

**Job Insecurity and Job Satisfaction:
The Effects of Job Loss Susceptibility and Consequences**

Abstract

Work in industrialized nations is increasingly characterized by diminished loyalty of firms to employees. This work explores the pervasiveness of increased job insecurity in industrialized nations, proposing that an overall sense of insecurity stems from employees' perceived susceptibility to job loss and the perceived consequences of involuntary job loss. Currently, few studies have attempted an international comparison of the antecedents and consequences of perceived job insecurity. Drawing from the Work Orientations Modules carried out within the International Social Survey Program (ISSP), I will explore trends in perceived job insecurity and its correlation with overall job satisfaction. I find that perceived susceptibility, in the form of advancement opportunities and management-employee relations, and perceived consequences, defined as the ease with which one's current job could be replaced, both influence feelings of insecurity. The effects of insecurity on satisfaction are mixed.

Keywords: international trends, job insecurity, job satisfaction

Much has been made of the causes and consequences of workplace change since the 1980s; academics and journalists alike have decried the worldwide deterioration of working conditions over the past few decades and lament the disappearance of the halcyon days of organisational paternalism. Workers, it is commonly claimed, are increasingly left to fend for themselves in a work environment where companies no longer feel beholden to their workers and seek to replace them with ever-cheaper labour. Beset by the constant threat of job loss, workers are depicted as confused and angry at a situation they can neither predict nor control. Despite the widely agreed-upon trend that, in most developed countries, good jobs are disappearing, researchers have not found a downward trend in job stability. This directly contradicts the prevalent belief that workers are growing increasingly unhappy about the precariousness of employment. If actual job security has not changed, why do so many studies conclude that workers are feeling increasingly insecure and unhappy?

Primarily, researchers have focused on *objective* rates of job loss rather than the *subjective* implications of job instability and have found little change in job stability over the past several decades. However, W.I. Thomas' famous 1928 dictum--"If men define situations as real, they are real in their consequences"--emphasizes the schism between perception and reality, and serves to caution researchers against conflating environmental exigencies with personal understandings of one's circumstances. The finding that perceived job insecurity often far outstrips actual rates of job loss indicates that economics and psychology rarely converge on the matter of workers' experiences: unemployment rates and measures of job tenure thus cannot be used as proxies for workers' experiences. Because perceived job insecurity is a combination of distal economic conditions, the proximal workplace environment, and, most importantly, workers' evaluation of these, the study of job insecurity must focus on what workplace change means to workers.

If work in industrialized nations is increasingly characterized by diminished loyalty of firms to employees, and if this results in negative outcomes for workers--whether those outcomes be economic or psychological--then it is important to establish the pervasiveness of this phenomenon and its implications for the workers themselves. Economically, the costs of job loss are straightforward: job loss equals income loss, and the economic severity of job loss depends on the time it takes to replace a job and the quality of the replacement as it compares to the lost job. Psychologically, the costs of job loss are more complex and less commonly explored. This is because perceptions of job loss often correlate only loosely with the actual likelihood of job loss: workers may feel insecure even though their jobs are not in any immediate danger.

Research into job insecurity tends to be either explicitly theoretical or purely descriptive. Theoretical works that propose conditions under which workers will feel insecure often lack

empirical investigation. Conversely, research in the descriptive vein details trends in perceived job insecurity, providing statistical analysis without theoretical development. Although ample research documents historical trends in job insecurity, few have attempted to test the worldwide applicability of existing theories using cross-national comparisons of the upsurge, causes, and impact of perceived job insecurity. This work seeks to both provide 1) a theoretical grounding for job insecurity research, 2) an empirical test of the theory's applicability across industrialized countries, and 3) an examination of the effect of job insecurity on job satisfaction.

Analyses are conducted using the Work Orientations Module embedded within the International Social Survey Program (ISSP), which offers two waves of data (1989 and 1997; the third wave will be released in 2005) that span the years during which concerns about workplace destabilization first arose and subsequently increased. As of yet, little research attempts cross-national assessments of job insecurity and job satisfaction across multiple time points, with the notable exception of Clark (2005), Green (2005), and Green and Tsitsianis (2005). If trends across countries do indeed follow a similar pattern, and if a cross-nationally uniform set of mechanisms are found to operate on perceptions of job insecurity, this would signal that the process of workplace change is unfolding in a similar manner throughout industrialized nations. Thus, the overarching questions the present research seeks to answer are: Over the past several decades, has there been a worldwide downward trend in perceived job security? If so, is there also a common set of causes and consequences? If both of these are answered affirmatively, it would indicate that, regardless of international economic differences, the manifestation of job insecurity unfolds in a similar fashion worldwide.

The backdrop: Worldwide changes in job tenure since 1980

Recent books on the decline of organisational paternalism often take an alarmist tone: books with titles such as *White-Collar Sweatshop* (Fraser, 2002) and *The Corrosion of Character* (Sennett, 1998) paint a grim picture in which legions of workers are scrambling to hold on to their once-stable jobs, as layoffs and staffing flexibility have gone from the last resort of a struggling company to an integral component of corporate strategy. Research in this vein emphasizes the erosion of organisational paternalism, in which employees could expect to spend their entire working careers with the same organisation, and the rise of contingent work, especially the replacement of formerly permanent, full-time jobs with temporary, part or contract workers. The increased importance of employment flexibility signifies a sea change from the era of the organisation man (Whyte, 1956) to the ascendance of the boundaryless career (Arthur & Rousseau, 1996). Given the persistent concern with organisations' lack of loyalty to employees, what is the actual trend in employment stability since the era of employment flexibility first arose in the 1980s?

Based on an analysis of sixteen countries--fourteen in the European Union, plus Japan and the United States--Auer, Berg, and Coulibaly (2005) conclude, "...there has been no dramatic change in employment duration, the long-term employment relationship has not disappeared, and there has been no convergence towards the US model of markedly shorter average employment duration" (p. 322). Their research spanned the period from 1992 to 2002, and found no consistent trend in either the average years of job tenure or change in average tenure over time. Several other sources corroborate this finding: the International Labour Organization's *World Employment Report* for 2004-2005 similarly emphasizes the consistency of employment stability--international differences are again found to be far greater than temporal differences;

Auer and Cazes (2003) reach the same conclusion. These findings then beg the question: If actual job stability has not declined in the face of recent economic shifts, why do workers insist on feeling so insecure?

Connecting perception and reality: Job stability and perceived job insecurity

Several studies have documented the connection between workplace instability and workers' expressed job insecurity, seeking to provide a clear conceptual delineation. While job stability is commonly defined as years of tenure with one's current employer, job security generally implies involuntary job loss; a worker may have high job stability, yet still have low job security. Job stability is obviously a poor proxy for job security, with which it correlates only loosely. A recent report by the International Labour Organization (2003) noted the puzzling mismatch, commenting that job stability among industrialized European countries remained remarkably stable, despite growing concerns about job security. In one of the few studies to develop a model comparing perceived and actual job insecurity, Schmidt (1999) found that, in the U.S., levels of perceived job security closely paralleled the national unemployment rate, although the unemployment rate was generally lower than the percent of workers who felt their job was insecure. Pessimism, in the form of expecting job loss to be costly, increased in the 1990s (Schmidt, 1999), a period during which, not coincidentally, rates of involuntary job loss rose (Farber, 1997). In sum, job insecurity contains an element of anxiety not captured by job stability.

Felstead, Burchell, and Green (1998) found no overall change in job security among workers in the UK, yet they do find increased sentiments of job insecurity among previously-protected groups: managers and professionals were more insecure about their jobs in 1997

compared to 1986. US-based studies find that workers were more pessimistic toward the turn of the century than in earlier years, after controlling for the effects of unemployment (Fullerton & Wallace, 2007). Fullerton and Wallace attribute the downward drift to the “flexible turn,” which denotes the increasing prevalence of employment situations that threaten job stability (i.e., downsizing, mergers, etc.). As previously noted, Schmidt attributes the pessimism of the mid-1990s to rates of involuntary job loss. This pessimism is not unwarranted, though, as Farber et al. (1997) showed that rates of job loss increased substantially between 1987 and 1995.

Conceptualizing perceived job insecurity

Frequently, job insecurity is equated exclusively with the risk of job loss (King, 2000). Risk of job loss may be an important contributor to a sense of insecurity, but it is by no means the sole determinant. This is likely why many scholars take issue with global analyses of job insecurity, which propose that workers feel an overarching sense of insecurity (Greenhalgh and Rosenblatt, 1984; Ashford, Lee, and Bobko, 1989): a common understanding of what exactly job security *is* seems to be taken for granted. Mauno, Leskinen, and Kinnunen (2001) provide an insightful summary of the difference between global and multidimensional conceptualizations:

Job insecurity has mostly been defined according to the global definition, signifying the threat of job loss or job discontinuity....However, [researchers] ...who have adopted the multidimensional definition of job insecurity argue that job insecurity refers not only to the amount of uncertainty an employee has about his or her job continuity, but also to the continuity of certain dimensions of the job. (p. 920)

Thus far, scholars have posited that measures of job insecurity are either global or multidimensional (Mauno et al., 2001); few have proposed a model in which multiple dimensions feed into an overall sense of job insecurity, as job satisfaction researchers have done (Kalleberg, 1977).

Proponents of the multidimensional approach have argued against the validity of a global conceptualization of job insecurity. However, given that global typologies of other work orientations such as job satisfaction have received empirical support (Kalleberg, 1977), it seems premature to disregard the possibility of an overall affective orientation toward job security. In fact, just as job satisfaction comprises evaluations of many different facets of work, so, too, do expressed levels of job security likely contain various elements, which are then mentally weighted and summed to create an overall sense of one's job security. As stated in Kalleberg's seminal work on job satisfaction:

Job satisfaction refers to an overall affective orientation on the part of individuals toward work roles which they are presently occupying...To say that job satisfaction is a unitary concept, however, does not imply that the causes of this overall attitude are not multidimensional....The assumption underlying the present view is that it is possible for individuals to balance these specific dissatisfactions are thus to arrive at a composite satisfaction with the job as a whole. (Kalleberg, 1977)

So, too, with job security: an assessment of one's job security results from the evaluation of multiple dimensions. A feeling job security obviously comprises several dimensions; yet researchers thus far have focused on identifying the various elements that lead one to feel insecure. Yet I argue that the multidimensionality of job insecurity does not, as has been argued, preclude a global sense of insecurity that derives from these components. What, then, are the primary factors that contribute to a general feeling of job insecurity?

Theoretical perspectives on perceived job insecurity

Several theories have been proffered to identify the conditions under which employees will feel insecure in their current employment; these theories take either an economic or psychological orientation to job insecurity. Economic theories propose that job insecurity may

derive from either distal environmental cues, such as working in an industry that is undergoing cutbacks (Jacobson, 1987) or proximal cues, as in the case of workers at firms that have already suffered layoffs (Heaney, 1994). Macroeconomic theories of job insecurity assume that workers have sufficient knowledge of the state of the economy or their workplace to gauge their own risk of job loss. Perceived job insecurity is generally found to be higher than the unemployment rate (Schmidt, 1999; Green, 2006), but the two are proposed to follow parallel trends. Thus, insecurity depends both on an immediate and actual threat to one's job and the sense that workers in similar jobs are being involuntarily terminated (Jacobson, 1987).

The general sense that employers no longer feel beholden to workers is embodied in the concept of the psychological employment contract: workers feel insecure when they perceive that their employer does not feel obligated to offer job security in exchange for worker commitment. (King, 2000). Specifically, insecurity results when workers feel an implicit contract has been violated (Valletta, 1999; Heery and Salmon, 2000). Thus, job insecurity is not a pertinent issue for non-permanent workers such as temps, to whom the implicit employment contract does not apply (De Cuyper and De Witte, 2006); from the outset, both parties recognize the relationship as finite. Temporary workers, for whom a psychological employment contract never existed, do not perceive job insecurity as problematic, whereas permanent workers experience more negative outcomes as a result of job insecurity (De Witte, 2003).

The breakdown of the psychological employment contract has been frequently cited as a cause of job insecurity (King, 2000; Green, 2006; De Witte and Naswall, 2003). This breakdown implies a worsening of employee-management relations, as workers grow increasingly mistrustful of employers whom they feel are, as compared to previous decades, more likely to

dissolve the employment relationship. Hypotheses 1a and 1b outline the relationship between the psychological employment contract and job insecurity:

Hypothesis 1a: As the employment contract has eroded, workers have become more likely to negatively evaluate management-employee relations.

Hypothesis 1b: Workers who negatively rate relationships with management are more likely to feel insecure than workers who provide positive ratings.

The erosion of the employment contract implies both worsening management-employee relations and the crumbling of the internal job ladder--the end of the single-employer career means that workers may now face fewer prospects for moving up within a firm (Cappelli, 1997; Heery and Salmon, 2000; Hudson, 2002). Faced with limited mobility prospects, workers begin to feel insecure in their jobs, and they discover that, in order to advance in terms of money or prestige, they must change jobs. In this way, occupational labour markets are gradually coming to replace internal labour markets as the main means of mobility. From on this proposition, I derive

Hypothesis 2:

Hypothesis 2a: Workers' perception of ample advancement opportunities has deteriorated over time.

Hypothesis 2b: Workers who believe that they will have few chances for upward mobility in their present firm are more likely to feel insecure.

The decay of the employment contract and the collapses of the internal promotion ladder both contribute to a sense of insecurity--a feeling of uncertainty regarding the future career trajectory with one's present employer. The rise of temporary work--specifically, the replacement of full-time jobs with part-time or contract jobs--is often blamed for the rise in job insecurity (Heery and

Salmon, 2000). Employees thus feel they are increasingly susceptible to involuntary and unpredictable termination.

The psychological employment contract is intuitively appealing, yet explains job insecurity explicitly in terms of one's current employment situation and relationships with the present employer. As demonstrated above, perceived job security depends on more than one's immediate surroundings. Felstead, Burchell, and Green (1998) assert, "what matters most for some purposes is not so much security in the current job itself, but security in maintaining the qualitative level of one's employment" (p. 181). Inputs to perceived job insecurity must account for present working conditions and workers' beliefs about their ability to effect desired outcomes. In one of the earliest models of job insecurity, Greenhalgh and Rosenblatt (1984) theorize that job insecurity results from "the severity of the threat to one's job and powerlessness to counteract the threat" (p. 440). Severity of threat refers to the magnitude of loss were involuntary job loss to occur (which includes an evaluative component of the importance of job characteristics); powerlessness indicates inability to contradict threats. Green (2006) puts forth a similar definition that accounts for workers' evaluations of possible future outcomes: "Job insecurity derives from uncertainty over the present value of a worker's income stream, which depends on both the current known wage rate and uncertain future income from work or other sources....Job insecurity is the reduction in well-being that comes from the uncertain loss" (p. 130).

Green (2006) emphasizes that job insecurity contains both an evaluation of present and future working conditions; job insecurity thus includes, in addition to the likelihood of losing one's current job, an evaluation of what may happen if the current job were to be lost. The ease with which a worker could replace a job with one at least as good as the present one, were job

loss to occur, has been repeatedly found to significantly influence feelings of job insecurity. Since the 1980s, costs of job loss, in the form of decreased wages or lost benefits packages, have increased in many countries (Robinson, 2000), with the United States serving as a notable exception in some research (Green, 2006).

The original formulation of this theoretical orientation was proposed by Greenhalgh and Rosenblatt (1984), and further developed by Klandermans, van Vuuren, and Jacobson (1991), who suggested that job insecurity comprises evaluations of perceived probability and perceived severity of job loss. In this model, insecurity results from personal and situational factors; thus two individuals may experience different levels of insecurity despite being exposed to the same environmental stressors. The importance placed on job features exacerbates job insecurity: employees may worry about losing valued job features, and the prospect of their loss (without the possibility of replacing them) generates a negative affect in the form of job insecurity.

Combining the susceptibility/consequences model with Kalleberg's proposition regarding the validity of an overarching affective orientation toward work, I hypothesize that a general sense of job insecurity--defined as a perception of possible involuntary job loss--arises from perceived susceptibility to job loss and perceived consequences of job loss. Evaluations of the present and expectations for the future thus both contribute to a subjective feeling of stability. Perceived susceptibility and perceived consequences have been repeatedly identified as significantly impacting an individual's experience of job insecurity (Burchell, 1999; Felstead, Burchell, & Green, 1998; Klandermans, van Vuuren, & Jacobson, 1991; Greenhalgh & Rosenblatt, 1984), such that workers who consider themselves at risk for job loss and perceive the repercussions of job loss to be high are also likely to express high levels of job insecurity.

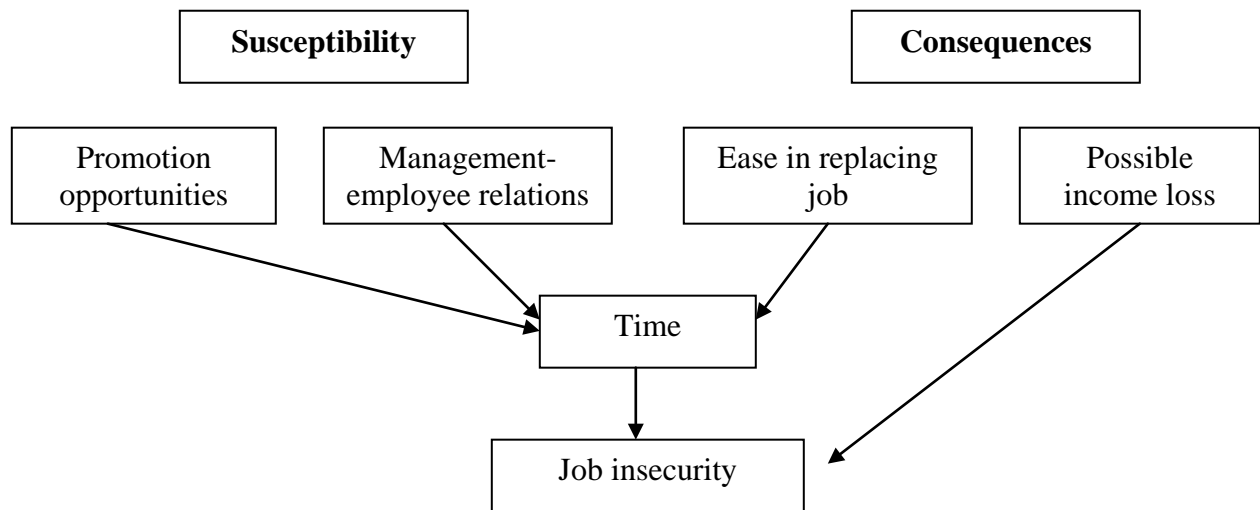
Research has consistently established that full-time workers incur significant costs from job loss, in the form of long-term unemployment or a pay cut at a new job, and that the costs have grown larger over time. (see Farber et al., 1997). Job loss thus need not result in unemployment (i.e., a worker finds another job immediately) to be costly; job changers may still suffer a drop in income, possibly from being forced into the contingent workforce. Increasingly, when a worker is the victim of involuntary job loss, the replacement does not pay as well as the lost job. Thus, workers with high incomes may feel more insecure in their work, as the stakes are, literally, higher (Robinson, 2000). Hypotheses 3 and 4 establish the relationship between employees' evaluations of possible future outcomes and their effect on job insecurity:

Hypothesis 3a: As perceived difficulty in replacing one's current job rises, feelings of job insecurity also grow.

Hypothesis 3b: With the exception of the United States, the perceived ease in replacing a job should have worsened over time, thus lowering perceived job security.

Hypothesis 4: Workers who feel their incomes are high are also likely to feel their jobs are insecure.

In sum, the hypotheses regarding management relations and ease in replacing one's job (Hypotheses 1a, 2a, and 3a) have an explicit temporal component, as these are hypothesized to both have degraded over time. There is insufficient justification for including a temporal component to the relationship between possible income loss and job insecurity, and is thus omitted. A synthesis of the susceptibility/consequences theory with psychological employment contract theory yields the following model:



Job security and job satisfaction

The effects of job insecurity on job satisfaction are inconsistent: early research on job satisfaction, conducted in the late 1970s and 1980s, found that levels of job security were positively related with overall job satisfaction, yet later research--from the 1990s onwards--often found no correlation. Early research (Kalleberg, 1977; Grunenber, 1980; Ashford, Lee, and Bobko, 1989) found that extrinsic rewards, of which job security is an example, affected job satisfaction, in addition to other psychological outcomes such as organizational commitment and quit intentions.

Later research demonstrated that declines in job satisfaction cannot be consistently attributed to rises in job insecurity; even in periods of rising job security, job satisfaction still declined (Green, 2006). However, employees who express high job insecurity are generally less likely than secure workers to express high levels of satisfaction in their work. Given the inconsistent and sparse findings on correlations between job insecurity and job satisfaction, my research is primarily exploratory. Rather than testing specific hypotheses, I will explore the link

between perceived susceptibility, perceived consequences, and overall job insecurity on job satisfaction.

Data

The Work Orientations Module of the International Social Survey Program (ISSP) offers repeated cross-sectional data on perceived job insecurity and its antecedents were drawn from Every year, the ISSP embeds a thematic module within the survey; the same module appears in the rotation every five to eight years. The Work Orientations Module appeared in 1989, 1997, and 2005, although the latest wave has yet to be released. Countries included in the survey differed slightly between waves 1 and 2; those included in both waves were West Germany, Great Britain, the United States, Norway, Hungary, Italy, the Netherlands, and Israel. Not all questions of interests were asked in all countries at both time points; Italy, the Netherlands, and Israel lacked data for several key variables, thereby disqualifying them for inclusion in the present study. Because the experience of job insecurity differs significantly for full-time employees as compared to part-time or temporary employees (De Witte and Naswall, 2003), I limited the sample to full-time employees--those for whom the conditions of work seem to have changed most dramatically over the past several decades. The total sample size of five countries (West Germany, Great Britain, the United States, Norway, and Hungary) is 5034, nearly evenly distributed between 1989 and 1997.

Measurement and descriptives

Dependent variable: Job insecurity

The dependent variable of job insecurity is measured with a single item: respondents are asked, using a five-point scale, the degree to which they agree that “My job is secure.” As noted by Green (2006), “This type of question does not specifically link insecurity either to the risk of job loss or to the cost of job loss. Arguably, it may lead respondents to consider the wider implications of insecurity” (p. 140). While Green notes that such an item relies on the respondent and researcher sharing a common understanding of the concept of job insecurity, this ambiguity is ideal for the present study, which seeks to clarify what factors contribute to a sense of insecurity. Other researchers who have used this particular ISSP variable have collapsed response categories (Green, 2006), such that workers who disagree (or strongly disagree) that their jobs are secure are labeled as experiencing job insecurity. I follow this coding scheme and collapse the scale into two categories. I define workers as insecure if they “disagree” or “strongly disagree” that their jobs are secure.

TABLE 1 HERE

Table 1 summarizes both the dependent and independent variables; I conducted t-tests to ascertain significant changes between time points. For workers in three of five countries, job insecurity rose significantly between 1989 and 1997. Only in Norway did levels of job insecurity actually decrease between the two time points. The percentage of full-time employees who expressed job insecurity remained stable in the United States. Figure 1 provides a graphical comparison of job insecurity amongst the five sampled countries. Although the proportion of workers who disagree that their job is secure has increased between 1989 and 1997, the majority of workers still feel their jobs are secure. In 1989, respondents in Great Britain expressed the

strongest disagreement that their jobs were secure: 17% of employees disagreed that their jobs were secure. Great Britain was closely followed by Norway, in which 16% of employees experienced job insecurity. West Germans exhibited the lowest levels of job insecurity in 1989: a mere 6% expressed a sense of job insecurity in 1989.

FIGURE 1 HERE

By 1997, Great Britain still displayed the most pessimism about job security; over one-quarter of British employees believed their jobs were insecure. Hungarian employees showed the most dramatic change between surveys; in 1989, Hungary had the second lowest percentage of insecure employees, yet the second highest percentage by 1997, with almost one-fourth of Hungarian employees experiencing job insecurity. Conversely, job insecurity in Norway dropped to the lowest level of all countries in the sample by 1997, from 16% to 10% of employees. Insecurity in the United States changed little: expressed insecurity rose from 11% to 15%. At 13%, West German employees were slightly less insecure than US employees in 1997.

Dependent variable: Job satisfaction

Job satisfaction is measured using a seven-point Likert scale, which ranges from 1 (completely satisfied) to 7 (completely dissatisfied). The variable was recoded, such that high scores indicate higher satisfaction. Figure 2 compares satisfaction levels across time and countries. A visual inspection of the graph reveals that, within countries, job dissatisfaction has not changed noticeably over time. Looking only at employees who claim to be satisfied in their work (as compared to employees who are dissatisfied or ambivalent), it seems that most employees are, to some extent, satisfied in their work. In all five countries, the majority of employees are fairly satisfied; the smallest proportion are actively dissatisfied in their jobs. Of all countries, Hungary's employees are the least satisfied, with the highest proportion of workers

who are not satisfied in their work. Employees in the other four countries expressed similar levels of satisfaction.

FIGURE 2 HERE

Independent variables: Susceptibility

Perceived susceptibility to job loss is measured by respondents' evaluations of management-employee relations and promotion opportunities. Respondents rate their relationship with management using a five-point scale, ranging from "very bad" to "very good". The wording and response categories remained unchanged between questionnaires. Using the same format as the above-described question on job insecurity, workers are asked the degree to which they agree that "My opportunities for advancement are high." Figures 3a through 3d provide graphical summaries of the independent variables of interest.

In Norway and Hungary, management-employee relations became significantly worse. Employees in West Germany, Great Britain, and the United States did not show any noticeable change in evaluations of management-employee relations between 1989 and 1997. West German employees provided the most positive evaluations of relationships at both time points. As seen in Figure 3a, the other four countries are clustered in their evaluation of management-employee relations. Hypothesis 1a thus receives partial support: between 1989 and 1997, workers became more likely to negatively evaluate management-employee relations, but only in Norway and Hungary.

FIGURES 3A THROUGH 3D HERE

Hypothesis 2a receives very limited support: in 1997, West Germans were less likely to agree that their advancement opportunities were high as compared to 1989; three countries remained unchanged in their appraisals of promotion prospects, while Norwegian employees

overall felt their promotion opportunities increased. Figure 2b provides an international comparison of employees' mean level of agreement that their advancement opportunities are high. The United States expressed the highest level of agreement, whereas Hungarians had the lowest levels of agreement.

In sum, both the United States and Great Britain showed no noticeable change over time on measures of susceptibility to job loss. Two of five countries provided more negative ratings of management-employee relations in 1997 than 1989. There was no trend in perceived advancement opportunities: three countries remained unchanged, one country became less positive in their appraisal of advancement opportunities, while another country became more positive. Obviously, there has not been an international downward trend in measures of susceptibility between 1989 and 1997. Hypothesis 1b and 2b thus receive partial support.

Independent variable: Consequences

In the 1989 ISSP, respondents were asked "If you lost your job for any reason, and were actively looking for another one, how easy or difficult do you think it would be for you to find an acceptable job?" In 1997, respondents are offered a pared-down version of the 1989 question: "How easy or difficult do you think it would be for you to find an acceptable job?" Although the survey was modified for the second wave, the question is similar enough to the original to seem unproblematic. To measure employees' evaluation of their income, respondents are asked to rate the degree to which they agree that "My income is high" using a five-point scale ranging from "strongly disagree" to "strongly agree".

According to Table 1, the perceived ease with which one's present job could be replaced significantly declined for three of five countries: West Germany, Great Britain, and Hungary. Among employees in the United States, perceived ease of job replacement did not change

between 1989 and 1997, whereas Norwegian employees actually felt it would be easier to find a comparable job in 1997 than in 1989. In general, Norwegian employees' job ratings improved over time, the only country in the sample for which this trend held. Employees in the United States surpassed all other countries in their belief that they could easily find a job comparable to or better than their current one. Hypothesis 3a thus also achieves limited support.

In four countries, employees' level of agreement that their income was high did not change. Germans, whose perception of many job characteristics degraded over the intervening decade between surveys, were significantly less likely in 1997 to agree that their incomes were high. Once again, Hungarians conveyed the lowest levels of agreement that their income was high. To summarize, there is a sentiment in several countries that the perceived consequences of job loss have grown more severe over time, but only as the consequences pertain to one's ability to find a comparable or better job.

A portion of these findings may be due to the changing occupational composition in each country. As low-skill white collar and blue collar jobs have been eradicated or transformed into contingent work, the occupational composition of full-time employees is made up of an increasing proportion of high-skill white collar workers. Table 2 provides a summary of the occupational makeup of full-time employees in each country. Chi-square tests show that, in Germany, Norway, and Hungary, the proportion of high-skill white collar workers has increased significantly. The occupational composition of full-time employees in Great Britain and the United States did not significantly change. Thus, part of the downward trend in perceptions of susceptibility and consequences may be attributable to the increased representation of high-skill white collar workers, whose jobs have become more tenuous in the past several decades. Thus, I include a control for occupational classification in my regression models.

Method

To ascertain the influence of perceived susceptibility and consequences on feelings of overall job security, I carried out five parallel logistic regressions--one for each country in the sample. Logistic regression is most appropriate with a dichotomous dependent variable, which tests the odds of being in one category versus the other. Because it has not yet been firmly established that the antecedents of job insecurity have similar effects across multiple countries, each country receives its own regression. As shown in the descriptive analyses, employees' assessments of susceptibility to job loss and consequences of such differ between countries. Conducting separate regressions is intended to establish if there are indeed universal influences on feelings of job security. Results are shown as odds ratios for ease of interpretation. A second set of regressions tests the effects of job security on job satisfaction. Table 3 presents the independent variables regressed on job insecurity; Table 4 presents the regression analysis for job satisfaction.

Results

After controlling for gender, age, marital status, educational level, and occupational category, employees' perceptions of susceptibility to and consequences of job loss are significant for all four variables in all five countries, with two exceptions: In Germany, management-employee relationships do not affect job insecurity, and evaluations of income have no bearing on job insecurity in Norway. Regression analyses support Hypothesis 1a in four of five countries; only in West Germany do management-employee relationships do not affect job insecurity. In Great Britain, the United States, Norway, and Hungary, job insecurity increases as management-employee relationships erode. For example, with each incremental increase on the

five-point scale of management-employee relations (where an increase indicates a more positive rating), British workers are only 80% as likely to experience job insecurity.

TABLE 3 HERE

Regression results also confirm Hypothesis 2a: Employees who perceive their advancement opportunities to be high are less likely to be insecure. This finding obtains in all five countries. As an example of the effect of promotion opportunities on job insecurity, German employees who agree that their advancement opportunities are high are only 50% as likely to be insecure as employees who are ambivalent (neither agree nor disagree) about their chances for promotion. In Hungary, each incremental step down the Likert scale, from agreement to disagreement, results in a 19% increase in the likelihood of insecurity.

With regard to the influence of perceived consequences on insecurity, Hypothesis 3a receives support from regression analyses. In all five countries, the perceived ease in finding a comparable job significantly affects insecurity. For example, British employees who believe it would be difficult to replace their job are 44% more likely to feel insecure than workers who are ambivalent about the ability to find comparable work. Hypothesis 4 is not supported--the regression results are actually opposite the predicted direction. This finding holds in all countries except Norway. As workers increasingly agree that their income is high, the likelihood of job insecurity decreases. The perception of high earnings makes employees feel more secure in their jobs.

Even after accounting for employees' evaluations regarding the job characteristics of interest, employees are still less secure in 1997 as compared to 1989 in Great Britain and Hungary. The difference in insecurity between years approaches significance in Germany and the United States ($p < .10$). Contrary to the findings of the other four countries, in Norway,

workers are *less* likely to feel insecure in 1997 as compared to 1989. The finding that insecurity has decreased over the years among Norwegian employees is surprising, considering that the opposite trend is found in the rest of the sample. Occupational classification failed to significantly impact feelings of job insecurity, when measures of perceived susceptibility and consequences were included in the model.

In all five countries, perceptions of high income, positive evaluations of management-employee relations, and perceptions of promotion possibilities positively affect job satisfaction. Except in Great Britain and Hungary, employees who feel they could easily replace their current job express higher levels of job satisfaction than employees who perceive having difficulty finding comparable work. An overall sense of job insecurity significantly impacts job satisfaction in only two countries: the United States and Hungary. In these two countries, insecure employees were less satisfied than other employees. Apparently, job satisfaction and job insecurity are impacted by similar factors, although an overall feeling of insecurity does not consistently impact job satisfaction.

An overarching sense of job insecurity does not consistently affect job satisfaction. In only the United States and Hungary is there a significant relationship. In these countries, the odds of being dissatisfied at work is higher among employees who are insecure. Both perceived susceptibility and perceived consequences positively and significantly affect job satisfaction, although immediate working conditions (from which perceptions of susceptibility are derived) more consistently impact job satisfaction than perceived consequences (which are derived from expectations about the future). Employees who 1) believe they have ample promotion opportunities, 2) positively evaluate management-employee relations, and 3) perceive their income as high are more likely to be satisfied than workers for whom these statements do not

hold true. These findings are supported in all five countries. Employees who believe they could easily find comparable work are more likely to be satisfied in Germany, the United States, and Norway, but not in Great Britain, and Hungary.

TABLE 4 HERE

Discussion

An employee's feeling of job insecurity depends on both evaluations of one's current working conditions and expectations regarding future career trajectories. As demonstrated in the regressions, insecurity is significantly impacted by susceptibility to job loss, in the form of limited promotion opportunities within an organization, and consequences, in the form of maintaining one's current income stream. Contrary to expectations, employees who felt their income was high felt less insecure than employees who disagreed that their incomes were high. This may be because employees with high incomes feel they are, quite literally, valued by the organization, thereby fostering a sense of job security.

The notable mismatch between job stability and job insecurity has yet to be fully explored; there are several theoretically-sound models of job insecurity deserving of further empirical testing. The susceptibility/consequences model received partial support, although further empirical elaboration, in the form of using different or additional variables, is obviously needed. Although income did not predict job insecurity, this does not mean that perceptions of possible consequences of job loss do not affect feelings of job insecurity--the perceived ease with which one could replace a job consistently and significantly impacted job insecurity, and indicates that workers consider both their immediate and future work situations when forming an affective orientation to work.

The finding that high income counteracts job insecurity points to the need to further explore the antecedents of job insecurity, especially considering that management-employee relations, advancement opportunities, ease in replacing a job, perceptions of high income, and overall job insecurity differently impact overall job satisfaction. It seems that job satisfaction derives primarily from employees' firm-specific evaluations; considerations of work beyond the immediate workplace context do not appear to affect job satisfaction, as evidenced by the scant support for the influence of perceived ease of job replacement on job satisfaction. In order to further investigate the relationship between job insecurity and job satisfaction, it is imperative that we move beyond the realm of pure theory, and supplement theoretical exposition with rigorous empirical research. If, as is commonly claimed, the "flexible turn" dramatically and negatively impacts employees, the antecedents and consequences of job insecurity deserve far more attention than they have thus far received.

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Table 1. Descriptive statistics: job loss susceptibility and consequences for full-time employees, 1989 and 1997 ISSP.

	Year	Job insecurity ¹	Susceptibility		Consequences		N
			Management/employee relations ²	High opportunities for advancement ³	Ease in finding an acceptable job ⁴	My income is high ³	
Germany	1989	5.87	3.925	2.910	2.820	3.147	333
	1997	12.99*	3.894	2.604*	2.368*	2.925*	386
Great Britain	1989	17.04	3.682	2.724	3.154	2.599	449
	1997	26.68*	3.692	2.667	2.688*	2.542	321
United States	1989	10.53	3.706	2.948	3.422	2.796	540
	1997	14.72	3.752	2.904	3.446	2.792	520
Norway	1989	16.01	3.798	2.426	2.834	2.679	598
	1997	10.11*	3.696*	2.563*	3.354*	2.596	935
Hungary	1989	8.32	3.748	2.268	2.699	2.243	485
	1997	23.63*	3.634*	2.325	2.158*	2.276	467

*T-tests show that means between years are significantly different (p<.05)

1. Percent of workers who disagree that their job is secure

2. Responses range from 1=very bad to 5=very good

3. Response scale ranges from 1 to 5, with 1 indicating strong disagreement and 5 indicating strong agreement.

4. Response scale ranges from 1 to 5, with 1 equaling “very difficult” and 5 equaling “very easy”

Table 2. Occupational composition, 1989 and 1997 ISSP

	Year	High-skill white collar	Low-skill white collar	Blue collar	N
Germany	1989	28.23%	32.13%	39.64%	333
	1997	50.63%*	23.43%*	25.94%*	397
Great Britain	1989	34.74%	33.41%	31.85%	449
	1997	40.50%	32.09%	27.41%	321
United States	1989	42.78%	30.56%	26.67%	540
	1997	48.08%	25.19%*	26.73%	520
Norway	1989	40.13%	28.93%	30.94%	598
	1997	56.68%*	21.60%*	21.71%*	935
Hungary	1989	23.71%	33.40%	42.89%	485
	1997	34.19%*	19.66%*	46.15%	468

Table 3. Odds ratios of the effects of susceptibility and consequences on job insecurity (logistic regression model)

	Germany	Great Britain	United States	Norway	Hungary
Perceived susceptibility					
Management relations	0.812	0.798*	0.723*	0.716*	0.622*
Advancement opportunities	0.498*	0.578*	0.679*	0.645*	0.661*
Perceived consequences					
Ease in replacing job	0.568*	0.753*	0.786*	0.700*	0.810*
Perception of high income	0.700*	0.651*	0.618*	1.001	0.669*
Demographics					
Gender (Male)	1.204	1.418	0.910	1.161	0.913
Age	0.982	1.000	1.005	0.986**	1.002
Marital status (Married)	0.466*	1.166	0.783	0.819	1.126
Education (Beyond secondary)					
Less than high school/vocational	1.219	0.623**	0.790	0.739	0.979
Secondary completed	1.188	0.609	0.698	0.860	1.154
Occupation (High-skill white collar)					
Low-skill white collar	0.756	1.012	0.813	1.474**	0.892
Blue collar	0.772	1.244	1.275	1.568**	0.859
Year (1989)	0.581**	0.603*	0.699**	1.485*	0.328*
N	719	770	1060	1533	952
R ²	.194	.169	.139	.102	.144

*p<.05, **p<.10

Note: Comparison categories are in parentheses.

Table 4. Odds ratios of the effects of overall job insecurity, susceptibility, and consequences on job satisfaction (logistic regression model)

	Germany	Great Britain	United States	Norway	Hungary
Job insecurity	1.021	0.840	0.652*	0.776	0.499*
Perceived susceptibility					
Management relations	3.500*	2.383*	2.358*	3.056*	2.298*
Advancement opportunities	1.232*	1.874*	1.629*	1.445*	1.504*
Perceived consequences					
Ease in replacing job	1.284*	1.085	1.124*	1.193*	1.065
Perception of high income	1.565*	1.335*	1.444*	1.221*	1.481*
Demographics					
Gender (Male)	0.952	0.830	0.611*	0.809**	0.803
Age	1.012	1.028*	1.028*	1.015*	1.026*
Marital status (Married)	1.041	0.819	1.213	1.027	0.883
Education (Beyond secondary)					
Less than high school/ vocational	1.049	0.961	1.554**	1.409**	1.113
Secondary completed	1.165	0.997	1.083	1.160	0.949
Occupation (High-skill white collar)					
Low-skill white collar	0.746	0.923	0.690*	0.876	1.006
Blue collar	0.655*	1.014	0.761**	0.757**	1.137
Year (1989)	1.104	1.053	1.293*	1.256*	1.008
N	719	770	1060	1533	952
R ²	0.152	0.144	0.138	0.149	0.103

*p<.05, **p<.10

Note: Comparison categories are in parentheses.

Figure 1. Five-country comparison of the percent of full-time employees who disagree that their job is secure, 1989 and 1997 ISSP.

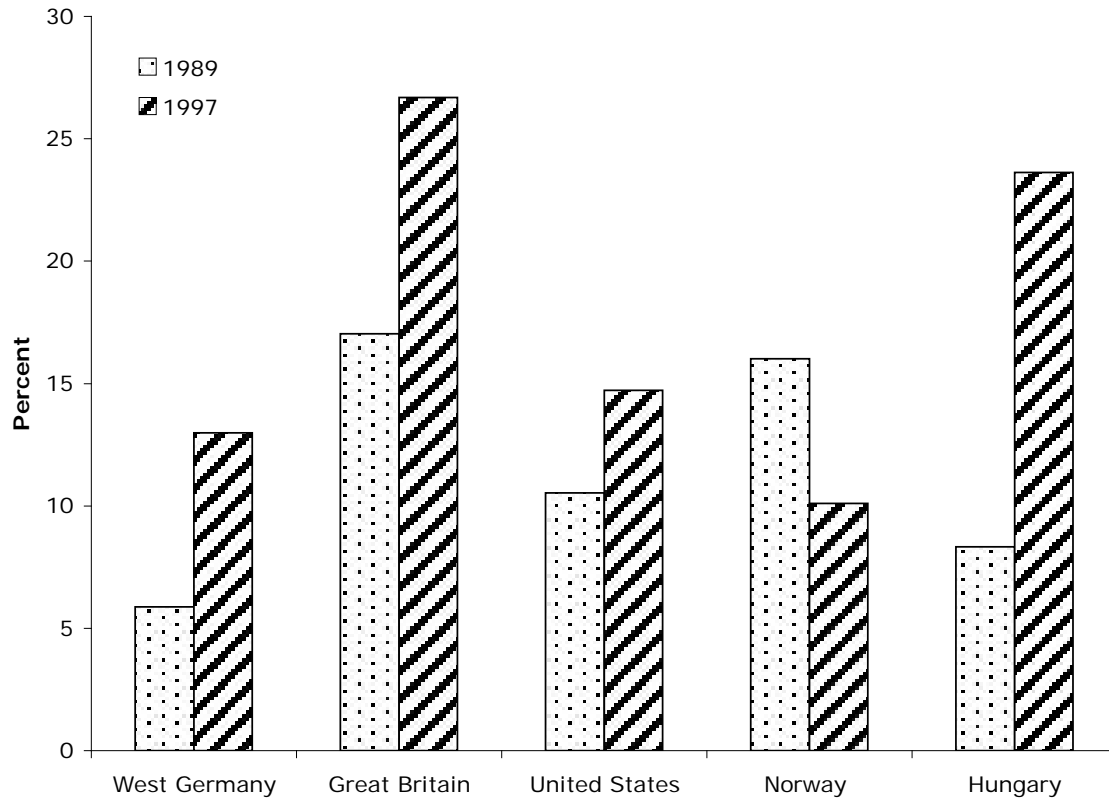
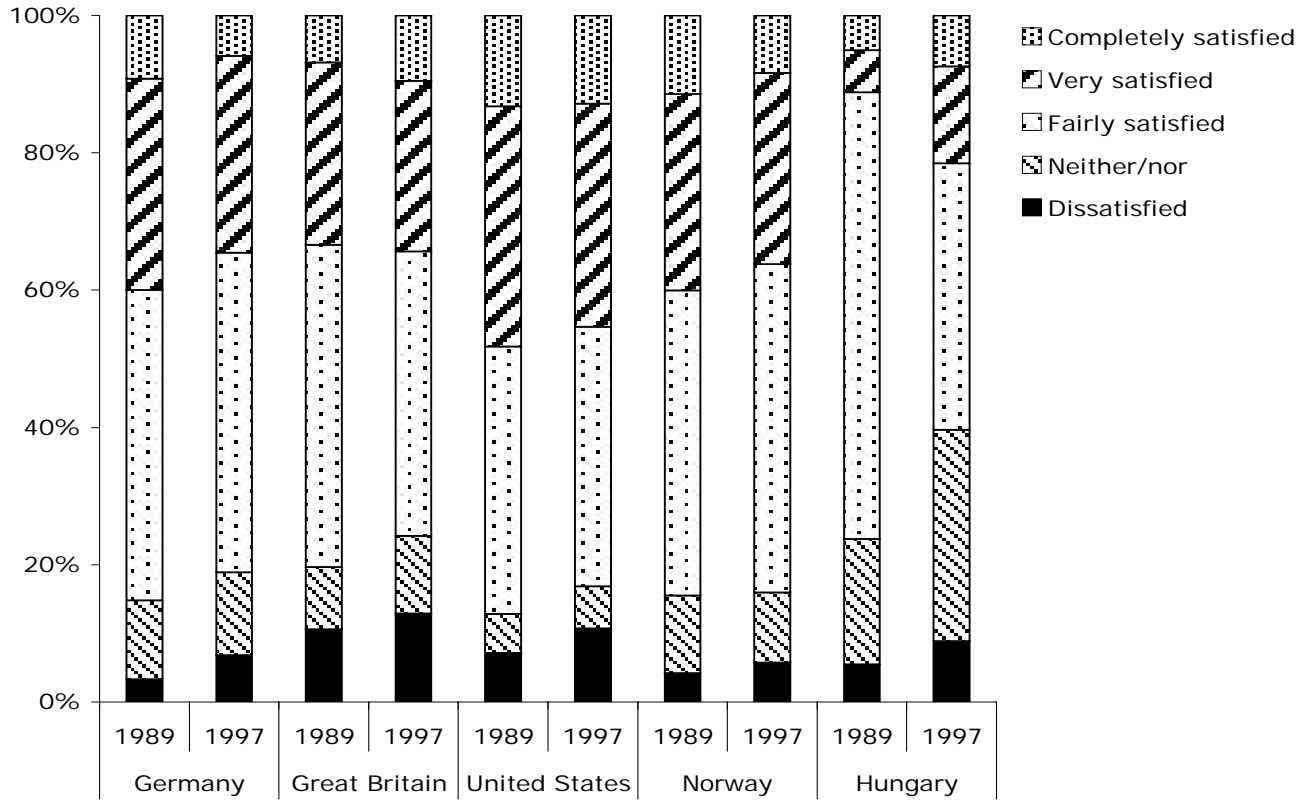
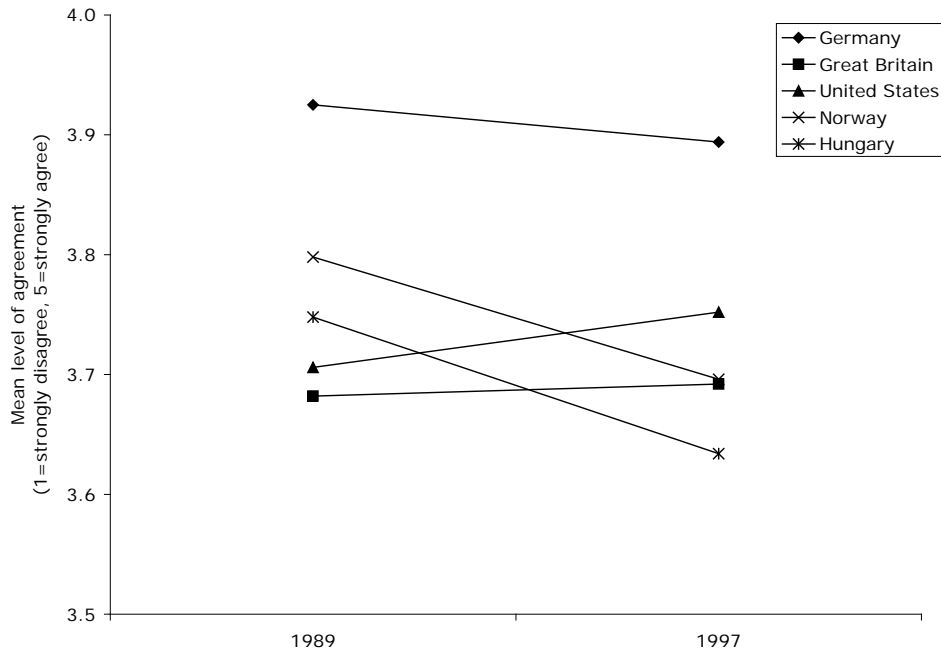


Figure 2. International comparison of job satisfaction, 1989 and 1997 ISSP

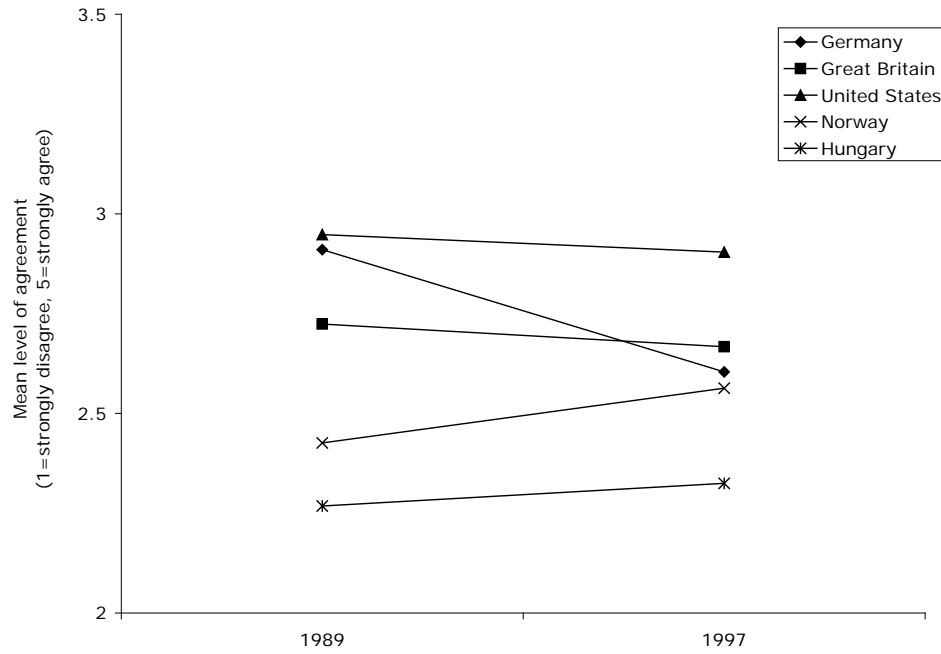


Figures 3a-3d. Five country comparison of independent variables, 1989 and 1997 ISSP.

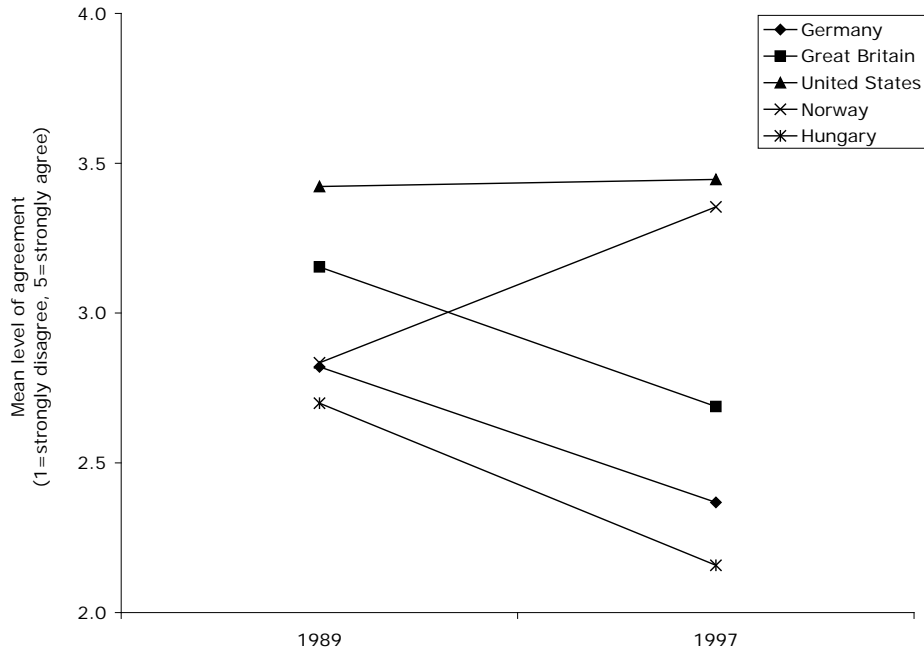
3a. Management-employee relations



3b. Promotion opportunities



3c. Ease in finding an acceptable job



3d. High income

