

Simple guidance for employees, managers and employers

Job loss and unemployment

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Psychological meaning and consequences of job loss

- Job loss represents a highly stressful life event. The experience of job loss is comparable to death of a close person or divorce.
- The pace of one's recovery from and the efficacy of coping with job loss primarily depend on two individual's appraisals:
 - the evaluation of a chance of getting back to employment
 - the evaluation of fairness of organizational procedures which preceded job loss – whether a person perceives that the employer's decision regarding his/her layoff was unfair or whether a person perceives that despite of employer's effort, the objective circumstances (e.g., financial crisis) did not allow the employer to preserve employee job position. The latter assessment often stems from transparent communication with employees and fairness of organizational procedures.

Psychological meaning and consequences of job loss

- The experience of a job loss most certainly enhances the current stressful experiences related to COVID-19 and decreases the individual's perception of a control over the situation.

Psychological meaning and consequences of unemployment

- Unemployed persons are deprived of many manifest and latent benefits of employment: regular financial income, societal status and recognition, sense of a collective purpose, opportunity to use one's abilities and skills, social activities with colleagues and structure to weekly and daily activities.
- For that reason, the unemployment results with a wide span of adverse effects on one's economic well-being, mental and physical health. Unemployment also negatively reflects on other members of one's family.
- Particularly vulnerable groups are middle-aged parents, single persons, blue collars, people who experience a high financial deprivation.
- In the current situation, unemployment enhances existential fears and decreases individuals' resources to cope with stressful circumstances.

Recommendations for persons who lost their jobs

Try to think of this situation as an exceptionally demanding one which requires a mobilization of many of your coping resources. This means that you might highly benefit from social support of your close persons who might help you to successfully manage your emotions and organize your life during this period.

- Thoughts that might be useful: *Everything in life is temporary, so is this; Now is the time to endure and stay strong; Many people are in a similar situation.*
 - People who might help you: close persons who know and understand you very well; persons with whom you can share how you truly feel; persons who are optimistic and who have the experience of coping with highly demanding life events; persons who are willing to help.
 - Activities which attenuate the negative consequences of unemployment: routine and structure to daily activities; thinking of others' needs and planning how to help others (e.g., volunteering in Red Cross to help older persons); learning new things; physical exercising.
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- *Try to avoid unstructured time spending and two maladaptive coping strategies:*
 - *preoccupying yourself with catastrophic thoughts and constantly monitoring negative news*
 - *denying and avoiding all information and trying to eliminate negative thoughts by extremely extended sleeping, excessive consumption of alcohol and other psychoactive substances and consumption of tranquilizers beyond doctor's prescriptions.*

Recommendations for employers and managers

- Show solidarity with your employees and distribute the burden of this crisis on all members of your organization.
- Show that you care about your employees' needs, communicate frequently with them, ask them about their life outside of work.
- Take into account social criteria when deciding about who will keep and who will lose their job.
- Provide psychological support to employees who lost their job and to employees who are (still) employed.
- Try to eliminate uncertainty as much as possible, prevent rumors and panic spreads by clear, timely, frequent and regular communication. In large organizations, open the communication channels in all directions, instruct managers about the importance of communication during the crisis; in smaller organizations, try to personally communicate with your employees.
- Reassess the organizational resources needed for conducting business in the changed circumstances; reanalyze job content of each job position; enable your employees to participate in making decisions related to their job and encourage innovative work behavior that is crucial for conducting business in these challenging conditions.