Received: 24 March 2021 | Revised: 14 March 2023 | Accepted: 26 April 2023

DOI: 10.1111/1748-8583.12512

Human Resource Management Journal WILEY

RESEARCH ARTICLE

Human resource management in recession: Restructuring and alternatives to downsizing in times of crisis

Stewart Johnstone

Strathclyde Business School, University of Strathclyde, Glasgow, Scotland

Correspondence
Stewart Johnstone.
Email: Stewart.johnstone@strath.ac.uk

Abstract

In just over a decade two global crises have created significant instability across the world and plunged many national economies into recession. While studies of HRM during economic downturns are limited, the global impact of COVID-19 on employment adds impetus to the debate. Though downsizing and mass layoffs attract most attention, redundancies are just one potential response to challenging economic conditions, and various other employment adjustments might be viewed as complements or alternatives to workforce reductions. However, little is known about the implementation of HR practices or enactment of HR strategies during recession. Drawing upon 56 in-depth interviews, this article presents three case studies of recessionary restructuring in British manufacturing firms. The cases share a concern with mitigating redundancies and highlight the importance of actor agency as well as institutional and organisational context in shaping restructuring outcomes. The article contributes to HR theory regarding HRM in recession and employment restructuring.

Abbreviations: CEO, Chief Executive Officer; COVID-19, Coronavirus disease; HR, human resources; HRM, human resource management; MNCs, multinational corporations; NVQ, national vocational qualification; OECD, organisation for economic co-operation and development; UK, United Kingdom; US, United States of America.

KEYWORDS
downsizing, labour flexibility, layoffs, recession, restructuring, retrenchment

Practitioner notes

What we currently know

- Research on HRM during recession attracts modest attention in the HR literature
- Ongoing economic, social and political instability add impetus to the debate
- Downsizing and mass layoffs normally attract most attention in times of recession
- The consequences of downsizing are often negative for workers and organisations
- Redundancies are not the only measure employers can take in an economic downturn
- Other employment adjustments might be viewed as complements or alternatives to downsizing

What the paper adds

- The study provides rare empirical insights into the selection and implementation of HR practices during recession, and the process of restructuring as recession evolves in three case organisations
- It provides rare insights into how and why employers might seek to preserve jobs during recession
- It demonstrates that while each case organisation implemented measures to mitigate redundancies, they took different paths with different consequences.
- The paper considers the extent to which responses reflected distinctive recessionary HR strategies as envisaged in the existing HR literature
- The article highlights the importance of actor agency as well as institutional and organisational context in shaping restructuring outcomes during recession.
- The article contributes to HR theory regarding HRM in recession and employment restructuring

Implications for practitioners

- As the negative consequences of downsizing for workers and organisations are well known, the study offers insights into the deployment and utilisation of alternative measures to mitigate job cuts during a temporary downturn
- HR practitioners should actively consider alternatives to downsizing with job security viewed as part of responsible HRM with benefits for employers, workers and societies

1 | INTRODUCTION

In just over a decade two global crises have created significant economic, social and political instability across the world, and plunged many national economies into recession, with important consequences for work, employment and HRM (ILO, 2021). While the management of HR during recessions has tended to receive modest attention in mainstream HRM scholarship (Johnstone et al., 2019; Teague & Roche, 2014), ongoing economic uncertainty compounded by the global impact of COVID-19 on employment adds impetus to the debate (Dobbins et al., 2023).

In times of recession firms are often under pressure to cut costs including labour costs. Downsizing and mass layoffs usually attract most attention (Edwards et al., 2020), and it is estimated that over 60 million jobs were lost due to the 2008 global financial crisis (ILO, 2014), and that over 100 million jobs have been lost so far as part of the ongoing international Covid-19 public health crisis (ILO, 2021). However, redundancies are just one measure which can be introduced in times of economic distress, and firms may make various other HR changes, including freezing recruitment, removing agency workers, redeploying staff, cutting pay, eliminating overtime and changing working time (Cameron, 1991, 1994; Cascio, 2002; Pfeffer, 1998). Some of these adjustments may be viewed as complementary measures to be introduced in addition to workforce reductions to maximise short-term cost savings, or as potential ways to mitigate redundancy, with compulsory dismissals viewed as a last resort. Thus while recessions can present challenges to which firms must respond, employers have a range of HR adjustments from which they can choose (Cascio, 2002; Pfeffer, 1998; van Wanrooy et al., 2013), and therefore some options regarding how exactly to navigate an economic downturn (Bacon, 2008).

Yet while we know firms change their employment practices in times of recession (van Wanrooy et al., 2013), few studies have explored *how* or *why* firms select and implement recessionary adjustments, or the extent to which they devise distinctive HR strategies in times of depressed market conditions (Teague & Roche, 2014). To advance the debate, this article draws upon 56 in-depth interviews to present case studies of three British manufacturing firms deeply affected recession. Specifically, it considers how and why each organisation selected and implemented HR adjustments as the recession evolved, as well as whether they devised and enacted distinctive HR recessionary strategies.

Three main questions guided the empirical inquiry:

1) How did each organisation select and implement HR adjustments as the recession unfolded?
2) Why did they make the specific HR adjustments selected?
3) To what extent did each organisation devise and enact a distinctive HR strategy to navigate recession?

The article therefore makes several contributions. Empirically, by exploring how and why firms respond to recession at the organisational level it offers rare empirical insight into the 'black box' of employment restructuring (Cook et al., 2016; McLachlan et al., 2021), and responds to calls for more contextualised studies of HRM (Cooke, 2018; Vincent et al., 2020). Conceptually, the paper contributes to ongoing debates in this journal regarding HRM in recession (Teague & Roche, 2014), downsizing (Cregan et al., 2021; Goyer et al., 2016; Harney et al., 2018; Muñoz-Bullón & Sanchez-Bueno, 2014), and employment restructuring (Johnson and Mathews, 2022; McLachlan et al., 2020). Finally, the study offers timely insights for HR policy and practice in times of great economic, social and political instability.

The remainder of the article is structured as follows. The next section presents some conceptual background before outlining the research methods. The findings of three in-depth case studies of HR practices during recession are then presented in turn. The findings are then discussed before drawing some conclusions.

2 | DOWNSIZING AND EMPLOYMENT RESTRUCTURING

In recent decades employment downsizing, defined as permanent workforce reductions to improve organisational efficiency (Budros, 1999), has gained strategic legitimacy across the world (McKinley et al., 2000). Large-scale layoffs have become the norm in many nations, especially in times of economic distress (Cregan et al., 2020; Goyer et al., 2016; Muñoz-Bullón & Sanchez-Bueno, 2014). In the US for example, mass layoff events peaked during the recessions of 2001/2 and 2008/9 (Johnstone, 2019b), while in the early stages of the coronavirus pandemic over 20 million jobs were lost and unemployment surged to 15% (Look et al., 2021). Yet most empirical studies reveal that downsizing has negative consequences for worker wellbeing and firm performance (Cascio et al., 2020; Cregan et al., 2021; Freeman & Ehrhardt, 2012; Guthrie & Datta, 2008; Ritter-Hayashi et al., 2020), as well as a disproportionate effect on the vulnerable in society, including younger workers, the low paid and minorities (Bell et al., 2020). A recent study of firms on the New York Stock Exchange during the period 1980–2016, also suggests that organisations that are quick to downsize tend to fare worse than competitors who delay job cuts (Cascio et al., 2020).

However, workforce reductions are not the only action employers can take during challenging economic conditions. Other potential adjustments include freezing or cutting pay, reducing working time, redistributing work, reallocating workers and revising job roles. Further measures include freezing recruitment and promotion, removing agency and contract staff, insourcing, loaning workers, or spending spare time on training and development. Manufacturing firms might conduct maintenance activity or build for stock (Cascio, 2002; Pfeffer, 1998; van Wanrooy et al., 2013). Some of these adjustments—such as those concerned with reducing payroll - may be viewed as *complementary* measures to be introduced in parallel with workforce reductions to maximise short-term cost savings. However, they could also be viewed as part of a series of *alternative* measures which can be introduced over a period of the time, with compulsory dismissals considered a last resort when all other options have been exhausted. Thus, while depressed market conditions can present significant challenges to which firms must respond, managers remain critical actors in the workplace, and can make strategic choices regarding exactly how to proceed (Bacon, 2008; Kochan et al., 1984).

Though the literature on HRM in recession remains modest, Teague and Roche (2014) identify three main 'ideal type' scenarios evident in the extant literature. First, is *'pure restructuring'* where firms prioritise quick payroll savings, primarily through workforce reductions. The approach resonates with what Cameron (1994, 197) described as "throwing a grenade into a crowded room" with limited consideration of the consequences. This is thought to be more common in liberal market economies such as the US, where an institutional context with more limited employment protections, weakened trade unions and managerial incentive systems which reward short-term financial performance (Cascio, 2002; Dundon & Rafferty, 2018; Thompson, 2011), have been argued to encourage layoff decisions in response to even modest economic challenges (Wood & Brewster, 2021). Nevertheless, liberal market economies are not homogenous, and the 'hire and fire' and 'employment at will' approaches associated with the US can be contrasted with the comparatively stringent redundancy legislation in the UK. Organisations in the same institutional environment can also have quite different HR philosophies, with aggressive downsizers more likely to consider staff to be disposable and easily replaceable (Cascio, 2002), or MNCs with origins in permissive liberal market economies that prioritise short-term financial results rather than the longer term stakeholder view of coordinated market economies (Boyle & McDonnell, 2013; Goergen et al., 2013).

The second scenario is *'employment stabilisation'*, where firms commit to avoiding compulsory redundancies, and instead seek alternative cost saving measures including pay cuts, working time reductions, voluntary layoffs and the termination of contract and agency personnel. Usually associated with a no-compulsory layoff policy, firms will instead 'hoard' labour. In exchange for high job security, staff are expected to be flexible in terms of pay, working time, work tasks, and even job location. In a downturn, staff might be retrained or redeployed, and firms might also reduce working time rather than cutting jobs. This is often supported by working time flexibility practices, such as the use of Arbeitkonten (working time accounts) in Germany, which allow firms to make temporary staffing reductions while employees continue to receive a stable income. Job retention might also be encouraged by government policy. Again, in Germany, state-sponsored Kurzarbeit (short work) schemes promote the retention of employees, and compensate staff for lost income due to a reduction in working time (Bosch, 2009; Hijzen & Martin, 2013; Pfeffer, 1998). However, the literature on employment stabilisation remains modest and empirical insights into its use in the HRM literature are limited (Dyer et al., 1985; Teague & Roche, 2014).

Third, and lying somewhere in between these two poles is the notion of *'responsible restructuring'*. Here employers favour a wide range of adjustments to pay, working time and work organisation to mitigate the need for compulsory dismissals. The emphasis is upon avoiding knee jerk redundancies, and downsizing is instead viewed as something to mitigated—or considered a last resort—in response to challenging economic conditions (Cascio, 2002; Pfeffer, 1998; Rogovsky et al., 2005). Discussions, especially in the European literature, also stress the importance of a fair process of restructuring, as well as measures to ameliorate the negative impact of job loss and support displaced workers back into the labour market (Ahlstrand, 2010; Bergström, 2007; Bosch, 2009; Forde et al., 2009; Hansen, 2009; McLachlan, 2021; Papadakis, 2010; Rydell & Wigblad, 2011).

Concerns with job retention and responsible restructuring have attracted increasing international policy and academic attention, especially after the 2008 global financial crisis (Ahlstrand, 2010; Bergström, 2007, ; EC, 2012; Hansen, 2009; Johnson & Watt, 2022; McLachlan et al., 2021; Tsai & Shih, 2013; Tsai & Yen, 2020), and the global impact of COVID-19 on employment has reignited the debate (Spencer et al., 2022; Stuart et al., 2021). However, strategies approximating to employment stabilisation and responsible restructuring are thought to be more common in the coordinated market economies of Germanic European nations, where the institutional and regulatory environment discourages a narrow short-term focus on dismissals, and traditions of social partnership encourage cooperation and social dialogue regarding less harmful restructuring approaches (Bergström, 2007; ILO, 2014; Wood & Brewster, 2021). For example, only a minority of firms made mass layoffs in Germany during the 2008/9 global financial crisis (Burda & Hunt, 2011), while in Sweden job security councils support re-employment, with almost 90% redundant workers back in work within a year (Quintini & Venn, 2013). At an organisational level, such strategies might also be expected in knowledge intensive or high skill settings, where workers are more likely to be viewed as assets to be nurtured rather than costs to be cut (Cascio, 2002; Dyer et al., 1985; Teague & Roche, 2014), or in MNCs with origins in coordinated market economies which promote long-term employment strategies (Boyle & McDonnell, 2013).

Yet while we know that various restructuring practices and approaches are possible, and can depend upon and be influenced by the institutional and organisational context (Wood & Brewster, 2021), much less is known about the selection or implementation of HR practices or enactment of HR strategies at the organisational level during recession. Few studies have explored empirically how practices are selected or implemented at the organisational level, or the extent to which they correspond with the 'ideal type' scenarios proposed in the literature.

A notable exception is a study of company level responses in Ireland during the 2008 global financial crisis (Teague & Roche, 2014), which found limited evidence of strategies approximating to responsible restructuring or employment stabilisation. This might be considered consistent with the view that such practices are less likely in a liberal market economy like Ireland. Perhaps more curiously, however, the study also found little evidence of the pure restructuring approach commonly associated with institutionally permissive liberal market economies. Instead, their analysis found companies were evenly split between those that adopted narrow 'pay-freeze focused' changes, and those that made a broader package of payroll focused 'retrenchment' measures, including short-time working and redundancies. Yet contrary to expectations in the literature, these were not introduced like a "grenade in a crowded room" with little concern for the consequences (Cameron, 1994, p. 197). Rather, payroll saving measures were introduced in combination with communication and engagement measures.

Labour market evidence from the 2008 global financial crisis in the UK also suggests that firms implemented a package of payroll saving measures including workforce reductions, freezing or cut wages, freezing recruitment, reducing overtime, reducing working hours, and terminating agency and contract staff. However, it also reveals that, despite being one of the few OECD nations which did not implement a state sponsored short time working scheme to preserve jobs (Hijzen & Martin, 2013), there were fewer redundancies than previous recessions and the majority were made voluntarily. Other employment adjustments were also common (van Wanrooy et al., 2013). This has raised questions about the extent to which organisations might have been mitigating redundancies in favour of alternative approaches as part of a commitment to job retention, or perhaps a reflection of greater labour flexibility allowing workforce changes to be made without the need for mass redundances (Johnstone et al., 2019; van Wanrooy et al., 2013).

However, answers to such questions are difficult to discern from aggregate labour market data or self-reported employer practices, and instead lend themselves to more contextually-sensitive qualitative inquiry into the 'black box' processes of restructuring. However, besides a few exceptions (e.g. Cook et al., 2016; Johnstone, 2019a), studies into how or why adjustment practices are selected or combined at an organisational level remain rare, and our knowledge of HRM in recession remains limited as a result.

Drawing upon 56 in-depth interviews, this article presents three case studies of recessionary restructuring in British manufacturing firms during the 2008/9 financial crisis, the most serious recession prior to the 2020 pandemic. Specifically, it considers how and why each organisation selected and implemented recessionary adjustments as the recession unfolded. It then considers whether organisational responses represented distinctive HR strategies, and the extent to which they approximated to the 'pure restructuring', 'employment stabilisation' or 'responsible restructuring strategies' envisaged in the extant literature on HRM in recession, as summarised in Table 1 (Teague & Roche, 2014).

TABLE 1 Potential recessionary bundles.

Pure restructuring	Employment stabilisation	Responsible restructuring
Headcount reduction	No compulsory layoffs	Multiple payroll cost reductions spread over pay, employment and working time practices
Additional payroll cost savings	Working time reductions	Headcount reduction
Few changes to work practices	Pay cuts	Changes in skill mixes
Little concern with behavioural consequences or union engagement	Voluntary layoffs Staff trained for new positions Insourcing Cuts in agency, part time, contract workers	Working time reorganisation Staff mobility
Little inclination to engage with unions	Communication and engagement activity	Communication and engagement activity

Note: Adapted from Teague and Roche (2014, 180).

3 | METHODS AND RESEARCH CONTEXT

Given the research aimed to understand how and why organisations responded to recession, as well as the process and dynamics of restructuring at the organisational level, a qualitative case study approach was deemed most appropriate. Case studies allow rich contextual data to be obtained and facilitate a more rounded consideration of espoused policies and practices than can be achieved by relying upon one-off employer statements" (Sengupta & Edwards, 2010, 241). Case studies also lend themselves to research seeking to look inside the 'black box' of a process (Eisenhardt, 2021), and are "most appropriate for examining the processes by which events unfold as well as for exploring…motives…and the interaction between the unit and its wider environment (Kitay et al., 1998, p. 104).

The research context was the British manufacturing sector following the 2008 recession, a time when around half of manufacturers reported a 'significant' impact on business, while a quarter reported a 'moderate' impact (van Wanrooy et al., 2013). A 'firm in sector' approach offers insights into developments in a similar context in terms of products, markets, processes, technology and work organisation (Child & Smith, 1987; Smith et al., 1990). Manufacturing employs over 3 million people in the UK (Make UK, 2020) and many firms are used to peaks and troughs in demand as trade expands and contracts, providing an ideal context to explore employment practices and HR strategies in times of recession.

In identifying suitable cases, initial contact was made by email with HR Managers at manufacturing organisations in the North of England through both personal contacts and cold calls. All respondents were invited to participate in a short telephone interview to obtain some basic information regarding their organisations responses during the recession. Interest in participating in a more detailed case study was also gauged, though several participants declined. The three firms that agreed form the basis of this study and are referred to by the pseudonyms 'AutoParts', 'CraneCo' and 'FilterCo' (see Table 2 for a summary of key characteristics). In each case the HR contact acted as gatekeeper and facilitated site visits and access to participants. Semi structured interviews were arranged with senior/middle/line managers, HR specialists and union/employee representatives. Follow up discussions were then conducted with HR contacts on several occasions and provided the opportunity for clarification and amplification of key issues. In total 56 interviews were conducted over a period of 18 months, ranging in length from 30 min to over two hours (see Table 3 for a summary).

Each interview aimed to elicit a detailed account of how the respondent personally experienced the crisis, as well as their recollection and perceptions of organisational responses as the recession unfolded. With permission, interviews were recorded and transcribed verbatim to facilitate detailed analysis. Questions aimed to obtain insight into

TABLE 2 Three cases of recessionary restructuring.

	AutoParts	CraneCo	FilterCo
Products	New and replacement parts for commercial vehicle markets	Cranes for marine and oil and gas markets	New and replacement filters for diverse range of industrial markets
Location	Northern England	Northern England	Northern England
Site established	1990s	1990s	1990s
Site employees	300	250	200
Unionised	No	Yes	Yes
Parent country of origin	US MNC (acquisition of UK firm)	German MNC	US MNC (acquisition of UK firm)
Ownership	NYSE listed	Privately owned	NYSE listed
Production	New vehicle parts and aftermarket components	New cranes	New and replacement filters
Production skill	Semi-skilled	Skilled	Semi-skilled
Market conditions	New parts volatile, aftermarket stable	Volatile	New parts volatile, aftermarket stable
Order lead time	Short	Long—built to order	Short
Production forecasts	Short	Long	Short

TABLE 3 Summary of interviews.

	AutoParts	CraneCo	FilterCo
Senior managers	4	3	5
Line managers	4	5	3
HR specialists	3	2	3
Employees	5	5	8
Union/Employee representatives	2	2	2
Total	**18**	**17**	**21**

the business context and market conditions, the impact of the recession, recessionary responses, and the outcomes of those responses. Interviews were manually coded in several phases, using both broad categories identified in the literature and included in the interview schedules (for example business conditions, recession, downsizing, HR responses, impact), as well as codes which emerged from the data (for example, the role of corporation, working time, regulation, morale), to interrogate transcripts and generate broader themes (Christians & Carey, 1989; Lofland & Lofland, 1995). While there are some limitations in asking participants to recall a past event, this was mitigated through corroboration with other accounts, as well as generous access to internal documentation including presentation slides, HR polices and employee communications. This was valuable in confirming the chronology of events and ensuring accuracy of respondent accounts in respect of factual issues. Though the findings are not statistically generalisable (Stake, 1995), the research design is consistent with the aim of generating contextually-sensitive empirical insights into HRM practices and processes during recession. Nevertheless, a degree of "analytical generalisation" may be possible when compared with the findings of other studies of recessionary restructuring practices, and the comparative 'firm in sector' design further enhances the opportunity for theory elaboration (Eisenhardt, 1989, 2021; Smith et al., 1990; Yin, 2013).

4 | FINDINGS

To maintain the sense of context and sequence of events, the three cases are presented in turn. Some background context is provided, before considering how and why each organisation responded as it did. This is followed by a brief assessment of each case. A detailed summary of the HR practices implemented during the crisis is provided in Table 4. Table 5 also compares the main reasons given for the approaches taken across the three cases.

TABLE 4 HR practices during the 2008 crisis.

Philosophy	AutoParts "Protecting the core workforce"	CraneCo "A no lay off policy"	FilterCo "Protecting jobs and the business"
Pay adjustments			
Pay cut for employees	✗	✗	✗
Pay cut for management	✓	✗	✓
Pay freeze	✓	✓	✓
Headcount adjustments			
No compulsory layoffs policy	✗	✓	✗
Compulsory layoffs	✓	✗	✓
Voluntary layoffs	✓	✗	✗
Recruitment freeze	✓	✓	✓
Reduce contract staff	✓	✓	✓
Reduce agency staff	✓	✓	✓
Working time			
Short time working	✗	✓	✓
Reduce overtime	✓	✓	✓
Reduce shifts	✓	✓	✓
Temporary layoffs	✗	✓	✗
Working time accounts	✗	✓	✗
Work organisation			
Staff redeployed internally	✓	✓	✗
Staff redeployed externally	✗	✓	✗
Insourcing	✗	✓	✓
Building for stock	✗	✓	✗
Training and talent management			
Staff trained in existing roles	✗	✓	✓
Staff trained for new roles	✓	✗	✗
Measures to retain talent	✗	✓	✗
Business improvement activity	✗	✗	✓
Communication and engagement			
Employee communications	✓	✓	✓
Employee engagement	✓	✓	✓
Union/employee representative consultation	✓	✓	✓

Note: Red cross = no; Green tick = yes.

TABLE 5 Rationale for minimising permanent layoffs.

Rationale	AutoParts	CraneCo	FilterCo
Corporate philosophy	✗	✓	✗
Local management philosophy	✓	✓	✓
Direct/Indirect costs of redundancy	✓	✓	✓
Viewing downturn as temporary	✓	✓	✓
Retaining talent for recovery	✓	✓+	✓
Strong pre-recession financial performance	✓	✓	✓
Pre-existing flexibility measures	✓	✓	✗
Strong parent MNC	✓	✓	✓
Country or origin	✗	✓	✗
Corporate governance	✗	✓	✗
Union engagement	✗	✗	✗
Employment regulation	✓	✗	✓
HR function	✗	✗	✗

Note: Red cross = no; Green tick = yes.

4.1 | AutoParts—'Protecting the core workforce'

4.1.1 | Context

AutoParts designs and manufactures new and aftermarket replacement parts for commercial vehicles. Acquired by a US multinational in the 1990s, the site employs 250 staff split evenly between office-based workers, and semi-skilled production operatives who work on a two-shift system Monday to Friday, plus a small nightshift. Prior to the recession the financial performance of the facility had reached record levels. Demand for new parts is dependent upon volatile automotive markets, while demand for aftermarket replacement components is more stable, and provide some cushioning from the vagaries of new vehicle markets. As the downturn emerged, vehicle manufacturers quickly scaled back production plans and demand for new parts suddenly fell dramatically.

4.1.2 | HR responses

AutoParts had significant autonomy from its US parent organisation over workforce issues, and had developed a production workforce comprising permanent employees on open-ended contracts, supported by agency workers employed to help expand and contract staffing in line with automotive markets. The first response was therefore to remove all agency workers, who comprised one third of operatives, many of whom had been with the business for several years. A Manager explained that this was viewed as a necessary 'insurance policy' to manage market conditions without the direct and indirect costs of redundancies, though acknowledged questions could be raised regarding the prevalence of long-term agency staff. Nevertheless, all agency staff were invited to meetings to explain the decision, and that they would be welcome back when conditions improved. Permanent operatives were then redistributed across the different business streams.

The corporation also made recommendations to subsidiaries regarding freezing recruitment and overtime. This also meant that Continuous Improvement Teams, which met for an hour at the end of each working week in paid overtime, were also suspended. The corporation also encouraged short-time working though this was resisted by local management. Instead, production moved to a single shift, resulting in savings in shift premia. Senior managers officially moved to short-time working, though as they continued to work full time it was viewed as a voluntary pay cut. This was believed to be important to be seen to be following the corporate guidelines and demonstrating to staff managers were not immune to the cutbacks and sharing the pain. As a senior manager explained:

> "The short time working for senior managers wasn't a directive. It came from our CEO here as a suggestion it might be a good idea. When it was put to us, of course I wanted to do it. Because why not if otherwise some colleagues are going to be out of a job? It was the right thing to do, and we continued to work 5 days a week or longer trying to make sure the business was protected".

As poor market conditions endured and further savings were deemed necessary, attention returned to short-time working and even the prospect of redundancies. Interestingly, management deemed a small, short redundancy programme to be preferable to indefinite short time working for all staff, many of whom had already lost lucrative shift pay and normally plentiful overtime opportunities. However, managers and workers recounted how the emphasis was upon achieving a small number of voluntary redundancies. As a Manager explained, though compulsory redundancies were not completely averted, the majority were voluntary:

> "With the voluntary scheme it's about letting people who want to leave go. We had to think long and hard about how we can rejuggle the business and rejuggle roles so that as much as possible the people who left were those who wanted to. And thankfully in the majority of cases that was the case".

4.1.3 | Assessment

AutoParts provides an example of an employer who experienced a sudden and dramatic decline in demand but navigated the recession without recourse to large scale redundancies. This was possible as overall financial health was reasonable given strong pre-recession trading conditions, a more stable aftermarket income stream, and the resources of a global MNC. However, there was little evidence of redundancies being mitigated as part of an ethos of responsible restructuring, or at least not in the way presented in the literature (Cascio, 2002; Teague & Roche, 2014). Rather, large scale redundancies were averted primarily because of a high buffer of agency staff, many of whom had worked for the organisation for several years. This dual labour market model, where permanent workers benefit from enhanced job security at the expense of a disposable periphery of agency staff, was believed to offer the ability to navigate peaks and troughs in demand without the costs of mass redundancies. However, managers and staff acknowledged the moral and ethical questions of this segmented approach, especially as some agency personnel had become long-serving members of staff.

The case therefore highlights how rather than being guided by a single HRM approach as envisaged in the existing literature on HRM in recession (Teague and Roche, 2014), a firm might view some workers as assets to be retained and others as disposable commodities. This can even be among workers doing the same job and differentiated only by employment status. An organisation can also blend 'hard' and 'soft' restructuring practices such as workforce reductions with concerns for employee morale (Cook et al., 2016; Cregan et al., 2021), in ways not captured in existing categorisations of recessionary restructuring strategies (Cascio, 2002; Teague & Roche, 2014). In short, though the case approximates most closely to 'pure restructuring' it is not exactly in the manner envisaged in the literature.

4.2 | FilterCo—'Protecting jobs and the business'

4.2.1 | Context

FilterCo specialises in the design and manufacture of new and aftermarket filtration technologies for industrial customers across a range of global markets and is also a subsidiary of a US multinational following acquisition in the mid-2000s. The site employs 250 people across semi-skilled production roles as well as office staff. The facility normally operates a single weekday shift supported by a small nightshift team. Prior to the recession, the business had been performing well for several years, and strong market conditions meant overtime was usually plentiful. However, as the recession began to emerge, orders quickly declined and though demand for replacement filters was more resilient, overall production output quickly fell by 30%.

4.2.2 | HR responses

In contrast to AutoParts, most production employees were on full-time permanent contracts, with only a small number of agency staff. When orders slowed, the first measure was to remove agency workers, many of whom were long serving. As a Manager explained:

> "I had to release four of them and I'm sitting across the table talking about them being agency staff with us for capacity management reasons but they're on par with fulltime staff and have been with us maybe 4 years. Yeah, it was pretty horrible".

Further cost cutting measures then included freezing recruitment, terminating nightshifts, insourcing work, freezing pay, banning overtime and limiting discretionary spend.

As the fall in orders continued, management considered further measures. However, as a senior manager explained, local managers had some latitude to decide how to proceed, and agreed redundancies should be avoided if possible:

> "Not all areas of the business were down. We still had money coming in. Ultimately what you're trying to do is protect the bottom line. But it's all too easy to shrink a business into the greatness but you're generally cutting into the muscle as well as the fat. You have to be very careful. It's better to try and make a business more flexible and efficient if you can, and then as you come out of recession you will be better positioned to deal with it. A lot of companies trim back so far that when the economy recovers they don't. But it's a blunt instrument. It's very difficult to recover from. There are lots of other things you can do before you go for redundancies".

While short-term working was mooted, it was decided instead that operatives in the new parts business stream with the lowest demand would use spare time to participate in Business Improvement Projects. Affected workers undertook their usual duties Monday to Wednesday, and spent the rest of the week participating in workshops on Lean, Kaizen, Six Sigma and local problem-solving. These activities lasted 8 weeks and culminated with NVQ qualifications and a celebratory event at a local hotel on completion. As a production manager explained:

> "Rather than just saying there's no work for these people, we used them in a different way and got them busy looking for efficiencies. It wasn't simply a case of orders have dropped and we need to start chopping. They had time on their hands so we decided to use it to find ways of keeping people busy… working on lean, looking at redesigning processes, reorganising the shopfloor".

However, as low demand continued, it was decided that further cuts were now necessary. This involved short-time working for most staff and a voluntary pay cut for senior management. Again, any remaining spare time was to be used for training. As an HR specialist explained:

> “One thing we didn't do was cut the training budget. We decided consciously we aren't going to do that because you can use the time to invest in people and allow them to upskill. Operators continued to work on some NVQs and the office staff also used Monday as their training day”.

As a member of the customer service team recalled:

> “It was good, and I think the company won itself some plaudits as you could see they were trying to find ways of avoiding job losses. It wasn't a case of panicking and job cuts straight away, but protecting people and their wages. Of course people were still very worried about what would be next. It was also a bit weird as I remember we were short-time working but I still got sent off to do some training course in Florida”.

However, redundancies were not completely avoided. As a Manager explained:

> “It's always a last resort. We looked across the business streams and made small, targeted reductions in line with the order profile reductions. It wasn't good but thankfully it wasn't a huge number either. I think we lost 18 people so considering production was down 30% for so many months it was a handful of staff really. And we avoided big redundancy bills”.

4.2.3 | Assessment

FilterCo experienced a sudden downturn in demand but had few pre-existing flexibility measures. Nevertheless, it was viewed by respondents as a successful example of avoiding mass redundancies during recession. Union representatives noted how from the outset management emphasised redundancies would only be a last resort, and that the Managing Director held monthly ‘State of the Nation’ talks with the entire workforce. Local managers also stressed the importance of maintaining morale through this stressful period. Business Improvement Projects were viewed as an innovative and constructive use of staff time as they kept people busy, and resulted in recommendations which were subsequently implemented.

Given the emphasis on protecting jobs and maintaining morale, with redundancies viewed as a last resort, there are some elements of a ‘responsible restructuring’ approach (Cascio, 2002; Teague & Roche, 2014). Senior management viewed redundancies as harmful, and there was a commitment at the outset that redundancies should not be the first response in the event of an economic downturn if the business is still in good overall health. Fortunately, this was the case given strong pre-recession trading, a resilient aftermarket division, and the support of a large diversified global MNC. The Managing Director acknowledged that this strategy would not have been feasible had the organisation been on the brink of financial ruin. However, the business did not have the flexibility of a large temporary workforce to align staffing levels with market demand. Yet as orders declined, management favoured training and business improvement activities over short-time working, though this was implemented later as the recession endured, and matched by a voluntary pay cut for senior managers. Nevertheless, redundancies were not completely avoided, and it is curious that these were made on a compulsory rather than voluntary basis.

4.3 | CraneCo—'A no layoff policy'

4.3.1 | Context

CraneCo manufactures heavy duty cranes for the global shipping and oil and gas industries, and the different demand patterns of the two sectors provides some cushioning. A subsidiary of a German MNC, production began at the site in the early 1990s, and the majority of the 200 staff are employed in highly skilled manufacturing roles. There is also a small local management and administration team. The site operates on a single weekday shift, supported by a skeleton nightshift. As orders for cranes are typically placed years in advance, the impact of recessions is gradual. Demand therefore fell slowly over 2 years from record levels to a point where there were periods forecast with no production whatsoever.

4.3.2 | HR responses

Though the business operates in cyclical markets, the parent MNC has a long-standing commitment to secure permanent employment. This was attributed to a combination of factors including private family ownership, the skilled nature of the workforce, as well as the German origins and Mittelstand ethos of responsible business. As a senior Manager explained, there was clear corporate protocol for managing during downturns:

> "It's not about taking money out of the business here but a long term view of how to treat people. A duty of care. And that means permanent employees in secure work. I'm responsible for the UK and I cannot make someone redundant because of a lack of work. This requires approval from the Group HR Director in Germany, and I don't think it would be looked upon favourably. There should not be a better product on the market and to ensure this is the case, we need skilled motivated staff. We don't want to lose valuable skills. Fluctuations of personnel on a large scale would be a distinct disadvantage for us".

Given this 'no layoff' commitment, management communicated to workers at an all staff meeting that they would not be making compulsory redundancies, nor offered voluntary severance or early retirement schemes. The focus was instead upon making alternative adjustments where necessary until market conditions improved.

In common with the other cases, the first response was to remove the small number of agency and contract staff. Recruitment was also frozen, including apprentices who would not be hired on completion of their training, and overtime was only to be authorised in exceptional circumstances. As work gradually declined and staff increasingly had extra capacity, a range of measures were introduced to keep staff occupied. As one worker explained, employees were used to being redeployed to other roles and tasks around the site in a downturn:

> "When I started you were what you were and that's basically what you did. But that's all changed. You need to be interchangeable and a bit flexible now. You can no longer say oh I'm a plater or an electrician. You have to be able to say yes I'm a fitter but I can do other jobs. I guess it's like the business and if you can only do one thing you're not very flexible are you?".

Workers were also charged with general maintenance tasks. As a painter commented:

> "I think I painted everything. The changing rooms. The mess room. The lines in the cark park. The roof. They had me cleaning pretty much everything on site except maybe the gaffers car!".

Crane projects were also reallocated from sister European sites as part of an effort to share work, and for a period the site took the more unusual step of producing earthmoving equipment for other divisions. Some workers were also redeployed to other European sites, although workers acknowledged that this was primarily for training rather than to help with production. A production manager also recalled that while cranes are normally build to order, the unusual decision was made to build for stock to keep workers occupied and utilising their skills.

Having exhausted the above options, the last resort was a system of temporary layoffs where individual workers were selected for a few weeks leave through a rota system. For most staff it involved using organisational working time accounts, which allow workers to 'bank' a proportion of their normal pay which can then be drawn upon to ensure continuity of pay if they are laid off temporarily due to a lack of work. As the scheme is not compulsory, staff who were not already members could either join the scheme with 200 h credit to be paid back later, take any unused paid holiday, or a period of unpaid leave.

4.3.3 | Assessment

The downturn in demand was more gradual at CraneCo. It is also the only case which completely avoided redundancies and was able to weather the storm with its workforce intact. This was believed to reflect an established no-layoff policy attributed to the German private ownership and heritage of the parent organisation, and an emphasis on retaining skilled workers. As well as the usual initial cost saving measures, the firm had recourse to other adjustment measures used routinely in times of low demand. These included training and temporary redeployment locally or elsewhere in the corporation, as well the use of working time accounts, rolling temporary layoffs, and the sharing of work with sister sites. However, it also took steps which were more unusual including building equipment for other divisions and building for stock. In many respects in CraneCo the emphasis on labour hoarding resonates with the notion of employment stabilisation, where firms espouse a no-layoff policy and use a range of alternative adjustments to avoid job losses. In return for greater job security, CraneCo workers were expected to be flexible in relation to their specific working arrangements, including what they do and where they work (Cascio, 2002; Dyer, et al., 1985; Teague & Roche, 2014).

5 | DISCUSSION

The aim of this paper was to enhance understanding of HRM in recessions, and it contributes by offering rare empirical insights into how and why firms make employment changes during an economic downturn. Given the 'firm in sector' approach (Smith et al., 1990), there are important similarities between the cases. All are medium sized UK subsidiaries of international MNCs located in the North of England, and manufacture products for international markets. Each organisation also self-identified as having been severely affected by recession. The cases therefore offer an excellent window into how and why firms manage HRM and devise HR strategies in times of recession.

The first objective was to understand how organisations respond, and the extent to which they devise or enact distinctive HR strategies in a downturn. In each case, firms deployed a similar range of initial payroll saving measures in response to declining market conditions (see Table 4 for a summary of responses). These included removing agency and contract staff, freezing pay and recruitment, banning overtime and reducing the number of shifts. Yet while it has been argued that employers in liberal market economies often include permanent workforce reductions as part of a package of payroll saving measures in times of economic distress (Cameron, 1994; Cascio, 2002; Edwards et al., 2020; Wood & Brewster, 2021), managers in all three firms expressed a desire to mitigate compulsory redundancies and acknowledged a vested interest in retaining staff if possible. Interestingly, this was true irrespective of the parent company country of origin or workforce skills profile. This is consistent with studies which found existing theories and single variables can be hard to reconcile with actual restructuring practices, and calls for a more nuanced understanding of employer behaviour (Goergen et al., 2013).

However, as well as offering insight into the HR practices deployed, the study also offers rare window into the process and implementation of employment adjustments as the recession evolved (Cook et al., 2016). AutoParts and CraneCo both operated in cyclical markets and had established tools for managing peaks and troughs in demand. At AutoParts, where work was semi-skilled, a large buffer of temporary agency staff allowed staffing levels to expand and contract in line with demand. When recession hit, the workforce could be quickly reduced without the need for mass redundancies, and remaining staff were redeployed across the business or trained for new roles. Though a small number of redundancies were not completely avoided, the majority were made on a voluntary basis, and managers stressed the importance of communication and engagement activity throughout the restructuring process. Thus, though the emphasis on workforce reduction and payroll cost reductions resonates with the pure restructuring, it is not in the manner envisaged in the existing literature. Rather, the findings are consistent with evidence from Ireland which found that even where the focus is upon 'hard' payroll cost savings and workforce reductions, firms might combine 'softer' concerns with maintaining motivation and morale (Teague & Roche, 2014). It also highlights how the existing scenarios assume a common HR approach, whereas managers might enact different approaches for different groups of workers.

In contrast, at CraneCo workers were highly skilled and the organisation espoused a no-layoff policy. Use of agency staff was limited and fluctuations in demand were instead addressed by redeploying staff within the site or broader corporation, using spare time for training and maintenance activities, as well as working time measures. When the recession hit, the firm was able to reorganise work and workers, before later implementing a range of further measures including the use of working time accounts which allow working hours to be temporarily reduced without a loss of pay for staff. The severity of the downturn also provoked the organisation to take unusual measures such as building for stock. The 'no layoffs' approach demonstrates many of the hallmarks of employment stabilisation strategies concerned with cutting costs while preserving jobs. Finally, at FilterCo, where work is semi-skilled and demand more stable there was more limited experience of managing peaks and troughs in demand. Nevertheless, managers took the view that compulsory redundancies should be a last resort, and utilised a range of other measures as the recession unfolded as part of an effort to avoid permanent workforce reductions. The approach therefore resonates with the notion of responsible restructuring (Cascio, 2002; Pfeffer, 1998).

The second main objective was to understand why organisations take the approach they do, and the study offers empirical insights into the rationale for the approach taken in each case (see Table 5 for a summary). In all case managers were well versed in the direct and indirect costs of compulsory redundancies including severance payments, loss of talent and organisational memory, and damage to employment relations and morale. The downturn was also viewed as a temporary, meaning it was preferable to retain talent for when the economy inevitably rebounds, than later rehiring and retraining new staff (Cascio, 2002). However, it was also acknowledged that preserving jobs is easier when, as was the case, each organisation benefited from strong prerecession trading conditions, countercyclical product markets, and the cushioning and financial strength of large diversified multinational parent organisations (Gunnigle et al., 2019).

Other reasons for mitigating redundancies were more organisation specific. AutoParts and FilterCo, both subsidiaries of US MNCs, cited UK redundancy legislation as an incentive to avoid mass layoffs. Indeed, at AutoParts employment protections were said to inform their belief that it was judicious to retain a sizeable buffer of agency staff, precisely so they could expand and contract without the need for large scale redundancies. Thus, though UK employment protections are more limited than some European nations, it highlights how they nevertheless appeared to act as a disincentive to a 'hire and fire' approach. It is also worth noting how in the two US owned MNCs, managers reported a degree of autonomy over HR issues including the precise package of recessionary implemented locally, while at German-owned CraneCo the subsidiary was generally expected to follow established corporate protocol which prioritised stable employment. It is also worth noting that though the importance of engagement between HR, unions and workforce representatives was a common theme, in all cases it was senior site managers who were said to drive recessionary HR strategy, with unions consulted and HR advising and charged with implementation.

6 | CONCLUSION

In times of recession, firms are usually under pressure to cut costs and often react by making changes to their employment practices. Though existing evidence provides insight into the utilisation and diversity of adjustments at the labour market level (Teague & Roche, 2014; van Wanrooy et al., 2013), we know much less about how and why firms select or implement recessionary adjustments, or the extent to which they devise or enact distinctive recessionary HR strategies during an economic downturn. By presenting rare empirical insights, this article offers a much need window into the 'black box' of recessionary restructuring.

Firstly, it reveals that while firms in liberal market economies are believed to be more likely to downsize in times of economic distress, often in combination with other payroll saving measures (Teague & Roche, 2014; Wood & Brewster, 2021), there is nevertheless scope for localised agency in influencing the exact turn of events. As the cases demonstrate, organisations facing similar economic conditions and structural constraints can follow quite different paths, informed by a range of organisational factors, including management and corporate philosophies, the perceived nature of the threat, organisational resources and financial health. The study therefore underlines the scope for strategic choice in shaping restructuring outcomes (Kochan et al., 1984) and offers empirical insights into how and why firms encountering similar economic challenges might respond in various ways, with different consequences for workers and organisations.

Secondly, the study offers rare empirical insights into how and why employers might seek to retain jobs and mitigate redundancies in times of recession. It is certainly noteworthy that despite facing the most severe economic shock since the 1930s, all three firms espoused concerns with avoid redundancies and implemented a range of alternative adjustments to preserve jobs. While it is of course not possible to generalise about the level of labour hoarding or job preservation from three case studies, the findings are nevertheless consistent with suggestions that redundancy levels in the UK during the 2008 recession might have been lower than anticipated as some employers were favouring alternative adjustments rather than job cuts (van Wanrooy et al., 2013). It thus demonstrates the complex tensions between employment stability and flexibility in times of crisis (Murphy & Turner, 2023).

The study also demonstrates the potential utility of the ''recessionary scenarios' identified in the extant literature on recessionary restructuring (Teague & Roche, 2014). CraneCo, which hoarded skilled labour, appears to represent a rare case with the hallmarks of employment stabilisation, while FilterCo appears to approximate to an example of responsible restructuring, at least at it is conceived in the voluntarist US 'best practice' HRM sense (Cascio, 2002; McLachlan et al., 2021; Pfeffer, 1998), rather than the more institutional European social partnership interpretation (Bergström, 2007). The findings therefore offer an interesting contrast to Teague and Roche (2014) who found scant evidence of employment stabilisation or responsible restructuring during the financial crisis in Ireland. This might be because Irish firms favoured more aggressive restructuring and downsizing (Gunnigle et al., 2019), or that their incidence was too low to be identified (Teague & Roche, 2014).

Alternatively, it might also reflect a methodological limitation of quantitative analysis which can provide insights into the overall pattern of responses but is less useful in explaining how and why organisations selected and implement practices as a recession unfolds. This is important because, as Teague and Roche (2014) note, despite widespread redundancies most firms also did not follow 'pure restructuring' - with its narrow focus on workforce reductions and limited concern for the human consequences—believed to be common in liberal market economies. Instead, firms usually enacted bundles of adjustments to pay, working time and work organisation, with firms most affected adopting wider bundles. The importance of communication and engagement was also emphasised in all cases of restructuring. Thus while it is perhaps possible to gauge instances of employment stabilisation or pure restructuring from reported organisational practices, it is potentially more difficult to identify instances of responsible restructuring which requires insight into motives and sequencing of adjustments offered by qualitative inquiry. As a result, it seems possible that some of bundles which Teague and Roche (2014) identified as 'pay freeze focused' or 'general 'retrenchment' strategies might have resonated with 'responsible restructuring', which does not preclude job loss but views workforce reductions as a last resort to be used when other options have been exhausted. Yet the findings are consistent with Teague and Roche (2014) in demonstrating how employers blended 'hard' payroll reduction with 'soft' HRM concerns such as communication and engagement. The findings also reveal how the extant recessionary scenarios do not account for situations where employers adopt different approaches for different segments of the workforce. To achieve a more nuanced understanding and advance theories of employment restructuring, future research could explore restructuring practices and strategies during the COVID-19 pandemic, including the behaviour of MNCs, as well as the extent to which firms might devise segmented strategies for different parts of their workforce.

Finally, there are important lessons for policy and practice. First, HR practitioners must be aware of the deleterious consequences of downsizing for organisations and workers, as well as the potential benefits of alternative measures in times of recession. This study demonstrates the promise of creative and innovative alternatives to job cuts and encourages practitioners to proactively consider job retention strategies in times of economic instability. While these can be devised and implemented voluntarily by employers at the organisational level, especially when they have both the desire and wherewithal to do so, greater state support and employment protections of the type found in coordinated market economies which promote job retention and responsible restructuring would be welcome. The 2020 UK government Coronavirus Job Retention (furlough) scheme—though no panacea—is an interesting example of one such novel development (Stuart et al., 2021).

ACKNOWLEDGEMENTS

I would like to thank Associate Editor Edel Conway and three anonymous reviewers for their support throughout the review process. I would also like to thank Ian Cunningham, Dora Scholarios and Adrian Wilkinson for their feedback on an early draft. The empirical work upon which this article is based was funded by a British Academy/Leverhulme Trust Small Grant SG-121964.

CONFLICT OF INTEREST STATEMENT

The author declares no conflict of interest. The author made 100% contribution to the manuscript.

DATA AVAILABILITY STATEMENT

Research data are not shared.

ORCID

Stewart Johnstone https://orcid.org/0000-0002-7181-4795

REFERENCES

Ahlstrand, R. (2010). Social responsibility in connection with business closures: A study of the close-down of Eriksson telecom facilities in Norrkoping and Linköping. *Economic and Industrial Democracy*, *31*(4), 537–555. https://doi.org/10.1177/0143831x10365926

Bacon, N. (2008). Management strategy and industrial relations. In P. Blyton, E. Heery, N. Bacon, & J. Fiorito (Eds.), *The sage handbook of industrial relations* (pp. 241–255). Sage.

Bell, B., Codreanu, M., & Machine, S. (2020). What can previous recessions tell us about the Covid 19 downturn? Available online at https://www.lse.ac.uk/News/Latest-news-from-LSE/2020/h-August-20/COVID-19-recession-is-having-a-disproportionate-impact-on-the-most-vulnerable

Bergström, O. (2007). Translating socially responsible workforce reduction—A longitudinal study of workforce reduction in a Swedish company. *Scandinavian Journal of Management*, *23*(4), 384–405. https://doi.org/10.1016/j.scaman.2007.07.001

Bergström, O. (2019). Changing restructuring regimes in 11 European countries during and after the financial crisis. *European Journal of Industrial Relations*, *25*(2), 95–111. https://doi.org/10.1177/0959680118770747

Bosch, G. (2009). Working time and working time policy in Germany, paper prepared for the 2009 JILPT International Workshop Tokyo.

Boyle, B., & McDonnell, A. (2013). Exploring the impact of institutional and organizational factors on the reaction of MNCs to the global financial crisis. *Asia Pacific Business Review*, *19*(2), 247–265. https://doi.org/10.1080/13602381.2013.767639

Budros, A. (1999). A conceptual framework for analyzing why organizations downsize. *Organization Science*, *10*(1), 69–82. https://doi.org/10.1287/orsc.10.1.69

Burda, M. C., & Hunt, J. (2011). *What explains the German labor market miracle in the great recession? (No. w17187)*. National Bureau of Economic Research.

Cameron, K. S. (1994). Strategies for successful organizational downsizing. *Human Resource Management*, *33*(2), 189–211. https://doi.org/10.1002/hrm.3930330204

Cameron, K. S., Freeman, S. J., & Mishra, A. K. (1991). Best practices in white-collar downsizing: Managing contradictions. The *Academy of Management Executive*, *5*(1), 57–73. https://doi.org/10.5465/ame.1991.4274469

Cascio, W. (2002). *Responsible restructuring: Creative and profitable alternatives to layoffs*. Berrett-Koehler Publishers.

Cascio, W. F., Chatrath, A. and Christie-David, R. A. (2020). Antecedents and consequences of employment and asset restructuring. *Academy of Management Journal*, *62*(4).

Child, J., & Smith, C. (1987). The context and process of organizational transformation—Cadbury limited in its sector. *Journal of Management Studies*, *24*(6), 565–593. https://doi.org/10.1111/j.1467-6486.1987.tb00464.x

Christians, C., & Carey. (1989) The logic and aims of qualitative research, Research methods in mass communication, 354–374.

Cook, H., MacKenzie, R., & Forde, C. (2016). HRM and performance: The vulnerability of soft HRM practices during recession and retrenchment. *Human Resource Management Journal*, *26*(4), 557–571. https://doi.org/10.1111/1748-8583.12122

Cooke, F. L. (2018). Concepts, contexts, and mindsets: Putting human resource management research in perspectives. *Human Resource Management Journal*, *28*(1), 1–13. https://doi.org/10.1111/1748-8583.12163

Cregan, C., Kulik, C. T., Johnston, S., & Bartram, T. (2021). The influence of calculative ("hard") and collaborative ("soft") HRM on the layoff-performance relationship in high performance workplaces. *Human Resource Management Journal*, *31*(1), 202–224. https://doi.org/10.1111/1748-8583.12291

Dobbins, T., Johnstone, S., Kahancová, M., Lamare, R. J., & Wilkinson, A. (2023). Comparative impacts of the COVID-19 pandemic on work and employment—Why industrial relations institutions matter. *Industrial Relations: A Journal of Economy and Society*, *62*(2), 115–125. https://doi.org/10.1111/irel.12328

Dundon, T., & Rafferty, A. (2018). The (potential) demise of HRM? *Human Resource Management Journal*, *28*(3), 377–391. https://doi.org/10.1111/1748-8583.12195

Dyer, L., Milkovicz, G., & Foltman, F. (1985). Contemporary employment stabilisation practices. In T. A. Kochan & T. Barocci (Eds.), *Human resource management and industrial relations*. Little Brown.

EC. (2012). Restructuring in Europe 2011, European commission, directorate-general for employment, social affairs and inclusion.

Edwards, E. Hewett, R. Farndale, E. McDonnell, M., & Wood, G. (2020), HRM in times of turmoil, *Human Resource Management Journal*.

Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of Management Review*, *14*(4), 532–550. https://doi.org/10.5465/amr.1989.4308385

Eisenhardt, K. M. (2021). What is the Eisenhardt Method, really? *Strategic Organization*, *19*(1), 147–160. https://doi.org/10.1177/1476127020982866

Forde, C., Stuart, M., Gardiner, J., Greenwood, I., & Perret, R. (2009). *Socially responsible restructuring in an era of mass redundancy, CERIC*. University of Leeds. Retrieved from http://lubswww.leeds.ac.uk/fileadmin/user_upload/Publications/forde_et_al_WP5_01.pdf

Freeman, S. J., & Ehrhardt, K. (2012). The antecedents of downsizing. In C. L., Cooper, A. Pandey & J. C. Quick (Eds.), *2012. Downsizing: Is less still more?* Cambridge University Press.

Goergen, M., Brewster, C., & Wood, G. (2013). The effects of the national setting on employment practice: The case of downsizing. *International Business Review*, *22*(6), 1051–1067. https://doi.org/10.1016/j.ibusrev.2013.02.001

Goyer, M., Clark, I., & Bhankaraully, S. (2016). Necessary and sufficient factors in employee downsizing? A qualitative comparative analysis of lay-offs in France and the UK, 2008–2013. *Human Resource Management Journal*, *26*(3), 256–268. https://doi.org/10.1111/1748-8583.12101

Gunnigle, P., Lavelle, J., & Monaghan, S. (2019). Multinational companies and human resource management in Ireland during recession: A retrospective from a highly globalized economy. *Thunderbird International Business Review*, *61*(3), 481–489. https://doi.org/10.1002/tie.21978

Guthrie, J. P., & Datta, D. K. (2008). Dumb and dumber: The impact of downsizing on firm performance as moderated by industry conditions. *Organization Science*, *19*(1), 108–123. https://doi.org/10.1287/orsc.1070.0298

Hansen, G. B. (2009). *A guide to worker displacement: Some tools for reducing the impact on workers, communities and enterprises*. Skills and Employability Department, ILO.

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. https://doi.org/10.1111/1748-8583.12175

Hijzen, A. and Martin, S. (2013). The role of short-time work schemes during the global financial crisis and early recovery: A cross-country analysis. IZA journal of labor policy, *2*(1), pp. 1–31.

ILO. (2014). *'Global employment trends 2014'*. The Risk of a Jobless Recovery, ILO.

ILO. (2021). COVID-19 and the world of work (7th ed.). https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_767028.pdf

Johnson, M., & Watt, L. (2022). Doing the right thing? An institutional perspective on responsible restructuring in UK local government. *Human Resource Management Journal*, *32*(1), 76–91. https://doi.org/10.1111/1748-8583.12351

Johnstone, S. (2019a). Downsizing. In A. Wilkinson, N. Bacon, D. Lepak, & S. Snell (Eds.), *Sage handbook of human resource management* (pp. 352–370). Sage.

Johnstone, S. (2019b). Employment practices, labour flexibility and the Great Recession: An automotive case study. *Economic and Industrial Democracy*, *40*(3), 537–559. https://doi.org/10.1177/0143831x17748370

Johnstone, S., Saridakis, G., & Wilkinson, A. (2019). The global financial crisis, work and employment: Ten years on. *Economic and Industrial Democracy*, *40*(3), 455–468. https://doi.org/10.1177/0143831x19866532

Kitay, J., Callus, R., Whitfield, K., & Strauss, G. (1998). *The role and challenge of case study design in (pp. 101–112)*. Cornell University Press.

Kochan, T. A., McKersie, R. B., & Cappelli, P. (1984). Strategic choice and industrial relations theory. *Industrial Relations: A Journal of Economy and Society*, *23*(1), 16–39. https://doi.org/10.1111/j.1468-232x.1984.tb00872.x

Look, C., Pickert, R., & Pogkas, D. Europe's giant job-saving Experiment pays off in pandemic. Available at https://www.bloomberg.com/graphics/2021-furlough-jobs-unemployment-europe-united-states/

Lofland, J., & Lofland, L. H. (1995). *Analysing social settings: A guide to qualitative observation and analysis*. Wadsworth Publishing.

Make UK. (2020). Retrieved from https://www.makeuk.org/insights/publications/uk-manufacturing-the-facts-2019-20

McKinley, W., Zhao, J., & Rust, K. G. (2000). A sociocognitive interpretation of organizational downsizing. *Academy of Management Review*, *25*(1), 227–243. https://doi.org/10.5465/amr.2000.2791612

McLachlan, C. J. (2021). 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*, 1–29. https://doi.org/10.1080/09585192.2021.1958248

McLachlan, C. J., MacKenzie, R., & Greenwood, I. (2021). Victims, survivors and the emergence of 'endurers' as a reflection of shifting goals in the management of redeployment. *Human Resource Management Journal*, *31*(2), 438–453. https://doi.org/10.1111/1748-8583.12314

Muñoz-Bullón, F., & Sanchez-Bueno, M. J. (2014). Institutional determinants of downsizing. *Human Resource Management Journal*, *24*(1), 111–128. https://doi.org/10.1111/1748-8583.12017

Murphy, C., & Turner, T. (2023). Employment stability and decent work: Trends, characteristics and determinants in a liberal market economy. *Journal of Industrial Relations*, 002218562311519. https://doi.org/10.1177/00221856231151966

Papadakis, K. (2010). *Restructuring enterprises through social dialogue: Socially responsible practices in times of crisis*. International Labour Organisation.

Pfeffer, J. (1998). *The human equation: Building profits by putting people first*. Harvard Business Press.

Quintini, G., & Venn, D. (2013). Back to work: Re-Employment, earnings and skill use after job displacement. Final report, OECD, october.

Ritter-Hayashi, D., Knoben, J., & Vermeulen, P. A. (2020). Success belongs to the flexible firm: How labor flexibility can retain firm innovativeness in times of downsizing. *Long Range Planning*, *53*(3), 101914. https://doi.org/10.1016/j.lrp.2019.101914

Rogovsky, N., Ozoux, P., & Esser, D. (2005). *Restructuring for corporate success: A socially sensitive approach*. International Labour Organisation.

Rydell, A., & Wigblad, R. (2011). Company-level flexicurity during the restructuring process: A model. *Transfer: European Review of Labour and Research*, *17*(4), 547–562. https://doi.org/10.1177/1024258911419781

Sengupta, S., & Edwards, P. (2010). Industrial relations and economic performance. In T. Colling & M. Terry (Eds.), *Industrial relations: Theory and practice* (pp. 378–397). John Wiley.

Smith, C., Child, J., & Rowlinson, M. (1990). *Reshaping work, the cadbury experience*. Cambridge University Press.

Spencer, D. A., Stuart, M., Forde, C., & McLachlan, C. J. (2022). Furloughing and COVID-19: Assessing regulatory reform of the state. *Cambridge Journal of Regions, Economy and Society*, *16*(1), 81–91. https://doi.org/10.1093/cjres/rsac026

Stake, R. (1995). *The art of case study research*. Sage.

Stuart, M., Spencer, D. A., McLachlan, C. J., & Forde, C. (2021). COVID-19 and the uncertain future of HRM: Furlough, job retention and reform. *Human Resource Management Journal*, *31*(4), 904–917. https://doi.org/10.1111/1748-8583.12395

Teague, P., & Roche, W. K. (2014). Recessionary bundles: HR practices in the Irish economic crisis. *Human Resource Management Journal*, *24*(2), 176–192. https://doi.org/10.1111/1748-8583.12019

Thompson, P. (2011). The trouble with HRM. *Human Resource Management Journal*, *21*(4), 355–367. https://doi.org/10.1111/j.1748-8583.2011.00180.x

Tsai, C. F., & Yen, Y. F. (2020). Moderating effect of employee perception of responsible downsizing on job satisfaction and innovation commitment. *International Journal of Human Resource Management*, *31*(15), 1913–1937. https://doi.org/10.1080/09585192.2018.1424014

Tsai, P. C. F., & Shih, C. T. (2013). Labor union negotiations: Stepping stones or stumbling blocks for a responsible downsizing strategy? Empirical tests in Taiwan. *International Journal of Human Resource Management*, *24*(3), 601–620. https://doi.org/10.1080/09585192.2012.694112

van Wanrooy, B., Bewley, H., Bryson, A., Forth, J., Freeth, S., Stokes, L., & Wood, S. (2013). *Employment relations in the shadow of recession: Findings from the 2011 workplace employment relations study*. Palgrave Macmillan.

Vincent, S., Bamber, G. J., Delbridge, R., Doellgast, V., Grady, J. and Grugulis, I. (2020). Situating human resource management in the political economy: Multilevel theorising and opportunities for kaleidoscopic imagination. *Human Resource Management Journal*, *30*(4), 461–477.

Wood, G., & Brewster, C. (2021). Human resource management in the Anglo-Saxon countries in parry E. In M. Morley & C. Brewster (Eds.), *The oxford handbook of contextual approaches to human resource management* (pp. 159–176). OUP.

Yin, R. (2013). *Case study research: Design and methods*. Sage.

How to cite this article: Johnstone, S. (2023). Human resource management in recession: Restructuring and alternatives to downsizing in times of crisis. *Human Resource Management Journal*, 1–20. https://doi.org/10.1111/1748-8583.12512