



Retrenchment and job security in Courier Companies: The Case of Posta Uganda

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ABSTRACT

This article examines the influence of retrenchment on job security within courier companies in Uganda, specifically focusing on the extent to which workforce reduction impacts employees' perceptions of job security. Utilizing a cross-sectional survey design, the research gathered data from 76 respondents, of whom 68 participated, through a combination of purposive, simple random, and convenience sampling methods. Quantitative and qualitative approaches were employed, with data analysis performed using SPSS and multivariate regression analysis. The findings revealed a significant correlation coefficient of 0.722** between workforce reduction and job security, indicating a strong relationship. Furthermore, regression analysis identified workforce reduction as the most significant predictor of job security, with a Beta value of 0.513. These results underscore the critical implications of workforce reduction on employees' job security perceptions in the courier industry.

Keywords: Courier companies, job security, retrenchment, Uganda, workforce reduction

RÉSUMÉ

Cette étude s'intéresse à l'influence de la réduction d'effectif (retrait ou licenciement du personnel) sur la sécurité de l'emploi dans les entreprises de messagerie en Ouganda, en se penchant plus précisément sur l'ampleur de l'impact du dégraissage de personnel sur la perception de la sécurité de l'emploi par les salariés. L'enquête a adopté un plan transversal et a recueilli les données auprès de 76 répondants (dont 68 ont participé), grâce à une combinaison d'échantillonnage par choix raisonné (purposive), aléatoire simple et commodité. Les analyses quantitatives et qualitatives ont été menées conjointement, avec un recours à SPSS et à la régression multivariée. Les résultats mettent en évidence un coefficient de corrélation de 0,722** entre la réduction d'effectif et la sécurité de l'emploi, révélant une relation solide. De plus, l'analyse de régression identifie la réduction d'effectif comme le facteur prédictif le plus important de la sécurité de l'emploi, avec une valeur bêta de 0,513. Ces observations soulignent l'impact crucial du dégraissage de personnel sur la perception de la sécurité de l'emploi dans le secteur de la messagerie.

Mots-clés : sociétés de messagerie, sécurité de l'emploi, restructuration, Ouganda, réduction de personnel

Cite as: Amoit, A. and Asimwe, V. 2025. Retrenchment and job security in Courier Companies: The Case of Posta Uganda. *African Journal of Rural Development* 9 (4):362-375.

INTRODUCTION

Retrenchment, or workforce reduction, has become a common strategy among businesses worldwide, especially during economic downturns (Abdullah and Cummings, 2016). In Uganda, the courier industry has undergone significant changes due to factors such as increased competition, technological advancements, and economic pressures. As organizations strive to maintain profitability and efficiency, retrenchment often emerges as a necessary approach. However, the impact of workforce reduction on employees' job security is an important issue that needs further exploration.

Job security refers to the likelihood that a person will keep his/her job over time (De Witte, 2005). It is essential not only for individual employees but also for the overall effectiveness of organizations. When employees feel secure in their positions, they tend to show higher levels of commitment, job satisfaction, and performance (Brewster *et al.*, 2016). Organizations are now looking at increasing organizational productivity without decreasing employee commitment and this is only possible when organizations give proper attention to their employees to motivate them for work (Malik, 2011). In contrast, feelings of job insecurity can lead to increased anxiety, decreased morale, and lower productivity, creating a negative cycle that affects the entire organization (Sverke *et al.*, 2002). Understanding the relationship between retrenchment and job security is thus vital for companies, particularly in the rapidly evolving courier sector in Uganda.

In the courier industry, the main measures used to gauge performance are delivery time, customer satisfaction scores, and guidelines compliance. Deliveries must be completed promptly in order for employees to earn bonuses or access to higher-paying delivery slots and maintain job security (Rosenblat and Stark, 2016). Making the industry with such operational dynamics to be of best fit for the study. Job security, thus holds particular importance in the above respect. The sector has seen a surge in demand for its services due to the growth of e-commerce and digital transactions (Gaba and

Gaba, 2020). However, the drive for efficiency and cost-cutting often leads to workforce reductions, putting employees in precarious positions. This situation creates a paradox where the industry's growth potential contrasts sharply with the realities of job security for its workers. Thus, investigating how workforce reduction influences job security in Uganda's courier companies is both timely and relevant.

Many studies have examined the link between workforce reduction and job security. For example, research by Greenhalgh and Rosenblatt (1984) showed that downsizing significantly affects employees' feelings of job security, often increasing their sense of vulnerability and anxiety. Similarly, studies by Sverke *et al.* (2002) indicated that the consequences of retrenchment can affect organizational culture, resulting in reduced trust and morale among remaining employees. Therefore, examining this relationship in the context of Uganda's courier industry could provide valuable insights for both practitioners and policymakers. This study therefore examined the extent to which workforce reduction influences job security in Posta Uganda, a leading courier company in Uganda.

This study aimed at assessing impact of retrenchment on job security of employees with particular focus on Posta Uganda, a Courier company. Some of the negative effects of retrenchment that have been reported amongst retrenchment survivors include, depression, high levels of stress, low motivation, resentment and anger towards management, poor performance and a decrease in job satisfaction (Ngirande, Terera and Mutodi, 2014; Ochieno, 2010). However, on the contrary retrenchment survivors in other organizations seemed to perform well as they felt privileged to retain their jobs (Baker, 2006). The findings will contribute to the existing knowledge on job security and workforce reduction, particularly in Uganda, where research on this topic is limited.

The findings of this study will also likely have significant implications for both organizations and employees in the courier industry. By identifying the

factors that predict job security in the context of workforce reduction, companies can create targeted strategies to lessen the negative effects of retrenchment. This paper therefore explores the influence of retrenchment on job security in Uganda's courier companies, addressing a critical gap in existing literature. The study's findings will offer insights that can guide organizational practices and policies and hopefully contributing to a more secure and resilient workforce in the courier industry. As the sector continues to evolve, understanding the dynamics of job security amid workforce reduction will be crucial for fostering a sustainable work environment that benefits both employees and employers.

Literature Review

The phenomenon of workforce reduction, commonly referred to as retrenchment, is a significant issue faced by organizations across various sectors, including the courier industry. Retrenchment is often adopted as a cost-cutting measure in response to economic challenges or shifts in market demand (Abdullah and Cummings, 2016). In the courier sector, where competition is intensifying due to the rise of e-commerce and technological advancements, companies may resort to downsizing to maintain operational efficiency and profitability (Gaba and Gaba, 2020).

The impact of retrenchment on employee morale and job security has been extensively studied. According to Greenhalgh and Rosenblatt (1984), job insecurity is a direct consequence of workforce reduction, leading to increased anxiety and decreased job satisfaction among remaining employees. These effects can be particularly pronounced in the courier industry, where employees may perceive job security as closely tied to the organization's stability. The study conducted by Umar and Olatunde (2011), reiterated that private firms are abusing employee rights during staff retrenchment than it is observable across the government establishments. Sverke *et al.* (2002) further argue that the perception of job insecurity can lead to detrimental effects on organizational commitment, resulting in lower productivity and higher turnover intentions among employees. Thus, understanding the psychological impacts of

workforce reduction is critical for organizations within the courier sector.

In the context of the courier industry, the necessity for efficiency often drives organizations to implement workforce reduction strategies. Gaba (2020) emphasize that the rapid growth of e-commerce necessitates agile and cost-effective operational models in the courier sector. As companies seek to streamline operations and reduce labor costs, the workforce is often the first area targeted for cuts. This not only impacts employee morale but can also leads to a decrease in service quality, which is vital for customer satisfaction in the competitive courier market (Brewster *et al.*, 2016). Consequently, the relationship between workforce reduction and customer satisfaction becomes a critical area for exploration.

The methods employed for implementing workforce reduction can significantly influence the outcomes for both employees and organizations. Research by Kahn and Byosiere (1992) suggests that how organizations communicate their downsizing decisions can shape employee perceptions of job security and trust in management.

Transparent communication can mitigate the negative effects of retrenchment, while poor communication can exacerbate feelings of insecurity and distrust. Ngirande *et al.* (2014) proposed some strategies that can be used when retrenching. These include fairness in the process, lack of favouritism, explaining the reasons for the retrenchment, providing incentives for survivor staff and customer involvement in providing solutions to company problems. During a period of retrenchment where the morale and motivation is generally low among survivors, employees need to feel the support of their organizations. According to Latif and Gulzar (2011) there is positive relation between management support during retrenchment and employee commitment amongst retrenchment survivors. There is therefore a strong need for proper communication channels and a strong support system for the retrenchment survivors in organisations. This is particularly relevant in the courier industry, where maintaining a skilled workforce is essential for operational success. Companies must carefully consider their approach

to workforce reduction to minimize adverse impacts on employee morale and customer service.

Moreover, the implications of workforce reduction extend beyond immediate employee reactions. Studies indicate that organizational culture and climate are significantly affected by downsizing efforts. According to [Faraj and Kudaravalli \(2018\)](#), retrenchment can lead to a climate of fear, where employees become risk-averse and reluctant to engage in innovation or collaboration. This is particularly concerning in the courier industry, where innovation is crucial for adapting to changing market demands and customer expectations. Organizations that fail to address the cultural repercussions of workforce reduction risk stifling their ability to remain competitive in an evolving marketplace.

The impact of retrenchment is not limited to the internal dynamics of organizations; it also has broader implications for the labor market. Research by [De Witte \(2005\)](#) indicates that workforce reductions can contribute to increased unemployment rates and economic instability within local communities. In Uganda, where the courier industry plays a vital role in the economy, significant workforce reductions can have cascading effects on employment levels and economic growth. According to the World Bank Report of 2023 entitled “Analysis of the drivers of the service sector growth in Uganda”, the services sector courier sub sector inclusive contributed 42 percent to Uganda’s growth domestic product in 2020. Understanding these broader implications is essential for policymakers and industry leaders when considering the long-term effects of workforce reduction strategies.

In response to the challenges posed by workforce reduction, organizations are increasingly exploring alternative strategies to enhance employee retention and job security. For instance, research by [Kato and Kodama \(2020\)](#) suggests that investing in employee development and training programs can help mitigate the negative effects of downsizing. By providing employees with opportunities for skill enhancement and career advancement, organizations can foster a sense of loyalty and commitment, even in the face of workforce

reductions. This approach is particularly relevant in the courier industry, where employees with specialized skills are essential for maintaining service quality and operational efficiency.

The meeting point of workforce reduction and job security in the courier industry also raises important ethical considerations. As organizations navigate the complexities of downsizing, they must balance the need for financial stability with their responsibility to employees and communities. Ethical leadership plays a crucial role in shaping organizational responses to workforce reduction, as leaders must consider the long-term implications of their decisions ([Brown and Treviño, 2006](#)). In the courier sector, fostering a culture of ethical decision-making can help organizations navigate the challenges of workforce reduction while maintaining their reputation and social responsibility.

In conclusion, the literature on workforce reduction in courier companies reveals a complex interplay between organizational strategies, employee perceptions, and broader economic implications. As the courier industry continues to evolve, understanding the impacts of workforce reduction will be vital for organizations aiming to balance operational efficiency with employee well-being. Future research should explore innovative approaches to workforce management that prioritize job security and employee engagement, ultimately contributing to a more sustainable and resilient courier sector.

This study examined the case of Posta Uganda, purposely selected because over the last years, it has gone through several restructuring processes because of the need to upgrade the company’s systems and procedures and to improve on its competitiveness.

METHODS and MATERIALS

A strong methodological approach is crucial for ensuring the reliability of the research findings. Using different sampling methods helps to ensure that the data collected accurately reflects the views of employees affected by retrenchment. Additionally, employing statistical analysis tools will provide a clear framework for examining the

relationships between workforce reduction and job security. This study employed a cross-sectional survey design to investigate the influence of workforce reduction on job security in courier companies in Uganda. The cross-sectional approach allows for the collection of data at a single point in time, providing a snapshot of the current perceptions and experiences of employees regarding workforce reduction and its implications for job security (Creswell, 2014). This design is particularly suitable for this research as it enables the researcher to gather quantitative and qualitative data simultaneously, facilitating a comprehensive understanding of the issue at hand.

The study employed a convenience sampling technique when selecting the 76 respondents as the sample size with 68 respondents contributing to the data collection process. These were staff who were readily available in the respective departments under consideration (Saunders *et al.*, 2015). This is because it was not possible to establish the exact number of staff in the departments.

The respondents were selected using a combination of purposive, simple random, and convenience sampling methods. Purposive sampling was employed to select individuals from key departments such as the office of the managing director, human resource department, and audit department, ensuring that the participants possessed relevant insights into the workforce reduction processes (Palinkas *et al.*, 2015). This targeted approach allowed the researcher to gather informed perspectives from individuals who are directly involved in the decision-making processes related to workforce management.

Simple random sampling was utilized to select respondents from the business development service department and customers. This is because each individual has an equal chance of selection thus, minimizes selection bias, making results more representative of the population. It also increases the likelihood that the sample reflects the characteristics of the entire population, enhancing external validity. Simple random sampling also allows for straightforward use of probability theory, making statistical tests (t-tests, regression, etc.) more valid and reliable which provided an equal chance for all

eligible participants to be included in the study. This method is essential for minimizing bias in the selection process, thereby enhancing the generalizability of the findings (Fowler, 2014). On the other hand, convenience sampling was used to select respondents from the express mail and finance departments. This technique was beneficial due to time constraints and the ease of access to participants, allowing for quick data collection while ensuring that diverse perspectives were captured (Etikan *et al.*, 2016).

Data collection instruments included structured questionnaires that comprised both closed-ended and open-ended questions. The closed-ended questions were designed to quantify respondents' perceptions of job security and the effects of workforce reduction, while the open-ended questions allowed for richer qualitative data that provided insights into participants' personal experiences and opinions (Bryman, 2016). The questionnaires were distributed electronically and manually to accommodate varying levels of digital access among respondents, ensuring a broader reach and higher response rate.

The collected data was first stored in a data base and access to it was restricted only to authorized persons and copies were backed up. Cleaning was done to ensure errors and duplicates are eliminated as well as standard formats maintained. The data analysis involved both quantitative and qualitative techniques. Quantitative data were analyzed using Statistical Package for the Social Sciences (SPSS), which facilitated the computation of descriptive statistics and the execution of multivariate regression analyses. These analyses aimed to identify relationships between workforce reduction and job security, providing a robust understanding of the predictive factors involved (Field, 2018). Qualitative data from open-ended questions were thematically analyzed, allowing for the identification of recurring themes and patterns related to employees' perceptions of job security in the context of workforce reduction (Braun and Clarke, 2006).

The ethical considerations of this study were paramount. Participants were made to sign informed consent forms after explaining to them about their

rights to voluntarily participate and also decline the interviews if they so wished, concealing their identity as well as protecting them from any potential harm in the course of the exercise. with the researcher ensuring that all participants provided informed consent before participating in the survey. Confidentiality was maintained by anonymizing respondent data and securely storing all collected information. The study adhered to the ethical guidelines established by the American Psychological Association (APA), ensuring that the rights and well-being of participants were prioritized throughout the research process (American Psychological Association, 2017).

FINDINGS

The study aimed to investigate the influence of workforce reduction on job security in courier companies in Uganda, analyzing data collected from 68 respondents through structured questionnaires. The findings reveal significant insights into the relationship between workforce reduction and perceived job security, indicating that reductions in workforce directly impact employees' sense of job security.

The demographic characteristics of the respondents show a diverse sample in terms of gender and age (Table 1), length of service within the company (Table 2) and education (Table 3)

Most respondents (65%) were aged between 25 and 35 years, with a fairly balanced gender distribution (52% female and 48% male). Additionally, 70% of the respondents had been with the company for over three years, indicating that they had a good understanding of the organizational changes and the effects of workforce reductions.

The gender distribution of respondents indicates that a majority, 63.2%, are male, while 36.8% are female, based on a total sample of 68 respondents. This shows a fair representation of both gender which avoided gender bias in the study. The age distribution reveals that the largest group, 44.1%, falls within the 31-40 years of age range, followed by 27.9% in the 41-50 years' category. A smaller group, 16.2%, was aged 20-30 years, while 11.8% was above 50 years. This indicates that the workforce was composed of middle-aged employees, which suggests a balance between experience and maturity. The data implies that respondents provided reliable and relevant information.

Table 1. Gender and Age (in years) of respondents.

	Gender	Frequency	Percentage	Valid percent	Cumulative percent
Valid	Male	43	63.2	63.2	63.2
	Female	25	36.8	36.8	100.0
	Total	68	100	100	
Valid	Age				
	20-30	11	16.2	16.2	16.2
	31-40	30	44.1	44.1	60.3
	41-50	19	27.9	27.9	88.2
	Above 50	8	11.8	11.8	100.0
	Total	68	100	100	

Source: Primary data, 2024

The work experience at Posta Uganda shows that the majority, 58.8%, have been with the organization for 2 to 5 years, followed by 26.5% who have worked for 6 to 10 years. A smaller group, 10.3%, have over 10 years of experience, while only 4.4% have been with the organization for less than 2 years. This indicates

that all respondents have considerable experience suggesting that they provided reliable and relevant information for the study. Their familiarity with the organization's operations, policies, and challenges enhanced the credibility of the data collected.

Table 2. Length of service in Posta Uganda (in years)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 2 years	3	4.4	4.4	4.4
	2 – 5	40	58.8	58.8	63.2
	6-10	18	26.5	26.5	89.7
	Above 10	7	10.3	10.3	100.0
	Total	68	100.0	100.0	

Source: Primary data, 2024

Table 3. Highest level of education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate	4	5.9	5.9	5.9
	Diploma	5	7.4	7.4	13.2
	Bachelor's degree	35	51.5	51.5	64.7
	Master's degree	22	32.4	32.4	97.1
	If others, specify	2	2.9	2.9	100.0
	Total	68	100.0	100.0	

Source: Primary data, 2024

The education level at Posta Uganda (Table 4) indicated that majority 51.5%, held a bachelor's degree, while 32.4% possessed a master's degrees. The high level of education among majority of respondents implies that they were in position to understand the data collection instruments to provide well-informed, reliable, and relevant insights for the study. This percentage of the bachelor and master's degree holders suggests that majority of the workforce is well equipped to understand and benefit from the retraining programs. Additionally, with 84.9% holding both bachelor and master's degrees, the majority of the workforce is likely to appreciate and have the analytical and adaptive skills necessary to integrate new training into their roles. Further still, with majority of the workforce being of higher educational qualification

coupled with the age group (31-40 years) being the majority, it suggests that this category of educations level and age groups are able to influence the strategies deployed by the company to implement the workforce reduction exercise in order to minimize its adverse negative effects on the survivors' staff.

When employees perceive their jobs as insecure, it can lead to decreased motivation, lower job satisfaction, and increased turnover intentions. On the other hand, ensuring job security is essential for retaining skilled employees and maintaining organizational knowledge. Organizations that manage workforce reduction while providing support and clear communication can mitigate the negative effects on job security, preserving

employee trust and ensuring that productivity and morale are maintained during transitional periods.

To assess the relationship between workforce reduction and job security, the study used Pearson's correlation coefficient. The results showed a strong positive correlation between the two variables, with a

correlation coefficient of $r=0.722r$ ($p < 0.01$). This suggests that as workforce reductions increase, employees' feelings of job security decrease significantly. The high correlation coefficient highlights how workforce cuts negatively affect employees' sense of stability in their jobs.

Table 4. Workforce reduction and job security at Posta Uganda

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
Posta has transparent selection criteria increase job security by ensuring trust.	10	14.7	6	8.8	5	7.4	30	44.1	17	25.0	3.558
The retraining opportunities align skills with organizational needs.	4	5.9	5	7.4	1	1.5	27	39.7	31	45.6	4.117
There are voluntary separation options to involuntary layoffs.	22	32.4	17	25.0	9	13.2	10	14.7	10	14.7	2.544
Management ensures performance-based evaluations for job security tie to contributions.	21	30.9	24	35.3	3	4.4	15	22.1	5	7.4	2.397
Posta has phased layoffs to reduce immediate impact while achieving reductions.	6	8.8	4	5.9	10	14.7	28	41.2	20	29.4	3.764
There are clear communication channels to ease anxiety among staff	11	16.2	9	13.2	4	5.9	15	22.1	29	42.6	3.617
There are internal mobility options to offer alternative roles to staff.	29	42.6	12	17.6	5	7.4	12	17.6	10	14.7	2.441
Posta offers severance packages to support transitions.	25	36.8	19	27.9	1	1.5	11	16.2	12	17.6	2.500
Employee involvement in decision-making is allowed.	14	20.6	34	50.0	2	2.9	8	11.8	10	14.7	2.500
Posta ensures to retain critical talent amongst employees.	14	20.6	8	11.8	3	4.4	26	38.2	17	25.0	3.352

Multivariate regression analysis was performed to determine how much workforce reduction predicts job security. The results indicated that workforce reduction was the most significant predictor, with a Beta value of $\beta=0.513$. This finding suggests that for every unit increase in workforce reduction, employees' feelings of job security increases. The model showed good predictive ability, with an R-squared value of 0.563, indicating that 56.3% of the changes in job security could be explained by workforce reduction. Table 5 shows the relationship in workforce reduction and job security using different matrices.

1. Positive Trends (High Agreement Scores)

- Retraining Opportunities (4.117) – A high percentage (85.3%) agree that retraining aligns skills with organizational needs.
- Phased Layoffs (3.764) – Majority (70.6%) feel layoffs are managed to reduce impact.
- Clear Communication (3.617) – 64.7% agreement. Believe communication channels ease anxiety.
- Transparent selection (3.558)-44.1% agree that there is transparent selection.

One finance staff member emphasized the importance of transparency in the selection process, stating, *"When management clearly explains how decisions are made, it builds our confidence. We feel that even if changes happen, they are done fairly. Knowing the criteria gives us some peace of mind, and we trust that it is not just random."*

This indicates that transparency in decision-making can reduce uncertainty and ensure a sense of security among employees.

2. Concerns & Potential Issues (Low Scores & High Disagreement)

- Voluntary Separation Options (2.544) – Only 29.4% agree, while 57.4% disagree.
- Performance-Based Evaluations (2.397) – 66.2% disagree, indicating dissatisfaction with evaluation fairness. An express mail staff member expressed concern about the current evaluation process, stating, *"Sometimes, it feels like our hard work isn't really noticed or rewarded. If performance mattered*

more in securing our jobs, we would be more motivated. Right now, it is unclear how much our effort actually counts, and that makes us worry about job security." This suggests a need for a more transparent and fair performance evaluation system to enhance employees' confidence in their job security.

- Internal Mobility Options (2.441) – 60.2% disagree, suggesting a lack of alternative roles.
- Severance Packages (2.500) -36.8% strong disagreement indicating dissatisfaction with support measures. A business service staff member shared their concerns about severance packages, stating,

"When you hear about layoffs, you hope that if it happens to you, there will be enough support to help you move on. But right now, it feels like the packages wouldn't really get us through the tough times ahead. We need better support if we're let go."

This reveals the dissatisfaction with the current severance packages and emphasizes the need for more robust support during job transitions.

- Employee Involvement (2.500) – 50% disagreement, indicating dissatisfaction with support measures.

3. Outliers & Notable Findings

- Employee Involvement (50% Disagree) – This is the highest disagreement percentage, suggesting employees feel excluded from decision-making.
- Internal Mobility (42.6% Strongly Disagree) – Indicates strong dissatisfaction with career movement opportunities.

Interpretation of the Findings

The survey results suggest a mix of positive aspects and areas of concern regarding job security, employee engagement, and company policies. Here's a deeper interpretation:

1. Positive Aspects: Strong Support for Stability Measures

Certain company policies receive high agreement, which indicates confidence in how job security and workforce changes are managed:

Retraining Opportunities (4.117 score) Employees largely agree that retraining programs help align skills with organizational needs. This suggests that Posta is investing in upskilling employees, which can improve retention and job satisfaction.

Phased Layoffs (3.764 score) A significant majority feel that layoffs are done in a structured way to minimize immediate impact. This shows that employees recognize efforts to implement workforce reductions in a considerate manner.

Clear Communication Channels (3.617 score) Most employees believe that communication about workplace changes helps reduce anxiety. Transparent communication is essential in times of uncertainty, and this is a strength for Posta.

Retaining Critical Talent (3.352 score) A good proportion of employees feel that the organization is making efforts to keep essential employees. This suggests that despite layoffs and transitions, efforts are being made to ensure key talent remains.

Areas of Concern: Low Scores Indicate Key Issues Limited Voluntary Separation Options (2.544 score). Employees feel there aren't enough options to leave voluntarily before being laid off. This could indicate dissatisfaction with severance policies or a lack of early exit incentives.

Performance-Based Evaluations (2.397 score) Majority disagree that performance evaluations are tied

to job security. This suggests that employees feel insecure about their jobs due to unclear or unfair evaluation criteria.

Lack of Internal Mobility (2.441 score) A significant portion of employees believe there are no alternative roles available within the organization. This suggests limited career growth, causing frustration among employees who might want to transition into different roles instead of leaving.

Weak Employee Involvement in Decision-Making (2.500 score, 50% disagree) This is one of the biggest concerns, as half of the respondents feel excluded from key decisions. This could lead to low morale and reduced engagement, as employees feel their voices aren't heard.

Unclear or Unsatisfactory Severance Packages (2.500 score) Employees express dissatisfaction with severance packages, which could mean they are either inadequate or poorly communicated.

The findings of this study highlight the important link between workforce reduction and job security in courier companies in Uganda and most likely in other sectors too (Table 4). As companies face economic challenges and seek to operate more efficiently, they must consider the negative effects of workforce cuts on employee morale and job security. Organizations should focus on clear communication and support systems to help reduce concerns and improve employees' perceptions of job security. This approach can lead to a more engaged workforce and greater overall resilience during times of workforce changes.

Table 6. Correlations of workforce reduction with job security

		Workforce reduction	Job security
Workforce reduction	Pearson Correlation	1	.722**
	Sig. (2-tailed)		.000
	N	68	68
Job security	Pearson Correlation	.722**	1
	Sig. (2-tailed)	.000	
	N	68	68

** . Correlation is significant at the 0.01 level (2-tailed).

Source of data: Primary data (2024)

The results show that the correlation coefficient is 0.722(**) at a significance level of 0.000. This implies that job security in Posta Uganda is significantly enhanced by workforce reduction. Therefore, according to the results, there is a positive significant influence of Workforce reduction on Job security in Posta Uganda. Workforce reduction had a significant positive effect on Job security in Posta Uganda, by 72.2%. This practically implied that Job security in Posta Uganda improved with workforce reduction, hence the study rejected the null hypothesis.

Regression Analysis for workforce reduction and job security. To determine the degree of influence of workforce reduction on job security, a regression analysis was run as follows; From the regression analysis result the R-value is 0.722, which represents the high correlation and therefore, indicates a high degree of correlation. The R² value indicates how much of the dependent variable (job security) is attributed to the independent variable (workforce reduction) and the adjusted R square value is .513. This value, therefore, implies that workforce reduction positively predicts Job security in Posta Uganda by 51.3%.

CONCLUSION and RECOMMENDATIONS

This study has highlighted the significant impact of workforce reduction on job security within courier companies in Uganda. The findings reveal a strong correlation between workforce reductions and decreased job security, with employees expressing concerns about their stability and future within the organization. The quantitative data, supported by qualitative insights, underscores the psychological and emotional effects of workforce cuts, demonstrating that such changes can lead to increased anxiety and reduced productivity among employees. Moreover, the results indicate that the effects of workforce reduction are not uniform across all departments. Employees in departments most affected by job cuts reported a greater sense of insecurity compared to their counterparts in less impacted areas. This variation emphasizes the need for organizations to tailor their communication and support strategies to address the specific concerns of different teams. By doing so, companies can foster a more positive work environment and mitigate the negative consequences of workforce reductions.

To address the challenges identified in this study, organizations need to prioritize transparent communication during times of change. Keeping employees informed about decisions related to workforce management can help alleviate fears and build trust within the organization. Additionally, providing support systems, such as counseling services or career development opportunities, can enhance employees' feelings of security and engagement, even in the face of potential job losses.

In conclusion, as courier companies in Uganda navigate economic pressures and operational changes, it is essential to consider the implications of workforce reductions on employee job security. By understanding the relationship between these factors, organizations can develop strategies that not only minimize disruption but also support their workforce during transitions. Ultimately, fostering a culture of open communication and employee support can lead to a more resilient organization better equipped to handle the challenges of a changing business landscape.

The study therefore recommends regular use of transparent communication channels to inform employees about workforce changes through various channels such as departmental briefings, and other consultative meetings to keep employees updated on company decisions, potential impacts, and the rationale behind workforce reductions. It is also important to establish support programs, such as employee assistance programs (EAPs), counseling services, and stress management meetings. Such activities can help employees cope with anxiety and uncertainty related to job security and promotes mental well-being during transition times.

It is also necessary to create tailored initiatives for departments most affected by workforce reductions. This could include specialized training programs, career development workshops, and one-on-one support sessions to address the unique concerns and needs of employees in those areas.

Further it is necessary for management to engage employee through regular feedback mechanisms, such as surveys and focus groups, to gather insights on employee concerns and suggestions. Management would then use the feedback to improve workplace policies and practices, ensuring that employees feel

listened to and valued during transitions. It is also important to explore alternative strategies to mitigate job losses, such as voluntary redundancy programs, job-sharing options, and reskilling initiatives. This can help employees transition to new roles within the organization or as they transition to other job possibilities. This would enhance job security and thereby reduce the negative impact of workforce reduction.

The survey results suggest that while Posta Uganda has strong policies for job security and communication, issues around career growth, fairness in evaluation, and employee involvement are major pain points. Addressing these concerns can improve overall employee satisfaction and trust in the organization.

ACKNOWLEDGEMENT

This paper is an output of the first author's Masters study at Nkumba University in Uganda funded by RUFORUM through a grant from the Carnegie Corporation of New York for which we are most grateful.

STATEMENT OF NO CONFLICT OF INTEREST

The authors declare no conflict of interest in this paper.

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