

The Effects of Cost-cutting Practices to the Company Y Employees’ amidst COVID-19 Outbreak

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Abstract:

This study aimed to investigate the effects of cost-cutting practices to the employees of Company Y. A survey questionnaire was created containing basic questions about the effects of cost-cutting practices. The researchers used sampling method to determine the number of respondents to be interview. This research was used the descriptive method of research as it seeks to determine the relationship between variables, explores causes of phenomena, and develop generalizations, principles and theories on the basis of its findings. To gathered the data needed, researchers were used information from different source of materials such as books and different websites from the internet. Other data were gathered from the respondents was used to determine the perceived effects of cost-cutting implemented by the Company Y.

Keywords —cost-cutting practices, perceived effects

I. INTRODUCTION

“The travel industry is at a point of disruption, and the future will be brighter but different from what we’ve seen in the past,” said David Taylor, strategy and consulting lead at Publicis Sapient. COVID-19 has brought the momentum of the travel industry to a halt. While recent headlines such as travel bans and major event cancellations make that progress seem like a thing of the distant past, it’s important to remember the industry was healthy and shattering records before the pandemic hit. This corona virus disease 2019 (COVID-19) continues to impact the global economy in unprecedented ways, companies worldwide are facing difficult decisions with respect to their personnel. Since its emergence in late 2019, the

COVID-19 epidemic has caused negative effects on the economies of countries and has had a disastrous impact on human health. The conditions and restrictions imposed in most countries to limit the virus’s spread among people, such as social distancing and quarantines, have led to distortions in the system of supply and demand for goods and slowed many countries’ economies. The repercussions of the COVID-19 pandemic have been felt across all economic sectors and institutions.

The tourism economy has been heavily hit by the corona virus (COVID-19) pandemic, and measures introduced to contain its spread. Depending on the duration of the crisis, revised scenarios indicate that the potential shock could range between a 60-80% decline in the international tourism economy in 2020.

Beyond immediate measures to support the tourism sector, countries are also shifting to develop recovery measures. These include considerations on lifting travel restrictions, restoring traveller confidence and rethinking the tourism sector for the future. Cost-cutting practices may include laying-off employees, reducing employee pay, closing facilities, streamlining the supply chain, downsizing to smaller office or eliminating outside professional services such as advertising agencies and contractors, etc. Among these practices, laying-off employees are the most common measure used because salaries and wages are such large expense for many businesses. The purpose of this study is to determine the effects of cost-cutting practices to employees and to identify the cost-cutting practices used.

II. JUSTIFICATION OF THE PROPOSED RESEARCH

Company Y was founded in February 1978 and was debuted as a premier travel agency providing reservation and ticketing services with a personalized and customer-oriented touch. Starting from humble beginnings it increased in size and business until we received accreditation from IATA in October of 1980. It continued to grow during the 80's, it is started to offers package tours and improving internal infrastructure. Slowdown in the industry brought about by the Asian crisis of the 90's saw the company scaling down in size but still focusing on its core values of service, credibility and integrity and maintaining its niche in the retail market. To reach the continued success of the Travel Agency company, Company Z was invited to become a partner, the latter being in the leader in its segment of the leisure industry. With this partnership, Company Y gaining a stronger foothold in the corporate sector. These are the qualities and approach of

Company Y on how to overcome the crisis it is facing.

Company Y was operating for over 43 years in history but this Covid-19 Pandemic was the most difficult crisis dealing with. The management of Company Y started to make a way on how to survive to this crisis without closing the company like what the others travel agency did. Company Y was started to deals with cost-cutting practices for the sake of the company itself and of course for their employees. For further knowledge, we, the researcher, wants to conduct a study about "The Effects of Cost-cutting Practices to the Company Y Employees' amidst COVID-19 Outbreak"

III. STATEMENT OF THE PROBLEM

This study aims to determine the effects of cost-cutting practices to the Company Y employees' amidst COVID-19 outbreak.

1.) What is the profile of the respondents in terms of:

- 1.1 Age,
- 1.2 Sex,
- 1.3 Employment Status,
- 1.4 Job Title, and
- 1.5 Years of Service?

2.) What are the cost-cutting practices of Company Y in terms of:

- 2.1 Finance and Administration,
- 2.2 Human Resource,
- 2.3 Marketing, and
- 2.4 Production / Operation?

3.) What are the perceived effects of cost-cutting practices to the company Y employees amidst Covid-19 Outbreak?

4.) How may the responses on cost-cutting practices be compared when respondents are grouped according to profile?

5.) What inputs to cost-cutting measures of the company may be proposed based on the findings?

IV. RESEARCH LITERATURE

Cost-cutting is an integral part of any business venture even for small and medium enterprises. No firm will stay in the business if it does not employ prudent means of checking its costs by ensuring that they don't over surpass the estimated costs projections. If costs are not checked properly, the outcome can be negative to smooth running of the business.

The study of Malackanicova (2016), found out a solution to aid in the increase the competitiveness and profitability of a small and medium-sized enterprise. It is advisable for the management of the case company to take measures to deal with the problems it has as soon as it is possible. There are several options available as to how they can improve their competitive positioning and consequently increase the profitability. However, the most vital one out of them all is to truly get started on developing a proper strategy plan, so that there is a real chance for the improvement.

According to Barbole and Yuvraj (2013), in their study of "Impact of Cost Control and Cost Reduction Techniques on Manufacturing Sector" talked that, the customers are continuously demanding high quality and better performance products and/or services and at the same time, they want the prices to fall therefore it is necessary for companies how to manage its product and/or service cost, quality, and performance.

The study of Bususu (2014) sought to assess the effectiveness of cutting employee related costs exercised by Altfin Holdings Ltd. It is aligned with the background that operating costs had been increasing and need arose to reduce costs and still maintain a standing in the insurance industry. The scope of this study is to assess the effectiveness of cutting employee related costs on sustainability of the organization. Altfin Holding Ltd. has three major subsidiaries. Competition in the insurance industry is largely on the

basis of product diversity, value addition, free cover limits, service and pricing. According to the year-end corporate minutes of the Altfin Holding Ltd. (2012), due to reduced competitiveness in the industry, deterioration of underwriting profits and a collapse of its sister company Interfin Bank, need arose for the company to still maintain a standing in the insurance industry. As a result, Altfin Holding Ltd. had to cut operational costs which were not aligned to revenue. Operational costs include broker commission, entertainment, marketing costs and human resource costs.

In any organization, the major objective is to maximize profit, but the main constraints facing them are the rise in cost of operation. Due to this, the cost of production increases and could lead to certain cost control and cost reduction which make it complex for many organizations to operate as well-organized cost limit of knowledge. The study aims to critically examine and evaluate the application of cost control and cost reduction in organizational performance and also to review the budget as an effective tool of cost control and cost reduction. A descriptive survey research was adopted. A total number of 50 questionnaires were administered and used for the study. The analysis of data collected was undertaken by applying appropriate statistical tools. Regression analysis was used to test the hypothesis with the use of SPSS. Based on the findings, it was evident that cost control has a positive impact on organizational performance and also the style of management has a positive impact on organizational performance. (Akeem, 2017)

V. THEORETICAL FRAMEWORK

This segment includes theory that is fully or partially related to the study. This provides a rationale for predictions about the relationship among variables of the research study.

Kaizen is a Japanese theory which means continuous improvement. It was introduced to the Western world by management consultant Masaki Imai in his book titled, *Kaizen: The Key to Japan's Competitiveness Success*, published in 1986. It is a long-term approach to work systematically seeks to achieve small, incremental changes in processes in order to improve efficiency and quality. Kaizen Theory suggests that the processes waste should be eliminated to achieve continuous improvement for a long-term, lasting and preplanned change of an organization. This theory involves improving the quality of work in an organization by achieving total quality control. Kaizen approach is a cost-cutting tool use in enhancing the quality of a business. It is a tool that ensured that the process of such adaptability continues for sustainable growth of the organization and for incurring less cost. In order to cut down the cost of maintaining quality, process waste should be eliminated. Kaizen can be used as a tool to introduce quality in performance on sustainable basis.

Cutting costs has become a necessity for company or organization survival, and every department have the chance to deals with cut cost, Kaizen Theory can be applied to the cost cutting practices which current study categorized it in terms of Finance and Administration, Human Resource, Marketing and Production/ Operation.

Finance and Administration has a strong focus on numbers, it's hard to see the big picture on how to reduce costs. The indicator mentioned are under considerable pressure to reduce cost expenditures due to the economic fallout from the COVID-19 pandemic.

In terms of Human Resources, leader must have an important role to serve in these cost-reduction measures. It is important to think through what the right HR cost reduction ideas are for your organization's particular situation.

Next is the cost cut practices in the Marketing, it is essential to the success of company, and it can help to distinguish the brand. Yet, many businesses are adhering to very tight budgets that make customer outreach challenging.

Lastly, in terms of Production or Operation, costs are the necessary expenditures that must be made in order to run a business. Every factor of production has an associated cost. The cost of labor, for example, used in the production of goods and services is measured in terms of wages and benefits. The cost of a fixed asset used in production is measured in terms of depreciation.

All indicators mentioned above will be used to assess the Statement of the Problem because it involves all the employees in an organization who is affected of cost-cutting practices and they are the respondents of the study.

VI. CONTRIBUTION OF RESEARCH

The result or findings of the study will be beneficial to the following:

Company Y (Travel Agency).

This study seeks to help Travel Agency to maximize profit and provide more information on the cost-cutting practices use to compete effectively in the industry.

**Owners/Managers/Supervisor/
Employees.** This study will be helpful to the owners, managers, supervisors, employees to know and practice the best cost-cutting strategy in the management of their business expenses without sacrificing the quality of their products and services.

Researchers. This study may help broaden their knowledge in cost-cutting practices in a business. It will also serve as a guide as they enter in the corporate world that helps them to come up with the prudent cost control to improve the business profitability.

Future Researchers. The findings from the study can be a source of related studies and provide additional information to future researchers who intend to explore further regarding cost-cutting practices.

VII. RESEARCH METHODOLOGY

This chapter presents a brief discussion of the research design, sampling procedure, participants of the study, data gathering instrument, data gathering procedure and statistical treatment of data.

Research Design

The researchers used the descriptive method of research in this study as it seeks to determine the relationship between variables, explores causes of phenomena, test hypothesis and develop generalizations, principles and theories on the basis of its findings. The information must gather will be interpret to determine the Effects of Cost-cutting Practices to the Company Y Employees' amidst COVID-19 Outbreak.

Participants of the Study

The participants of the study are the employees of Company Y. The researchers chose them as the participants of the study for they provide more pertinent data needed in the completion of the study. The researchers will be based the list of the respondents from the information must gather from the manager of Company Y.

Data Gathering Instrument

The researchers used questionnaire as the primary tool in gathering data. The questionnaire is composed of chronological arranged questions carefully prepared aiming to get facts or information.

Construction. The questionnaire used in this study is from the ideas from several reference materials, books, electronic sources, literature reviews and related studies. The researchers adapt the ideas to construct the survey questionnaire about the Effects of Cost-cutting Practices

to the Company Y Employees' amidst COVID-19 Outbreak. The draft was submitted to the research adviser for the correction and approval.

Validation. The questionnaire was validated by the research adviser who extend ideas and knowledge to further mend the questionnaire for improvement. The recommendations, suggestions and comments were considered by the proponents in the improvement of the questionnaire. Afterwards, survey questionnaire was revised and finalized by the researchers with the help of the research adviser.

Reliability. The survey questionnaire, before its distribution, was subject for final read-through by their research adviser and ensure the reliability and relevance of the questions.

Data Gathering Procedure

1. First, the researchers prepared a letter of request address to the Company Y employees, duly noted from the faculty-in-charge of the subject.
2. The formal letter was given to the Company Y employees requesting permission and assistance for the gathering of information with regards to the data needed for the study and for the distribution of questionnaire.
3. The questionnaires distributed to the respondents in Company Y employees. As soon as the questionnaires have been filled out, the data collected must be tally, analyze and interpret.

Statistical Treatment of Data

The data collected from the questionnaire of the respondents must be tally, tabulate, analyze and interpret. Frequency Distribution and Weighted Mean will be use to organize the information to easily interpret the data. It can be shown in table or graph. The statistical tools will use in the treatment of data were as follows:

1. **Frequency** - this is used to determine the participants' response towards to their business profile.

2. **Percentage**- this would be obtained by multiplying the scale value by the response dividing the total weighted scores by the number of respondents multiplied by 100.

3. **Mean**- this can be used with both discrete and continuous data, although its use is most often with continuous data. This mean is equal to the sum of values in the data set.

To interpret the compute value, the proponents must use the five- and four-point Likert Summated Rating Scale. The tables below are the scale continuum for determining quality.

SCALE RANGE INTERVAL VERBAL INTERPRETATION

Scale	Range Interval	Verbal Interpretation
5	4.20-5.00	Always
4	3.40-4.19	Often
3	2.60-3.39	Sometimes
2	1.80-2.59	Seldom
1	1.00-1.79	Never

SCALE RANGE INTERVAL VERBAL INTERPRETATION

Scale	Range Interval	Verbal Interpretation
4	3.50-4.00	Major Effect / Strongly Agree
3	2.50-3.49	Moderate Effect / Moderately Agree
2	1.50-2.49	Minor Effect / Somewhat Agree
1	1.00-1.49	No Effect / Strongly Disagree

VIII. PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

This chapter deals with the presentation, analysis and interpretation of data gathered through the use of survey questionnaires substantial in determining the effects of cost-cutting practices to the employees frequently used by the Company Y and also in identifying the perceived effects of implemented cost-cutting practices.

1. Profile of the Respondents

This presents the profile of the respondents in terms of age, sex, employment status, job title and years of service.

1.1 Age

Table 1.1 shows that out of 33 respondents, the majority of the age of respondents in Company Y are ranging from 55-59 years of age with the frequency of 6 or 18.18% and the least are from the range of 20-24, 30-34, 35-39, 45-49, 50-54, and 60-64 years of age with the frequency of 3 or 9.09%.

TABLE 1.1
PROFILE OF THE RESPONDENTS IN TERMS OF AGE

Age	Frequency	Percentage
20-24	3	9.09
25-29	5	15.15
30-34	3	9.09
35-39	3	9.09
40-44	4	12.12
45-49	3	9.09
50-54	3	9.09
55-59	6	18.18
60-64	3	9.09
Total	33	100%

1.2 Sex

Table 1.2 shows that in Company Y, majority of the employees in terms of sex are in favour of female having a frequency of 22 which comprises 66.67% of the total respondents while male having a frequency of 11 which comprises 33.33% of the total respondents.

TABLE 1.2
PROFILE OF THE RESPONDENTS IN TERMS OF SEX

Sex	Frequency	Percentage
Female	22	66.67
Male	11	33.33
Total	33	100%

1.3 Employment Status

Table 1.3 below indicates the different employment status in Company Y such as permanent, part-time, temporary and contractual. It reveals that 25 respondents or majority of the employee in Company Y were employed as a permanent employee with 75.76% while 2 out 33 respondents were employed as a part-time employee with 6.06%.

TABLE 1.3
PROFILE OF THE RESPONDENTS IN TERMS OF EMPLOYMENT STATUS

Employment Status	Frequency	Percentage
Permanent	25	75.76
Part-time	2	6.06
Contractual	3	9.09
Temporary	3	9.09
Total	33	100%

1.4 Job Title

Table 1.4 presented that most of the employee in Company Y was employed as a Travel Consultant with the frequency of 9 equivalent to 27.27% while the least was employed as an Admin Assistant/Staff and Finance Manager with the frequency of 1 equivalent to 3.03%.

TABLE 1.4
PROFILE OF THE RESPONDENTS IN TERMS OF JOB TITLE

Job Title	Frequency	Percentage
Travel Consultant	9	27.27
Ticketing Officer / Consultant	2	6.06
Admin Assistant / Staff	1	3.03
Accounting Assistant / Staff	6	18.18
Liaison Officer	6	18.18
Human Resource	2	6.06
Finance Manager	1	3.03
Information Technology (I.T.) Staff / Head	3	9.09
Marketing Officer	3	9.09
Total	33	100%

1.5 Years of Service

Table 1.5 revealed that majority of the employees in Company Y have been employed from 1-5 years with a frequency of 10 or 30.30% and the least is from the range of 21-25 years with a frequency of 2 or 6.06%.

TABLE 1.5
PROFILE OF THE RESPONDENTS IN TERMS OF YEARS OF SERVICE

Years of Service	Frequency	Percentage
1-5 years	10	30.30
6-10 years	6	18.18
11-15 years	3	9.09
16-20 years	3	9.09
21-25 years	2	6.06
26-30 years	3	9.09
31-35 years	3	9.09
36-40 years	3	9.09
Total	33	100%

2. Cost-cutting Practices of Company Y

This represents the cost-cutting practices of Company Y in terms of finance and administration, human resources, marketing and production/operation.

2.1 Finance and Administration

The table below revealed that Company Y frequently used and always apply planning ahead as their cost-cutting practices to negotiate a lower interest rate having a weighted mean of 4.27 with verbal interpretation of “Always”. On the other hand, lowest weighted mean was onboard more suppliers to increase the competition among them helps in achieving favorable pricing terms/deals having a weighted mean of 3.88 with verbal interpretation of “Often”.

TABLE 2.1 COST-CUTTING PRACTICES OF COMPANY Y IN TERMS OF FINANCE AND ADMINISTRATION

Finance and Administration	Mean	VI
1. Limit business travel expenses	4.03	Often
2. Reduce too much printing	4.15	Often
3. Plan ahead to negotiate a lower interest rate	4.27	Always
4. Negotiate lower prices with suppliers	4.03	Often
5. Onboard more suppliers to increase the competition among them helps in achieving favorable pricing terms/deals	3.88	Often
6. Review business credit lines and ensure that the features match the spending	4.18	Often
7. Prioritize paying off post expensive debt without risking not being able to meet the minimum payments on other	3.97	Often

essential commitments			
8.Consolidate centralize different functions or departments of the business	3.91	Often	
9. Provide a system where less actual interaction between employees can be implemented i.e. online approval of official business requests, purchase requests, supplies requests etc	4.09	Often	
10. Check usage of company perks to see whether corporate memberships or discounts are providing value for employees and discontinue unused programs	4.21	Always	
Average Mean	4.07	Often	

2.2 Human Resources

Table 2.2 below shows that encourage employees to use banked leave time are usually used by Company Y as cost-cutting practices in human resource with the mean of 4.79 with verbal interpretation “Always”. On the other hand, Company Y sometimes considered laying off employees as their cost-cutting practices with the mean of 3.09.

TABLE 2.2 COST-CUTTING PRACTICES OF SMEs IN TERMS OF HUMAN RESOURCE

Human Resource	Mean	VI
1. Reduce labor cost by optimizing schedules	4.39	Always
2. Eliminate redundancy of work between departments	4.45	Always
3. Monitor and discourage over-time	4.82	Always
4. Lay-off employees	3.09	Sometimes
5. Encourage employees to use banked leave time	4.79	Always
6. Encourage to use official email source for all the official communications to cut down the paper consumption	4.42	Always
7. Outsource services	3.42	Often
8. Make temporary workforce reductions	4.18	Often
9. Cancel Outsourcing contracts and bring the work in-house	4.03	Often
10. Provide training and development programs in order to lessen the employee turnover rate	4.03	Often
Average Mean	4.16	Often

2.3 Marketing

Table 2.3 presents that majority of employees in company Y experience cost-

cutting practices in terms of marketing with average mean of 4.24 which interpreted as “Always”. Also, with the mean 4.85, increasing social media use and reduce traditional marketing as cost-cutting practices in terms of marketing are always considered by the Company Y while the least has the mean of 3.42 which is the reducing sales salaries expenses.

TABLE 2.3 COST-CUTTING PRACTICES OF SMEs IN TERMS OF MARKETING

Marketing	Mean	VI
1. Reduce brochure printing expenses	4.33	Always
2. E-commerce and regular social media posting boosts product/service sales	4.24	Always
3. Increase social media use and reduce traditional marketing	4.85	Always
4. Focus on client retention	3.91	Often
5. Reduce sales salaries expenses	3.42	Often
6. Take care of your existing client first	4.18	Often
7. Encourage word of mouth marketing i.e. referral discounts, promocodes, vouchers and/or coupons	4.09	Often
8. Use social media free features	4.82	Always
9. Negotiate with the suppliers and clients	4.18	Often
10. Limit actual client meetings and shifting more on to virtual/online meetings	4.42	Always
Average Mean	4.24	Always

2.4 Production / Operation

Table 2.4 presents the cost-cutting practices of Company in terms of production/ operation. It reveals that the majorities of the employees of Company Y practice their cost-cutting with the mean of 4.17. They always consider to buy quality used equipment that is in good condition having the mean of 4.73 which interpret as “Always”. On the other hand, selling leftover scrap papers as a cost-cutting practice is often considered.

TABLE 2.4 COST-CUTTING PRACTICES OF SMEs IN TERMS OF PRODUCTION / OPERATION

Production / Operation	Mean	VI
1.Reduce power consumptions	4.39	Always

2. Reduce other utility bills	4.36	Always	improvement on		
3. Sell leftover scrap papers	3.21	Often	process and activities		
4. Use cheap materials but with the same quality and functions	4.24	Always	8. Encourage to multitask	3.27	Moderate Effect / Moderately Agree
5. Standardized of materials	3.64	Often	9. Engage at debt/s and lessen saving money	3.82	Major Effect / Strongly Agree
6. Replace distant face to face meetings with phone calls, emails, video conferences, and other high-tech innovations limits travel costs	4.67	Always	10. Voluntarily resigned	2.33	Minor Effect / Somewhat Agree
7. Buy quality used equipment (used equipment in good condition)	4.73	Always	Average Mean	3.16	Moderate Effect / Moderately Agree
8. Streamline supply chain	3.76	Often			
9. Automate, which is, use technology in performing processes or procedures without human assistance	4.27	Always			
10. Use of free alternatives software instead of subscribing to software with monthly fees	4.39	Always			
Average Mean	4.17	Often			

3. Perceived effects of cost-cutting practices to the Company Y employees

Table 3 shows that the employees of Company Y affects by cost-cutting practices with the average mean of 3.16 which has verbal interpretation of "Moderate Effect/ Moderately Agree". Likewise, it revealed that the implemented cost-cutting practices of Company Y have moderate effects to the employees in terms of engage at debt/s and lessen saving with the mean of 3.82 while the least is 2.33 which is voluntarily resigned.

TABLE 3 PERCEIVED EFFECTS OF COST-CUTTING PRACTICES TO THE COMPANY Y EMPLOYEES

Perceived effects of cost-cutting practices to the Company Y employees	Mean	Verbal Interpretation
1. Improve employees' flexibility and functionality	3.48	Moderate Effect / Moderately Agree
2. Loss of employees' loyalty	2.55	Moderate Effect / Moderately Agree
3. Experience financial stress	3.76	Major Effect / Strongly Agree
4. Affect work performance / productivity	3.19	Moderate Effect / Moderately Agree
5. Lower employee's morale	2.36	Minor Effect / Somewhat Agree
6. Voluntarily use leave balance / credits	3.76	Major Effect / Strongly Agree
7. Employees are implementing	3.06	Moderate Effect / Moderately Agree

4. Comparison of responses when grouped according to its profile

4.1 Age

Based on the tabulation of data according to age bracket below, cost cutting is often practiced by 3 out of 4 departments, leaving marketing cost cutting practice with the mean average of 4.34 and is interpreted as "Always" practiced.

TABLE 4.1 COMPARISON OF RESPONSES WHEN GROUPED ACCORDING TO AGE

Age	F&A	VI	HR	VI
20-24	4.00	Often	4.10	Often
25-29	3.94	Often	4.08	Often
30-34	3.87	Often	4.23	Always
35-39	4.27	Always	4.27	Always
40-44	4.18	Often	4.30	Always
45-49	4.13	Often	4.23	Always
50-54	4.27	Always	4.17	Often
55-59	4.05	Often	4.05	Often
60-64	4.37	Always	4.17	Often
Ave. Mean	4.12	Often	4.18	Often

Age	MKTG	VI	P/O	VI
20-24	4.37	Always	4.27	Always
25-29	4.26	Always	4.14	Often
30-34	4.33	Always	4.07	Often
35-39	4.17	Often	4.33	Always
40-44	4.45	Always	4.30	Always
45-49	4.37	Always	4.03	Often
50-54	4.43	Always	4.07	Often
55-59	4.20	Always	4.13	Often
60-64	4.50	Always	4.17	Often
Ave. Mean	4.34	Always	4.17	Often

4.2 Sex

Table 4.2 presents the categorized comparison of cost cutting practices between male and female. It is visible below that both sex of Company Y often practice cost cutting with the mean average

ranging from 4.06 to 4.16, respectively. On the other hand, marketing cost cutting practices survey resulted as always practiced with a mean average of 4.32.

TABLE 4.2 COMPARISON OF RESPONSES WHEN GROUPED ACCORDING TO SEX

Sex	F&A	VI	HR	VI
Female	4.10	Often	4.19	Often
Male	4.01	Often	4.12	Often
Ave. Mean	4.06	Often	4.16	Often

Sex	MKTG	VI	P/O	VI
Female	4.34	Always	4.19	Often
Male	4.30	Always	4.12	Often
Ave. Mean	4.32	Always	4.16	Often

4.3 Employment Status

The table below shows how cost cutting is practiced according to the employment status of the employees in Company Y. Permanent employees’ or 75.76% of the population in Company Y, response has the average of 4.19 or verbal interpretation of “Often” practiced, for the all-departments’ cost cutting practices. At the same time, the smallest population or the part-time employees’ response resulted to the mean average of 4.15 which is also interpreted as “Often” practiced.

TABLE 4.3 COMPARISON OF RESPONSES WHEN GROUPED ACCORDING TO EMPLOYMENT STATUS

Employment Status	F&A	VI	HR	VI
Permanent	4.08	Often	4.18	Often
Part-time	4.10	Often	4.05	Often
Contractual	3.97	Often	4.20	Always
Temporary	4.07	Often	4.07	Often
Ave. Mean	4.06	Often	4.13	Often

Employment Status	MKTG	VI	P/O	VI
Permanent	4.34	Always	4.16	Often
Part-time	4.20	Always	4.25	Always
Contractual	4.20	Always	4.17	Often
Temporary	4.40	Always	4.13	Often
Ave. Mean	4.29	Always	4.18	Often

4.4 Job Title

Based on the job title of the employees of Company Y, it is seen from

the tabulated data that most of them answered that Human Resource, Marketing and Operation cost cutting practices’ is consistently practiced. The mean average of 4.23, 4.34 and 4.25 supported the verbal interpretation, “always. Whilst, the mean average of 4.14 which is interpreted as “Often” practiced is the result for the employees’ respond with regards the Finance and Administration cost-cutting practices.

TABLE 4.4 COMPARISON OF RESPONSES WHEN GROUPED ACCORDING TO JOB TITLE

Job Title	F&A	VI	HR	VI
Travel Consultant	4.07	Often	4.16	Often
Ticketing Officer/ Consultant	4.20	Always	4.25	Always
Admin Assistant/ Staff	4.50	Always	4.60	Always
Accounting Asst./ Staff	3.95	Often	4.12	Often
Liaison Officer	4.07	Often	4.15	Often
Human Resource Staff	4.20	Always	4.15	Often
Finance Manager	4.20	Always	4.40	Always
I.T Staff/ Head	4.03	Often	4.07	Often
Marketing Officer	4.03	Often	4.13	Often
Ave. Mean	4.14	Often	4.23	Always

Job Title	MKTG	VI	P/O	VI
Travel Consultant	4.34	Always	4.11	Often
Ticketing Officer/ Consultant	4.30	Always	4.35	Always
Admin Assistant/ Staff	4.50	Always	4.60	Always
Accounting Asst./ Staff	4.32	Always	4.23	Always
Liaison Officer	4.33	Always	3.98	Often
Human Resource Staff	4.20	Always	4.05	Often
Finance Manager	4.50	Always	4.50	Always
I.T Staff/ Head	4.33	Always	4.20	Always

Marketing Officer	4.27	Always	4.23	Always
Ave. Mean	4.34	Always	4.25	Always

4.5 Years of Service

As seen on Table 4.5 below, it is visible that marketing is always practiced according to employees with the basis of their years of service. Moreover, for the other departments, their mean average results shown that is only often practiced.

TABLE 4.5 COMPARISON OF RESPONSES WHEN GROUPED ACCORDING TO YEARS OF SERVICE

Yrs. of Service	F&A	VI	HR	VI
1-5	4.05	Often	4.11	Often
6-10	3.95	Often	4.18	Often
11-15	4.13	Often	4.23	Always

16-20	4.13	Often	4.20	Always
21-25	4.35	Always	4.30	Always
26-30	4.13	Often	4.10	Often
31-35	4.03	Often	4.13	Often
36-40	4.07	Often	4.20	Always
Ave. Mean	4.11	Often	4.18	Often

Yrs. of Service	MKTG	VI	P/O	VI
1-5	4.31	Always	4.18	Often
6-10	4.28	Always	4.13	Often
11-15	4.30	Always	4.00	Often
16-20	4.40	Always	4.23	Always
21-25	4.45	Always	4.15	Often
26-30	4.20	Always	4.27	Always
31-35	4.33	Always	4.17	Often
36-40	4.47	Always	4.20	Always
Ave. Mean	4.34	Always	4.17	Often

5. Proposed Action Plan

This action plan intends to make the employees be fully aware of the unnecessary cost incurred by the company. It will also help attain the objectives of the company by encouraging employees to implement more cost reduction activities.

TABLE 5 COST CUTTING PROPOSED ACTION PLAN

Objectives	Activity	Person Involved	Time Frame	Target Output
To implement a program wherein employee suggests cost reduction practices that can and may improve their processes	Kaizen Activity	Supervisor All staff	Monthly	Establish and implement cost reduction practices in employees' job process
To encourage more employees to implement kaizen practices that can improve work process.	Best in Kaizen Award	Supervisor All staff	Quarterly	Recognition of best cost reduction practices established and implemented successfully by employees.
To ensure that employees are well aware of the cost incurred per department.	Employee Cost Awareness Program	Employees per department	Monthly	Reduction of unnecessary cost incurred per department

IX. CONCLUSION

1. Most employees of Company Y are in the age bracket of 55-59, are female, employment status are currently permanent employees. Most number of employees are Travel Consultant and are serving the institution for 1-5 years.
2. Majority of the cost cutting practices are performed often by three departments, Finance and Administration, Human Resource and Production/Operation, respectively, and is always practiced by Marketing Department.
3. The perceived effects of cost cutting practices to the Company Y employees are moderate, based on study performed.

4. The results of the comparison of the responses when grouped according to profile are, often practiced for age, sex, employment status and years in service, whilst, cost cutting is always practiced when grouped according to job title.
5. The proposed action plan encourages employees of Company Y to suggest, establish and implement more cost cutting activities that can improve job process and lessen unnecessary expenses.

X. RECOMMENDATIONS

Results of the study presents that most department in Company Y often

implement the stated cost-cutting practices. With this, researchers have come up with a few recommendations to enhance and encourage employees to exercise more of the cost-cutting practices, which are as follows:

1. Management of Company Y will implement a monthly company event/program that will encourage employees to submit their contribution to cost-cutting practices.
2. Establish a committee to check and choose the best cost reduction practice submitted by employees/participants.
3. Initiate to have a departmental meeting consistently to make employees fully aware of unnecessary cost incurred per department and further encourage employees to create a cost reduction process.

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