ETM
ENGINEERING & TECHNOLOGY MANAGEMENT

Title: Recommendations for Successfully Downsizing a Technical Organization

Course:
Year: 1992
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Report No: P92036

Abstract: We deal with the downsizing process itself, not whether to downsize in this project. We identified eight criteria for judging successful downsizing. These criteria are of different importance to different companies. The differences in priorities among companies faced with downsizing, along with the difficulties in quantifying some of the criteria, make a cookbook approach to the problem impossible. We recommend instead, an approach to deal with decisions on program funding and to what extent. The approach is intended to provide a structure for making these decisions rationally. The point is to encourage managers to think carefully about their decisions before downsizing. During a reduction, employees and managers alike begin to recognize how tenuous their positions are. Most important is to get managers thinking about their plan, their strategy, and their tactics. Action, rather than reaction, will result in successful downsizing.