



Tuesday, Mar. 10, 2009

Is It Less Stressful to Get Laid Off Than Stay On?

By Eben Harrell

It is a familiar scene these days: employees taking newly [laid-off co-workers](#) out for a consolation drink. But which side deserves sympathy more, the jobless or the still employed? On March 6, researchers at a conference at the [University of Cambridge](#) heard data suggesting it's the latter: compared with people who are straight-up laid off, those who keep their job but are under a constant threat of losing it suffer a greater decline in mental well-being.

Brendan Burchell, a Cambridge sociologist, presented his analysis based on various surveys conducted across Europe. The data suggest that employed people who feel insecure in their job display similar levels of anxiety and depression as those who are unemployed. But whereas a newly jobless person's mental health may "bottom out" after about six months, and then even begin to improve, the mental state of people who are perpetually worried about losing their job "just continues to deteriorate, getting worse and worse," Burchell says. ([See 150 recession-proof jobs.](#))

Burchell argues that policymakers and employers should prepare for the fallout from the stress and anxiety that the existing workforce is currently suffering. "From a societal perspective, we can expect worse things to come," he says. "Presently we are going through a 'shock' period." But in a year, Burchell says, the people who have had to endure the ongoing threat of being fired — and deal with the frustration of not being able to plan for their future or feel in control of their life — may begin to suffer severe symptoms of anxiety and depression, such as insomnia, substance abuse and lethargy. ([See 25 people to blame for the financial crisis.](#))

Burchell's conclusions, which he presented at the conference "Credit Crunch: Gender Equality in Hard Times," have been drawn from his study of about 300 British workers as well as various European workforce studies and the British Household Survey of approximately 5,000 people, which has charted the effects of social and economic change on mental health since 1991. Both Burchell's study and the British Household Survey used a 12-item questionnaire — called the GHQ 12 — that is designed to measure symptoms of stress and anxiety with questions like "Have you recently been thinking of yourself as a worthless person?" and "Have you recently been able to concentrate on whatever you are doing?"

Although Burchell's findings may be representative of all societies, the researcher stresses that his study population was based entirely in Europe, which has a more generous welfare program than the U.S., a condition that could have affected data from unemployed respondents. ([See pictures of unemployment in Cleveland.](#))

Burchell's study wasn't designed to offer direct explanations of the data, but there are established

psychological patterns that may suggest them. For example, psychologists have documented an "impact bias in affective forecasting," which is the tendency for people to overestimate how strongly they will react to emotional events. One study showed that university professors greatly overestimate the jubilation or depression they would feel after learning whether they had been offered tenure. That may help explain both the depression among the still-employed and the relative well-being of those who lost their job.

Also pertinent is the theory — backed by so-called positive psychologists — that human beings have an inherited base level of happiness that fluctuates only during periods of change. In his book *The Happiness Hypothesis*, for example, Jonathan Haidt, a professor of psychology at the University of Virginia, discusses the opposing case studies of winning the lottery and becoming paralyzed. He writes, "It's better to win the lottery than to break your neck, but not by as much as you'd think ... Within a year, lottery winners and paraplegics have both (on average) returned most of the way to their baseline levels of happiness." ([See George W. Bush's biggest economic mistakes.](#))

Evolutionary psychologists support this theory by arguing that human beings feel more stress during times of insecurity because they sense an immediate but hard-to-discern threat — the modern-day equivalent of an unseen predator growling in the trees. Patients have been known to experience higher levels of anxiety, for example, while waiting for biopsy results than knowing the diagnosis — even if the result is cancer. It's better to get the bad news and start doing something about it rather than languish in limbo. When the uncertainty is prolonged, people stay in a sustained "fight or flight" response, which leads to damaging stress.

But not every employee in insecure industries has such a gloomy view, Burchell says. Entrepreneurs seem to thrive. In general, women fare better too. While reporting higher levels of anxiety than men when directly questioned, women scored lower in stress on the GHQ 12, even when they had a job they felt insecure about losing. As Burchell explains, "For women, most studies show that any job — it doesn't matter whether it is secure or insecure — gives psychological improvement over unemployment." Burchell hypothesizes that the difference in men is that they tend to feel pressure not only to be employed, but also to be the primary breadwinner, and that more of a man's self-worth depends on his job. ([See pictures of the top 10 scared traders.](#))

So what nugget of advice can Burchell offer to those lucky millions across the globe who are still employed but are worried about losing their job? After scouring through the surveys in search of the key to an even mental keel, Burchell came up with, "Nothing. Certainly some individuals cope better, but we don't know why. It seems there are just certain things about job insecurity that can't be overcome."

[See TIME's Pictures of the Week.](#)

[See which businesses are doing well despite the recession.](#)



Find this article at:

<http://www.time.com/time/health/article/0,8599,1883614,00.html>