

**The Feeling of Employment Insecurity:
Between Individual Determinants and Managerial Practices***
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Key Question

Few labour economics studies have focused on the subjective aspect of employment security and on identifying the determinants of employee perception of their employment security. To what extent is the perception of the risk of job loss affected by the nature of the work environment, the employer's human resources management policy, its economic situation or what employees know or perceive about it? In particular, which managerial practices can limit their perception of employment insecurity?

Methodology

The data used are taken from the national coupled employee-employer *REPONSE* 2011 survey. In order to isolate the effects of each of the variables relating to the establishments, including their managerial practices, on the perceived risk of job loss, we use a multilevel random intercept model.

Main Results

- Middle-aged employees, employees recently hired by the establishment and those with previous experience of unemployment report more often a perception of employment insecurity than others.
- The reduction of staff numbers and the removal of certain positions within the establishment increase perceived insecurity.
- Managerial practices based on achieving precise and quantified objectives appear to make employees feel more insecure.
- Profit sharing and the existence of incentives are forms of engagement that contribute to lower risk perceived by employees of losing their jobs.
- The dissemination of information to employees and employee consultations have “reassuring” effects.
- Lastly, perceived job insecurity is greater when the social climate is tense and the local economic context is deteriorated.

Message

The risk of job loss perceived by employees, in line with the economic situation of their establishment and of the local labour market, is also dependent on the human resource management policy implemented within the establishment. Practices that contribute to employee engagement, through incentives, profit-sharing schemes and information-discussion-consultation measures make it possible to reduce the employment insecurity perceived by employees.