Belgian HR-professionals’ views on demotion: a focus group study

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INTRODUCTION

Demotion, a downward transition (Hall and Isabella, 1985), holds several opportunities for employees as well as employers. On the one hand demotion, as an age-based human resource policy (Mulders, Henkens and Schippers, 2013) could encourage older employees to extend their career, by working on a lower function level with fewer responsibilities (Carson and Carson, 2007) and less job pressure (Remmery et al, 2003, Schippers, 1989). This view is in line with the conservation model that considers employees as long-lasting organizational assets (Claes and Heymans, 2008, Yeatts et al, 2000). Demotion could encourage young, ambitious employees to broaden their skills and their competences under the lee of a lower job level in order to have a greater promotion probability in the future (Stephens and Kohl, 1989). A downward transition could rebalance employees’ work and life (Verheyen and Vermeir, 2011). On the other hand employers could assure job security by choosing demotion over dismissal (Ng et al, 2007). Management could upgrade the performance of its employees by putting (possibly demoting) the right man in the right place within the organization (Carson and Carson, 2007, Emans, 2011, Goldner, 1965, Miner and Miner, 1985). Or they could demote for optimization reasons, to inter alia reorganize their organization or rebalance productivity rate and wage (Henderikse et al, 2007, Isabella and Hall, 1984, Schippers, 1989, Wright and McMahan, 2011). To restore the balance between productivity rate and wage the human capital theory suggests training rather than demotion (Becker, 2008). Despite of these opportunities HR-professionals are not keen to practice demotion (Baker et al, 1994) because they fear for demotivation of the employee or resentment of unions (Stephens and Kohl, 1989).

views, motivations, attitudes and opinions (Bogardus, 1926). Nevertheless focus group techniques are rare in demotion studies.

Moreover, it is notable that only a few researchers study the employer’s point of view towards demotion (Kohl and Stephens, 1990, More, 1962, Remmery et al, 2003, Stephens and Kohl, 1990), most studies explore the employee’s point of view (Carson and Carson, 2007, Eby and DeMatteo, 2000, Sargent, 2003).

The participation of older workers in employment is in Belgium, as in other European countries, very low (“Employment rate for older workers”, 2014). To stimulate Belgian organizations to keep their over-45s and to extend their careers the program act of the Belgian Government prescribes some measures, as the use of internal transitions (cao 104, art.5, 4th item: 2 of “Collective labor agreement”, 2014). Even though the Government wants to encourage the application of internal transitions, there are clear signs that companies are not really keen on practicing demotion (i.a. Josten and Schalk, 2010, Mulders, Henkens and Schippers, 2013). Therefore it is relevant to research Belgian organizations on the motivation of applying demotion in the workplace. The aim of the study is to explore the views of Belgian human resources professionals on (1) the obstacles to not applying demotion, (2) the possible solutions to these obstacles and (3) the opportunities to stimulate the practice of demotion in the organization. To obtain this information focus group interviews are conducted. A focus group interview consists of introductory, core, transition and wrap up questions (Krueger, 1998). These questions are structured in an interview guide (see Appendix).

Demotion relates to various stakeholders. HR-professionals are important stakeholders in the process of demotion, as they decide to demote or not, or they allow employees to demote. In this context it is relevant to interview HR-professionals.
METHODOLOGY

A focus group interview is a qualitative research method. It is a group discussion guided by a moderator on a specific topic of interest, where the focus is on interaction between the participants. This interaction does not necessarily result in consensus on the topic (Krueger and Casey, 2000, Vogt et al, 2004). Focus group interviews make it possible to find out what HR-professionals think about demotion, how they think and why they think about the issue as they do (Morgan, 1988). Furthermore, demotion is not an unambiguous concept; it includes multiple dimensions (as for example salary and job authority) and has various meanings (Verheyen and Guerry, 2014). Therefore a qualitative research method, for example a focus group study, is particularly appropriate (Britten et al, 1995).

There is a lot of discussion among researchers on the optimal number of focus group interviews that should be conducted. Krueger (1988) suggests between four and twelve interviews. Stewart, Shamdasani and Rook (2007) indicate that there are no general rules on the right number of focus group interviews. Most researchers recommend less than ten focus groups or they recommend conducting interviews until the notion of saturation is reached. For time and cost reasons and because we reached the notion of saturation we have opted to conduct ten interviews. Moreover, the groups were, due to a taboo subject, kept very small. When the theme of the focus group interview is a taboo, it is better to opt for small groups to give the participants the opportunity to discuss openly in a protected environment (Krueger, 1988). Each group consisted of three participants, one group of four participants. Although the number of participants per group is small, ten focus group interviews still guarantee a broad range of views, opinions and motivations on the subject.

Research instrument

An interview guide (see Appendix) was prepared to guarantee that every interview was conducted in the same way. The interview guide was composed of an introduction, introductory questions, core
and transition questions and a wrap up question. The questions were all open-ended. The question route was designed to stimulate discussion upon the group members. Each question was provided with an exact timing. Each interview could be completed within the foreseen two hours.

During the introduction the moderator contextualizes the focus group interviews as a part of a larger study on demotion. She explains the main research questions and the purpose of the focus group interview. The moderator asks the explicit permission on taping the interviews audio as well as video and the permission on using the data for scientific research and publication. Then the moderator introduces the observer who has a master in psychology and is a student Master of Business Administration. She attends the focus group interviews in order to gather possible extra information on non-verbal communication and interaction. The moderator asks the participants to introduce themselves to the group members; this is the introductory part of the interview. To gain insights on the participants’ notion of demotion, the participants are asked to choose dimensions of demotion that best suit their vision on demotion. To ensure that all participants understand all dimensions, the moderator explains the different dimensions of demotion in a neutral manner. These dimensions were extracted from demotion literature (for an overview, see Verheyen and Guerry, 2014). After the respondents selected their dimensions on demotion, the moderator compares the dimensions and initiates the discussion between the participants.

To gain insights on the HR-professionals’ views on the obstacles, possible solutions and opportunities of demotion different focus group interview techniques are used (see Appendix). First the participants discuss on seven controversial propositions. These statements lead to intense debate. Furthermore, the participants complete unfinished sentences. Finally the respondents list motives and consequences of demotion for the organization. The last question gauges the motivation of the participants to choose for a demotion themselves. At the end of the interview the moderator asks if there is anything that the participants want to add, as to ensure that everything has been said.
**Participant recruitment**

The respondents had to meet a number of conditions. In small organizations demotion is not regularly applied due to small, fixed personnel structures (Josten and Schalk, 2010). Therefore, the participants have to (1) be employed in a large company. They have to (2) be a member of management and must (3) be experienced in HR-management. They have (4) to be able to express their visions and to be prepared to share personal views on demotion and the practice of demotion in an organization.

The focus group interviews are part of a broader Belgian study on demotion. Between September and December of 2012, a survey on demotion was filled in by 131 HR-professionals. Although the survey was anonymous the respondents could leave their mail address if they wanted to participate in follow-up focus group interviews. These interviews are complementary to the survey: focus group interviews gain insights on views and motivations while this is not addressed in the survey. Seven female and eight male respondents participated in the focus group interviews and filled in the survey as well. These respondents were mixed with other participants in the focus groups. The other participants of the focus groups were recruited by HR-management fora (e.g. specific HRM-groups on LinkedIn) on the internet and by the snowball method.

**Study design**

Between February and May 2013 ten focus group interviews were conducted (N = 31). One interview was conducted with four participants as was the initial purpose. Because of severe agenda problems the other interviews were conducted with three participants.

Literature points out that it is recommended to have groups that are heterogeneous regarding gender (Calder, 1977). Too homogeneous gender groups may lead, in case of exclusively male participants, to machismo; in case of exclusively female participants it may lead to feline behavior (Krueger, 1988). Therefore, it was the extreme concern of the researcher to mix gender in the focus
groups. Agenda inconsistencies, however, forced the researcher to fill the vacant places with respondents that were available at the moment of the interview. Five out of ten focus groups were mixed in gender, two focus groups consisted of only male respondents, and three consisted of only female respondents.

The female moderator has experience with moderating focus group interviews. An observer was present during the focus group interviews and took notes. After each focus group interview moderator and observer discussed the interactions of the respondents intensively.

All interviews were audio and video recorded with the explicit permission of the participants. Each focus group interview lasted on average two hours.

**DATA ANALYSIS**

The data analysis is based on the grounded theory of Glaser and Strauss (1967) that has the purpose of extracting the theory out of the data itself. In a second stage, the findings of the focus group interviews where, however, compared with the demotion literature too. This approach is successfully applied in previous career studies (Claes and Heymans, 2008).

The transcripts were made promptly after the interviews. Each coder read the transcripts. These were re-read several times. Open coding was conducted. The two coders met and compared codes. After the axial coding the coders compared again. Then the inductive method was used to extract the topics to be discussed. On the one hand the different topics were, where possible, compared to the demotion literature. On the other hand explanations for the focus group findings were found within general theories.

**Trustworthiness of the focus group data**

According to Lincoln and Guba (1995) and practiced by Morrison-Beedy et al (2001) four criteria establish trustworthiness of focus group data: credibility, dependability, transferability and conformability. Credibility is acquired by conducting ten focus group interviews. Moreover, a detailed
interview guide is used in all focus groups and finally participants are encouraged to interact and share their perspectives. Dependability is obtained by using the same interview guide in each focus group. Further, in nine out of ten focus groups the location stayed the same: a quiet office at the university campus. One focus group interview was conducted at a respondent’s company, because this respondent had difficulties to travel. The interview took place under the same conditions as the others: a quiet closed office. Moreover, transcription is made promptly to be able to make an inventory of the participants’ interactions during the interviews. Finally, the data analyses are made separately by the moderator and the observer. Then they compared and discussed their codes. Transferability is met by the description of the sample and the setting. Conformability is acquired by noting the process and the procedure that is followed. Furthermore, the two coders agreed on the analysis of transcriptions, codes and themes. Finally, the researcher returned regularly to the data to verify concordance of the findings with the raw data.

The interviews were conducted in Dutch, because it was the mother tongue of the participants and the moderator. For the paper the statements used were translated into English.

RESULTS

We choose to use the interpretative model to report on the results of the focus group interviews. That is, the transcripts are interpreted and where supporting or relevant a participant is quoted (Stewart, Shamdasani and Rook, 2007, Wilkinson 1999). A different number has been assigned to each of the focus groups as well as to each person within a group. Each quote is preceded by the indication: “P(participant). Group number. Person number”. For example “P. 5.2” refers to the Participant number two in focus group number five. By this, the quotes used in this paper, can easily be found in the transcripts.
Demographics

The focus groups consist of male (N = 16) and female (N = 15) participants. The participants’ age ranges from 35 to 64, the average age was 50 years. The respondents are experienced in human resources management from 2 to 33 years. The average experience was 20 years. All participants work in large companies with at least 100 employees. Most respondents work as HR-manager. Because of the difference in designation of their job and differences in job content, we use “HR-professional” as to indicate the participant. Eleven participants come from production oriented companies (e.g. petrochemical industry, automotive industry), 20 participants are from service oriented companies (e.g. bank sector, HR-service companies).

Demotion, as topic of the focus group interviews, is very vividly present in the daily reality of the HR-professionals. The subject gave rise to intense discussions. The participants were very familiar with the frustrations that the other HR-professionals expressed regarding the topic. They spontaneously tried to find solutions for each other problems on the topic of demotion. In that way the focus group interviews gave them feedback from peers and learning points as well.

Topic 1: Dimensions of demotion

Each focus group interview started with the views of the HR-professionals on the dimensions of demotion. To make sure that all respondents have knowledge of what demotion exactly is, they were asked to explain their vision on the different dimensions of demotion mentioned in literature. It is noticeable that several HR-professionals divide the dimensions into “is always the case” and “is sometimes the case”. There are dimensions such as a decrease in function level that they always associate with a demotion. Other dimensions, such as a decrease in salary, is associated with demotion in some cases, yet, a decrease in salary is not systematically associated with a demotion. What is also noticeable is that the respondents spontaneously cluster some dimensions. They cluster the different aspects of salary, such as the different fringe benefits. They also cluster subjective...
dimensions they associate with demotion from the point of view of the employee, such as feelings of failure, loss of status and stigma.

1. A change in base salary and fringe benefits?

The respondents do not have an unanimous point of view regarding a lowering in salary as a possible dimension of demotion. Some respondents tend to associate a base salary decrease with demotion. However, in practice, they cannot realize this decrease because of the Belgian law on salary conservation. This law prohibits a unilateral change in base salary. Only when both employer and employee agree, the employer can change the base salary.

Some respondents tend to freeze the base salary and to cut in the fringe benefits such as the bonus. Other respondents are convinced that cutting the salary will demotivate the employee, so the demotee can keep his salary. For the same reason these respondents will not cut in the fringe benefits.

Some participants are convinced that leaving the base salary as it is, will demotivate the team where the demotee will start to work. The idea is that in case the demotee has the same job grading, function level and responsibilities as the other team members, for salary equity reasons the respondents want to equalize the demotee’s salary to the salary of the team members.

The participants are not all convinced of cutting in the budget of the company car in case of a fringe benefits demotion. They understand that the size of the company car expresses a certain status of the employee. They realize that a loss of status will demotivate the demotee. Some respondents leave the budget of the company car intact, others wait until the contract with the lease company ends and still others offer a smaller budget for equity reasons.
2. A lowering in function level?

All respondents express spontaneously and without discussion that they perceive a lowering in function level as a demotion.

3. A lowering in job authority?

A demotion in the sense of a lowering in job authority implies that the employee who has job authority, risks a reduction of the responsibility towards managing resources, managing people and taking decisions which influence the company’s policy. A lot of respondents associate a lowering in authority with demotion. Most of them demote to help the demotee because he or she cannot cope with his or her job authority. Therefore the respondents lower job authority in situations where there is a coping problem (Peter Principle). Most respondents do not distinguish between the different kinds of job authority.

4. A change in job content?

The respondents consider a change in job content towards fewer activities, fewer responsibilities and lower job pressure mostly as a demotion. Although, they do not associate a change in job content towards other activities as a demotion.

5. A loss of status and failure?

The HR-professionals acknowledge a loss of status or feelings of failure as dimensions of demotion, yet they do not interpret these dimensions as their responsibility. Some respondents recognize a solution for a loss of status in helping the demotee to create a new job identity and in helping to create the communication of that new job identity to the outside world. One respondent even accompanied a demotee to his home explaining the demotion and the demotee’s new job to the demotee’s wife.
6. A balance in work-life?

The participants do not link a better work-life balance to demotion. They are not inclined to demote their employees as to provide them with more time for family or hobbies. In the same way as for status, the respondents indicate that work-life balance is not their problem or their responsibility. The participants indicate that they are only inclined to take into account the work-life balance as it becomes a problem to their employee with negative consequences for the workplace. The respondents will not, pro-actively, take work-life balance into account. When their employee asks for a solution to his or her work-life imbalance, the respondents will act. A demotion can be a solution then. When the employee asks himself/herself to demote to obtain a better work-life balance, the respondents will consider demotion.

7. Initiator of the demotion?

An employer can demote his employee, than the employee perceives the demotion as imposed. An employee can choose himself/herself to demote, than the employee perceives the demotion as voluntary. These aspects of demotion thus depend on who the initiator of the demotion is. The respondents perceive both imposed and voluntary downward transitions as demotion. Additionally to imposed and voluntary transitions, the respondents mention a third possibility: an employee can be forced to a demotion because of the circumstances or the context he or she finds himself/herself in. Health problems can impose the employee to demote. It is neither imposed by the employer, nor a free choice of the employee.

The respondents mention that in practice demotion is most often imposed. They would like to evolve to a situation where demotion becomes voluntary because they are convinced that in case of a voluntary demotion the employee is more motivated and there is an opportunity to consider a salary decrease.
8. **Intra- or inter-organizational?**

Most of the respondents restrict the context of demotion to intra-organizational transitions:

P. 4.2: “... from my point of view, what I am interested in, is the issue within my organization. When someone leaves, it is not my problem anymore”.

The respondents do not state that demotion cannot be inter-organizational, yet, most of them are indifferent towards an employee who promotes or demotes when he or she has left the company.

**Topic 2: Obstacles for applying demotion**

Several respondents mention some obstacles which keep them from practicing demotion in the workplace. They express the following obstacles:

1. **A lack of vacancies**

On the one hand some participants do not have enough vacancies to move the employee. The lack of vacancies keeps the HR-professionals from demoting. Therefore, the employee is often dismissed instead of demoted although demotion could have been a solution. On the other hand some participants explain they have a certain amount of jobs where the job content is very specific or the job needs specific skills and extensive knowledge. These employees-experts are not easy to move from one job to another and therefore demotion is not common in these companies.

2. **Demotivation**

Demotivation comes with demotion, all respondents agree on that. However they experience the demotivation as just a temporary phenomenon. When demotion is the right solution for the problem, this phenomenon will disappear in the long run, they argue. To compensate this effect as much as possible, the respondents provide in training, internal or external coaching and follow-up consultations. If the employee’s demotivation continues, the respondents consider resignation. The participants make a distinction between an imposed and a voluntary demotion: when the employee
demotes voluntary the respondents expect the employee to be less demotivated because he or she chose to demote.

The focus group findings regarding demotivation correspond with demotion literature, as researchers indicate that demotivation of the employee is an important obstacle for employers, which deters them to demote (Carson and Carson, 2007, Kohl and Stephens, 1990).

3. Salary

The respondents remunerate their employees according to the job responsibilities, the function level and the job grading. When they demote in the sense of a decrease of these dimensions, they are on the one hand very frustrated that they cannot lower the base salary (as stated, on a unilateral basis this is forbidden according to the Belgian law on the preservation of the salary). On the other hand the respondents find it fair that the level of the salary is in relation to the job responsibilities, the function level and the job grading; not only towards the employee involved, yet also towards the team to which the demotee is assigned. Thus, the respondents pursue pay equity.

They also think that the link between seniority and wage is a barrier for job mobility within the company. The only solutions they see today are cutting the fringe benefits or negotiate a new contract.

These focus group findings are partly in line with the demotion literature findings on salary. Literature points out that lowering the salary in case of demotion can lead to litigation and demotivation of the employee (Carson and Carson, 2007, Isabella and Hall, 1984). This view is supported by some respondents as they will not decrease the salary for demotivation reasons. Other respondents find it nevertheless fair to relate the salary to the job responsibilities aspects, thus they will strive for pay equity amongst their employees.
4. Taboo

The participants believe that demotion is to date not a part of their organizational culture. This is expressed by a taboo on demotion. The respondents observe that their employees are not keen on asking for a demotion. As HR-professionals they observe the taboo among their peers and certainly in relation to the unions. For these reasons, some of the respondents are afraid to consider demotion in their organizations.

**Topic 3: Possible solutions to the mentioned obstacles**

In topic two the respondents expressed the obstacles they associate with the practice of demotion. They try to find solutions to these problems. The following solutions, which are suggested by the respondents, are related to each other: a change in company culture towards a positive context and practice of demotion assumes that the HR-professional believes in the demotion practice, communicates about it by using a non-pejorative vocabulary towards demotion. Successful testimonials can help installing the right company culture towards demotion.

In the HR-professionals’ pursuit for a solution, they will always seek for a win-win situation which means a better fit between the employee and the job so that the performance increases. By this the employee will do his job with more motivation and the company has a better productivity rate.

1. Culture change

According to the HR-professionals a culture change on a societal as well as on a company level can contribute to successfully practicing demotion. Successful means that the demotee is back on track, is working as the right person in the right place.

The focus group findings fit with the literature on organizational culture. Schein (1984) defines an organizational culture as “the pattern of basic assumptions” that a company (the group) can help “to cope with its problems of external adaptation and internal integration” (Schein, 1984: 3). Schein decomposes organizational culture in several features. Not only values and norms shape the
corporate culture, but also assumptions that are, because of their repeated success, taken for granted (Schein, 1984: 4). Promotions can install the assumption of career success, while demotions can give the assumption of career failure. Repeated stories of demoted employees whose performance increase because they are, as a result of a demotion, the right man on the right place in the organization, can turn demotion into a success story. The HR-professionals are convinced that testimonials are crucial in stimulating the practice of demotion and changing company culture towards the acceptance of demotion.

2. Walk the talk?

Walk the talk expresses the fact that when people believe in something, they are willing to act according to that belief (Kennedy et al, 2009). If the HR-professional (he) wants to make demotion a more acceptable transition and wants to implement the idea in the company culture, he has to be prepared to be demoted or to consider demotion for himself. He has to believe himself in the opportunities of demotion. In this way, walk the talk could be a solution to the taboo sphere on demotion. Therefore the moderator asked if the participants would consider demotion for themselves.

For some respondents the idea of demotion is attractive, although the demotion would mean a severe mind switch. For others the loss of status is an important obstacle. In that case, the HR-professional wants the demotion not to be too visible. To avoid that colleagues would notice his demotion, he would choose to work in another part of the company. The idea that somebody else would impose the HR-professional to demote, is not considered as attractive, the respondent would rather prefer to choose voluntarily to demote.

P. 2.3: “... I worked hard to get where I am now. I wouldn’t mind to get a lateral transition, but taking a step back for the benefit of someone else, no”.

It is noticeable that the HR-professionals use the same arguments as their employees do when they are confronted with a demotion (Verheyen and Vermeir, 2011). Kennedy et al (2009) seek for an
explanation of not walking the talk (in an environmental context) in the fact that it is not because the individual believes in certain values that he will act according to or consequent to those values. This could explain why HR-professionals can believe in the value of demotion for their company, but will not choose to demote for themselves. That means that changing the company culture towards believing in demotion as a possible solution for a certain problem is not enough. There has to be a change in behavior towards demoting too.

3. Carefully selected vocabulary

Demotion has a pejorative connotation according to the respondents. The HR-professionals are convinced that a carefully selected vocabulary could contribute to the success of demotion. They suggest alternative words for demotion as “a career change, a rotation, a mutation, a career path, a reorientation, a remotion or refocus”, although it is not always clear what these words exactly stand for.

According to some HR-professionals a solution for the vocabulary barrier lies in the fact that the practice of demotion does not have to be called a demotion:

P. 3.3: “Actually, it does not all have to be so explicit”.

P. 3.1 answers to the statement of P. 3.3: “Yes, because you’re hurting the people with it”.

This framework ignores the fact that employees know they are demoted when they are put on a lower function level, with or without a loss of salary or less responsibilities. In that context it is not important how the lower function level is called; the employee knows he/she is demoted, without stating it. The attention to the vocabulary is redundant.

According to some HR-professionals a change in vocabulary can only work when the company culture supports the use of demotion, when management has a clear vision on demotion and has it
embedded within a talent strategy. The respondents share the view that the union partners have to be involved in building a demotion policy too.

The focus group findings reveal the same problem concerning the use of the word demotion as literature already did. The demotion literature shows that demotion is a not unambiguous concept covering different dimensions. Moreover, the word is associated with positive as well as negative dimensions (Verheyen and Guerry, 2014).

4. **Transparent communication**

The participants agree that the demotion process and the related communication need time. According to the respondents the process of communicating the demotion to the employee has to be more transparent and clear. The HR-professionals experience that the supervisor often fails to give clear signals towards the concerned employee. As a result, the demotion message often comes out of the blue and the employee is taken by surprise. The respondents interpret a clear motivation for the demotion as a basic form of respect towards the demotee.

The latter is an important observation already expressed in demotion literature. Some researchers found that employees are inclined to accept their demotion if they know why the employer demotes (Isabella and Hall, 1984, Kohl and Stephens, 1990, Ng et al., 2007, Stephens and Kohl, 1989).

The respondents’ views are also in line with Goldner (1965), who argues for less ambiguity in communication because ambiguity leads to fear and low morale amongst managers. Veiga (1981) finds that organizations tend to make demotion ambiguous so that potentially demoted employees do not know exactly what is happening.

The dismissal literature gives interesting communication suggestions which could be useful in demotion situations too. Eby and Buch (1998) suggest the use of open communication because in a dismissal situation the psychological contract is often violated. In order to compensate for this violation, the researchers suggest warning the employee in advance. The immediate supervisor
should communicate the dismissal and provide a legitimate explanation in order to increase the acceptance of the dismissal (Eby and Buch, 1998).

**Topic 4: Opportunities**

The respondents express some important opportunities in practicing demotion.

1. **Employer branding**

If the demotion is perceived as successful by the employee, this can ensure employer branding. One of the respondents explains this as follows:

P. 1.2: “… an image of “caring”, in the sense of: “look, they don’t dismiss, they search as much as possible and as long as possible to find an internal solution”.

2. **Career possibilities**

Demotion provides new career possibilities for the demotee as well as for the employee who takes the demotee’s place. The respondents are convinced that a successful demotion can boost the performance and create positive dynamics. When the demotion removes a bad-fitted employee, the whole department can revive. The employer can retain the talent and competences of the employee, this time, at the right place within the company. By demoting the employee, the employer avoids resignation costs.

Demotion is also seen in the context of extending the career of older workers. It is noticeable that the HR-professionals do not interpret demotion as thé means to extend the career of older workers. A demotion in the sense of losing job authority and decreasing work pressure can be a possible solution to extend the older worker’s career, but the HR-professionals do not find it the ideal solution because they fear demotivation. They find better solutions in the adaptation of the ergonomics or the reduction of the working hours. However, a reduction of working hours with 10, 20 or 50 % results very often in a demotion. Quite a lot of the respondents are convinced that a management
function can only be executed on a full time base. Reducing the working hours implies quitting the management level.

These focus group outcomes are in line with Miner and Miner (1985) who plead for managers who put the right man on the right place within the organization. These findings are also related with Goldner’s plea for demotion as “to maintain the standards of performance” (Goldner, 1965). Because some older employees cannot meet the standards of performance within a full time job, the respondents suggest a reduction in working hours. This reduction will result in meeting the standards of performance, but in practice this will also give rise to a demotion in the longer run.

CONCLUSION

The HR-professionals associate especially the following dimensions with demotion: a change in fringe benefits, a lowering in function level, a lowering in job authority, a change in job content and intra-organizational. The points of view of the participants on the dimensions of demotion are in line with the literature on demotion: there is not an unambiguous definition of demotion (Verheyen and Guerry, 2014). Demotion is a concept with different dimensions, which can change depending on the context in which it is used. Demotion is perceived in a certain way within a specific context. Yet, for another case in another context, demotion is perceived as something else. Therefore, when discussing demotion, participants should make clear from the beginning how they perceive demotion. It is noticeable that the HR-professionals perceive the subjective dimensions, such as status, feelings of failure and work-life balance, as the responsibility of their employees. The HR-professionals will only cope with these dimensions when they lead to problems in the workplace.

The obstacles, such as the lack of vacancies, demotivation, salary issues and the taboo on demotion, expressed by the HR-professionals keep them from practicing demotion. Some of these obstacles, such as demotivation and salary issues, were also mentioned in previous studies (Carson and Carson, 2007, Kohl and Stephens, 1990). Some obstacles can be solved such as the taboo on demotion or the
salary issue. Yet, they need time and thorough discussion on company, sector and societal level. Others, such as the shortage of vacancies, are inherent on specific company structures or are due to a constraint on the available full time equivalents. This shortage is also linked to HR-strategies.

Some respondents express possible solutions to some of the obstacles mentioned, such as creating the right company culture, walk the talk and using a more carefully selected vocabulary in the communication on demotion. These solutions also need time. A right company culture should be an open and transparent culture towards demotion. This means that demotion is negotiable and that the consequences of the demotion are transparent for the employer as well as the employee. Which exact culture should be installed is arguable, as Hofstede and Hofstede mention that the most suitable company culture depends on multiple factors (Hofstede and Hofstede, 2005). The majority of respondents felt the need for these solutions, yet a switched mindset towards demotion is not yet the case in many companies.

Besides obstacles, the respondents uttered some opportunities of demotion, such as employer branding and career possibilities, which could be responsible for a rising amount of demotions in future practice.

The HR-professionals consider demotion as a solution to problems in an HR-context. It is not thé solution, but only one of the solutions to a problem in a specific situation. Hence, they will always pursue a win-win demotion situation: a win for the employee as well as for the employer.

Breaking the taboo on demotion is relevant to the success of applying demotion. To implement demotion on a large(r) scale there is a need for good practice. On the one hand there have to be more positive examples for employers: companies who have a demotion policy and a positive way of applying demotion. KBC banking for example introduced their “Minerva-plan” in Belgium. KBC banking implements a policy of demoting to obtain a “lighter job”, which means a lowering in responsibilities and in salary, mostly applied in the context of older workers (Salu et al, 2014). On the other hand employees need positive examples such as testimonials of successfully demoted workers.
Limitations

In a group, no matter how small, participants sometimes tend to give socially-desirable answers under group pressure. That means that all answers are not necessarily accurate.

It is important to notice that the HR-professionals often expressed their own opinions, which they clearly dissociate from the views of the firm. So the HR-professional’s view is not necessarily the view of the firm or in line with the company’s culture.

Demotion is an actual topic, connected to several other topics as the Belgian law on salary, as seniority or the imbalance between productivity and wage. These other topics are fiercely debated at the moment in Belgium, which implies that the research on demotion is an ongoing process.

Practical contribution

The focus group interviews give insights into the views and motivations of the HR-professional towards the practice of demotion. The study identifies some of the obstacles towards the implementation of demotion in the organization. Additionally the outcomes suggest some solutions to these obstacles. Finally the research highlights some opportunities which could give an impulse towards practicing demotion in the organization.

Future research

The present paper reports on focus group interviews with employers. Focus group interviews with demoted employees on the demotion topic could give practical insights into the motivation of employees choosing for demotion. The focus group interview technique is not yet used in an employee demotion context. Employers could learn from the motivations of the employee and focus or reorient their HR-strategies on demotion according to the views expressed by the demotees. A study within the company of employees on their views on the demotion practice and what they expect to be the consequences could be the start of an open company culture and a transparent dialogue between employer, employees and unions.
During the interviews participants were not all the time able to express exactly what they wanted to say. Furthermore, the researcher does not know the context and culture of the specific organization, whereby the answers cannot be contextualized. Maybe observations in the company could create a more specific context and give a clear meaning to the participants’ statements. Observations could give insights into the culture of the firm and provide extra information.

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REFERENCES


Verheyen, T. and Vermeir, B. (2011), *Remotie, een stap terug is een stap vooruit*, Kluwer, Mechelen. [Remotion, a step back is a step forward]


APPENDIX

Focus group interview guide

Total interview time: 2 hours

1. Introduction timing: 10 minutes

Contextualization of the focus group interview as a part of the research on demotion:

- Main research questions:
  o What is demotion?
  o What are the motives for demotion?
  o How common is demotion?
  o What are the obstacles and opportunities of demotion?
- Research that has already been done:
  o 14 semi-structured expert interviews with imposed and voluntary demotees
  o a survey executed with 130 HR-professionals
  o analyses of EU-SILC data (survey on income and living conditions of employees)
- How these focus group interviews fit in the complete study:
  o follow up research to obtain the views of HR-professionals on the three main research questions
  o the aim is 10 focus groups interviews with 3 to 4 HR-professionals
- What the results of the focus group interviews should provide:
  o Views, critics and motivations on demotion
- What will happen with the research material of the focus group interviews:
  o Asking the explicit agreement on taping the conversations on audio and video devices
  o Asking the explicit agreement on using the data (transcripts) for scientific research and publications

2. Introducing the observerIntroductory questions timing: 5 minutes

The participants introduce themselves by answering the questions of the moderator:

- What is your name?
- What is your age?
- For which company do you work?
- What is your job function?
- How long do you execute this function?
- How long is your total experience in HR over the complete length of your career?

3. Core question: Envelope timing: 20 minutes
Each participant receives an envelope with an amount of pieces of paper. On each piece of paper a particular aspect of demotion is written. These aspects correspond with the literature on demotion (Verheyen and Guerry, 2014). The task for each participant is to select these aspects of demotion, which he or she thinks fits best with his or her views on what demotion is. The participant has to paste his or her aspects on a big piece of paper together with the aspects of the other participants and he or she has to write his or her name on it.

To be sure that every participant understands what is meant with each aspect, the moderator first runs through the aspects:

- Voluntary
- Imposed
- Inter-organizational
- Intra-organizational
- A method to develop talent
- Means to stimulate employees to keep their expertise and value for the company up to date
- Lowering of the salary
- Lowering of the year-end bonus
- Lowering the budget of the company car
- Lowering the meal vouchers
- Lowering the budget of the mobile phone
- Lowering the laptop budget
- Abolishing the group insurance
- Lowering stock options
- Verkleinen van bedrijfsparticipaties
- Lowering the monthly fixed expenses
- Lowering of the bonus
- Lowering the function level
- Lowering the responsibility towards managing resources
- Lowering the responsibility towards managing people
- Lowering the responsibility towards taking decisions on the policy of the company
- Changing the job content, towards a job with less activities
- Changing the job content towards a whole new job
- Lowering the job pressure
- More time for hobbies
- Lowering the job grading
- Loss of status
- More time for family
- Stigmatisation of the employee
- Fail as an individual
- Free choice: a white piece of paper: if the participant has another aspect for demotion that has not yet been mentioned, he or she can use this paper and write it down

After selecting the aspects, the moderator looks at the choices of the HR-professionals and discusses the selection with the participants: are there differences? Are there similarities? Why did they choose that aspect over another aspect? – probing of the moderator
4. **Transition question: Propositions**

The participants are confronted with seven propositions: do they agree or not? Moderator will probe.

- Demotion demotivates.
- Older workers have to demote by the end of their career, with a lowering in salary, so there are functions and budget available to promote younger workers.
- Demotion has no advantages.
- That older workers get demoted is their own fault, they should keep their value for the company up to date.
- Demotion and a lowering of the salary should go together otherwise there is no advantage for the employer (from a cost efficiency point of view).
- The practice of demotion shall increase in the future because of aging and work-life balance issues.
- Demotion is a tool that we (the employer) can use when it suits us best.

5. **Core questions: Finishing the sentences**

The moderator presents three sentences which are not complete; the aim is to finish the sentence. The participants then discuss.

- I do not demote because....
- To demote successfully, I have to...
- To be able to have an open discussion on demotion in my company, it is necessary to...

6. **Core questions: Making lists**

- Give five motives to demote responsibly
- Give five consequences of demotion for the organization

If you would have to prioritize them, what would come first? And then? Probe. In Al's je ze in volgorde van belangrijkheid zou moeten zetten, wat komt er dan eerst? En daarna? Proben. 10 minutes to prioritize and discuss on these priorities.

7. **Wrap up: Final question**

Would you, yourself, choose to demote? Why? Why not? (cfr. Walk the talk)

Is there anything you would like to add, which is not been said yet?

Thank you for your cooperation!