

## ***Perceived job insecurity in early careers: a tale of two French cohorts***

Employment instability and economic uncertainty have increased in many industrialized countries in the last two decades, giving rise to perceived employment insecurity among workers. It has been shown that perceived job insecurity (PJI) significantly modifies economic behaviours such as saving, consumption and entry to further education, reduces job performance and generates adverse health and well-being effects. For these reasons, a better understanding of its determinants and multidimensional nature is crucial. However, few studies have specifically addressed the antecedents and evolution of subjective job insecurity in the early years of the working life. Nevertheless, the uncertainty associated with this particular stage of working life is conducive to the emergence of such feelings. We here examine this issue in the case of France.

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JOB INSECURITY  
GENERATION  
SURVEYS  
EDUCATION-TO-WORK  
TRANSITION  
ECONOMIC SITUATION  
EXPERIENCE  
SENIORITY

**A**lthough they affect only a minority, young people's perceived job insecurity (PJI) (Box 1) can be put into clearer perspective by means of a longitudinal analysis that traces how they have evolved over time. The 1998 and 2010 *Génération* surveys facilitate such an analysis: four successive waves of the survey enable us to track the young people of the 1998 cohort during the first ten years of their working lives, while the 2010 cohort has been surveyed twice in the course of their working lives, at the 3 and 5-year marks (see Boxes 1 and 2). Graphic representation of these data elicits two immediate observations. Firstly, in both surveys and each of the successive sets of observations, the unemployed were significantly more anxious than those in precarious employment, who were themselves considerably more anxious than the young people in stable employment. At any point in time, therefore, each cohort's feelings of insecurity were linked in part to the employment situation. This is only partly the case, however, since the data show, secondly, that PJI evolved in the opposite direction for each cohort: for one, it increased continuously over the 10 years of the observation period, while for the 2010 cohort it declined over the five-year period.

In order to understand these different dynamics, the analysis is conducted at three different levels. The first is the inter-cohort level; by tracking two cohorts that started their working lives 12 years apart, we are able to investigate the impact of the economic situation.

The second is the individual level, which enables us to identify the occupational and personal trajectories that encourage or reduce anxiety. The final level is a more subjective one, in which the focus is on the reasons the young people put forward in order to explain their feelings of insecurity.

### **Feelings of job insecurity depend on the economic situation**

From a dynamic point of view, the contrasting evolution of the feelings of insecurity within the 1998 and 2010 cohorts begins to make sense when viewed in the light of the different economic contexts in which the two cohorts spent the early years of their working lives. Having entered the labour market in a favourable economic situation (relatively low and declining youth unemployment rate), relatively few of the young people of the 1998 cohort said they were anxious at the outset (16% 3 years into their working lives in 2001). Anxiety levels rose as the economic environment deteriorated. In the autumn of 2008, however, when unemployment had been declining for 2 years, the share of young people in this cohort who were feeling anxious was still rising sharply (26 %). This was the period when the financial crisis was happening, and it is likely that these young people, despite being well integrated into the labour market (73% of them were in stable jobs at the end of 2008), were anticipating the coming economic crisis and its negative

This study is based on data produced by the 1998 and 2010 *Génération* surveys, in which perceived job insecurity was evaluated by the following question:  
How do you see your future at work?

- 1 – you are rather anxious
- 2 – you are rather optimistic
- 3 – don't know (not mentioned by the interviewer)

This question was put to all the young people, whether in work or not, in each wave of the surveys, i.e. on four occasions in the case of the 1998 cohort (in 2001, 2003, 2005 and 2008) and twice in the case of the 2010 cohort (in 2013 and 2015). It is possible, therefore, through the responses given by the young people who said they were anxious about their future careers, to track the evolution of each cohort's feelings of job insecurity and then to investigate the environment in which those feelings evolved in the light of the young people's personal situations and characteristics. The profiles of anxious individuals detailed below relate to the situation of the 2010 cohort 5 years after leaving the education system, but additional analyses show that the determining factors remained relatively stable from one survey to the next.

Furthermore, for the first time, the interviews in the second round of the 2010 cohort included a question about the reasons for this anxiety among those young people in work.

repercussions on employment.

The cohort that left education in 2010 entered the labour market under much less favourable conditions, which may explain why the level of anxiety among these young people three years into their working lives, at 28%, was significantly greater than among their elders in 2001. However, the share of those feeling anxious in this cohort was to drop in the following two years, although the economic situation did not improve. It was as if these young people had internalised the long-term deterioration in the labour market situation and were not worrying overmuch about the lack of career prospects it might imply. Thus the decline in anxiety can be explained by an improvement in their employment situation. After all, these young people had experienced a more complicated start to their working lives than the older cohort: having taken longer to find employment (68% in work at the 3-year mark compared with 82% for the 1998 cohort) and with a lower share of stable employment (59% of the economically active in stable employment at the 3-year mark compared with 64%), they had more scope to improve their employment situation by the 5-year mark.

### Perceived job insecurity: firstly a question of employment

However, the economic situation is not sufficient to explain the evolution of the feelings of insecurity. Thus it is surprising that such feelings decreased among the young people of the 2010 cohort in precarious employment or without a job at all even though the economic situation had not improved. One initial hypothesis would be that these precarious employment situations were in many cases one-offs rather than recurrent. And in fact, the feelings of insecurity shared by more than half of the unemployed who had hardly ever worked remained more or less stable (51% after 3 years and 50% after 5 years). Another, complementary hypothesis would be that some of the young people had got used

to or come to terms with precarity, either because they assumed it to be an inherent part of their occupations (workers in the entertainment industry or seasonal workers, for example) or because they saw sequences of training courses and precarious, subsidised jobs as a 'normal' mode of labour market integration in an economic environment long characterised by mass unemployment. Echoing this interpretation, the feelings of insecurity among young people faced with precarity on a recurrent basis but who had experienced few periods of unemployment fell by 4.5 percentage points between 2013 and 2015, as if the mere fact of being in work, even without stable contracts, was in itself sufficient to reassure some of them.

In order to disentangle the personal and work-related factors that, in a given economic situation, influence young people's level of anxiety, a model of this feeling among the 2010 cohort after five years of their working lives was constructed. The model includes the following dimensions: gender, social origin, qualifications, educational career, occupational trajectory over 5 years and, of course, the employment situation at the time of the survey (see the digital supplement, Table 2). It confirms, firstly, the decisive impact of the employment situation: a young person who was unemployed or inactive was significantly more anxious than one in work or, to a lesser extent, in training. Thus all things being equal, training is regarded as an investment that offers reassurance about future careers prospects while inactivity, whether voluntary or not, is perceived as distancing individuals from employment. Five years into their working lives, the impact of their past trajectories is reflected in a higher level of anxiety among those young people who had been through numerous periods of unemployment but lower among those who had had several jobs. After all, provided the jobs succeed each other quickly, occupational mobility often enables young people to improve their situation.

### The contrasting impact of qualification levels

As might be expected, a successful academic record (distinction in the *bac*) helps people to regard their employment prospects with optimism. However, five years after leaving education and given comparable situations, the level of qualification attained only offers a relatively moderate level of protection against anxiety. In absolute terms, after all, those young people with lower secondary qualifications only were by far the most anxious, while graduates of the elite engineering and business schools had every confidence in their futures because of the degrees they had obtained and the excellence of their academic records. Nevertheless, given comparable employment situations, secondary school qualifications (CAP, BEP and the general *baccalauréat*) and the general bachelor's degree offer greater protection from anxiety than higher qualifications. Thus PJI is greater among those with PhDs and lower among holders of lower secondary vocational school qualifications than among those with the technological or vocational *Baccalauréat*. Thus it would seem that, while qualifications play a role

at the point of transition from education to work by granting access to the current employment conditions, they are not (or are no longer) a guarantee of a reassuring future in the world of work. An individual's employment conditions and the associated career prospects have a much more significant effect.

### The influence of biographical factors

Having declared oneself to be anxious during the previous round of questioning tended to increase current anxiety very sharply regardless of an individual's situation. This suggests that certain individuals have a greater or lesser predisposition to anxiety. Moreover, a much higher level of anxiety is observed among those young people who said they had suffered discrimination in the recruitment process or that they suffered from ill health or a handicap. Thus anxiety is evidently correlated with (if not explained by) factors out of the control of young people. On this point, it should be added that women always declare themselves to be more anxious about their career prospects than men, regardless of their situations. This difference can also be observed among young women entering higher education, even if they have better academic records (see Further Reading, article by J.-P. Caille et al.).

Living with a partner provides reassurance, while living alone or, to an even greater extent, with one's pa-

rents at the 5-year mark increases anxiety. Those who interrupted their education for financial reasons also turned out to be more anxious five years later. On the other hand, having left education in order to take a job makes people more optimistic. There is evidently a link between autonomy, particularly financial autonomy, and level of anxiety.

### When young people in work are prey to anxiety about their future

Unsurprisingly, for individuals in employment (Table 3 in the digital supplement), the least stable situations (part-time employment and precarious employment statuses such as fixed-term contracts, temp agency work or subsidised jobs) increased the feeling of job insecurity. Those who said they had suffered discrimination within their companies were also three times more likely to feel anxious. Conversely, being in a management or supervisory position, working in a state company or having been promoted internally were all situations that offered protection against anxiety. The same is true for those living in the Île-de-France rather than the provinces, a finding that can be explained by the concentration of jobs around the capital. Moreover, the more young people considered the jobs they held were in keeping with their initial education and/or training, the greater the degree of protection against feelings of

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### Evolution of the perceived job insecurity in the 1998 and 2010 *Génération* surveys



## A more detailed look at the reasons for anxiety given by the young people

International studies on the topic of subjective job insecurity list three main reasons. In the 2010 *Génération* survey, these three reasons served as a matrix for the range of items from which the young people in employment surveyed in 2015 were asked to choose. Several items could be selected, which produced several combinations of reasons for anxiety.

### Anxiety linked to the occupational and work environment

67 % - Because the chance of obtaining the job you want is (seems to you) low.

51 % - Because your prospects for career advancement are blocked.

24 % - Because you have stopped learning or progressing in your chosen occupation.

4 % - Reasons linked to working conditions, salary and/or working time.\*

3 % - Because of my inadequate [qualifications, skills, competences, experience] or the need to train or retrain.\*

### Fears of a drop in status

56 % - Because if you were to lose your job, you fear you would not find another job with the same conditions of employment and salary.

### Fears linked to job

38 % - Because your job is at risk.

6 % - Because of difficulties linked to the sector or area of activity.\*

4 % - Because of the macroeconomic environment.\*

4 % - Because of the precariousness of my situation.\*

The items marked \* are the result of an *a posteriori* recoding of the responses given under the heading 'For another reason' (10.6%).

job insecurity that education provided.

More surprisingly, young people's anxiety increased with seniority in the company. One possible initial explanation might be that fear of losing a privileged position, or one regarded as such, outweighs the feeling of confidence that becoming firmly established in a job is supposed to produce. However, there is another possible explanation, namely that the time spent in a job could be experienced not as a privileged situation but rather as stagnation in the same position without any prospect of moving to a more advantageous or better protected situation. In this case, seniority would reflect a gradual deterioration in working and employment conditions.

## The reasons for perceived job insecurity given by young people

When questioned about the reasons for their anxiety, the young people referred first to reasons directly connected with their work environment (see Box 3), such as little expectation of obtaining the job they wanted (67%), a lack of career prospects (51%) or a feeling that they had explored all aspects of their current occupation (24%). More than one young person in two attributed their anxiety to fear of a downgrading of their employment status, worried as they were that they would not find another position with similar conditions if they should lose their job. Finally, more than one third (38%) said there was a direct threat to their jobs. Furthermore, the fact of holding (or not holding) a stable job had very little impact on the reasons put forward, which highlights the fact that the causes of feelings of job insecurity go far beyond the precarity of the employment contract.

In addition to these explicitly stated reasons, there is also the young people's perceptions of the macroeconomic context which, as we have seen, can make individual situations more or less bearable depending on whether it is perceived as temporary or potentially long-lasting. Finally, whether or not a particular situation is experienced as 'anxiogenic' depends also on the difficulties an individual may have encountered (poor health, a lack of financial independence, unfinished education, feelings of discrimination etc.), which make some people particularly vulnerable to anxiety, even though the majority declare themselves to be optimistic.

Much research has shown that, regardless of their cause, feelings of job insecurity reduce satisfaction and well-being at work and may even be damaging to health. Thus just as the causes of such feelings are diverse and changing, the levers for successful intervention are themselves necessarily diverse as well.

The most obvious response to the forms of anxiety linked to the absence or loss of a jobs would be a sustained and sustainable economic recovery that would generate jobs and career opportunities. Labour legislation, like all policies designed to offer people greater security in their working lives and to foster lifelong learning, can mitigate these feelings of insecurity by improving workers' employability and raising their skill levels, despite the fact that their effects may be felt only in the long term. In particular, they are a means of counteracting the anxiety linked to the erosion of favourable working conditions, which in some cases have been hard won. For their part, the purpose of measures on equality at work and anti-discrimination legislation is to combat the causes of the sources of anxiety that are most unjust, since they are linked to stereotypes. Finally, the increase in feelings of insecurity caused by a lack of financial resources to pursue or complete one's education is an argument in favour of providing economic support for these students, during both their initial education and their school-to-work transition. If young people's confidence in their future careers is to be restored, then all of these dimensions have to be taken into account.

## Further reading

*Perceived job insecurity in early careers and human capital accumulation*, C. Bédoué, A. Dupray, A. El Akremi, Céreq, Working Paper, à paraître.

« A 18-19 ans, la moitié des jeunes envisagent leur avenir professionnel avec optimisme », J.-P. Caille, E. Chan-Pang-Fong, J. Ponceau, O. Chardon, G. Dabet, *Insee Première*, n°1633, février 2017.

« L'évolution du sentiment d'inquiétude des jeunes au cours du processus d'insertion professionnelle », C. Bédoué, in *Les cheminements longs*, Céreq, Relief n°29, janvier 2009.

« Insécurité de l'emploi : le rôle protecteur de l'ancienneté at-il baissé en France ? », L. Behaghel, *Economie et Statistique*, n°366, pp. 3-23, 2003.