HEALTH AND EMPLOYMENT BRIEFING

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HOW JOB INSECURITY AFFECTS HEALTH

As a result of the global economic downturn, many organisations have downsized, restructured and made redundancies. How workers react to the threat of unemployment has been the focus of research in recent years. Findings show that job insecurity is responsible for a widespread range of negative impacts for both organisations, (for example, on job satisfaction and attitudes towards the workplace), and individuals, (in terms of their mental and physical wellbeing).

Job insecurity can be defined as the perceived threat of job loss and the worries related to that threat. It is a subjective perception based on a discrepancy between perceived and preferred levels of security. It results from the lack of control a person feels regarding the future security of their employment. Uncertain employees cannot adequately prepare themselves for the future, because it is unclear to them whether actions should be undertaken or not. Job insecurity has been identified as one of the most important, chronic, work-related stressors.

Summary of negative impacts on employee health:

Job insecurity impacts on both mental and physical health and wellbeing.

- Low job security has been found to relate to the incidence of coronary heart disease.
- It has been associated with higher levels of indirect health measures such as sickness absence.
- Perceived job insecurity increases anxiety levels and likelihood of anxiety attacks
- Higher levels of substance abuse have been found amongst employees that perceive their job as being insecure.
- Job insecurity is associated with major and minor depressive symptoms
- Perceived job insecurity associated with significant higher rates of self-report poor general health
- Higher blood pressure and cholesterol among women with prolonged stress which is linked to job insecurity
- Perceived job insecurity associated with fatigue, sleep disorder and apathy
The above effects of perceived job insecurity have been found to be more detrimental to permanent workers compared to temporary workers, individuals with lower qualifications and those aged 30-50.

Reasons for this include:

Permanent workers expect their employer to provide them with a relatively secure job; in contrast, temporary workers accept that insecurity is part of their contract and everyday work situation.

Those aged 30-50 are particularly at a higher risk for health deterioration when faced with job insecurity as it is seen as less acceptable to be unemployed at that age with family responsibilities, bank loans and the need for a steady income.

**Summary of negative impact job insecurity has on organisation:**

- Decrease in organisational trust
- High levels of job dissatisfaction
- Impaired commitment to the organisation
- Lower levels of job involvement
- Job insecurity may have negative consequences on employees’ attitudes toward the organization and willingness to remain with the organization.
- Decrease in job performance

All the above can have long term consequences for the vitality and effectiveness of the organisation itself.

**Mechanisms suggested to explain the negative impact of job insecurity:**

Stress research has been central to explaining the negative impact job insecurity has on employee health. One of the most prominent features of job insecurity is the aspect of uncertainty and ambiguity. Research on stress shows how the psychological anticipation of a stressful situation (in this case, the risk of losing one’s job) is a more intense source of anxiety than the event itself. In dealing with job loss, the individual can use various coping strategies, such as mourning and preparation for the new situation. In contrast, when the individual is not sure about the occurrence of the loss, the usual coping strategies cannot be used, and the individual is left only with uncertainty. This uncertainty makes job insecurity especially burdensome as it involves prolonged stress.
Workers expect their employer to offer a reasonably secure job in exchange for loyalty as part of the psychological contract that exists between employee and employer. Therefore, when employees perceive their job as being insecure, the psychological contract is broken. This results in a feeling of injustice which, in turn, leads to individual strain, negative work attitudes and withdrawal from the organization.

For many, work provides individuals with income, social contacts, and opportunities for personal development, as well as a more structured life. Job insecurity is challenging because it poses a threat to the economic, social, personal aspects and stability of their lives.

Suggestions/buffer effects

Because job insecurity is about risk, rather than an event, little support is available to insecure workers. The protracted nature of job insecurity can result in the same, and sometimes worse, effects on health as unemployment.

Job insecurity cannot be avoided or removed in the current economic climate. However, the following will help to reduce feelings of uncontrollability and unpredictability which are known to exacerbate it:

- **Acknowledgement.** Acknowledging that job insecurity exists is helpful. Organisations that dismiss job insecurity are likely to see negative impacts on indicators such as job satisfaction and sickness absence.

- **Communication.** Job insecurity is worsened by lack of communication about future events. Open, honest and early communication helps to mitigate the worst effects because it increases the individual’s ability to take control and plan for what is coming.

- **Participation.** Being involved in decision making and contributing to discussions is helpful. It helps with predictability of future events. Individuals feel that they have the best information.

- **Justice.** Being included contributes to individuals’ sense of justice and being treated fairly. Attending to process is important because individuals associate due process with being treated fairly.

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References


The information contained in this briefing is not comprehensive. If you are aware of other research relevant to this topic, please let us know and we will be pleased to add it to future editions.
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