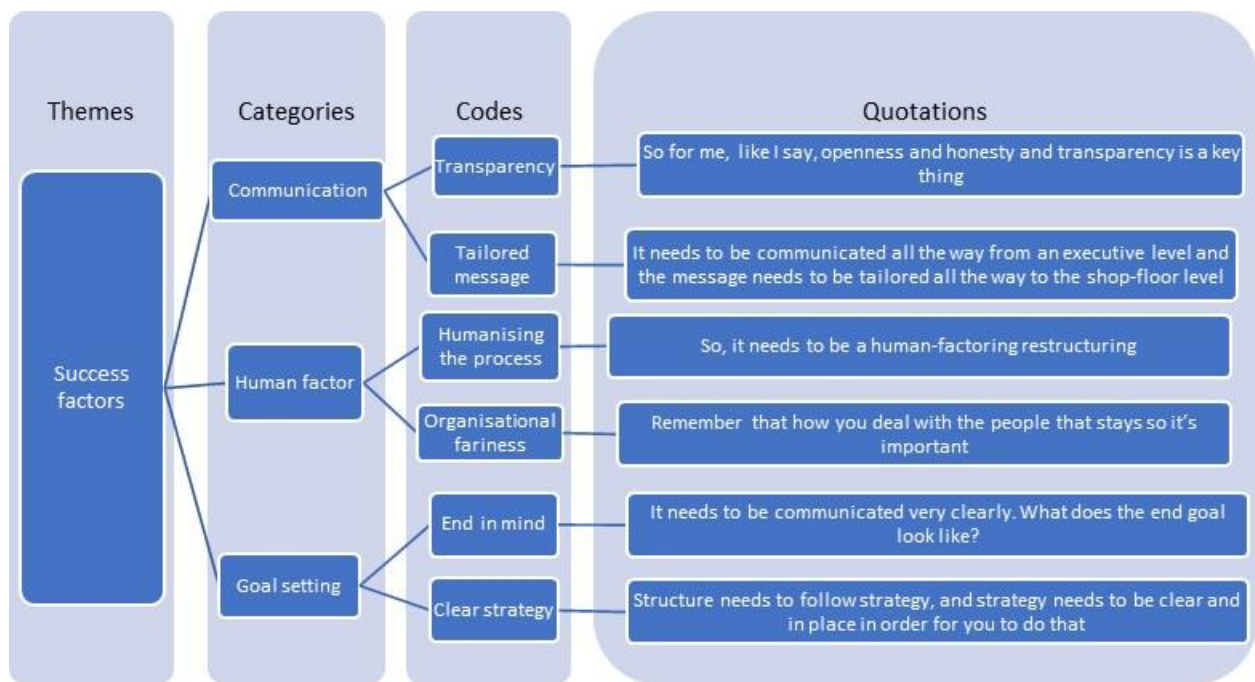


Figure 4-6. Thematic analysis representation of Theme 4 with the associated quotations (Author's own illustration).

Success factors for the organisational restructuring process can be summarised by comments made by Participant 12, where it is cautioned that the organisation lacked change management skills, resulting in employees having low morale because they were not taken through the journey but were only informed about changes as they were undertaken. Several change management tools can be considered that can incorporate the abovementioned success factors categories and one example is the Kotter's eight-step change model as revised by Sittrop and Crosthwaite (2021:15).

Based on the data collected for this theme, it is envisaged that if organisations were to focus on communication, include the human factor and have clear goal setting in their restructuring processes, they will increase the probability of success where the envisaged benefits of the restructuring process will likely be realised. A conclusion on the data analysis conducted in this section is given below where a summary of the findings is highlighted.

4.4 Integrated Framework

Data obtained from this study is aligned with the literature where it is accepted that organisations will continuously be required to undergo some form of organisational restructuring to ensure that they remain competitive. The benefits of this process can include elimination of redundancies, improved efficiency and enhanced profitability (Anekwe & Nwanah, 2021:1800). Despite these compelling benefits, employee morale and productivity can be adversely impacted if the restructuring process is not done correctly. This section provides an integrated framework for employee morale and productivity in relation to organisational restructuring.

Cause for change and alignment with organisational strategy

It is critical to note that before embarking on any organisational restructuring process the decision makers need to ensure that cause for change is clearly defined and the end goal is well articulated. Alignment with organisational strategy will also ensure that proper focus is maintained and that priorities enable delivery on the objectives of the company. Proper management of change procedures should also be entrenched in this phase, where the key performance areas and indicators are well-defined.

Employee assistance and wellness programs

Since employees can be affected differently, some can be affected immediately when they hear about the potential for restructuring and the organisation would need to manage this proactively as being reactive will be less efficient. Well established employee wellness programs will therefore need to be set and be fully entrenched before embarking on the change process.

Leadership communication and employee engagement

As emphasised from the data obtained, transparent communication from the leadership is paramount where a buy-in should be obtained from the employees. Aligned with the concept of informational justice, employees are likely to respond favourably if they feel that they were engaged and the leadership kept them informed regarding the process (Robbins & Judge, 2024:258). Employee engagement includes fostering cross-functional collaboration where inputs on best practises on change management should be implemented.

Recognition and rewards

It is important to note that recognition systems should not only be limited to remuneration and monetary value. Some of the options include career progression opportunities that should be considered in the organisational restructuring process for high performers. Learning and development programs will also be favourable for employees exhibiting high potential as this will keep them motivated while allowing them to contribute positively to the organisation. Investing in technical skills and leadership development will assist in talent retention while also attracting new talent into the organisation. Other aspects include flexible working arrangements, incentive programs and social media recognitions that can be considered to reward milestones achieved and successes gained through the process.

Continuous improvement and feedback mechanisms

It is important to create a culture that is conducive towards continuous improvement and excellence. Feedback from the employees is critical in assessing the prevailing culture and rectifying gaps where the morale and productivity are adversely affected. This can be done through avenues such as pulse surveys, suggestion boxes and restructuring post-mortem sessions. Benchmarking against the pre-established objectives and key performance indicators will help ensure continuous improvement and capturing of lessons learnt.

Organisational restructuring should therefore be approached holistically taking note of the impact that the process can have on the perceived employee morale and productivity. Evaluating the starting point will help ensure that progress made can be measured and improvement opportunities can be implemented throughout the process. A conclusion on the data obtained is given in the section below where a summary of each theme is provided.

4.5 Conclusion

This chapter provided a detailed analysis of the data collected during the study where the link with the literature was provided for observations made. Before delving into data analysis, lessons learnt during the data collection process were shared together with the experiences that the researcher encountered. It happened coincidentally that the organisation was undergoing some form of organisational changes when data was collected, making it prudent for the researcher to clarify that the study was not linked to this process but was rather conducted as a requirement to fulfil MBA requirements. Some of the aspects that were raised by the employees during interactions beyond the data collection process included the need for transparency and open communication so that there can be a buy-in from the employees. These comments were however aligned with those obtained during the data collection process as summarised below.

A thematic data analysis process was followed where the following themes were identified, aligned with the research questions together with their associated categories:

- **Theme 1 (The perceived employee morale and productivity):** This theme yielded three categories being job insecurity, uncertainty and relative. These categories implied that the employee morale and productivity is negatively affected by job insecurity and uncertainty resulting from restructuring. Participants furthermore indicated that the perceived fairness of the restructuring process is relative, depending on how the employees are affected.
- **Theme 2 (Perceived challenges):** Categories identified from this theme were ways of work, placements and wellbeing. Participants highlighted the challenges faced due to having to adapt to new ways of work, citing unfavourable placements

as also contributing to the perceived challenges in relation to restructuring. Employee wellbeing was also found to be important and needs attention to help minimise adverse impact.

- **Theme 3 (Perceived opportunities):** The three categories identified for this theme were career growth, structural optimisation and strategic alignment. Participants indicated that in the midst of the perceived challenges mentioned earlier, opportunities such as career development for individuals and redefining positions for the benefit of the organisation can be realised. In addition to this, restructuring was mentioned to present organisations with an opportunity to ensure strategic alignment that can lead to business success.
- **Theme 4 (Success factors):** This theme culminated into three categories being communication, human factor and goal setting. In addition to emphasising the importance of communication during any organisational restructuring, participants highlighted the need for the organisation to implement support systems and employee wellness programs to assist employees that are struggling due to the changes implemented. The importance of having clear objectives was also mentioned as this will assist with employees understanding the cause for change.

In conclusion, data obtained exhibited the negative impact that the organisational restructuring can have on the perceived employee morale and productivity if the restructuring process is not conducted fairly. The relative nature of the perceived fairness emphasises the interpretivism nature of the study in which people react differently to situations based on their experiences and perceptions. It is however noted that if the restructuring process is conducted fairly, the benefits that can be realised from it can ensure business sustainability and success. Aligned with the notion that “structure follows strategy”, it is inevitable that organisations will constantly be faced with the need to restructure to ensure that they are agile and flexible enough to implement strategic objectives in the ever-changing business environment.

Recommendations on what organisations need to focus on to increase the likelihood of success in their restructuring endeavours are given in the next chapter. Before these recommendations are given, a summary of conclusions that can be drawn from this study is given including verification on whether the study achieved its objectives.

CHAPTER 5 CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Organisations are constantly faced with the need to restructure to navigate through the changing business environment to ensure sustainability. The petrochemical industry has recently been faced with macro-economic challenges such as volatile oil prices, high cost-pressure and technological advancements forcing them to implement strategic business transformation measures to ensure survival (Mathisen *et al.*, 2023:1). The organisation of choice in this study has also been faced with challenges that compelled it to undertake organisational restructuring processes to ensure sustainability.

Along with these challenges and the high failure rate of organisational restructuring processes, this study aimed at answering the following main research question:

What is the perceived employee morale and productivity in a selected company in South Africa following an organisational restructuring process?

The theoretical framework that underpinned this study relates to organisational justice, which implies that if employees perceived the organisational restructuring to have been conducted fairly and with justice, they would likely react favourably towards it. Conversely, employees will likely react unfavourably towards the organisational restructuring process if they perceive it was conducted unfairly.

This study used qualitative method of choice where semi-structured interviews were conducted to explore the perceived employee morale and productivity following an organisational restructuring process from a selected company in South Africa. The interpretivism paradigm was also followed, which implies that participants interviewed in this study would interpret and react towards organisational restructuring subjectively based on their individual experiences. Conclusions on data obtained are given below based on the thematic data analysis method.

5.2 Conclusion

Following a thematic data analysis method, this study identified four themes that are aligned with the research questions. Conclusions that can be drawn from the study are given as follows in accordance with the themes.

Research question: How is the perceived employee morale and productivity influenced following an organisational restructuring process?

Data collected indicated that in general, employee morale and productivity are adversely impacted during the restructuring process and this negative impact was largely attributed to job insecurity and uncertainty that are brought about by the restructuring process. This observation is in agreement with literature where Chadi (2023:1) states that job insecurities that are brought about by organisational restructuring can lead to poor sleep quality, which in turn has been shown to have an adverse impact on the workforce productivity. Regarding uncertainty, Jamil *et al.* (2023:504) highlighted that work challenges such as heavy workload, resources, feeling of powerlessness and job insecurity are amongst several factors that influence job stress levels, and this can lead to reduced morale and productivity.

It was however noted that this negative impact is temporary, and the conditions can improve where the productivity can be better than before the restructuring process when employees get used to the change and start yielding the benefits that come with the process. This process was referred to as the “storm, norm and perform”. Data obtained also supported the theoretical framework of the study where the participants indicated that the perceived fairness of the restructuring process is relative, depending on how the employees are affected. This implied that if the employees perceived that the restructuring process was conducted fairly and was favourable to them, they would react positively towards it and have increased morale and productivity. Conversely, employees

who perceive to have been treated unfairly and have been negatively affected by the restructuring process will have reduced morale and productivity.

Research question: What are the perceived challenges that are brought about by the organisational restructuring process in relation to employee morale and productivity?

The perceived challenges associated with the restructuring process were categorised into ways of work, placements and wellbeing. Participants highlighted that they would find it difficult and challenging to adapt to the new ways of work and this can hamper productivity. It was also stated that the restructuring process can result in employees being placed in vacancies that are not aligned with their career opportunities thereby negatively impacting their morale and productivity. This is applicable from both the employees and the organisation, where placing the wrong people in the wrong positions will result in poor business performance. The importance of placing the right people in the right positions is in line with the literature where it is stated the recruitment of suitable employees and creating conducive working conditions play a critical part in organisational development and profits (Khan *et al.*, 2023:174).

Another challenge identified with the restructuring process is employee wellbeing, where it was stated that it will be difficult for the organisation to restore the trust deficit caused by the restructuring process. Another participant emphasised that it is not the technical matters that cause challenges but the soft issues such as the feeling of belonging, culture and work relationships. Literature supports this view where De Neve *et al.* (2023:22) stated that happier employees with positive wellbeing exhibited as much as 12% increase in productivity in comparison to their counterparts with less favourable wellbeing.

Research question: What are the potential opportunities that can be realised through organisational restructuring aligned with employee morale and productivity, from the perspective of both employees and the organisation itself?

The perceived opportunities associated with the restructuring process were categorised into career growth, structural optimisation and strategic alignment. Participants indicated

that opportunities such as career development for individuals and redefining positions for the benefit of the organisation can be realised. These benefits are evidently from both the employee point of view and organisational benefits point of view. Aligned with this view, Idajor (2023:106) recommended that organisations should facilitate career progression opportunities through organisational restructuring, job enhancement or career paths variety as well as making retirement more favourable as this will help enhance employee productivity. Participants furthermore mentioned that restructuring can present organisations with an opportunity to ensure strategic alignment that can lead to business success.

This study also aimed to bridge the research gap identified by Jacobs and Keegan (2015:87) on whether employees undergoing organisational structuring are also driven by ethical considerations. The importance placed on the employee wellbeing in Theme 2 and the perceived opportunities on the individuals' career development in Theme 3 is evidence that participants genuinely consider what is experienced by their colleagues and are therefore driven by ethical considerations. Furthermore, participants exhibited genuine concern regarding the overall impact on the organisation, where the restructuring process is seen as an important instrument that organisations need to undertake for business sustainability and success. In support of this, Participant 10 furthermore stated that organisational needs and objectives should be given priority, and once these have been achieved, then the organisation will be able to fulfil the needs of the employees through its growth and business success.

Research question: What aspects should organisations undergoing restructuring focus on to mitigate any negative impact that this exercise can have on employee morale and productivity?

The main success factors for organisational restructuring were mentioned to be communication, human factor and goal setting. In addition to emphasising the importance of communication during any organisational restructuring, participants highlighted the need for the organisation to implement support systems and employee wellness programs to assist employees that are struggling due to the changes implemented. This view is supported by literature where Agustian *et al.* (2023:114) highlight the importance

of organisations recognising that human resources management is a key aspect that can determine the sustainability of an organisation.

The importance of having clear objectives was also mentioned as this will assist with employees understanding the cause for change. In support of this view, Negi (2021:8800) states that organisations can increase their likelihood of successfully implementing change if they followed strategies that include clear vision, proper planning, leadership support for the human aspect and having adequate training and development interventions for the management of change.

The link between structure and strategy also became a prominent aspect in this study where Kyalo (2023:31) highlights that organisational structure has an influence on how the strategy is implemented and is seen as an essential link between the implementation of the strategy and those enacting the implementation. This realisation was associated with a term used by several participants that says, “structure follows strategy”, implying that for organisations to ensure a successful restructuring process, there needs to be a clear strategy and vision on which the structure will be based.

The study concludes that while there may be a negative impact on employee morale and productivity following a restructuring process, it is imperative that the process is conducted fairly with transparency, open communication, human factor and clear goal setting as this will help increase the likelihood of success.

Assessment on the study achieving its objective and answering research questions

Based on the conclusions given above in accordance with the research questions, it can be stated that the study was successful in achieving its objective that relates to exploring the perceived employee morale and productivity following a restructuring process in a selected petrochemical company in South Africa. This study was furthermore successful in answering all the research questions comprehensively and made appropriate references to the corresponding literature to substantiate the observations made. It was noted that observations made were aligned with the existing literature without any contradictions.

The study was also successful in providing supporting empirical evidence towards the theoretical framework that underpinned this study, which relates to organisational justice. It was established from Theme 3 that from the informational justice point of view, engaging with the employees and making them feel part of the restructuring process through providing regular communication will give them a perception that the process was conducted fairly and therefore they will likely respond favourably towards it. This theme furthermore supported the perspective of interpersonal justice which argues that employees will likely respond favourably to the restructuring process if they perceive to have been treated with dignity and respect. Recommendations from this study are given below as well as the study limitations from which possible future studies can be considered.

5.3 Recommendations for implementation

According to Ochuko and Ayo-Balogun (2020:32), a well-implemented organisational change can yield tangible benefits, which include improved competitiveness, better financial performance, and higher levels of customer and employee satisfaction. On the contrary, Berber and Bracanovic (2019:165) warn about the negative consequences that can be experienced due to a poorly executed organisational restructuring process which include low employee morale and attitudes, unfavourable organisational citizenship behaviour, decline in motivation, conflict, and insecurity. This section provides recommendations that organisations undergoing a restructuring process can consider to ensure that they can maximise the benefits and mitigate risks that are associated with the restructuring process. It is worth noting that recommendations listed below are aligned with the perceived challenges associated with organisational restructuring and the success factors provided by the participants in this study.

Communication and clear strategy

Before undertaking any organisational restructuring process, it is imperative that organisations have a clear strategy and vision on which the structure is based. The objective and envisaged end-goal should also be well understood and communicated to all the affected parties from the onset. This includes having a clear understanding and

alignment on the key performance indicators so that the organisation can measure the success, or failure rate of the process and put corrective measures in place where necessary.

Regular communication that is open, honest and transparent is also critical as this will demonstrate justice through which the process is undertaken. All the affected parties should be taken through the journey and there needs to be a well-structured management of change process. This recommendation is aligned with the literature findings where Hakmani (2023:382) indicated that by involving all the affected parties such as employees in the restructuring process, organisations will help prevent any negative impact in the post-restructuring phase since this will help build confidence and collaboration between the employees and the organisation.

Placements and vacancy fit

During the restructuring process, organisations should ensure that they appoint suitable people in the appropriate vacancies. While consideration can be given to high potential candidates for career growth opportunities, organisations should have sound career development programs to ensure that the best fit is achieved between organisational structure and candidates aspiring for higher job categories in the organisation.

Along with vacancy fit and appropriate placement of employees is the need to ensure that the restructuring process is underpinned by sound job design principles and is aligned with the organisational strategic objectives. According to Safarini and Mulyono (2023:6535), these principles can be achieved through following strategies such as job redistribution, improved employee training and development as well as digital transformation of manual tasks and this will also help mitigate risks associated with excessive workload and employee wellbeing following an organisational restructuring process.

Employee well being

Employee wellness initiatives and support systems should be put in place to assist employees who find it difficult to cope with the changes. It should be noted that organisational restructuring can cause anxiety due to uncertainty from the beginning of

the process through to the end where people may find it difficult to cope with new ways of work. Employee wellness programs should therefore be available on a continuous basis not only during the restructuring process itself.

This recommendation is aligned with the literature where Juba (2023:24) established that employee wellbeing positively impacts employee engagement, motivation and productivity, where it was concluded that giving employees a sense of belonging and ownership can help improve productivity and is important in ensuring success in any program undertaken by an organisation.

There are several strategies that can be considered that can help ensure that improvement opportunities are leveraged such as the Plan, Act, Review and Improve cycle, which can also be referred as Plan, Do, Check and Act. According to Fening (2023:1377), the Plan, Do, Check and Act cycle can be employed to identify improvement opportunities and implementation. Organisations that implemented this tool were found to have a competitive advantage over their counterparts who did not implement it. It is important to note that this cycle is interactive and different stages can be achieved at various times and organisations need to be agile and flexible enough to ensure that they can maximise the benefits that can be obtained from it. This interactive implementation cycle of Plan, Act, Review and Improve is given below in Figure 5-1 which organisations should consider to ensure continuous improvement in their restructuring processes.

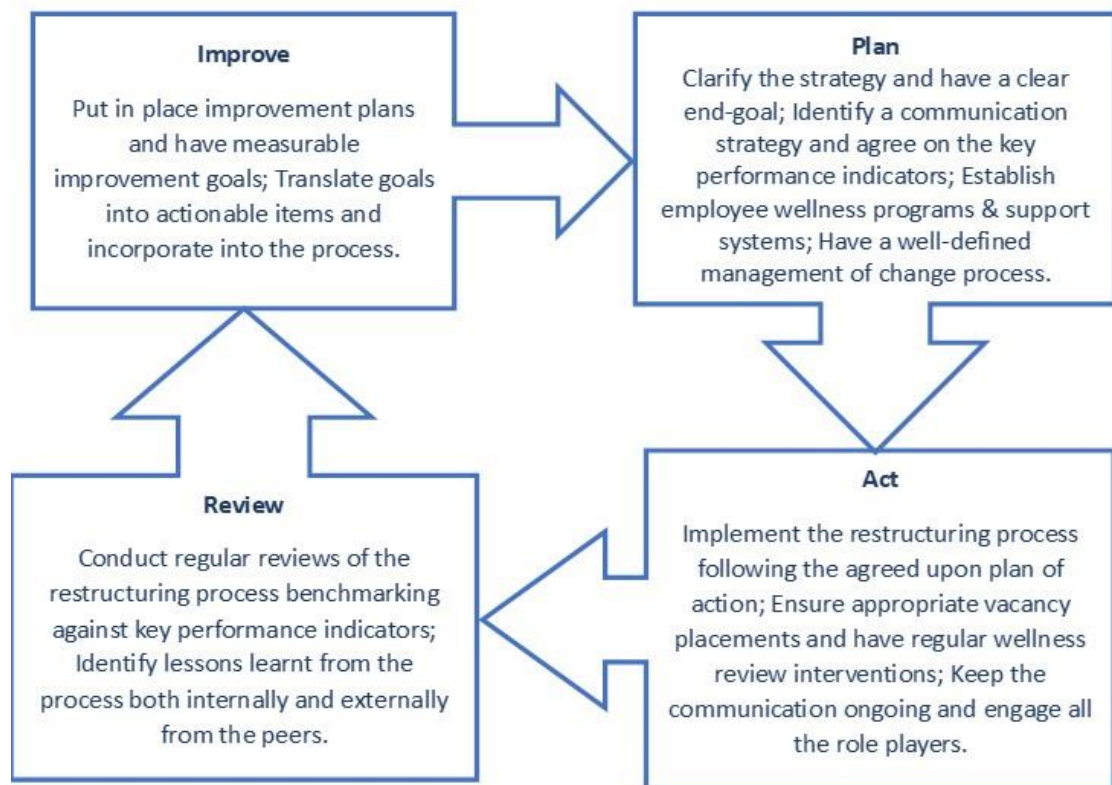


Figure 5-1. An interactive Plan, Act, Review and Improve cycle for continuous improvement (Author's own illustration).

It is recommended that organisations consider incorporating these aspects in their policies to ensure that their restructuring processes do not cause adverse impact on the organisation and the employees, particularly in relation to morale and productivity. It is envisaged that through implementing these recommendations, organisations can contribute favourably towards SDG 8: Decent work and Economic growth. This is evident from the career growth prospects and improved business results that can emanate from a well-executed restructuring process.

5.4 Recommendations for future research

There are certain aspects that were not covered in this study that warrant investigations for future research. Some of these aspects are listed below.

More senior management:

While the study included managers as participants to get their views from the perspective of those who enact the restructuring, it became clear that they were equally affected as employees at lower levels and had limited control over the decision-making process. A view on the decision makers on higher hierarchical levels of the organisation could therefore not be obtained. It would be valuable to target higher senior management roles where most of the restructuring decisions are made and establish if there is a disconnect or alignment with the views on lower levels regarding the perceived employee morale and productivity in relation to organisational restructuring.

The norm and perform part, when there is no restructuring:

As mentioned in the lessons learnt section, it coincidentally happened that at the time data was collected, the organisation was undergoing some form of change which could have caused participants to be biased due to the prevailing atmosphere. This means that participants could have been experiencing the “storm” part of the restructuring process. It would be interesting to collect data at the “norm” and “perform” phases when there is no form of restructuring happening to gauge if these phases would have an impact on the perceptions of the employees with regards to morale and productivity.

Impact of digital transformation

According to (Mathisen *et al.*, 2023:1), some of the reasons compelling the petrochemical industry to implement strategic business transformation measures to ensure survival include volatile oil prices, high cost-pressure and technological advancements. However, technological advancements such as digital transformation was not yet prevalent in the department where most of the participants originated. This means that the study could not explore the perceived employee morale and productivity in relation to organisational restructuring in the prevalence of digital transformation. It is envisaged that digital

transformation will become prominent in the future and conducting a similar study then will provide useful insight in this regard.

Finally, this study highlights the need for organisations to continue pursuing improvement opportunities to ensure that when they are faced with the inevitable need to undertake a restructuring process for business growth and sustainability, then any adverse impact on the perceived employee morale and productivity can be mitigated.

REFERENCES

- Agustian, K., Pohan, A., Zen, A., Wiwin & Malik, A.J. 2023. Human resource management strategies in achieving competitive advantage in business administration. *Journal of Contemporary Administration & Management (ADMAN)*, 1(2):108-117.
- Agwu, E.M., Carter, A-L. & Murray, P.J. 2014. Downsizing as a strategic tool for effective organisational management: A case study of Nigerian banks. *International Journal of Research in Management, Science & Technology*, 2(1):1-9.
- Akinyode, B.F. & Khan, T.H. 2018. Step by step approach for qualitative data analysis. *International Journal of Built Environment and Sustainability*, 5(3):163-174.
- Alosani, M.S., Al-Dhaafri, H.S. & Yusoff, R.Z.B. 2016. Mechanism of benchmarking and its impact on organisational performance. *International Journal of Business and Management*, 11(10):172-183.
- Andri, R.T., Yuswita, E. & Haryati, N. 2021. Employee performance to support work productivity: A PIs approach in agro-input suppliers' company. *Conf. Series: Earth and Environmental Science*, 803:1-18.
- Anekwe, R.I. & Nwanah, C.P. 2021. Downsizing: Causes, effect, strategies, A conceptual approach. *International Journal of Social Science and Human Research*, 4(7):1799-1804.
- Arun, C. & Agalya, G. 2020. A study on impact of employee morale and productivity of employees. *International Journal of Creative Research Thoughts*, 8(11):1167-1172.
- Balogun, J. 2001. Strategic Change, *Management Quarterly Part 10: Faculty of Finance and Management*: 2-11.

Bashir, M., Afzal, M.T. & Azeem, M. 2008. Reliability and validity of qualitative and operational research paradigm. *Pakistan Journal of Statistics and Operation Research*, 4(1): 35-45.

Berber, N. & Bracanovic, Z. 2019. The effects of employees downsizing on organisational behaviour. *Journal of Engineering Management & Competitiveness*, 9(2):159-167.

Beylerian, M. & Kleiner, B.H. 2002. The downsized workplace. *Nonprofit World*, 20(3): 30-32.

Brand, H.E. & Wilson, J. 2000. The impact of organisational restructuring on organisational climate and employee attitudes. *SAJEMS NS*, 3(1):97-108.

By, R.T. 2005. Organisational change management: A critical review. *Journal of Change Management*, 5(4): 369-380.

Chaddha, V. 2016. Corporate restructuring and its effect on employee morale and performance. *International Journal of Research in IT, Management and Engineering*, 6(5): 6-14.

Chadi, C. 2023. Too stressed to sleep? Downsizing, job insecurity and sleep behaviour. *Economics & Human Biology*, 51:1-11.

Chukwudumebi, C.S. & Kifordu, A.A. 2018. The significance of fringe benefits on employee morale and productivity. *The Romanian Economic Journal*, 21(68):78-92.

Coleman, P. 2022. Validity and reliability within qualitative research for the caring sciences. *International Journal of Caring Sciences*, 14(3):2041–2045.

Cooper, R., Chenail, R.J. & Fleming, S. 2012. A grounded theory of inductive qualitative research education: Results of a meta-data-analysis. *The Qualitative Report*, 17(8):1-26.

Cropanzano, R. & Molina, A. 2015. Organisational justice. In: James D.W. *International Encyclopaedia of the Social & Behavioural Science*, 2nd Edition, Vol 17. Oxford: Elsevier:379-384.

Dawadi, S. 2020. Thematic analysis approach: A step by step guide for ELT research practitioners. *NELTA Journal*, 25(1-2):62-71.

De Neve, J-E., Kaats, M., Ward, G. 2023. Workplace wellbeing and firm performance. *University of Oxford Wellbeing Research Centre Working Paper* 2304:1-42. doi.org/10.5287/ora-bpkbjayvk

Dickson, O.A. 2016. Petrochemicals: Upstream to plastic industry using ideas, methods, developments, and procedures in developing countries. *Conference proceedings*. 39th CSN Annual International Conference, Workshop and Exhibition (September 2016), Rivers State University of Science and Technology, Port Harcourt, Nigeria. Article number:0721C85.

Dreyer, L.J. 2016. *The effect of job insecurity and restructuring on the safety performance in the chemical manufacturing industry*. Potchefstroom: North-West University. (Thesis – MBA).

Eloy, A.P. & Manuel, B.L. 2018. The oil industry: Challenges and strategic responses. Cuadernos Orkestra no 47.

Etikan, I., Musa, S.A. & Alkassim, R.S. 2016. Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics*, 5(1):1-4. doi: 10.11648/j.ajtas.20160501.11

Fening, P.A., Agyei, I.K., Adu-Boachie, C. & Adala, C.E. 2023. Strategic implementation of the PDCA and 5S concepts to improve the productivity of the informal welding industry in Kumasi, Ghana. *E-Journal of Humanities, Arts & Social Sciences*, 4(11):1368-1379.

Guest, G., Namey, E. & Chen, M. 2020. A simple method to assess and report thematic saturation in qualitative research. *Research Article PLoS ONE* 15(5): e0232076: 1-17. <https://doi.org/10.1371/journal.pone.0232076>

Gunawan, B., Hera, N. & Fitri, N. 2023. Optimisation of organisational design as a strategy to improve organisational performance: Systematic literature review. *Journal Ekonomi Universitas Kadiri*, 8(2):359-373.

Hakmani, F.A. 2023. Investigating the outcomes of organisational restructuring: A case study of Oman's public sector. *International Journal of Innovative Science & Research Technology*, 8(1):373-384.

Hanaysha, J. 2016. Improving employee productivity through work engagement: Empirical evidence from higher education sector. *Management Science Letters*, 6:61-70. doi: 10.5267/j.msl.2015.11.006

Harney, B., Fu, N. & Freeney, Y. 2018. Balancing tensions: Buffering the impact of organisational restructuring and downsizing on employee well-being. *Human Resource Management Journal*, 28(2):235-254.

Hasan, J., Hasan, M., Rahman, A. and Hossain, U. 2017. Job satisfaction theories: A literature review. *IST Journal on Business & Technology*, 8(1):97-108.

Hennink, M. & Kaiser, B.N. 2022. Sample sizes for saturation in qualitative research: A systematic review of empirical tests. *Social Science & Medicine*, 292:1-10

Idajor, E.F. 2023. Effect of career development on employees productivity: Evidence from Cross River University of Technology. *International Journal of economics, Commerce & Management*, 11(4):92-110.

Ingram, T. & Glod, W. 2016. Talent management in healthcare organisations – qualitative research results. *Conference Proceedings*. 3rd Global Conference on Business, Economics, Management and Tourism. November 2015. Rome, Italy. pp. 339-346.

Ismail, F. & Owaida, N.I. 2023. A key to improve workplaces productivity. *Journal Penyelidikan Sains Sosial (JOSSR)*, 6(18):80-90.

doi: 10.55573/JOSSR.061807

Jacobs, G. & Keegan, A. 2018. Ethical considerations and change recipients' reactions: It's not all about me. *Journal of Business Ethics*, 152:73-90.

Jamil, A., Sehat, R.M., Johari, Y.C., Nordin, E., Hussein, W.S. & Hasin, H. 2023. Exploring the link between job stress and performance: Identifying the root causes. *International Journal of Academic Research in Accounting Finances and Management Sciences*, 13(3):501-522. DOI:10.6007/IJARAFMS/v13-i3/19073

Jones, J., Firth, J., Hannibal, C. & Ogunseyin, M. 2019. Factors contributing to organisational change success or failure: A qualitative meta-analysis of 200 reflective case studies. *Wolverhampton Intellectual Repository and E-theses*: 155-178.

Juba, O.O. 2024. Impact of workplace safety, health, and wellness programs on employee engagement and productivity. *International Journal of Health, Medicine & Nursing Practice*, 6(4):12-27.

Kanimozhi, M. & Vinothkumar, A. 2018. Effectiveness of employee morale and its impact on employee relation in manufacturing industry. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 5(11):506-512.

Karnieli-Miller, O., Strier, R. & Pessach, L. 2009. Power relations in qualitative research. *Qualitative Health Research*, 19(2):279-289.

Kaur, G. & Verma, V. 2018. Impact of job satisfaction on job performance of employees in IT Delhi NCR. *The Research Repository of GIBS*, 1(1):84-88.

Khan, B. A. & Cheema, F-e-A. 2010. Impact of downsizing on employee attitude and performance: A case study of HBL. *Journal of Independent Studies and Research*, 8(1):157-170.

Khan, S.N. 2014. Qualitative research method: Grounded theory. *International Journal of Business and Management*, 9(11):224-233.

Khan, Z. U., Alam, N., Badar, A., & Ahmad, M. B. 2023. Impact of employee turnover on organisational profit with moderating role of recruitment. *Bulletin of Business and Economics*, 12(3):169-176. <https://doi.org/10.61506/01.00015>

King Abdullah Petroleum Studies and Research Centre (KAPSARC). 2016. *The Future of the Petrochemicals Industry and Sino-Saudi Cooperation*. Date of access: 30 September 2023. Doi: 10.30573/KS--2020-WB12

Kotter, J. 1996. *John Kotter's Eight Step Change Model*. <https://www.managementstudyguide.com/kotters-8-step-model-of-change.htm> Date of access: 02 January 2024.

Kurgat, A. 2016. Organisational restructuring: An opportunity for growth and social networks. *International Journal of Economics, Commerce and Management*, 4(8):626-655.

Kyalo, J. 2023. Contribution of organisational structure on strategy implementation in Kenya government tourism agencies. *Journal of Strategic Management*, 8(2):19-34.

LaDonna, K.A., Artino, A.R. & Balmer, D.F. 2021. Beyond the guise of saturation: Rigor and qualitative interview data. *Journal of Graduate Medical Education (Editorial)*:607-611. DOI: <http://dx.doi.org/10.4300/JGME-D-21-00752.1>

Laig, R.B. & Abocejo, F.T. 2021. Change management process in a mining company: Kotter's 8-step change model. *Journal of Management, Economics, and Industrial Organization*, 5(3):31-50.

Mabindisa, T.J. & Legoabe, R. 2021. Factors contributing to low employee morale at a South African state-owned entity in financial distress. *African Journal in Education & Transformation*, 1(2):87-101.

Mallik, A., Mallik L. & Keerthi, D.S. 2019. Impact of employee morale on organisational success. *International Journal of Recent Technology and Engineering*, 8(4):3289-3293.

Mathisen, G.E., Tjora, T., Bergh, L.I.V., Jain, A. & Leka, S. 2023. The differential impact of organizational restructuring and downsizing on the psychosocial work environment and safety climate in the petroleum industry. *Safety Science*, 166:1-9.

McLachlan, C.J. 2022. Developing a framework for responsible downsizing through best fit: the importance of regulatory, procedural, communication and employment responsibilities, *International Journal of Human Resource Management*, 33(1):16-44. DOI: 10.1080/09585192.2021.1958248

McManus, J. & Mosca, J. 2015. Strategies to build trust and improve employee engagement. *International Journal of Management & Information Systems*, 19(1):37-42.

Meaney, M. & Pung, C. 2008. McKinsey Global results: creating organisational transformations", *The McKinsey Quarterly*: 01-07.

Mensah, K.A., Ahiaxonu, E.E. & Twum, E. 2023. Organisational change and its effect on employee performance. A study at the Ghana Broadcasting Corporation. *Wisconsin Journal of Arts and Sciences*, 5(1):77–94.

Mockus, A. 2009. Organisational volatility and its effects on developer productivity. *ICSE Workshop on Socio Technical Congruence*. Retrieved from <http://mockus.us/papers/orgvolatility.pdf> Date of access: 02 January 2024.

Morton, S., Pencheon, D. & Squires, N. 2017. Sustainable development goals (SDG) and their implementation. *British Medical Bulletin*, 124:81-90.

Mutharasi, K. & Thaiyalnayaki, M. 2022. A study on employees' morale in manufacturing companies – In and around Chennai. *Journal of Positive School Psychology*, 6(4):3560-3568.

Mwita, K.M. 2022. Factors influencing data saturation in qualitative studies. *International Journal of Research in Business & Social Science*, 11(4):414-420.

Ndege, M.W. & Ogollah, K. 2020. Effects of corporate restructuring on performance of international organisations: A case of international finance corporation. *International Research Journal of Business and Strategic Management*, 1(1):24-36.

Negi, N. 2021. Effective change management strategies for successful implementation of organisational change: An analytical perspective. *Elemental Education Online*, 20(5):8794-8801.

Nel, D.M. & van Niekerk, A. 2023. Gain or loss: A conceptual framework of employee well-being during change. *Journal of Contemporary Management*, 20(1):83-103.

Nguyen, P.A., Nguyen, A.H., Ngo, T.P. & Nguyen, P.V. 2019. The relationship between productivity and firm's performance: Evidence from listed firms in Vietnam stock exchange. *Journal of Asian Finance, Economics and Business*, 6(3):131-140.
doi:10.13106/jafeb.2019.vol6.no3.131

Obi, J.N., Sajuyigbe, A.S. & Peter, F.O. 2021. Effect of corporate restructuring on employee morale: Evidence from Airtel Nigeria Limited. *Journal of Business & Entrepreneurship*, 9(1):27-36.

Ochuko, M.A & Ayo-Balogun, A.O. 2020. Organizational change and its impact on employees' performance. (A Study of Union Bank Nigeria Plc.). *IOSR Journal of Business and Management*, 22(10):32-39.

Ojo, O. 2015. Organisational restructuring and performance evaluation in federal ministry of health, Abuja, Nigeria. *International Journal of Managerial Studies and Research*, 3(9):76-84.

Okechukwu, E.U. & Ugwu, I.K. 2015. Effects of strategic change on employees' performance in manufacturing organisations. *Journal of Policy and Development Studies*, 9(4):172-190.

Opdenakker, R.J.G. 2006. Advantages and disadvantages of four interview techniques in qualitative research. *Forum Qualitative Sozialforschung = Forum: Qualitative Social Research*, 7(4), art.11-.

Osho, G.S., Ashe, C. & Wickramatunge, J. 2006. Correlation of morale, productivity, and profit in organisations. *National Social Science Journal*, 26(1):108-115.

Ozcelik, Y. 2010. Do business process reengineering projects payoff? Evidence from the United States. *International Journal of Project Management*, 28(1):7-13.

Pahkin, K., Nielsen, K., Vaananen, A., Mattila-Holappa, P., Leppanen, A. & Koskinen, A. 2014. Importance of change appraisal for employee well-being during organizational restructuring: Findings from the Finnish paper industry's extensive transition. *Industrial health*, 52(5):445-455.

Permana, I.T., Rahayu, A., Wibowo, L.A., Dirgantari, P.D., Yulianto, E. & Nurgraha, R. 2023. Company strategy formulation approach through Organizational Structure Transformation to Optimize Business Performance. *Advances in Economics, Business & Management Research. Proceedings of the 7th Global Conference on Business, Management, and Entrepreneurship (GCBME 2022)*. DOI [10.2991/978-94-6463-234-7_168](https://doi.org/10.2991/978-94-6463-234-7_168)

Rahman, M.S. 2017. The advantages and disadvantages of using qualitative and quantitative approaches and methods in language “testing and assessment” research: A literature review. *Journal of Education and Learning*, 6(1): 102-112.

Robbins, S.P. & Judge, T.A. 2024. *Organisational Behaviour*. 19th ed. United Kingdom: Pearson Education Limited.

Rogovsky, N., Ozoux, P., Esser, D., Marpe T. & Broughton, A. 2004. *Restructuring for corporate success: A social sensitive approach*. Geneva: International Labour Office: 01-150.

Safarini, A.F. & Mulyono, N.B. 2024. Assessing organisational restructuring and crafting solutions to manage workload in shared service and support Unit – PT Telkom regional III. *International Journal of Current Science Research & Review*, 7(8):6516-6537.

Sasol Limited. 2021. Sasol Limited Integrated Report for the year ended 30 June 2021.

Saunders, M., Lewis, P. and Thornhill, A. 2009. *Research Methods for Business Students*. 5th Ed. An imprint of Pearson Education: England.

Setia, M.S. 2016. Methodology Series Module 3: Cross-sectional Studies. *Indian Journal of Dermatology*, 61(3): 261-264.

Shaban, O.S., Al-Zubi, Z., Ali, N & Alqotaish, A. 2017. The effect of low morale and motivation on employees' productivity & competitiveness in Jordanian industrial companies. *International Business Research*, 10(7): 1-7.

Shao, J., Zhang, R. & Zhang, S. 2022. The mechanism and causes of counterproductive work behaviour: Organisational constraints, interpersonal conflict, and organisational injustice. *Advances in Social Science, Education and Humanities Research*, 670:825-831.

Singh, S., Solkhe, A. & Gautam, P. 2022. What do we know about employee productivity: Insights from bibliometric analysis. *Journal of Scientometric Research*, 11(2):183-198.

Sittrop, D. & Crosthwaite, C. 2021. Minimising risk – The application of Kotter's change management model on customer relationship management systems: A case study. *Journal of Risk and Financial Management*, 14:496.

Stahl, N.A. & King, J.R. 2020. Expanding approaches for research: Understanding and using trustworthiness in qualitative research. *Journal of Developmental Education*, 44(1):26-28.

Subedi, K.R. 2021. Determining the sample in qualitative research. *Scholars' Journal*, 4:1-13.

Taufan, A.R., Effy, Y. & Novi, H. 2021. Employee performance to support work productivity: A Pls approach in agro-input suppliers' company. *IOP Conference Series: Earth and Environment Science*, 083:1-18, art. #012054.
doi:10.1088/1755-1315/803/1/012054

Umar, M.A. 2023. Corporate restructuring: A strategy for improving organisational performance. *International Journal of Strategic Decision Science*, 14(1):1-11.

Weakliem, D. L. & Frenkel, S. J. 2006. Morale and workplace performance. *Work and Occupations*, 33(3): 335-361.

Wheeler, C.M., Baffes, J., Kabundi, A., Kindberg-Hanlon, G., Nagle, P.S. & Ohsorge, F.L. 2020. Adding fuel to the fire: Cheap oil during the COVID-19 pandemic. *Policy Research Working Paper*, 9320:1-47.

Yean, T.F. & Yusof, A.A. 2015. Organisational justice: A conceptual discussion. *Conference Proceedings. 3rd Global Conference on Business and Social Science*. Kuala Lumpur, Malaysia. 798-803.

Yu, M. & Smith, S.M. 2021. Grounded theory: A guide for a new generation of researchers. *International Journal of Doctoral Studies*, 16:553-568.

Zafar, F. & Naveed, K. 2014. Organisational change and dealing with employees' resistance. *International Journal of Management Excellence*, 2(3):237-246.

Zhenjing G., Chupradit S., Ku KY, Nassani A.A. & Haffar, M. 2022. Impact of employees' workplace environment on employees' performance: A multi-mediation model. *Frontiers in Public Health*, 10:1-13, art. #10:890400. doi:10.3389/fpubh.2022.890400

APPENDICES

Appendix A: Consent form

I, Konrad Mokheseng, am currently pursuing my MBA studies with NWU and I will be conducting interviews to explore employee morale and productivity following an organisational restructuring process. A consent is hereby requested for your participation in this study with the following ethical considerations in mind:

- Your privacy, confidentiality and anonymity are of paramount importance and will be protected throughout the study.
- Participation is completely voluntary, and you have the right to withdraw partially or completely from the process.

Please note that the interview will be recorded for quality purposes and to ensure accuracy of data capturing for the purposes of the study, you are welcome to withdraw from the study should you not agree to the recording. Any demographic information collected will be averaged to provide a holistic and aggregated view and will not be used to identify or isolate any participants. Information collected will also be used purely for the intended purpose of the study, aligned with the Protection of Personal Information Act (POPIA). Furthermore, details of this study and outcomes thereof can be made available to the participants on request.

Appendix B: Interview protocol (Semi structured interviews)

Participant no:	
Demographic information (only to describe sample population)	
Years of service (to ensure exposure to at least one organisational restructuring process):	
Role in the organisation (manager or employee to understand the role played during the organisational restructuring process):	
Introduction Thank you for taking part in this interview. Aligned with the objective of the study, the purpose of this interview is to explore employee morale and productivity of employees, as a function of perceived challenges and potential opportunities encountered after having gone through an organisational restructuring process in a selected petrochemical company in South Africa. It is envisaged that the outcome of this study will be beneficial to organisations where recommendations made will help mitigate adverse impact of organisational restructuring and maximise potential benefits from such an exercise.	
Ethical considerations Your privacy, confidentiality and anonymity are of paramount importance and will be protected throughout the study. Please note that the interview will be recorded for quality purposes and to ensure accuracy of data capturing for the purposes of the study. Your participation is fully voluntary, and you are welcome to withdraw from the study should you wish to do so without any repercussions. Information collected will be used purely for the intended purpose of the study, aligned with the Protection of Personal Information Act (POPIA).	

Interview questions are provided in the next page. Clarifying or probing sub-questions are also included to extract more information from the interviewee depending on the initial response. Thus, if the initial response is detailed enough then the sub-question may be omitted.

Research question	Actual interview questions (with probing sub-questions)
1. How is the perceived employee morale and productivity influenced following an organisational restructuring process?	1.1. The organisation went through a restructuring exercise in recent years to yield Sasol 2.0, coupled with the Response Plan initiative. What is your view with regards to the prevailing employee morale and productivity following this exercise? <u>Probing sub-question:</u> What is your assessment of the current employee morale and productivity in terms of being favourable or unfavourable? 1.2. What is your perception regarding the level of fairness towards the employees and the organisation with regards to the restructuring process? <u>Clarification sub-question:</u> The fairness elaborated upon could be in a form of the outcomes of the process or the way the process was conducted.
2. What are the perceived challenges that are brought about by the organisational restructuring process in relation to employee morale and productivity?	2.1. What in your view were the main challenges in the implementation of the restructuring process that could potentially adversely impact employee morale and productivity. <u>Clarification sub-question:</u> The challenges specified can be from the perspective of employees that are experiencing the restructuring process or from the managers who are required to enact the process.
3. What are the potential opportunities that can be realised through organisational restructuring aligned with employee morale and productivity?	3.1. This exercise was aimed at improving efficiency and ultimately business performance, i.e. cost containment. What would you say is the level of success in achieving this objective and realising the envisaged opportunities. 3.2. It often happens that organisational benefits are not aligned with those of the individuals. In your own view, at what point would organisational benefits outweigh those of employees for such instances when there is misalignment? <u>Probing sub-question:</u> How would you say such misalignment can affect opportunities from both the organisation and the employees' point of view?

Research question	Actual interview questions (with probing sub-questions)
4. What aspects should organisations undergoing restructuring focus on to mitigate any negative impact that this exercise can have on employee morale and productivity?	4.1. In your own view, what went well with the restructuring process that the organisation undertook recently? 4.2. What would you say could have been done better to improve the implementation of the restructuring process across the organisation? <u>Clarification sub-question:</u> Kindly elaborate from either the context of employee response or manager intervention?
Closing Is there any additional information you would like to share that has not yet been shared during the interview? In closing, thank you for participating in this interview and for sharing your insights towards the topic discussed. Your contributions will be valuable in assisting organisations to mitigate potential risks associated with the organisational restructuring process in relation to the perceived employee morale and productivity. This will in turn help ensure that the envisaged benefits associated with this process can be achieved. Please feel free to contact me should you have any further inputs towards this study.	