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## Hr Issues in Employee Layoff & Downsizing

This article talks about the problems with Amazon based on the new minimum wage law that was recently passed to increase minimum wage to \$15 dollars an hour by Amazon. Since Amazon has to pay employees more, they are now looking to eliminate monthly bonuses and stock grants plus cutting some of the employee's hours as well. This move by the company is also known as layoffs or downsizing. Instead of giving employees more working hours, they are using different machines and technologies to implement more automation machines, so by doing that they can reduce the extra wages that is costing them. The article also mentioned how Amazon accumulated acclaim for raising the minimum to \$15 an hour for its workers, however this came with an expense and that the warehouse workers are no longer eligible to receive monthly bonuses and stock awards.

This article contains some main HR issues in it. The first one in this article is layoffs and downsizing of employees by increasing the use of technology to replace workers. The other HR issue is eliminating the monthly bonuses and stock grants which both of these issues result in the employees' morale. Layoff and downsizing are a very serious and important issue in HR. In this news article Amazon is trying to use machinery technology to replace workers. This is Amazon's response to increase in wage is to cut other benefits and jobs in order to keep expenses low. They think utilizing mechanizations and machines will be less expensive than paying the workers the new minimum wage rate. Using this approach by Amazon it will make the workers that are currently employed to receive a lower hour of work per week or worst lose their jobs to a machine. This is a common issue now days cutbacks are a typical issue in the workforce because of different reasons, for example, cutting working expenses or the worker not performing admirably. Layoff isn't as easy for a business to chooses to cut certain workers occupations, yet there are effects and outcomes to the employee and the business.

A major issue laying off employees has that a business can be face with is that the organization will most likely be unable to execute as proficient and adequacy to meet their objectives. The way in which the workers responds to the organization cutting back strategy is another way the business or the employer could be influenced. This demonstrates that downsizing may cut working expenses however if the businesses are cutting workers hours irrationally, at that point the workers commitment will be affected due to the employers' action. On the other hand, the workers may also not perform as efficient because of now they are losing their monthly bonuses and stock awards. (Ramlall et al. , 2104). The workers morale is influenced as well, as they might be stressed over the expanded remaining task at hand, stressed over being the next person inline to be laid off, and even the supervisors giving them more and a much larger work weight. This demonstrates that the workers morale and work efficiently would both be

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influenced. job enlargement is an expansion in employment tasks and obligations to make a position additionally difficult. This may in the end cause into debate or contentions with their managers if workers are continuously keep receiving larger number of tasks.

This article has a couple of suggestions for organizations and businesses. The main suggestion is the proficiency and the adequacy of the computerization approach as to hiring more workers. Using machines would expand adequacy since it will have a lower possibility of making a mistake where as a human worker may make mistakes more frequently than machines. Machines and mechanization likewise help increment consumer loyalty since it would make the procedures such as shipment packaging quicker and more effective. This will satisfy the customer as they have saved on time. The other implication for the business is that over the long period of time, the company will be able to save more on their operating costs due to the fact that they can spend a onetime cost on the new machinery and use that for a long period of time. Also, in this case they will also save more by removing the monthly bonuses that would cost them more if they were to keep those plus the increase of minimum wage. Sooner or later, they might have the capacity to take care of the expense of the machine and begin making benefit. Machinery and automation will not only influence the business, yet it additionally influences the workers itself.

The first suggestion for the workers is that they may pick up from the raise in minimum wage however in general they may really lose more money than before on the grounds that organizations will attempt to reduce or take away benefits bonuses and weekly hours to decrease costs. Even so the employees might be losing in this situation the supervisors, would expect more from the workers since they are technically getting an increase in their wage. Hence, the workers are not really getting paid more over the long period of time as they are working for their cash. Employer stability is another significance in this article. Since the machines and the new technology that's being used could carry out the activity for the organization, workers might be laid off as of now or might fear getting laid off. This would influence their morale and efficiency as workers who were not laid off might think that if they are the next employee to be heading out the company. Villano, M. (2007). claims that workers connect with one another (Villano, M. 2007).

Therefore, in the event that one worker gets laid off and is never again working with the organization, the rest of the workers may panic which would have an impact on the work they are doing. Using machinery and different technologies affect not only both the companies and the workers but also it has a huge impact on the society. This can have both positive and negative impact on public. In the event that organizations like Amazon presents machinery and other technologies to do the majority of the work as opposed to procuring workers and paying them more works; at that point this would goodly affect the general public. Then again, if using machinery and different technologies doesn't work out than the organization would need to

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return and contract more workers now at the increased minimum wage, and that would result in an increase in working expenses. Along these lines the cost of goods would go up and this will influence the general public in a negative angle.

On the off chance that this occurs, stakeholders and partners would be hurt financially as well. Organizations may not pass on all the cost increment because of highly competitive nature of their organizations. For instance, organizations like supermarkets would not have the capacity to expand their price completely because of the fact that there are numerous other supermarkets that contend with them. This may result in the customers buying less amount of the merchandise as their response to the high price of products. All in all, the different HR issues that were stated in this article was downsizing, cutbacks and removing increasing wage with a cost of removing such things as benefits and bonuses, and also the workers' morale. Cutbacks and scaling back are choices made by the organization because of increase in operating expenses or the worker is not performing up to their standard. Downsizing and cutbacks would not just hurt the workers that were laid off however it also harms the workers that were held in various ways that were said above. The rest of the representatives working there are not affected by the cutbacks of their kindred workers, yet their morale may likewise be influenced as appeared previously. The main exercise that the HR office can learn is give guiding or give inspiration to those remaining workers, so they would not be terrified of being the following one to be laid off from the company and their work efficiency would make strides.

Another exercise the HR office could learn is to not lay off a great deal of representatives at the same time so the rest of the representatives' state of mind would not be influenced to such an extent and would be more inspired to work. This will keep the company to keep its productivity and efficiency. The last exercise they can learn is to have a go at keeping away from cutbacks and downsizing in order to avoid other employees being affected. Lastly, they can keep the bounces and benefits in order to motivate the employees even more.

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