

Coping with Job Uncertainty

A Survey of Employed and Unemployed High Technology Workers

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Over the past three years, the meltdown in the high technology industry has resulted in a large number of high technology organizations laying off considerable numbers of their employees, or shutting down completely, leaving people with a great deal of job uncertainty and relatively few job alternatives. The uncertainty for workers in this industry affects both the unemployed people who cannot foresee when they will regain employment and the employed people who cannot predict if or when they will be laid off. In organizations that have clear layoff decision rules, such as reverse seniority (last in, first out), uncertainty may be reduced because employees can count seniority numbers and make a relatively accurate guess as to “when their number will come up.” By contrast, companies that make layoff decisions on an ad hoc basis with no clear decision rules deny employees the power to predict their future and take action to protect themselves (Dunlap, 1994).

Research questions

The purpose of this research was to explore the effect of job uncertainty on stress and to determine strategies that employed and unemployed high technology workers use to cope successfully with job uncertainty. Even if overall levels of distress are similar for these two groups, the causes of the stress may be different. In particular, workers who remain employed in an uncertain market live with the anticipation of a potential layoff, whereas unemployed workers have already experienced a serious disruption to their lives and must cope with re-establishing stability (Kaplan, 1996). If this is the case, employed and unemployed workers may benefit from different coping strategies to effectively reduce distress.

Research procedure

Employed and unemployed high technology workers across Canada were recruited through email and media advertising. Participants were asked to respond to an anonymous web-based survey that took 20 - 30 minutes to complete.

Survey respondents

Participants included 140 employed and 215 unemployed high technology workers. The general characteristics for people in these two groups were similar. The sample included:

- 69% men, 31% women
- average age of 39 (range 23 - 61; $SD = 9$)
- 71% married or in long-term relationships
- 59% had children
- 84% spoke English, 5% spoke French as their first language

The sample included people from across Canada, although the majority of the employed respondents were from the high tech region close to Ottawa (55%) and the Greater Toronto Area (25%). Similarly, people who were not employed were looking for work in the Ottawa high tech region (46%), Greater Toronto Area (29%), Montreal (6%), or Vancouver and Calgary (7%).

Employment history

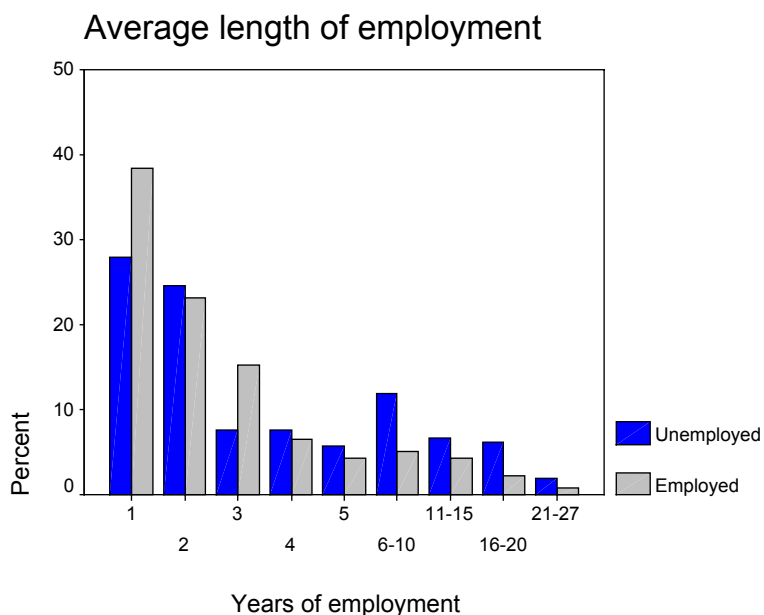
Participants were employed by, or had been employed by, at least 70 different organizations, including start-up and mid-size companies, government, banks, consulting firms, telecom and computing giants, or self-employment. Similarly, the occupations of participants reflected a broad spectrum of high technology careers including programmers, systems engineers, software engineers, developers, designers, project managers, technical writers, sales, consultants, managers, administrative support, and senior executives.

Of the employed participants, most (96%) worked full-time, working 44 hours per week on average ($SD = 9.61$; range 8 - 100 hours/week). In fact, 78% of the employed people reported that they worked more than 40 hours per week.

In the unemployed sample, most respondents (96%) had been laid off; only 4% had made the decision to quit. At the time of their layoff, 53% of the people in the unemployed sample had worked two or fewer years at their jobs. Similarly, at the time of the survey, 62% of the people in the employed group had worked at their present jobs for 2 or fewer years.

Length of employment was significantly shorter for people who were currently working than for people who had recently been laid off, $t = 3.18$, $p < .01$. This pattern of results suggests that the employed sample included some people who had recently found new jobs, possibly because they had previously been laid off or believed they were at risk for layoffs.

Figure 1



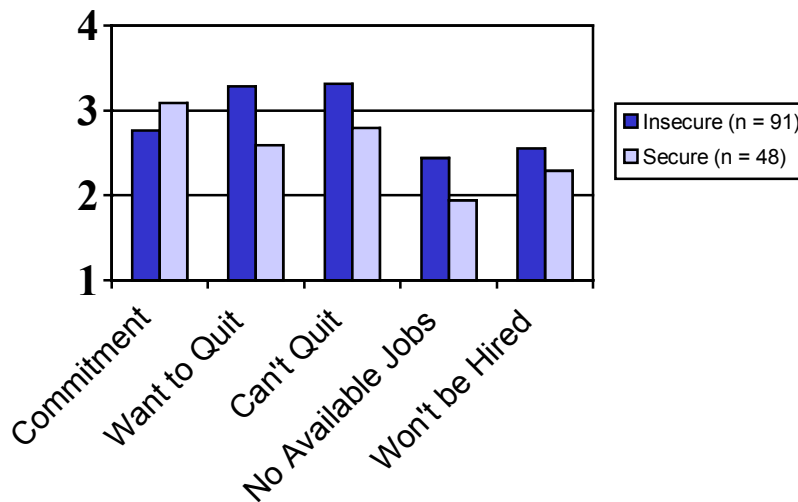
Level of job insecurity

About 66% of employed participants reported a moderate sense of insecurity related specifically to their present employment (e.g., believed their jobs would not continue for long). Only 3% of the employed participants were certain they would not be laid off. Hence, there was a general, pervasive, sense of uncertainty that left almost everyone concerned to some degree. As one participant stated “I am more secure now than a few months ago - but nothing is certain *ever*.”

Job insecurity had a serious effect on the job attitudes of employed participants. As demonstrated in Figure 2, respondents who felt their jobs were not secure reported significantly stronger intentions to leave their jobs and less commitment to their employers than people who believed their jobs were relatively secure. At the same time, people who felt less secure also believed that they could not quit their jobs at that time due to personal circumstances. They were also more likely to believe that there were no good alternative jobs available, and even if there were jobs, that they would not be hired. In essence, people who felt that their present jobs were not secure were also more likely to feel trapped in those jobs, which could have serious consequences for their work performance.

Figure 2

Association of Job Insecurity with Job Attitudes



Looking for work

Employed participants. As would be expected from the above pattern of results, there was no association between job insecurity and *looking* for work, $r = -.12$, $p = ns$, for the employed participants despite the strong association between job insecurity and *desire* to leave their jobs.^b Rather, people looking for work were characterized by lower commitment to their current employer, $r = -.30$, $p < .01$, and less anxiety about changing jobs, $r = -.18$, $p < .05$.

Almost half of the employed participants were keeping an eye on the job market, regardless of whether they believed their jobs were safe or in jeopardy. In the 6 months prior to the survey, of the employed respondents:

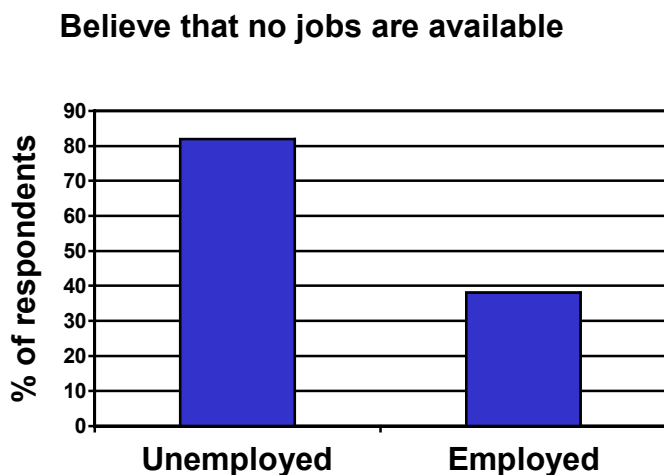
- 53% had sent out at least one resume
- 40% had contacted an employment agency
- 36% had called a potential employer
- 38% had at least one job interview.

There was no correlation between length of present employment and contacting employment agencies, calling potential employers, or having job interviews indicating that these activities were not simply a reflection of the job search of people who had recently been hired.

Unemployed participants. Of the people who were currently unemployed, the majority (93%) were looking for work; only 6% were going to take some time to consider their options or go back to school. Almost all of the people looking for work wanted to remain in the high technology sector and find full-time employment. Most participants (87%) wanted permanent jobs with a single employer. Only 4% were seeking contract positions and 9% were seeking consulting work.

As can be seen in Figure 3, unemployed people were less hopeful than employed people about their **job prospects**. Significantly more unemployed people than employed people believed that it would be difficult to find another job.

Figure 3



Even so, the unemployed participants were positive about their **own abilities** to engage in a job search; 80% of the respondents agreed that they were capable of finding jobs and almost all were actively looking for work. In the past 6 months, of the unemployed respondents:

- 95% had sent out more than 3 resumes
- 94% had contacted an employment agency
- 79% had telephoned a prospective employer
- 73% had at least one job interview

People who reported having more job interviews were those who had:

- sent out more resumes
- made more contacts with employment services
- made more telephone calls to potential employers

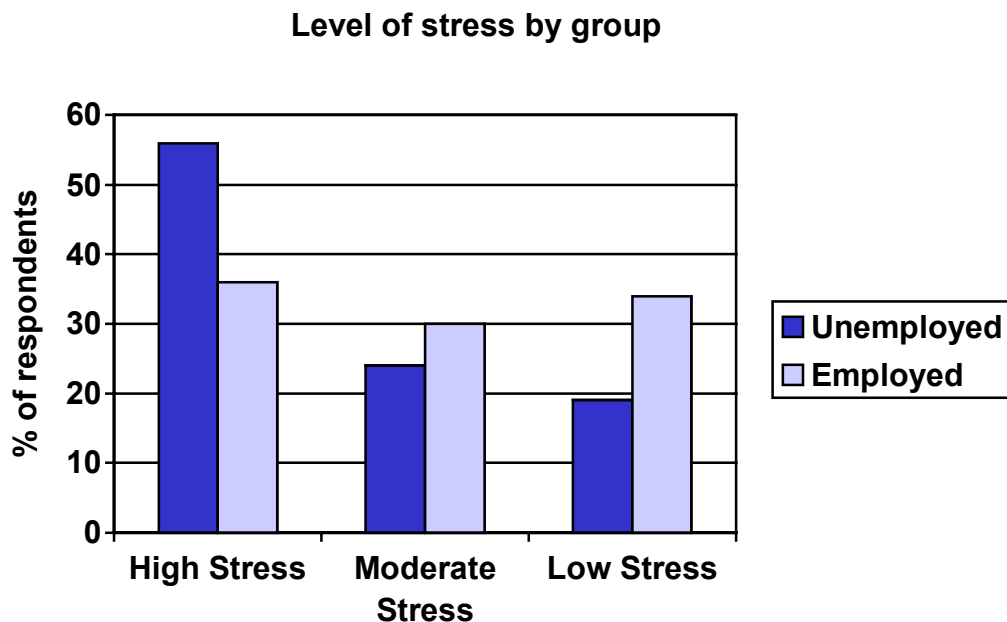
The people who were most likely to call prospective employers, a key strategy in successful job searches, were those who:

- had a greater belief in their ability to search for work
- were generally more optimistic about life

Stress and coping strategies

As demonstrated in Figure 4, more respondents who had been laid off reported high levels of stress than respondents who were employed.

Figure 4



It is interesting that, given the uncertain climate in high technology, so many participants reported low or moderate levels of stress.

In general, people who have an optimistic predisposition have a natural buffer against stress. We found that in this group of high technology workers, 74% of the employed and 69% of the unemployed respondents said they were inherently optimistic. In turn, the more optimistic one's nature, the less distress they reported, $r = -.55, p < .001$.

In addition, many respondents were able to develop strategies to buffer themselves against the negative effects of job uncertainty. To determine the most effective means for reducing stress, we looked at the extent to which participants adopted each of 12 specific coping strategies. We examined the profile of coping responses separately for employed (Figure 5) and unemployed (Figure 6) participants in relation to their reported level of stress.

The most obvious result was that patterns of coping were more strongly related to levels of distress than to employment status. Respondents who reported low levels of distress were more likely to invoke problem-solving efforts (e.g., upgrading skills), find the positive aspects of their situation (e.g., recognizing new opportunities and challenges), and engage in constructive activities (e.g., continuing to be active in sports or other recreational activities). These respondents also were less likely to ruminate, use emotion-focused strategies (expressing or containing emotions), or look for a source of blame for their situation.

It is striking that for the *employed* participants there was a clear difference in preferred coping strategies for people with lower levels of stress as compared to people with moderate and high levels of stress. Respondents with lower levels of stress engaged in the positive coping pattern (i.e., more active problem-solving, less emotion-focused coping), whereas respondents with moderate and high stress levels were more likely to do the opposite (i.e., use more emotion-focused strategies, fewer problem-focused strategies).

The pattern for the *unemployed* participants was somewhat different. Again, respondents with lower stress engaged in the positive coping pattern and the respondents with high stress engaged in the opposite pattern. The unemployed participants with moderate stress, however, engaged in a mixed pattern. Similar to those with low stress, they did not focus on their emotions. However, they were less likely to be continuing to use the positive, active problem-solving strategies. Hence, the unemployed people with moderate stress levels were in a state of instability. It is possible that this pattern is an early sign of despair. These people may have started to "give up" and so are less willing to be proactive in continuing to try to resolve their situation.

Figure 5

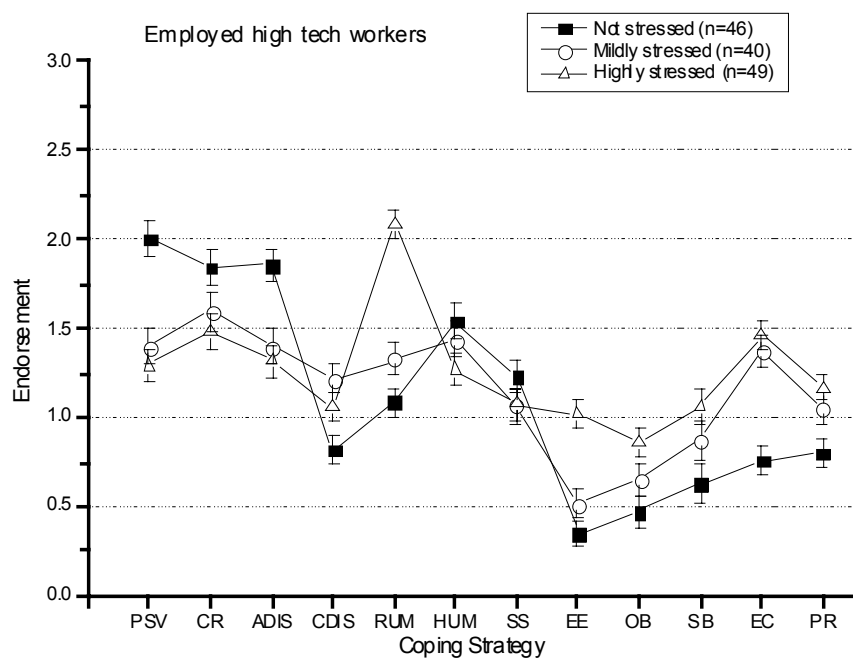
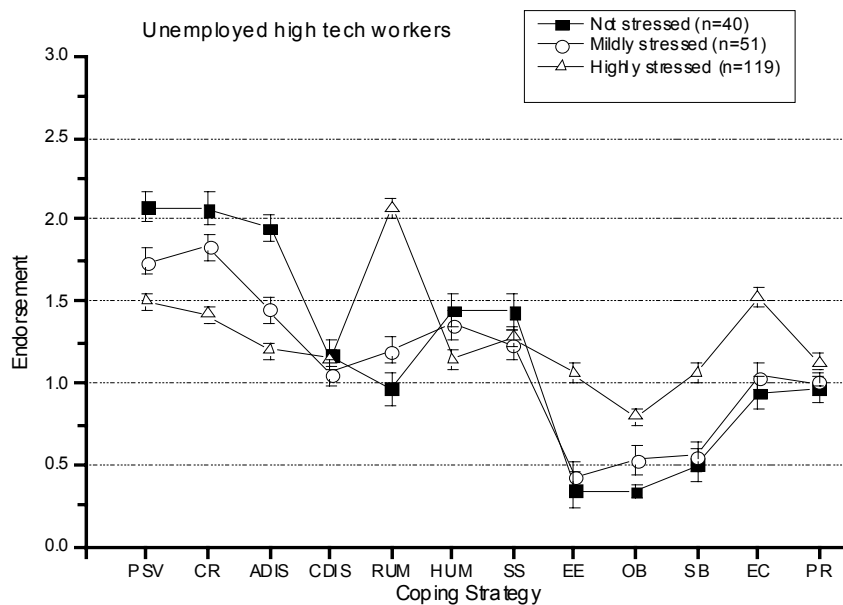


Figure 6



Note: PSV= problem-solving; CR = cognitive restructuring; ADIS = active distractions; CDIS = cognitive distractions; RUM = rumination; HUM = humour; SS = social support; EE = emotional expression; OB = other-blame; SB = self-blame; EC = emotional containment; PR = passive resignation

Discussion

The results from this survey provide a clear indication that high levels of stress are associated with job uncertainty and that some coping strategies are more effective than others for these self-selected high technology workers. Even though the causes of stress experienced by employed and unemployed respondents could be different (the anticipation of job loss versus a significant disruption to one's life) and unemployed people were more likely to report feeling stressed than were employed people, similar coping strategies for both groups were associated with keeping stress levels down.

Positive coping strategies were associated with decreased stress even for people who were not generally optimistic by nature. Overall, participants who were coping better with job uncertainty were taking active measures to deal with aspects of the situation that were within their control and were able to find positive meaning in the events. At appropriate times, these people also were able to distract themselves by engaging in interesting recreational activities that were unrelated to work. To their benefit, respondents who experienced low levels of stress avoided strategies that might make the situation worse. Dwelling on the negative aspects without taking action, or believing that there was nothing that could be done to change the situation, were more characteristic of participants with higher stress. Similarly, trying to act as if they were not upset or becoming overly emotional was not helpful. Finally, trying to place blame, either on oneself or others, exacerbated the stress, perhaps because the conditions of job uncertainty are pervasive throughout the industry and beyond the control (and blame) of particular individuals.

Employees who are faced with job uncertainty over a long period may decrease their work effort, work quality, and contributions to the organization (Greenhalgh & Rosenblatt, 1984; Hallier & Lyon, 1996). In prolonged periods of job uncertainty, people are likely to exert energy to benefit their own careers to a greater extent than to benefit the company (Smithson & Lewis, 2000). Our results support these past findings.

We found that many employed people who believed their jobs were not secure wanted to quit, but felt trapped into remaining in their present employment, which served to further increase their level of stress. A considerable proportion of our employed sample reported decreased commitment to the company and was keeping an eye on the job market. The resourceful people in this group likely will find new jobs, but people who believe that personal obligations tie them to their jobs likely will disengage psychologically.

Companies can prevent this pattern of withdrawal and work to improve the long-term viability of the organization by playing an active role in helping their employees cope with job uncertainty. Because wide-spread job uncertainty is often the result of multiple factors beyond the control of individual employees, many coping strategies will be effective only if employees are supported by their organizations.

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