Abstract

The present article explains the core aspects addressed in the job insecurity literature, including definitions, measures, and consequences for the workers and their organizations. It furthermore aims to take this literature one step further by summarizing job insecurity studies from Latin America, and by hinting at routes for future research particularly in the context of Latin America.

Keywords: job insecurity, well-being, organizational outcomes.

Introduction

It is important to consider job insecurity as a complex phenomenon that can affect not only the individual at work, but also the individual outside work, and his or her organization (Sverke, Hellgren, & Näsvall, 2006). The consequences that can be related to job insecurity cover a broad spectrum including illness and poor well-being as well as negative job attitudes and undesirable behaviour. These variables may directly affect the productivity and the development of the organization, not only because the workers might reduce their performance but also because valuable workers may take a drastic decision and look for other jobs with better prospects. This underlines the importance of understanding job insecurity, its development and the course it takes, in order to be able to prevent and treat the effects it can have in the working population.

Definition

During the 60’s and the 70’s, job organizational climate inventories included job security as a motivator or a resource. This changed to job insecurity as a stressor from 1984 on when Greenhalgh & Ro...
senblatt wrote their seminal article “Job Insecurity: Toward Conceptual Clarity”, which gave a new push and energy to job insecurity research. From then on, the study of job insecurity has been done in a more systematic and structured way.

Greenhalgh and Rosenblatt define job insecurity as “the perceived powerlessness to maintain desired continuity in a threatened job situation” (1984, pp. 438). Other authors have proposed alternative definitions: “a discrepancy between the level of security a person experiences and the level she or he might prefer” (Hartley, Jacobson, Klandermans, & van Vuuren, 1991, pp. 7), “one’s expectations about continuity in a job situation” (Davy, Kinicki, & Scheck, 1997, pp. 323) or “concern about the continued existence of jobs” (van Vuuren, 1990, cited in De Witte, 1999). These definitions highlight a number of important issues, as follows:

Job insecurity and job loss

Hartley et al. (1991) differentiate between job insecurity and job loss, thereby suggesting that job insecurity is a bigger source of anxiety. The authors argue that aspects such as role transition or visibility make job insecurity a phenomenon harder to get over with, compared to job loss. Role transition concerns the change in the role the individual has; in this case, job roles. Upon job loss, the worker goes through a change from the role of “employed” to “unemployed”. Job loss involves a modification of the perspective the society has about the now “unemployed person”, giving him or her new opportunities and chances to get back into the “employed group”. The persons who suffer from job insecurity do not have this kind of support from the society because they have not actually lost their jobs: indeed, they do not know what the future will bring. They have to rely on their own resources to cope with this difficult situation. In other words, the “visibility” the insecure worker has, is almost non-existent compared to the unemployed worker; therefore, he or she cannot get the same support and help from the government or society.

Another critical difference between job insecurity and job loss is that job insecurity is a chronic event and job loss an acute event. Job loss implies the immediate absence of several aspects, like income or social recognition. And just like it is predicted in the “Model of Latent Deprivation” proposed by Jahoda (1982), it becomes an important source of anxiety and stress. Nevertheless, the anticipation (job insecurity) of a stressful event can be an equal or even a bigger source of anxiety than the event itself (Lazarus & Folkman, 1984, cited in Sverke, Hellgren & Näswall, 2002), bringing along uncertainty about the future and everything that this concerns.

This literature review is focused on the perception employed people have about potential involuntary job loss, and not on the experience of unemployed people. We see the uncertainty about the present job situation as a defining feature of job insecurity. This uncertainty is lacking in studies among unemployed people.

Subjective and objective job insecurity

Some authors have reported that, within the phenomenon of job insecurity, two different and fundamental aspects can be found: subjective and objective (Klandermans & van Vuuren, 1999). Objective job insecurity is the event that threatens the working situation, while subjective job insecurity refers to the process of perceptions and personal experiences of the negative consequences such event can have on the individual. Objective job insecurity can be the economic situation in the country, a downsizing, an outsourcing in the company or a change in the organizational structure. All these situations involve a change in the actual working situation that can be interpreted very differently by the workers. The different and personal perceptions of the situation by respondents correspond to the subjective aspect of job insecurity. Although the workers are in the same situation, even those in the same department can have a very different view of the event, experiencing high versus low levels of job insecurity. The phenomenon depends mostly of the individual and his or her characteristics. In other words, some workers can experience job insecurity in a very safe “job situation”, without any real threat to their continuity in their positions. This is because subjective job insecurity relies on the perception
more than on the actual event. Klandermans and van Vuuren (1999) point out that these two aspects can be related in several ways. Job insecurity is a perceptual phenomenon, meaning that it depends mostly on the perspective the worker has about the situation and the probabilities he or she thinks exist of being negatively affected by it. Regarding the same situation or event (objective part) different workers would perceive different levels of job insecurity, depending on their personal evaluation of their future job situations (subjective part).

In the present document, job insecurity is considered as a subjective phenomenon, orienting the review toward the perception the workers have about the possibility of losing their jobs and the consequences this might have for them.

**Job insecurity and future**

Another element that is very important in the definitions considered so far is the future. The uncertainty and the powerlessness the workers suffer refers to a future situation, making the individual wondering about the future employment prospects of the present job. And this can be a very precarious situation: when the workers are actually fired or have been notified that they will be fired soon, they can take actions or do something to buffer the negative consequences of the dismissal. In this case, the workers can cope with the possible results of the job loss by doing something against it. In contrast, job insecurity implies that there is no certainty about losing the job. Hence, the worker is located in the middle of two possible positions: keeping his job or losing it. As a result, there is uncertainty about the future. And the future not only refers to the working situation, but also to aspects as family, social relations or health. Losing the job may have a negative effect on a lot of different situations and persons.

**Measurement**

Until Greenhalgh and Rosenblatt wrote their article in 1984, previous studies have been done in a “non-systematic” way. Greenhalgh and Rosenblatt (1984) proposed a first systematic approach to the conceptualization and comprehension of job insecurity, which set the start point for the next studies.

One of the studies that Greenhalgh and Rosenblatt (1984) consider the best approach at that moment was the scale developed by Caplan, Cobb, French, van Harrison, and Pinneau (1975). The Caplan et al. (1975) study is considered basic for research about job insecurity because of two specific factors: first, it considers job insecurity as a stress element and does not take the opposite (job security) as a motivator. Second, and unlike previous studies, it measures job insecurity with a multi-item scale (Sverke et al., 2006). Caplan’s Scale (1975, cited in Greenhalgh & Rosenblatt, 1984) was developed for a study for the NIOSH (National Institute for Occupational Safety and Health) and later became part of a bigger instrument called “NIOSH General Job Stress Questionnaire” which was released in 1990.

From that moment on, the scales built to measure and assess job insecurity can be classified in two different types (Sverke et al., 2006): global and multi-dimensional. The global scales focus on one aspect of the phenomenon, i.e. the workers’ overall concern about the possibility of losing their job in a near future. The other type of scale is multi-dimensional, which evaluates the workers’ perception about different aspects of the threat to the job or valuable job features.

Based in the categories proposed by Greenhalgh and Rosenblatt (1984), Ashford, Lee, and Bobko (1989) created a multi-dimensional scale to measure job insecurity. The aspects covered are: the importance of job, the threat to the whole job, the importance of certain aspects of job, the threat to these aspects and the perceived powerlessness to cope with these threats. Mauno, Leskinen, and Kinnunen (2001) argue that the use of multi-dimensional scales has to be done carefully, considering the variables that will be studied. In the case job insecurity will be measured among other job characteristics, the authors recommend to use a global scale in order to avoid overlap. In the case of assessing only job insecurity, Mauno et al. (2001) suggest the use of a multi-dimensional scale because it gives the chance to inspect the relation between job insecurity and other variables.
The study of job insecurity can also be focused on the threat to the job itself or to some of its features. In the study carried out by Ashford et al. (1989), they made the difference between quantitative and qualitative job insecurity, based on the categories proposed by Greenhalgh & Rosenblatt (1984). Hellgren, Sverke, and Isaksson (1999) also made the difference between the threats to the whole job and the threats to important features of the job. Later, De Witte, De Cuyper, Handaja, Sverke, Näswall, and Hellgren (2008) conducted another study based on the qualitative/quantitative dimensions of job insecurity, arguing that both relate to work-related stress.

Although both dimensions can be addressed, this document is focused on the quantitative aspect of job insecurity, regarding the perception the workers have about the loss of the job as such and the possible consequences of such perception.

**Job insecurity and its consequences**

The consequences of job insecurity can be organized in a two-by-two table along the focus of reaction and the type of reaction (Sverke et al., 2002; see Table 1).

The first dimension distinguishes between consequences for the individual (e.g., job satisfaction, psychological and physical health) and those for the organization (e.g., commitment, trust, job performance, turnover intentions). Research has shown that these factors can be related to the presence of job insecurity (Ashford et al., 1989; Cheng & Chan, 2007; Hartley et al., 1991; Lim, 1997; Sverke et al., 2002). The second dimension distinguishes between immediate consequences (e.g., attitudes) and consequences that show instead on the long term (e.g., health and well-being and behaviour). The combination of individual-organizational and immediate-long term yields four categories of possible outcomes. Although each of the four categories can be addressed, we choose to focus upon the distinction between individual and organizational outcomes, with a relative strong emphasis on the latter.

### The consequences for the individual

According to the theory proposed by Lazarus and Folkman (1984, cited in Sverke et al., 2002), job insecurity is a stressor. More specifically, the elements that make job insecurity a powerful stress generator are its uncertain and uncontrollable characteristic (Cheng & Chan, 2007; Sverke et al., 2002; Sverke et al., 2006). The workers have no certainty about their future in the organization, they do not have a clear idea of what is going to happen or whether or not they will be negatively affected by the possible changes in the job structure or the working conditions. There is no possibility to even get prepared for the effects of the organisational changes and therefore the worker is placed in a very “unstable” situation. And then is when also uncontrollability appears; facing an uncertain situation, the worker has no chance to take any choice, losing almost every possibility of control over the future of his work. Nevertheless, this lack of control is present during the whole process that leads to job insecurity.

This decrement of the well-being is consistent with Karasek’s “Job Demand/Control” Model (1979, cited in Bernhard-Oettel, Sverke, & De Witte, 2005). This model predicts a negative association between the psychological demands of the job and well-being, and a positive association between control and well-being. Therefore, control can be considered as a buffer element over the negative consequences of high job demand. Here

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<th>Focus of reaction</th>
<th>Individual</th>
<th>Organizational</th>
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<td>Type of reaction</td>
<td>Immediate</td>
<td>Job attitudes</td>
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<td>Long-Term</td>
<td>Health</td>
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Table 1. Types of consequences of job insecurity (adapted from Sverke et al., 2002)
can be established the relation with job insecurity, being lack of control over the situation one of the characteristics of the phenomenon, and according to Karasek’s model this will reduce the well-being of the workers.

In line with the hypothesis of job insecurity as a stressor, most studies have established correlations between job insecurity and a decrease in well-being, with symptoms as: anxiety (D’Souza, Strazdins, Lim, Broom, & Rodgers, 2003; Roskies & Louis-Guerin, 1990), psychological distress (De Witte, 1999), depression (D’Souza et al., 2003; Ferrie, Shipleya, Newman, Stansfeld, & Marmot, 2005; Hartley et al., 1991), physical discomfort (Hellgren et al., 1999), heart disease (Lee, Colditz, Berkman, & Kawachi, 2004) and low self-esteem (Kinnunen, Feldt, & Mauno, 2003). Aspects as age, gender or occupational status showed no significant influence in the correlation between job insecurity and well-being (De Witte, 1999; D’Souza et al., 2003; Roskies & Louis-Guerin, 1990). Although most of the studies are based on cross-sectional designs, some have used longitudinal designs to have a better perspective on the development of job insecurity and its consequences (Dekker & Schaufeli, 1995, cited in Hellgren & Sverke, 2003; Heaney, Israel & House, 1994, cited in Hellgren & Sverke, 2003; Hellgren & Sverke, 2003; Hellgren et al., 1999). These studies show that job insecurity is more likely to cause poor well-being than vice versa.

The meta-analyses carried out by Sverke et al. (2002) and Cheng and Chan (2007) concur with these findings, pointing out that the consequences to the individual can cover a broad spectrum of illnesses.

Organizational consequences

When the consequences of job insecurity are reviewed, it should be noted that job insecurity not only affects the individual but also his or her organization. When an employee engages in a relationship with an employer, there are obligations that both parties are supposed to fulfill (Sverke et al., 2002), often as part of a sort of contract. There are three types of contract: the “formal contract” which is a written agreement both parts sign; the “implied contract” referred to the norms established during the interaction and the “psychological contract”, which is more relevant from the perspective of job insecurity. The psychological contract involves all the commitments and expectations the employee has concerning his or her relationship with the employer (De Cuyper & De Witte, 2006; De Cuyper & De Witte, 2007). Under the traditional or old psychological contract, workers promise to be loyal in exchange for security and stability in the job. If under any circumstance workers think they are receiving less than expected or promised, they will perceive the psychological contract has been breached. This is what happens with job insecurity, the threat to job continuity in the organization is interpreted as a violation of the psychological contract and, therefore, the workers withdraw from the organization because they are not getting what they think they deserve. Such withdrawal may show in reduced commitment, increased turnover intention and poor performance, for example. Hence, job insecurity relates negatively to organizational outcomes.

Just like Hartley et al. (1991) proposed, job insecurity is negatively related with organizational productivity. The authors name this phenomenon “psychological withdraw” and it refers to the situation that occurs when workers are submitted to job insecurity within their working environment and start to show a lower level of commitment, interest in their labour and less dedication to their activities. Roskies and Louis-Guerin (1990) also found evidence for a correlation between job insecurity and a decrement in working effort, confidence, satisfaction and optimism concerning the worker’s career. The study carried out by Probst (2005) showed that job insecurity was related to less co-worker satisfaction, less work satisfaction, lower supervision satisfaction and more turnover intentions.

Lim (1997) states that job insecurity is positively related with unfavourable behaviour at work, such as absenteeism, lateness, job search and applying for new jobs. This point is very important to consider because the most valuables workers, and therefore the most important for the organization, are the first to leave when they percei-
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Job insecurity as a threat to their jobs (Cheng & Chan, 2007; Greenhalgh & Jick, 1979, cited in Greenhalgh & Rosenblatt, 1984; Sverke et al., 2002). This can become an important issue when organisations have to take care of their assets to face an uncertain future. When the country’s economic situation at certain moment changes, the industry can get in a more “unsteady” position and then it becomes more likely that the workers face the possibility of losing their jobs or valued features. This situation can become very harmful for the industries because it has to keep itself profitable whereas at the same time it has to take care of their human resources.

It is also relevant to consider that these consequences are not always observed in every worker. Factors as the level of professional development, age or tenure might influence the perception the workers have about the events and job insecurity. Job insecurity as a perceptual factor is highly affected and determined by the characteristics of the individual and his personal experience and context (Cheng & Chan, 2007). Different and personal variables can influence and make the perception of job insecurity and the consequences vary from one worker to another. De Cuyper & De Witte (2006) argue that the type of contract (permanent or temporary) can affect the outcomes observed, acting as a moderator.

Job insecurity in Latin America

Nowadays, the phenomenon of job insecurity in Latin-American studies has not followed the same course of development and research as it has in Europe or the USA (Sverke et al., 2002). The studies done so far have not been made in a systematic way and it has been based on more specific and practical issues. The references used are mainly focused on studies done in Latin America, leaving a big amount of research from other parts of the world un-reviewed.

Most of the Latin-American research has considered job insecurity as one element within a much wider universe of phenomena that might be related to a decrement of the worker’s well-being or the organisation’s functioning (Cheng & Chan, 2007). Until this moment, Latin-American studies on job insecurity haven been done in Brazil, Mexico and Argentina. Although the focus in these studies is very different, they all refer to job insecurity in one way or another.

In Leibovich’s research (2006) named “Perception of job instability in a sample of psychologists”, job insecurity is defined as the result of the fast transformations in the work environment (p. 7). This definition has a common point with those previously presented, regarding the objective phenomenon that can be perceived as threatening. Nevertheless, it does not have any reference to the concern about the future, the lack of control or uncertainty; hence, she does not adopt the same definition as in the studies reviewed earlier.

This research is centred on a very specific sample of psychologists and using an instrument specially developed for this particular study. This leads to the inconvenience that comparisons with other studies are difficult. The authors assumes that perceptions of job insecurity associate with feelings of fear, uncertainty, insecurity, and the outcomes are measured through an instrument oriented to the perceived malaise, being defined as “the subjective perception of the accumulative impact of an relatively minor event, but daily annoying and disturbing” (pp. 9). The Inventory of Perceived Malaise in the Job Instability – Psychologists (IMPIL-PS is the acronym in Spanish) has 101 items distributed in the next areas: interpersonal problems (10 items), personal competence (21 items), worries about health (6 items), environmental displease (11 items), economical worries (12 items), worries regarding the future (5 items), emotional displease (21 items) and cognitive displease (15 items). Also one question of self-perceived job instability was included in the instrument, “How do you perceive the current job instability?”.

Considering the characteristics of this instrument, it has certain resemblance to those focused on the whole job and the important features of it. Hellgren et al. (1999) assessed not only the perceived threats to the whole job but also the perceived threats to important features of it, just like Leibovich (2006) does in her research. Although this last study does not have the same theoretical base, it addresses a similar range of topics and subjects.
referring to job insecurity and the variables that are related to it.

The results reported by Leivobich (2006) concerning malaise put the highest scores in: possible changes in the working conditions, the uncertainty regarding the future stability of the job and the uncertainty resulting because of the instability of the country. These results seem to be very similar to those found in studies conducted in other contexts and situations (Cheng & Chan, 2007; Sverke et al., 2002), where the focus of the phenomenon is on the possibility of an unwanted change of the actual working situation and the uncertainty about these changes in the future. Even the change of the working conditions and not respecting the people’s rights are very similar to the results reported by Pate, Martin, and McGoldrick (2003) concerning the violation of the psychological contract and its effects on the attitudes and behaviour of the employees.

Another study that is more focused on job insecurity is the one conducted by Juárez-García-García (2004) entitled “Psychosocial factors related with the mental health in professionals of human services in Mexico”. The aim of the study was to evaluate several psychosocial variables in relation to indicators of mental health. This research is based on Karasek’s Model of Job Demand-Job Control, pointing out that job insecurity is a variable that can be added to the theory, based on the finding of Mohr (2000, cited in Juárez-García, 2004) and Cedillo (1999, cited in Juárez-García, 2004). The variables evaluated were psychological demand, latitude of decision, social support, job insecurity, self-effectiveness and emotional control. According to Karasek’s “Demand/Control” model (1979, cited in Probst, 2005), there are two important issues in considering job characteristics: job demands that refer to stressors like time pressure or heavy workload, and job control that concerns workers’ authority to make decisions on their jobs. When job demands are too high, job strain will increase, and when job control is high, job strain will decrease. In other words, the control the workers have over their jobs allows them to face and counteract the threats and problematic situations that might appear. Just like the phenomenon of job insecurity, this model uses the “control” factor as a very important one, as the element that can give the workers the chance to take measures to diminish the negative effects of any given situation.

The instruments used were Karasek’s Job Content Questionnaire (JCQ), previously validated in Mexico by Cedillo (1999, cited in Juárez-García, 2004), the Questionnaire of Personal Control (Juárez-García, 2004a, cited in Juárez-García, 2004) and the General Health Questionnaire, previously validated for Mexico by Medina, Padilla, Campillo, Caraveo, and Corona in 1983 (cited in Juárez-García, 2004). Specifically, job insecurity is measured with the fifth scale in the JCQ, using 3 or 6 items, depending on the version (Karasek et al., 1998).

The results obtained showed no significant influence from variables as organization, type of work or age. The most relevant findings point out that only job insecurity, self-effectiveness and emotional control are significantly related to mental health. Job insecurity was the variable that had the most significant association with somatic symptoms, social dysfunction, sleep disorders and depression.

Regardless the interesting findings of the study, it seriously lacks a stronger theoretical base. It does not make any reference to the literature about the concept of job insecurity or any of the other psychosocial variables measured.

In 2007, Juárez-García presented another study named “Psychosocial and work factors related with blood pressure and cardiovascular symptoms en nurses in Mexico”. It was very similar to the previous study, but now trying to set the correlation between psychosocial variables and somatic indicators. Juárez-García used the JCQ, a questionnaire of cardiovascular symptoms (see Juárez-García, 2007) and 6 blood pressure digital monitors.

The results show that job insecurity is an important predictor of cardiovascular symptoms. These results are independent of other variables as age, body mass index and alcohol and tobacco consumption. Juárez-García declares that previous research (Seligman, 1975 cited in Juárez-García, 2007) showed that chronic uncertainty can generate a high level of stress and physiological tension, negatively affecting the cardiovascular system.
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This report also includes more information about the concept of job insecurity, giving more importance to the theoretical aspects of the phenomenon. The author defines it as “the feeling of uncertainty that goes along with low certainty of being able to keep the job”. Just like previous definitions of job insecurity, this also refers to the subjective character of the phenomenon and puts the emphasis on the uncertainty about the future of the situation and the lack of control the worker has over the event. This element is very important because it gives a point to make comparisons with other studies that use the same conceptual base.

In Brazil, a study that included job insecurity among the independent variables, as part of a bigger pool of concepts, was performed by Fischer et al. (2005): “Job control, job demand, social support at work and health among adolescent workers”. The objective of the study is to evaluate different dimensions of the adolescent labour and to analyse the relation they have with reported body pain, work injuries, sleep duration and daily working hours. Four questionnaires were used: one regarding demographic information, another for the reported body pain and one for working conditions. The last questionnaire was the JCQ and was used to assess job control and job demands, as well as job insecurity. The job insecurity scale is oriented to an overall measurement of job insecurity and work prospects and data about layoff and work stability history.

The results showed that an important part of the working adolescents scored high on the scale of job insecurity, and these have two possible explanations: they felt high levels of psychological demand at the workplace or they believed their job was at risk. Another interesting relation presented is between job insecurity, sleep and working hours. Since the sample only included students, the working condition has a conflict with the student condition. The experienced job insecurity is directly related to the hours worked and the sleep the individual gets. If one gets more hours of sleep, one will work less and therefore will experience more job insecurity. In contrast, more hours of work and less sleep might mean less perceived job insecurity. This can become a strong stressor considering the context of these adolescents; the job is a very important part of their lives as a source of resources and subsistence. Hence, the possibility of becoming unemployed is a feared and stressful situation.

Discussion

At lot has been done since the first structured approach done by Greenhalgh and Rosenblatt (1984) to the phenomenon of job insecurity. The course the research has followed through the years has taken a great advance and added to the understanding of the phenomenon, not only as an event itself but also as part of a group of variables that affect the organizational processes, the work-related health and the workers’ behaviour.

The studies conducted mainly in Europe have the lead in the field, addressing several aspects and establishing several correlations between job insecurity and different aspects of the working process. The improvements and advance have taken place not only in the theoretical aspect of the phenomenon but in the methodological part as well. Development of instruments and scales to measure it have been important parts of the investigation of the topic, too.

Even though in Europe and North America the research on job insecurity is very advanced, in Latin America there is still a lot to do. The experience taken from previous studies has given the new researchers a better view and perspective on the course the studies should follow. Taking the European and North American research as an important introduction to the phenomenon, these antecedents previously reviewed ought to be considered as a reference to later research in Latin America, but always accounting for the characteristics and particularities of the context and social environment.

This task is in its early stage, but the research done so far is the first and a very important step that sets the agenda for the next studies. The work carried out by Fischer et al. (2005), Juárez-García (2004) and Leibovich (2006) is most likely the beginning of the systematic research in job insecurity in Latin America, first focusing in very specific issues of the subject and giving a stepping stone for further research to continue with more general
and broad approaches to the phenomenon that can be applicable to more countries and contexts in Latin America.

Since Latin America is a continent formed by developing countries, this makes it more likely to be affected by the global economic changes that are taking place these days. Therefore, the research should be oriented to common spaces and issues between different countries in the region, allowing not only to generate more knowledge based in similar situations among the participant countries but also to set the base for future regional policies and development strategies. The lack of a bigger base of research in this subject necessitates the different governments to give an impulse and incentive to the studies in order to generate a stronger framework to face eventual crisis situations. And these studies should include aspects as well-being, organizational outcomes, job behaviour and be cross-sectional as well as longitudinal. This last aspect is important to know the evolution of the phenomenon and not only its aspect in certain moment.
References


