

# THE WORK SCIENCE CENTER



## Thinking Forward Series: Report 1

### Addressing Job Insecurity in the 21<sup>st</sup> Century

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## Addressing Job Insecurity in the 21<sup>st</sup> Century

Job insecurity is and will likely continue to be a key challenge for employees, employers, and for society more broadly. This “Thinking Forward” paper reviews key findings in the job insecurity literature, highlights abiding issues and debates, and offers thoughts for the future of job insecurity research.

### Problem Description

The 21<sup>st</sup> century has seen significant changes in the business, economic, political, and technological backdrops surrounding work. These include:

- An increasingly global economy marked by a high degree of competition and change
- The recent Great Recession and accompanying large-scale layoffs
- Shareholder value movement that emphasizes short-term profits and reduction in costs
- Weakened union protection and declining union membership, especially in the United States
- Structural changes in the economy involving a shift from manufacturing to more knowledge-based work
- Increasing automation & technological advances, such as artificial intelligence
- Growth of the peripheral workforce, including temporary, contract, and gig workers
- Delaying of organizations in favor of more flexible organizational structures
- Increased climate-related worker displacement and business interruptions
- Global political uncertainty and instability

Combined, these trends have shifted the nature of employment relationships and have led many employees to experience uncertainty over the short- and long-term future of their jobs.

The concept of job insecurity captures employees’ uncertainties over the future of their jobs. More formally, job insecurity is defined as “a perceived threat to the continuity and stability of employment as it is currently experienced” (Shoss, 2017, p. 4). Job insecurity encompasses both the threat of future job loss (termed global or quantitative job insecurity, De Witte, 1999) and the threat of future deterioration in job conditions, such as the nature of tasks and methods of accomplishing them, the culture of the organization, and the availability of



desired opportunities for advancement (termed qualitative job insecurity; Hellgren, Sverke, & Isaksson, 1999).

Job insecurity is distinguished from job loss in that job insecurity is future-oriented and is characterized by uncertainty. Specifically, job insecurity refers to a threat of loss that may or may not come to fruition (De Witte, 1999). It is important to note that job insecurity is limited in scope to perceived threats to one's current job. This distinguishes job insecurity from other related constructs such as employment insecurity and career insecurity, although these terms are often used interchangeably in popular discourse. Different disciplines use different metrics to examine job insecurity. For example, economists use the unemployment rate to indicate the objective threat of job loss. However, the focus in organizational research is on job insecurity as a subjective experience.

## **Prevalence**

It is challenging to get a precise estimate of the prevalence of job insecurity in the workforce. The 2016 American Psychological Association Work and Well-Being Survey found that 38% of respondents reported job insecurity as a significant source of stress. Although estimates vary, it is clear that a considerable portion of workers are concerned about the future of their jobs. Indeed, arguably particularly telling evidence of the salience of job insecurity is the high frequency with which jobs were discussed in the run-up to the recent US presidential election and remain a popular topic of discourse.

## **Key Research Findings**

The sections below highlight key research findings in the job insecurity literature. They are not intended to provide an exhaustive review or to replace existing reviews on job insecurity (see Shoss, 2017 for a recent review). Rather, the goal is to highlight several overarching key findings and insights in order to provide a foundation for the discussion of abiding questions and future research needs later in this paper.

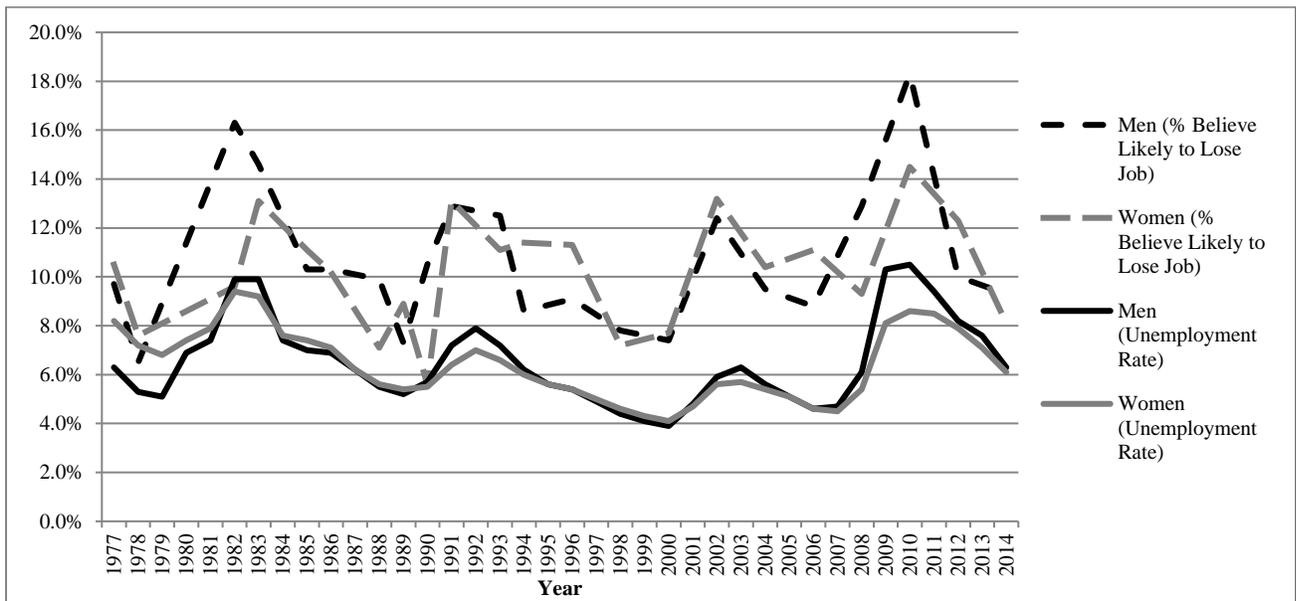
While much of the research on job insecurity has occurred in reaction to major layoff and downsizing events during the 1980s and following the recent Great Recession, job insecurity is not solely a response to these types of external, macro-level events. As seen in Figure 1, employees are certainly sensitive to potential macro-economic threats in their environments. However, job insecurity can exaggerate existing threats or arise in situations where no objective



threat exists. Former Chairman of the Federal Reserve System Alan Greenspan captured these dynamics in his 1996 address on the economy and technological change. He observed that “yet, in the face of all of this seemingly good news [about the economy at that time], a sense persists that something is fundamentally wrong.”

### Key Finding 1: Job Insecurity Is a Function of Both Individual and Environmental Characteristics

Figure 1: Unemployment Rate and Job Loss Beliefs by Year



**Note.** Unemployment rate data was taken from the annual Current Population Survey by the Bureau of Labor Statistics. Beliefs about the likelihood of losing one’s job data was taken from the General Social Survey Final Report by NORC at the University of Chicago. Belief data was only available for the years 1977-1978, 1982-1983, 1985-1986, 1988-1991, 1993-1994, 1996, 1998, 2000, 2002, 2004, 2006, 2008, 2010, 2012, 2014.

Evidence points to both a stable component of job insecurity (e.g., based on individual differences and job features) as well as a more variable component that adjusts in accordance with the situation. Established antecedents of job insecurity include national labor and economic policies and macro-economic events (e.g., recession), company events and characteristics (e.g., organizational change, use of temporary/contingent workers, union presence), as well as individual job (e.g., temporary work, manual/blue collar work), demographic, and personality characteristics (e.g., low core self-evaluations, negative affectivity).



While it is understood that job insecurity results from a wide range of variables across national, organizational, and individual levels, less is understood about how these variables come together to shape perceptions of job insecurity. In this sense, research is needed to examine the relative impact of individual versus situational factors that can affect perceived job insecurity, as well as how person and environment conditions interact with each other to affect perceptions of insecurity (see Shoss, 2017).

## **Key Finding 2: Job Insecurity is a Significant Stressor**

Individuals acquire many psychological and non-psychological benefits from working. Work provides structure, purpose and meaning, opportunities for social interaction and social status, and a source of identity. Work also provides a means to obtain income that can be used to fulfill other needs and goals.

When individuals perceive a threat to their jobs, and by extension these important benefits, they react with diminished well-being. A large number of studies link job insecurity to a variety of stress-related outcomes, including depression, anxiety, diminished self-esteem, fatigue, stress, poor self-rated health, and some indicators of poor physical health (see De Witte, Pienaar, & De Cuyper, 2016). Job insecurity has similarly been linked to diminished work-related well-being, including exhaustion, decreased vigor, and decreased job satisfaction.

Evidence suggests that job insecurity is a *particularly robust stressor*. Job insecurity predicts well-being outcomes above the effects of other job characteristics and workplace stressors (De Witte, 1999). Further, well-being consequences of job insecurity can parallel or exceed the effects of actual job loss (De Witte, 1999). For example, Snorradóttir, Tómasson, Vilhjálmsón, & Rafnsdóttir (2015) examined the well-being of employees from three Iceland banks that collapsed during the global financial crisis. Secure stayers, those laid off but re-employed full-time, and those laid off but still unemployed reported better well-being, lower psychological distress, and fewer somatic symptoms than insecure stayers. Longitudinal studies point to the particularly adverse effects of chronic job insecurity, with some data suggesting that the effects of job insecurity on well-being compound over time (De Witte et al., 2016). Those who have faced job insecurity also appear to be “scarred” by the experience. A recent large-scale prospective study revealed that job insecurity experienced in mid-life predicted lower subjective



well-being approximately twenty years later, after accounting for job, demographic, and lifestyle characteristics (Barrech, Baumert, Emeny, Gündel, & Ladwig, 2016).

### **Key Finding 3: Job Insecurity has (Largely) Adverse Job-Related Consequences**

Job insecurity has been associated with reduced trust, satisfaction, and commitment, as well as increased intentions to quit (Sverke, Hellgren, & Näswall, 2002). These negative job-related outcomes appear to be both the result of the stress induced by job insecurity as well as employees viewing job insecurity as a breach of their psychological contract with the organization (Vander Elst, De Cuyper, Baillien, Niesen, & De Witte, 2016).

One caveat to this overall finding of negative job-related consequences of job insecurity comes when examining the impact of job insecurity on performance. While much debate exists (see the section on abiding questions below), there is some evidence that job insecurity does encourage employees to behave in a manner that they believe will be rewarded by decision-makers and presumably reduce threats (Shoss, 2017 labeled these job preservation strategies). For example, research finds that job insecure employees enact more safety behavior to the extent to which the organization rewards and supports safety (Probst, 2004). That said, it is not clear that job insecure workers can enhance performance on tasks requiring creativity (Probst, Stewart, Gruys, & Tierney, 2007).

### **Key Finding 4: Not Everyone is Equally Affected**

Given the severity of job insecurity as a stressor, the literature shows a considerable amount of variability in people's reactions to job insecurity (e.g., Sverke et al., 2002). This variability appears across outcomes, including well-being, attitudinal, and behavioral effects. Shoss (2017) suggested that individual variability in reactions to job insecurity can be understood by three sets of moderating variables involving (1) the nature of the threat itself (i.e., threat features); (2) economic vulnerabilities; and (3) psychological vulnerabilities.

Threat features capture the parameters of threats – including whether individual action can help mitigate risk (i.e., control), whether individuals entered threatened situations voluntarily (i.e., voluntariness), and how long individuals have been perceiving threats (i.e., duration). Economic vulnerabilities capture concerns about being able to find a new job (i.e., labor market insecurity) and/or being able to replace lost income. Greater economic dependency on work and



fewer labor market prospects make individuals particularly vulnerable to potential negative effects of loss. Consequently, those who are economically vulnerable experience job insecurity as more detrimental (see e.g., Sverke et al., 2002). Psychological vulnerabilities capture individuals' psychological investment in their current positions, particularly the extent to which they have important roles, expectations, and identities tied to the particular job or its security. Those with higher psychological vulnerabilities tend to have more negative reactions to job insecurity, especially as far as well-being is concerned, because job insecurity poses a greater threat to the self (e.g., Probst, 2000).

These moderating conditions, especially the notion of economic and psychological vulnerabilities, lend themselves to several important insights. First, a consideration of demographic predictors of job insecurity and of economic vulnerabilities suggests that certain groups will be particularly disadvantaged by an increasingly insecure world of work. This is because many of those who experience heightened job insecurity also experience economic vulnerabilities. For example, lesser-educated workers appear to be at risk for both job insecurity as well as labor market insecurity (Manski & Straub, 2000). Research similarly points to disadvantages faced by African American employees, who regardless of age or education, experience greater job and labor market insecurity (Manski & Straub, 2000). Such findings are consistent with a polarizing of labor market risks.

Second, job insecurity would be expected to be more detrimental to employees during tough economic times. Declining economic conditions not only threaten the existence of one's current position, but also create economic vulnerabilities by signaling a decreasing supply of jobs in the labor market (Anderson & Pontusson, 2007). Indeed, Lam, Fan, and Moen (2014) found that the negative impact of job insecurity on well-being is stronger in times of economic downturn than in times of economic prosperity. This is particularly the case among middle-class employees (Lam et al., 2014), who tend to lack substantial income replacement and for whom job insecurity also poses a threat to identity and status (i.e., are both economically and psychologically vulnerable; Newman, 2008).

Third, the notion of economic vulnerabilities suggests an important role for the social safety net. There is evidence that active (i.e., labor market assistance) and passive (i.e., unemployment benefits) labor market expenditures buffer the negative impact of job and labor



market insecurity on life satisfaction, especially for workers in the most precarious positions (i.e., blue-collar, temporary, manufacturing employees; Carr & Chung, 2014). Given the potential placating role of labor and income security, such findings moreover suggest that austerity measures during turbulent times are ill-advised.

Fourth, one perhaps counterintuitive implication is that those employees typically viewed as the most desirable (i.e., job involved, committed, satisfied employees) may suffer the most from job insecurity. Essentially, those who have the most invested in their jobs, and for whom the particular job is most rewarding, have the most to lose from potential job loss.

Finally, these moderating conditions suggest various strategies individuals may use to cope with job insecurity if threats are uncontrollable or individuals are unable to assuage threats through job preservation strategies. Individuals might try to reduce economic vulnerabilities by searching for a new job, enhancing knowledge and skills via training, or saving more money. They might also try to reduce psychological vulnerabilities by adopting a more flexible career orientation or perhaps even by devaluing the job.

#### **Key Insights and Hypotheses Garnered From Moderating Factors of Job Insecurity**

1. Certain individuals and groups of individuals are particularly disadvantaged in an increasingly insecure world of work.
2. Job insecurity is worse during tough economic times.
3. Country-level social safety net expenditures can reduce economic vulnerabilities and assuage negative responses to job insecurity.
4. The best (i.e., most committed, dedicated, involved, satisfied) employees are likely to be most negatively impacted by job insecurity.
5. Individuals might try to cope with job insecurity by assuaging economic and psychological vulnerabilities.

### **Abiding Questions and Major Gaps**

#### **Quantitative versus Qualitative Job Insecurity**

The majority of research on job insecurity has focused on quantitative job insecurity (i.e., threats to the job) to the exclusion of qualitative job insecurity (i.e., threats to job features). Research is needed to examine whether findings for quantitative job insecurity also apply in



cases of qualitative job insecurity, as well as potential differential outcomes of quantitative and qualitative job insecurity. For instance, one might also expect the strategies used to cope with the two types of job insecurity to differ. It may also be that the moderating variables discussed above play greater or lesser roles in light of each type of job insecurity. Research examining qualitative job insecurity will be valuable given that organizational initiatives that do not directly threaten jobs (e.g., the introduction of new technologies, reorganization of work) may nonetheless foster a sense of qualitative insecurity. Given the wide range of job features about which one might experience threats, research should also investigate whether qualitative job insecurity might be meaningfully organized into sub-dimensions, and, if so, whether these sub-dimensions are differentially associated with antecedents and outcomes. An initial candidate distinction might be between the threat of deteriorated job conditions and the threat of lost opportunities given that the former involves loss of something one currently has and the later involves loss of something one does not have yet. Further distinctions, for instance between task-related and social conditions of work, may also prove useful.

### **Job at Risk versus Person at Risk Threats**

Jacobson and Hartley (1991) distinguished between two types of job insecurity: job insecurity where the job is insecure regardless of the holder (which Shoss, 2017 labeled job at risk threats), and job insecurity that is linked to the particular holder (which Shoss, 2017 labeled person at risk threats). Research on job insecurity has tended to focus, either as an explicit constraint or as an implicit assumption, on the former. Thus, job insecurity theory has developed around a presumed context of job insecurity occurring as a result of macro-economic downturns, layoff and downsizing events, and organizational changes. However, individuals can also be insecure about their jobs when they perform poorly, have a conflict with a superior, or are concerned about being able to keep up with the physical requirements of the job. In these cases, the concern is about the individual's continued employment in the position rather than whether the position itself will continue to exist.

The recognition that some cases of job insecurity may reflect person-at-risk threats versus job-at-risk threats (along with the above discussion of quantitative and qualitative job insecurity) points to the need to consider the diversity of job insecurity experiences. It suggests that there are varied pathways through which individuals develop job insecurity, and begs the question of



whether these different types of threats (i.e., job at risk, person at risk, quantitative job insecurity, qualitative job insecurity) produce different responses. It is also possible that qualitative job insecurity may stimulate quantitative job insecurity among certain workforce segments.<sup>1</sup> For example, the loss of schedule flexibility among workers who have stringent non-work demands on their time (e.g., single parents, disabled, older workers) may translate to concerns about potential job loss. The notion of person-at-risk threats also suggests that research on performance appraisal and workplace mistreatment, among research on other organizational psychology topics, might meaningfully benefit from incorporating job insecurity as a potential outcome or explanatory variable.

### **Performance-Related Consequences**

The research on job insecurity and well-being and attitudinal effects portray job insecurity as a stressor that frustrates employees' needs and creates negative attitudes towards the organization. As a consequence, one might expect that job insecure employees will respond with low levels of effort and performance. Surprisingly, however, the job insecurity literature has long had difficulty predicting performance-related outcomes. Studies reveal positive, negative, non-significant, and even curvilinear effects of job insecurity on a variety of performance outcomes, including task performance, citizenship behavior, and counterproductive behaviors.

Varied theoretical arguments accompany these varied results. In particular, it is debated whether job security creates complacency or whether it stimulates greater effort as a result of reciprocity for a more positive social exchange relationship with the organization. In this vein, some have argued that a certain level of job insecurity is optimal for motivating higher performance. However, this precise level is debated. Some argue that high levels of job insecurity stimulate motivation whereas others argue that performance is likely to be highest at more moderate levels of job insecurity. Such arguments translate to predictions of inverted-U versus U-shaped relationships between job insecurity and performance.

Greatly complicating these issues is that different studies utilize different measures of job insecurity, where some studies measure more cognitive versus affective conceptualizations and some use measures more oriented towards uncertainty (i.e., where high scores indicate greater uncertainty over potential job loss) versus likelihood (i.e., where high scores indicate a greater

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<sup>1</sup> Thank you to Ruth Kanfer for this important insight.



likelihood, and thus less uncertainty, of potential job loss; see Shoss, 2017). Another methodological challenge is that much of this research has been cross-sectional. This is problematic for two reasons. First, little can be said about whether any given employee increases or decreases performance in response to job insecurity over time. Second, cross-sectional research does not allow for differentiating between performance as an antecedent of job insecurity and performance as a consequence of job insecurity. Addressing these methodological issues is a first step towards disentangling the job insecurity-performance question.

Shoss (2017) further suggested that investigations of the job insecurity-performance relationship need to consider the nature of the job insecurity threat that individuals are facing. In particular, the notion that job insecure individuals will work harder in an attempt to secure their jobs is predicated on an expectancy formulation of reactions to job insecurity, specifically, a job insecurity experience that is relatively uncertain and controllable. Individuals who view loss as a foregone conclusion, or who do not believe that action on their part could secure their jobs, would be expected to experience helplessness and are unlikely to be motivated to put forth extra effort.

That said, even in circumstances where individuals do respond to job insecurity with greater effort to secure their jobs, there is a question of whether such effort would be sustainable over time. Job preservation efforts have been linked to exhaustion and work-non-work conflict (Boswell, Olson-Buchanan, & Harris, 2014), which would seemingly have long-term negative effects on performance. In relatively acute instances of job insecurity, employees may be able to muster resources to achieve high performance (Probst et al., 2007). In more chronic experiences of job insecurity, stress and lowered attitudes may ultimately cause performance to suffer. Of course, even in more acute instances of job insecurity, employees may decide, for example depending on labor market and personal circumstances, to focus instead on finding a more secure job of equal or greater quality. Thus, the literature would benefit from asking: under what circumstances and for how long can job insecurity positively contribute to performance?

Related to this issue is the question of how to interpret high effort in response to job insecurity. Two possible interpretations are: (1) individuals are trying to secure their jobs by demonstrating their worth to the organization; (2) individuals are trying to improve the overall



performance of the organization and thereby secure their jobs.<sup>2</sup> Research has yet to formally investigate these two possibilities. However, the first is more consistent with findings that job insecurity enhances acts of interpersonal mistreatment and bullying (De Cuyper, Baillien, & De Witte, 2009). While these might be stress-related reactions to job insecurity, they also might be strategies that job insecure employees use to sabotage potential rivals. If so, they reflect a more self-oriented response as opposed to a response aimed at improving the functioning of the overall organization. The first interpretation also explains why job insecure employees respond with self-protective behaviors, such as failing to alert the organization of potential problems (Schrerurs, Guenter, Jawahar, & De Cuyper, 2015). Nonetheless, the two potential interpretations raise several important questions: Under what conditions might individuals or groups adopt self- or organization-oriented motivation for job preservation strategies? How might job preservation strategies manifest under these different motivations? How can organizations ensure that employees' job preservation efforts contribute positively to the organization and minimize threats to well-being?

On a side note, the debates over performance-related consequences of job insecurity underscore the notion that job insecurity is fundamentally different than other stressors in the work stress literature. Other stressors (e.g., workload, abusive supervision) reflect negative experiences that have already occurred. Job insecurity reflects *a threat of* a negative experience, something that might happen in the future. It is this uncertainty over whether loss will actually occur that not only contributes to the strain reactions described above, but also creates circumstances where individuals might counterintuitively respond with greater effort and performance (at least in the short term).

### **Job Insecurity, Flexicurity, & Employability**

Given the changing nature of work, debate exists over whether policy makers, organizations, and individuals should seek to promote worker employability (workers' abilities to move between jobs) rather than job security. From a policy perspective, such debate has emerged from the concerns, especially in Europe, that stringent employment protections hinder

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<sup>2</sup> A third explanation is that individuals are not actually putting forth greater effort or performance. Rather, they are exaggerating their effort and contributions as a strategy to impression manage to themselves and to decision-makers.



company flexibility and limit hiring (Heyes & Lewis, 2014). Employment protection legislation (e.g., delays before notice periods, severance pay, obligation to provide rationales for dismissal, constraints on non-traditional employment contracts) enhances the difficulty of firing workers. Not surprisingly, stringent employment protection legislation lessens job insecurity, especially among those with typical employment contracts (Anderson & Pontusson, 2007).

Instead of stringent employment protection, the European Union has increasingly advocated for “flexicurity” as a policy approach to balancing business desires for greater flexibility with worker desires for greater security. Flexicurity reflects attempts to loosen employment protection (making jobs more insecure) while easing employees’ labor market transitions through providing, for example, job search assistance and training (Anderson & Pontusson, 2007). In other words, flexicurity encourages a move away from lifetime employment with a single employer and towards lifetime employability with multiple employers.

The merits of a flexicurity approach are debated. On the one hand, lessening employment protections increases the proportion of workers with atypical contracts. Although a review of atypical employment is beyond the scope of this paper, these workers are typically in precarious positions in terms of maintaining their current jobs and finding new jobs. Moreover, there is evidence that greater proportions of temporary workers can threaten the job security of permanent workers (De Cuyper et al., 2009). On the other hand, country-level, active labor market expenditures (i.e., job search assistance, training) have been found to decrease labor market insecurity (Anderson & Pontusson, 2007). Moreover, both active and passive (i.e., unemployment benefits) expenditures have been found to be beneficial for worker well-being, especially for those in the most precarious positions (i.e., blue-collar, temporary workers, Carr & Chung, 2015). Such findings align well with the discussion of economic vulnerabilities above.

The individual-level literature on perceived employability and job insecurity, however, is somewhat less clear. One study found that while perceived employability buffers the negative effects of job insecurity on life satisfaction, it does not buffer the negative effects on psychological distress (Silla, De Cuyper, Gracia, Pieró, & De Witte, 2009). One wonders if this is because searching for a job can also generate uncertainty and stress. There have also been mixed findings on the role of employability in buffering or exacerbating effects of job insecurity on commitment/turnover-related outcomes, raising the question of whether (and when) highly



employable workers respond to job insecurity-inducing conditions with continued commitment or a desire to quit. Given that organizations cite employees potentially leaving as a concern associated with investing in training and worker employability, greater clarity with regard to this question is sorely needed.

### **Job Insecurity at the Group Level: Job Insecurity Climate and Aggregate Organizational Effects**

Events such as industry decline, economic recession, or organizational change are likely to lead a number of employees to experience a relatively simultaneous increase in job insecurity. As a result, there might be climates of job insecurity at group, organization, or community levels. Emerging research on job insecurity climate has found that shared perceptions of job insecurity influence outcomes above individual perceptions of job insecurity (e.g., Sora, De Cuyper, Caballer, Peiró, & De Witte, 2012). Interestingly, such findings conflict with the idea (supported in the unemployment literature) that it might be easier to cope with job insecurity if others are also insecure about their jobs. Research needs to examine the effects of job insecurity climate, and the extent to which reactions to job insecurity, including coping responses, differ depending on the degree of dispersion of job insecurity within organizations and within communities more broadly.

Future research also needs to examine potential group- and organization-level consequences of individual and collective job insecurity. Given organizations' roles as engines of economic growth, findings regarding the effects of insecurity on aggregate organizational outcomes such as performance will help to fill in a picture regarding important productivity consequences of job insecurity. Such research will require the development of multilevel and emergent models of job insecurity and its effects.

### **A Person-Centered Research Agenda**

By in large, the extant job insecurity literature has been focused on amassing antecedents, outcomes, and moderators. These studies have yielded important insights that serve as a valuable foundation for this still nascent literature. As noted above, there remain abiding questions and key gaps that require more research attention. Beyond this, however, a further understanding of job insecurity in the 21<sup>st</sup> century will likely come from a richer examination of the phenomenological experience of job insecurity, including considering job insecurity in the



context of individuals' careers and in the context of other future-oriented uncertainties. Job insecurity research would also greatly benefit from a deeper consideration of temporal issues as well as an examination of potential societal consequences in addition to the aggregate organizational consequences described above. Finally, the job insecurity literature would do well to consider job insecurity in light of the rise of non-traditional models of employment and questions regarding whether jobs themselves will continue to exist.

### **Job Insecurity and Career Issues**

While job insecurity is undoubtedly a career-related issue, little research has considered job insecurity in the context of individuals' careers. Career-related issues might impact how individuals conceptualize and respond to job insecurity. For instance, it may be that perceptions of job insecurity are more generalized (e.g., job insecurity occurs in response to more distal economic and organizational factors) among those starting out whereas job insecurity is more event-driven among those with more senior career levels and stages. Job insecurity is also likely to impact the manner in which individuals think and make decisions about their careers. A careers-based perspective is therefore crucial for understanding the job insecurity experience from a person perspective.

### **Job Insecurity in the Context of Other Worker Insecurities**

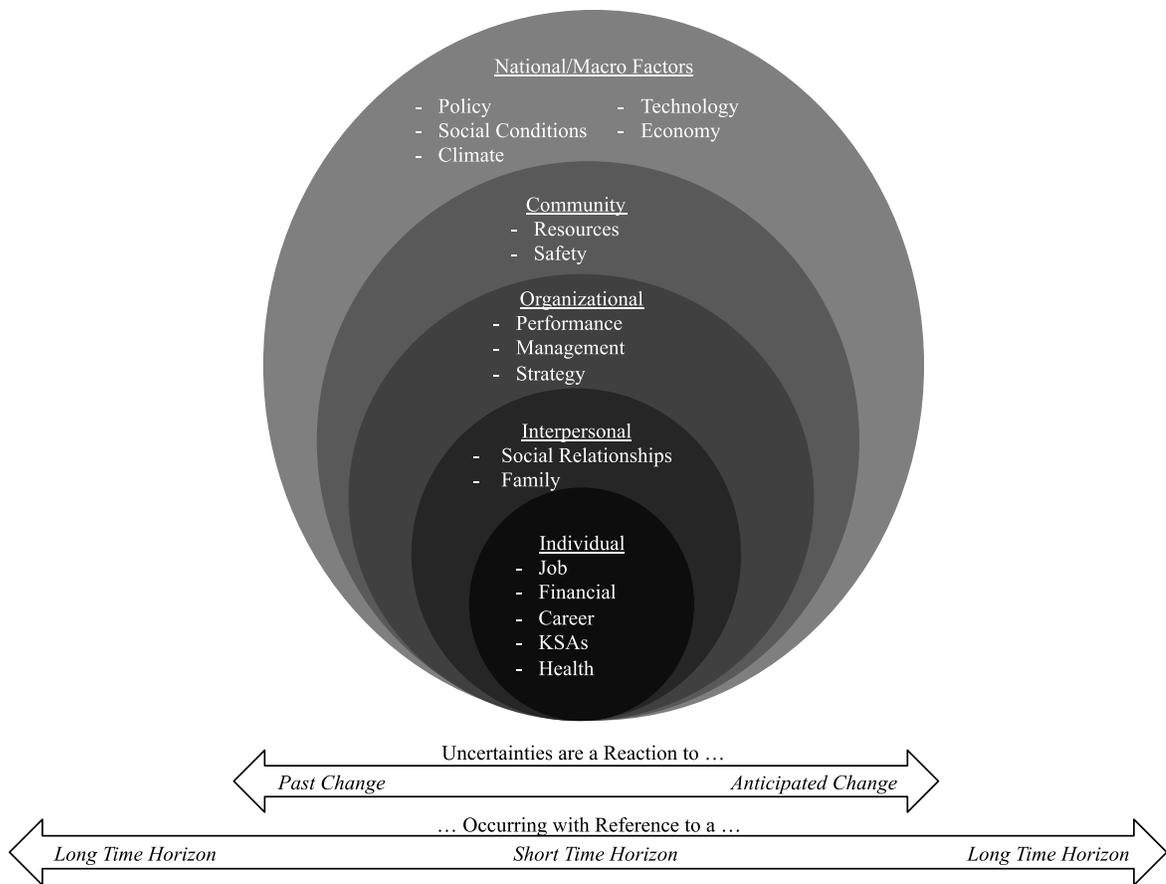
As humans, we have the ability to mentally time-travel, including to make forecasts about the future. It is reasonable to expect that job insecurity is just one source of future-oriented uncertainties that workers may hold. Yet, besides research on job and financial insecurity, little work in organizational psychology has considered employees' beliefs about the future.

Future research will benefit from considering job insecurity in the context of a larger ecological model of future-oriented uncertainties. The ecological model displayed in Figure 2 captures different types of uncertainty-related stressors (e.g., career insecurity, climate insecurity) directed at different facets of one's environment. From an individual perspective, workers may experience uncertainty about the continuance and stability of their knowledge, skills, abilities (KSAs), health, financial resources, and career. From an interpersonal perspective, they may hold insecurities over social relationships or family occurrences (e.g., whether a spouse may lose his/her job, whether kids might need to be moved to a different school). They may be uncertain over the future of their organization, including organizational



performance/viability, management personnel, and organization direction. At a broader level, individuals may be insecure about the future of their communities or about national/macro factors. The former might include concerns about community resources and safety. The latter might involve uncertainty over future policies, social conditions, and technological advances, as well as concerns over the future state of the economy and climate.

Figure 2: Ecological Model of Sources of Employee Future-Oriented Uncertainties and Associated Temporal Considerations



Because national/macro, community, and organizational factors encompass the context in which individuals and families operate, these uncertainties may, individually or in conjunction, serve to stimulate job insecurity. For example, concerns about the rise artificial intelligence might lead to concerns about the future viability of one’s organization and, in turn, the future



viability of one's job, KSAs, and career. They may also impact outcomes such as well-being and behavior independently of job insecurity, or moderate job insecurity's effects. Note that the perspective advocated here is to capture individuals' *future-oriented uncertainties* (i.e., insecurity) about each of these contextual elements. Doing so will (a) help to uncover the structure of uncertainty-related stressors, (b) place job insecurity in a nomological net of individuals' future-oriented uncertainties that might be related to work and working, and (c) allow researchers to examine how various uncertainty-related stressors independently or in combination impact a range of well-being, coping, and behavioral processes.

## **Time**

Related to the discussion above, job insecurity research would greatly benefit from a consideration of temporal issues. As displayed in Figure 2 above, job insecurity (and other uncertainty-related stressors) can develop as a reflection on past events (e.g., past layoffs) or as a purely anticipatory forecast of potential future events. Job insecurity perceptions might also develop from perceived trajectories of antecedent circumstances (e.g., the perception that things are getting worse over time). The time horizon for these judgments might be quite short (e.g., a new CEO announced plans for immediate restructuring) or quite long (e.g., eventually anticipating that one's job will become too physically demanding as one gets older). These temporal elements again suggest differing patterns in how individuals experience job insecurity. Temporal elements associated with job insecurity might further shape responses to job insecurity. For instance, people would be expected to respond to concerns about losing their job within the next month differently than to concerns about losing one's job at some distant time in the future. Systematic investigations of time will help shed light on these important questions.

Another temporal issue with relevance to the job insecurity literature is historical time. The employment relationship and worker expectations about the employment relationship are socially constructed and subject to shift over time. If job insecurity continues to be a defining feature of the modern workforce, research should examine whether there are resultant changes in worker expectations and work patterns, and the implications thereof.

## **Societal Consequences**

Emerging research across a number of disciplines suggests that job insecurity has broader effects beyond the workplace, including impacting future generations of workers, and impacting



individuals' political, financial, and social decisions. Concerns about these outcomes arise not only because they reflect individual welfare, but also because the aggregate of individual responses may affect the familial, social, political, and economic systems of which individuals are a part. For example, studies have linked parental job insecurity with children's academic performance and work attitudes (e.g., Barling, Dupré, & Hepburn, 1998). Based on these findings, Barling et al. (1998) ominously predicted that "if these work beliefs and attitudes are indeed stable, we may soon be witnessing large groups of young people entering the work world with pre-existing negative work beliefs and attitudes, which may not be amenable to change."

Job insecurity features prominently in demand-driven explanations for unemployment benefits and social insurance, as those who perceive themselves to be at risk seek greater protection (Anderson & Pontusson, 2007). Job insecure individuals express distrust in the political system, including politicians, parties, and institutions (Wroe, 2014). Poor economic conditions magnify these effects, which have been attributed to the violation of a psychological contract between individuals and their elected officials. There is also concern that job insecurity is a culprit behind the wage stagnation that has been occurring in the US, as employees avoid action that may place their jobs in greater jeopardy. Finally, there are troublesome suggestions that "harsh anti-immigrant rhetoric is but one symptom of the ways in which globalization has added fuel to the fire of employment insecurity" (Newman, 2008, p. 8). This certainly appears to have played out in several recent political events across the globe.

The limited research devoted to some of the broader outcomes noted here beg caution in drawing conclusions. However, they certainly deserve greater research attention if we are to obtain a more complete understanding of the consequences of the increasing insecurity of jobs.

### **Job Insecurity and the Future of Work**

Job insecurity has typically been studied and understood in the context of more traditional models of employment. However, research is also needed to examine the meaning, causes, and consequences of job insecurity for those in non-traditional employment situations, such as the self-employed, gig workers, on-demand workers, and workers in the informal economy. Some have even speculated that many of the same trends that have created job insecurity might bring about the end of jobs in the traditional sense entirely. Clearly, the job insecurity literature, as well as the broader work psychology literature, will need to keep abreast



of these trends and their implications for how individuals come to understand and view their work, employment, and careers.

## **Methodological Considerations**

The questions posed here call for examining job insecurity in a temporally dynamic fashion. This requires within-person and longitudinal studies, which have been the exception rather than the norm. Within-person studies capture how individuals respond to transitions from secure to insecure, as well as how perceptions and reactions shift as individuals glean information about their circumstances and evaluate changes in their roles. Longitudinal research is also needed to understand how competing tensions between diminished attitudes, stress, and motivation play out over time. Longitudinal research also holds promise for understanding traps wherein responses to job insecurity serve to create further insecurity. For example, poor well-being and performance as responses to job insecurity may feed back to further exacerbate insecurity and create challenges for coping. Job insecurity may also stimulate stressor sequences involving concerns about economic solvency and damaged relational ties.

The job insecurity literature would also benefit from exploring other sources of data in addition to the small and large-scale surveys that this literature has tended to use. For instance, qualitative data offers the opportunity to develop a rich, person-oriented perspective on job insecurity. Researchers might also study the experiences of politicians, athletes on time-limited contracts, and university contingent and non-contingent faculty. Given the publically available data tracking politicians' and athletes' performance, this could be an unobtrusive way to study behavioral outcomes of job insecurity. However, one must be careful to keep in mind that job insecurity is ultimately "in the eye of the beholder."

## **Summary**

In closing, it is worthwhile to think about job insecurity research in context of the broader discussion of sustainable economic growth, the notion that economic growth should not be achieved at the cost of human welfare. With this regard, it has been argued that job insecurity is a consequence of organizational and national attempts to achieve growth at the cost of placing employees in greater risk. Evidence linking job insecurity to diminished well-being, job attitudes, and performance suggest that this state of affairs may not be beneficial for individuals, organizations, or society. Particularly troublesome, the findings reviewed here indicate that



certain segments of workers may be increasingly disadvantaged in this new world of work. As a function of labor market adjustments in response to the globalization and technologization of work, job insecurity has implications not only for individual behavior but also for the organizational, political, and economic systems of which individuals are a part. The discussion presented here calls for a job insecurity literature that is contextualized, person-focused, multilevel and temporally dynamic, and that can be leveraged to inform important organizational and national decisions regarding the security of jobs.



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