

Multi-JOBINSEC — Result In Brief

Project ID: [661739](#)

Funded under: [H2020-EU.1.3.2.](#)

Country: Belgium

Domain: Health, Industrial Technologies

Addressing job insecurity improves well-being and productivity

If more people in an EU Member State feel secure in their jobs, the benefits can be felt across the economy. A new study on job insecurity sheds light on this important topic and provides recommendations to counter the phenomenon.



In today's economic climate, which is characterised by a lack of stability in employment conditions, the risk of exposure to job uncertainty has risen significantly. The EU-funded MULTI-JOBINSEC project worked on understanding the reasons behind job insecurity, a subjective experience defined as a perceived threat to the continuity and stability of employment. The project examined the causes and consequences of job insecurity from an employee perspective, an organisation-level perspective and a country-level perspective.

'We adopted a multidisciplinary approach integrating factors related to economic conditions, social policies and labour market features, in addition to aspects concerning work psychology,' says project leader Dr Beatrice Piccoli. 'We found that perceived job insecurity is related to different variables such as psychological well-being, job and life satisfaction, and household consumption.' These relationships vary across countries, influenced by labour market policies, employment protection legislation, employment rate and GDP, which can all influence job insecurity among employees.

Both micro-level variables (e.g. age education temporary work contracts) and macro-level variables (e.g. labour market policies employment protection laws unemployment benefits) play pivotal roles in defining job insecurity. On the individual or micro level age gender and marital status can all affect perceived job insecurity as can personality traits like negativity and not feeling in control.

Job insecurity has negative effects on all levels

In terms of consequences, the project team confirmed that job insecurity affects an employee's mental and physical health negatively, as well as psychological well-being and emotional state. 'We also found a negative association between job insecurity and attitude, such as diminished job satisfaction and organisational commitment,' says Dr Piccoli. She also pointed to a probable negative relationship between job insecurity and job performance. Ultimately, widespread job insecurity implies negative impacts not only on a personal level, but on business, sectoral and even national levels as well.

Dr Piccoli found that 'higher resources at national level represent a buffer against the negative effects of perceived job insecurity.' Labour market policies and employment protection legislation may also buffer the negative effects of perceived job insecurity. 'This is important to take into account when evaluating national policies,' she reveals. 'The findings are

especially interesting in relation to the European Commission's strategy to enhance market competitiveness while maintaining the European social model.'

Tips for businesses to reduce job insecurity

In this vein, Dr Piccoli offers several recommendations to alleviate job insecurity such as fostering a feeling of being in control at work along with other strategies to alleviate the negative consequences of job insecurity. 'One of the causes of job insecurity is the lack of communication about what will happen in the future,' explains Dr Piccoli, noting that explicit communication about future organisational plans can reduce insecurity. 'Open and timely communication not only increases the predictability and controllability of what is to come, it also contributes to the perception that one is valued and respected by management.'

Participation in decision-making about the future of the organisation also reduces insecurity because it increases the predictability of events. 'This low-cost solution can ultimately contribute to increased health, job satisfaction and reduced absenteeism, enhancing trust and fostering team spirit.'

Another valuable technique is to strengthen relevant employee skills, which in turn increases their perceived employability and chances of promotion while reducing job insecurity. Access to job counselling, increased training on transferable skills and an employee-centric culture (which enhances corporate social responsibility) are all steps that can be taken to reduce job insecurity. If heeded, these recommendations are bound to enhance job security and increase productivity.

Keywords

MULTI-JOBINSEC, job insecurity, labour market, job satisfaction, work psychology, competitiveness

Last updated on 2018-02-13

Retrieved on 2019-02-24

Permalink: https://cordis.europa.eu/result/rcn/218664_en.html

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