



KATHOLIEKE UNIVERSITEIT
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***JOB INSECURITY AND INDIVIDUAL WELL-BEING: MODERATION
BY LABOUR MARKET POLICIES
ACROSS EUROPE***

A MULTILEVEL ANALYSIS IN A CROSS-COUNTRY PERSPECTIVE





INTRODUCTION

- **MULTIDISCIPLINARY STUDY:** combines **work psychology** and **social policy research**
- **CROSS-NATIONAL COMPARATIVE APPROACH:** **data from ESS** and **EUROSTAT** of 2010, among **21 European countries**
- **AIM:** to identify potential **mitigating factors** of the **relationship between job insecurity and well-being** at the **country-level**



INTRODUCTION

PSYCHOLOGICAL THEORETICAL FRAMEWORK:
Conservation Of Resources (COR) theory (Hobfoll, 1989), that
allows us to take these different contexts into account

COR: integrative framework for testing which **contextual and individual resources** help job insecure employees to maintain well-being (or to buffer the negative effect on it)



INTRODUCTION

OUR ASSUMPTION: **national-level policies** aimed at reducing the negative consequences of **unemployment**, i.e., **Labour Market Policies (LMPs)**, can also **provide individuals with more resources** to deal with individual JI.

INSTITUTIONAL INTERVENTIONS: may not reduce the level of JI per se, but **they may play a role in moderating the negative outcomes of economic insecurity**



INTRODUCTION

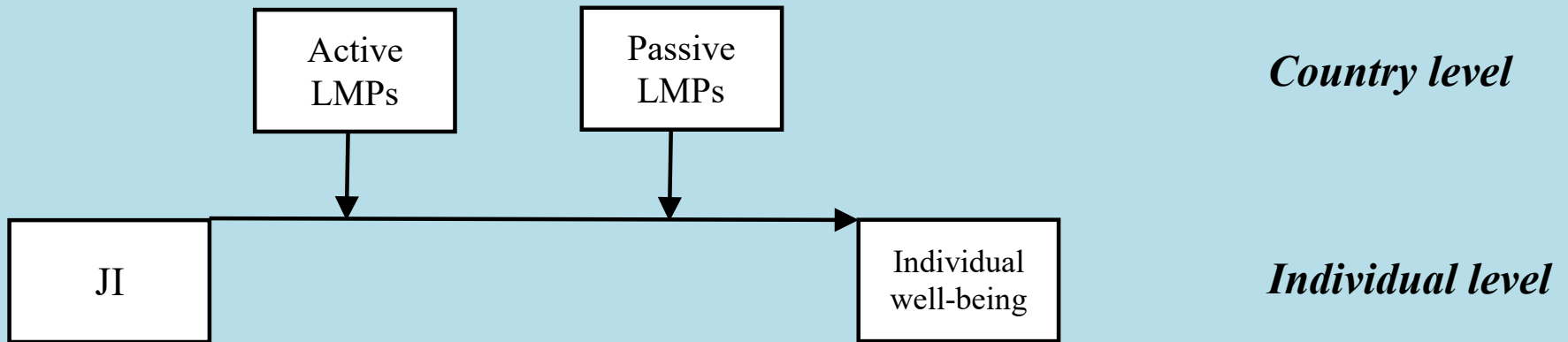


Figure 1. Conceptual research model



INTRODUCTION

JOB INSECURITY:

- perceived **threat of job loss** and the **worries related** to that threat (De Witte et al., 2015)
- **subjective experience** generated from the evaluation and interpretation of the individual's current job.

SUBJECTIVE WELL-BEING:

- multi-faceted construct with **cognitive, emotional** and **functional aspects** (OECD, 2013)
- 3 interrelated components of **life satisfaction, happiness** and **general health**



INTRODUCTION

NEGATIVE IMPACT OF JI ON WELL-BEING: support by a large number of longitudinal studies (De Witte, Pienaar & De Cuyper, 2016)

EFFECT SIZES VARY AMONG STUDIES: suggesting the presence of moderator variables

By identifying moderating factors, EMPLOYEES' NEGATIVE RESPONSES TO JI CAN BE BUFFERED



INTRODUCTION

IN WORK PSYCHOLOGY: research mostly focused on the **potential effects of individual-level moderators**

Little attention to the POTENTIAL ROLE OF HIGHER LEVELS MODERATORS (Debus et al., 2012)

OUR SUGGESTION: **this near-exclusive focus on individual-level is not sufficient for a topic like JI, that is inevitably related also to institutional factors**

HIGHER COUNTRY-LEVEL VARIABLES: may also **explain substantial variation in the JI – well-being relationship**



INTRODUCTION

A MULTILEVEL PERSPECTIVE AND A MULTIDISCIPLINARY APPROACH:

seems appropriate, not only because **research has already revealed cross-country differences in the JI-outcomes relationship** (Carr & Chung, 2014; Annink et al. 2016) but also **for theoretical reasons**



INTRODUCTION

THEORY UNDERLINES THE MULTILEVEL PERSPECTIVE IN
STRESS REACTIONS: **CONSERVATION OF RESOURCES (COR)**

- **particularly useful** for studying the **stress process from a cross-national comparative approach** because it considers both individual and contextual factors (Hobfoll, 2001)
- **COR** could be the **psychological framework explaining the cross-level interactions by institutional factors** on the JI – well-being relationship at the individual level



INTRODUCTION

COR THEORY:

- **peoples' well-being is situated also in the social context and responses to stressful situations depend **not only on the individual, but also on the environment****
- **as a result, NOT ONLY MORE RESOURCEFUL INDIVIDUALS BUT ALSO INDIVIDUALS IN MORE RESOURCEFUL CONTEXTS ARE EXPECTED TO COPE BETTER WITH JI**



INTRODUCTION

LABOUR MARKET POLICIES: RESOURCES AT THE COUNTRY LEVEL

= **public interventions in the labour market** which help and support the **unemployed** and other disadvantaged groups

TARGET: people unemployed, **persons employed but at risk of involuntary job loss** and individuals considered as inactive (Eurostat, 2010).



INTRODUCTION

LABOUR MARKET POLICIES: RESOURCES AT THE COUNTRY LEVEL

- **ACTIVE LMPs** = interventions improving employability: training, employment incentives, direct job creation, start-up incentives.
- **PASSIVE LMPs** = financial supports for unemployed: unemployment benefits, out-of-work income support or programmes for early retirement.



INTRODUCTION

LABOUR MARKET POLICIES: RESOURCES AT THE COUNTRY LEVEL

ACTIVE and PASSIVE LMPs:

- important **providers of social security**
- **stabilizers** for the consequences of **unemployment**
- **buffering factors** for feelings of **economic vulnerability** in case of job loss



INTRODUCTION

H1: The negative relationship between JI and well-being will be buffered by active LMPs: employees in countries with more generous active LMPs will have less negative reactions to JI in terms of individual well-being

H2: The negative relationship between JI and well-being will be buffered by passive LMPs: employees in countries with more generous passive LMPs will have less negative reactions to JI in terms of individual well-being



METHOD: SAMPLE

DATA:

- **European Social Survey (ESS), 2010** (round 5)
- **Eurostat, 2010**

Combining the two data sets:

40.061 individuals nested in 21 European countries



METHOD: INDEPENDENT VARIABLE

SUBJECTIVE JOB INSECURITY: ESS Data

individual's evaluation about the probability to lose the job in the near future (cognitive dimension)

Question: "My job is secure" - reversed scores tapping job insecurity low (= 1) and high (= 4)



METHOD: DEPENDENT VARIABLE

INDIVIDUAL WELL-BEING: ESS Data

3 indicators combined into a measure, considering life satisfaction, happiness and general health (see OECD, 2013)

Questions: “How satisfied are you with life as a whole?”
“How happy are you?”, and “How is your general health (physical and mental)?” (1= very poor; 5= very good)



METHOD: MODERATORS

ACTIVE and PASSIVE LMPs: Eurostat Data

Operationalized as the country's expenditure on passive and active LMPs, in percentage of GDP



METHOD: CONTROL VARIABLES

CONTROL VARIABLES AT INDIVIDUAL LEVEL: ESS Data

- Age (years)
- Gender (1=male; 2= female)
- Years of education completed
- Contract type (1=permanent; 2=temporary)



ANALYSIS PROCEDURE AND RESULTS

HIERARCHICAL LINEAR MODELING WITH CROSS-LEVEL INTERACTIONS

- Estimation method: ML
- Change in log-likelihood fit index for comparing models
- Predictors: grand mean centred, because interested in differences among countries (Enders & Tofighi, 2007)

1st step (null model): the variance of the outcome well-being is partitioned into within and between country component, to give a baseline variance statistics at each level, and an estimate of the ICC.

ICC = 0.333, i.e. 33% of the variance in well-being is attributable to country differences



ANALYSIS PROCEDURE AND RESULTS

2nd step: Test of the hypotheses → compared 3 nested models

Model 1: individual-level control variables and JI as random effect

Results: significant variation in the individual slopes, suggesting that these are significant predictors of well-being

Model 2: main effect of ALMP and the Job Insecurity X ALMP interaction term

(H1). Results: interaction term significant, the cross-level interaction explained 38% of the variance in JI

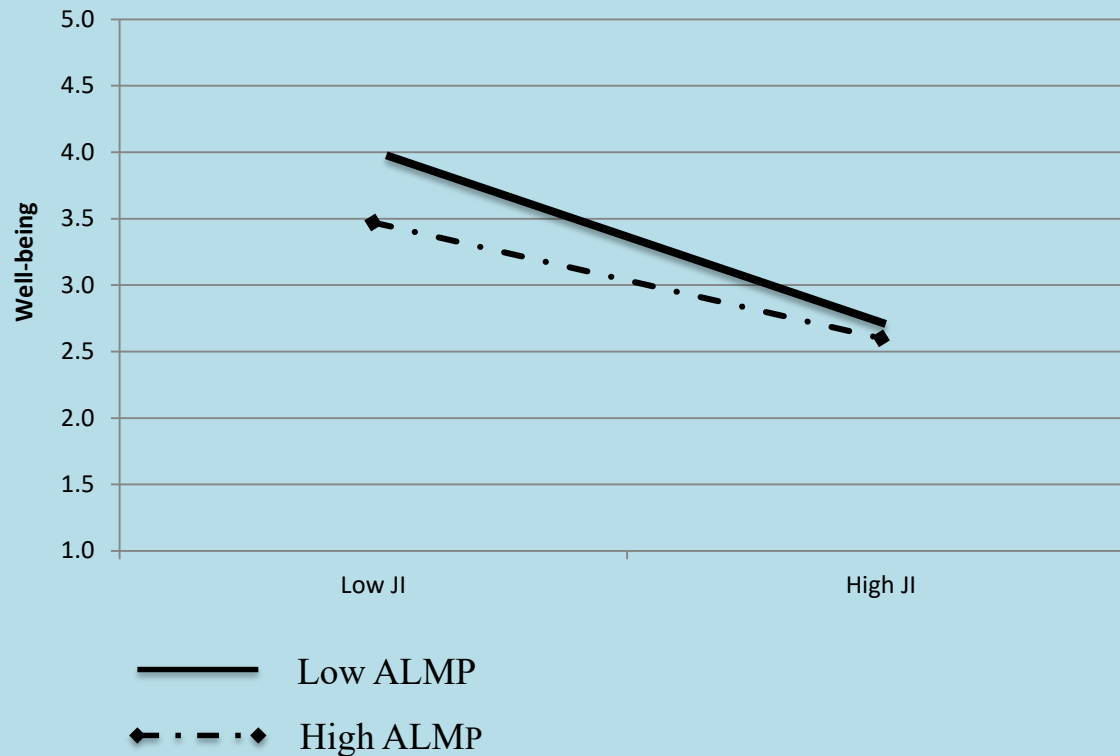
Model 3: main effect of PLMP and the Job Insecurity X PLMP interaction term

(H2). Results: interaction term significant, the cross-level interaction explained 42% of the variance in JI



RESULTS

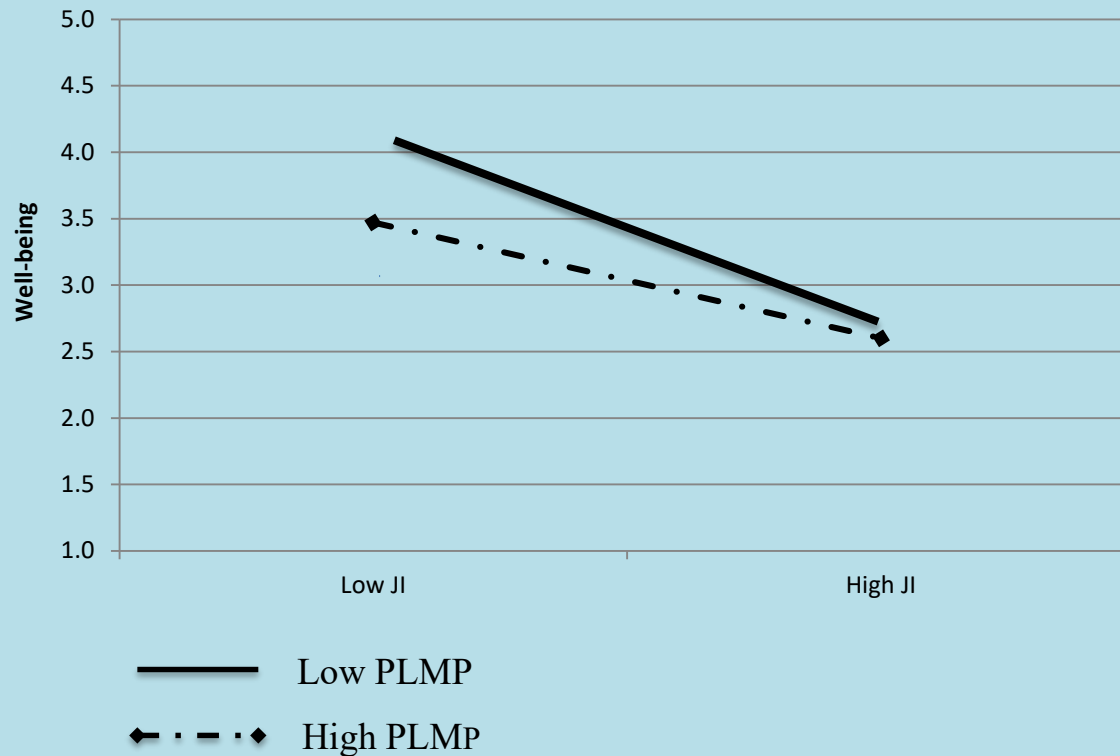
Figure 2. The cross-level interaction effect of country-level Active Labour Market Policies on the relationship between individual-level job insecurity and well-being





RESULTS

Figure 2. The cross-level interaction effect of country-level Passive Labour Market Policies on the relationship between individual-level job insecurity and well-being





DISCUSSION

THEORETICAL IMPLICATIONS

- support to the idea of **higher resources, at the country-level, as a buffer** against the negative effect of individual JI
- **COR theory as a framework to integrate psychological aspects and socio-economic factors** related to perceptions of JI, each having the potential to exert specific influence
- importance to look at **stress processes from different perspectives**, highlighting the potential importance of all factors involved



DISCUSSION

PRACTICAL IMPLICATIONS

- possible suggestions for national policies concerning employment protection
- to provide instruments to evaluate initiatives toward *flexicurity* of European countries
- to evaluate the generalizability of job insecurity in various countries in order to find common strategies to deal with it

THANKS FOR YOUR ATTENTION 😊