idealis

The Unlock:
Addressing Job Insecurity with Humanity

January 2026

Contents

Introduction

The average adult spends approximately one-third of their life at work. As such, it should come as no surprise that beyond the paycheck, jobs can offer purpose, identity, validation, financial security, and a sense of belonging. When employees perceive their job security to be at risk, the repercussions extend far beyond the workplace—undermining productivity, mental well-being, and overall engagement.

Our latest findings from the *Pulse of the Workforce* reveal a troubling trend: **58% of U.S. workers express concern about job security**, a sentiment exacerbated by economic uncertainty, technological advances, and organizational restructuring. Unfortunately, some companies inadvertently intensify workplace anxiety by using job insecurity as a motivational tool—a strategy proven to be counterproductive over time.

The fear of losing one's job can be debilitating. Leaders can help.

The Psychological and Organizational Costs of Job Insecurity

idealis' human-centered leadership model

Research consistently identifies job insecurity as one of the most significant predictors of mental and physical health challenges. When workers have concerns about their jobs, it can have radiating impact across their lives. Workers experiencing job insecurity are substantially more likely to report anxiety, depression, and physical ailments such as sleep disruption and cardiovascular issues. Organizations bear these costs as well: insecure environments lead to diminished productivity, increased absenteeism and insurance claims, and a breakdown in trust and engagement among employees. In short, the impact on both culture and bottom line is staggering in addition to the individual employee toll.

In a November 2022 Harvard Business Review article, Shoss and colleagues underscore these findings, noting that job insecurity not only undermines employee performance but also fosters a focus on short-term, visible contributions over long-term, meaningful work. Furthermore, workers consumed by anxiety are less likely to innovate or collaborate effectively, jeopardizing organizational agility and success in competitive markets.
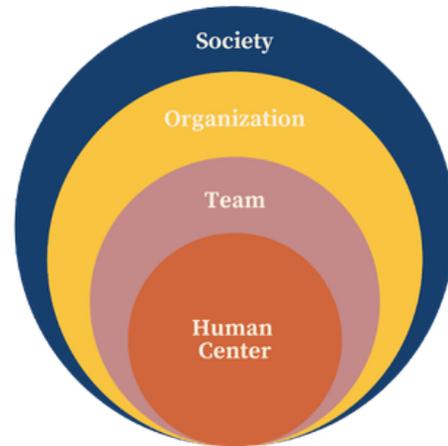
The Business Impact of Job Insecurity
Job insecurity isn't just a personal concern; it's a systemic issue with far-reaching implications. Workers grappling with uncertainty are more likely to experience burnout and disengagement, compromising organizational resilience. Shoss's research demonstrated that companies that ignore their workers' fears of job insecurity - or actively stoke those concerns - risk not only lower productivity but also diminish long-term performance and employee retention.

At *idealis*, we measure key drivers of the human experience at work across four interconnected domains:

1. **The Human Center** – Individual well-being and personal growth.
2. **The Team** – Dynamics and relationships within teams.
3. **The Organization** – Culture, leadership, and systemic factors.
4. **Society** – External pressures and macro trends shaping the workplace.

By focusing on these areas, our research equips leaders with actionable insights to create environments where employees can thrive, especially under the shadow of job insecurity.

Current Sentiments on Job Security

Our Pulse of the Workforce report offers the data, insights, and strategies you need to better understand how secure - or insecure - your employees are feeling about their jobs. We offer tactics to alleviate employees' anxieties and create a stable work culture where employees are resilient and performing at the highest level, unhampered by fear of job loss.

With more than half of U.S. workers expressing concern about their current employment situation (57% as of December 2025), a trend that spans industries and demographics, our Pulse data revealed that **job concern remains a top issue across all drivers of the human experience at work**.

. Key insights include:
- **Educational Disparities**: Workers without college degrees report the highest levels of concern, reflecting vulnerabilities in roles that don't require higher education.
- **Racial Gaps**: Non-white employees are disproportionately affected by job insecurity, likely due to systemic barriers to workplace security and advancement.
- **Equal Gender Concerns**: Both men and women express similar levels of insecurity, challenging the notion that job security concerns differ according to gender.

These findings highlight the urgent need for organizational leaders to address job security with strategic intent and human-centered leadership.

Employment Concern
6-Months in Review

Employment Concern

43%
Not at all

57%
Very/Somewhat

Employment Concern

+3% (MoM)

Difference in concern by race/ethnicity

+22pp
(non-white over white)

The Price of Job Insecurity

Job insecurity is one of the strongest predictors of mental and physical well-being for workers; therefore, unsurprisingly, the costs of perceived job insecurity among employees are steep. Workers who fear for their current employment situation experience severe damage to their mental health, including higher reported levels of anxiety and depression.

Research from the Society for Human Resource Management found that one in three U.S. employees report that their job has negatively affected their mental health in the past six months, with 30 percent reportedly feeling overwhelmed and 29 percent experiencing anxiety at least once a week. Job insecurity can even lead to poor physical health outcomes, from sleep disturbance to heart disease. Conversely, workers who experienced job security have been found to be 26% less likely to experience severe psychological distress and 27% less likely to experience daily anxiety.

The severe costs of job insecurity on individuals alone should be sufficiently alarming to any leader - however, the negative effects of job insecurity also ripple out from the human center to the broader team and organization. This is especially important for companies conducting reductions-in-force, who often under-anticipate the cultural cost of layoffs across an enterprise. In a survey of more than 600 employees, Shoss and her colleagues found that job insecurity not only fails to boost short-term performance but also has negative long-term impact.
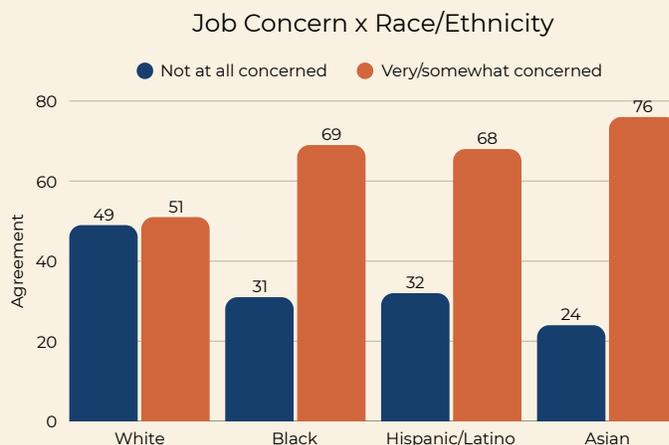
Job-insecure workers tended to prioritize visible contributions over meaningful ones; furthermore, the anxiety and exhaustion created by working in a job-insecure environment made it more difficult for these workers to perform to the best of their abilities. Companies that use job insecurity as a strategy ("do this or else") to motivate productivity will ultimately see their strategies backfire, and companies that fail to address fears of job insecurity will similarly experience adverse effects on people and their P&Ls.

Addressing Higher Job Security Concerns Among Non-White Employees

Our data has shown significantly higher levels of job concern among Black (69%), Latino (68%), and Asian (76%) workers, as compared with White (51%) workers. This heightened concern may be partly driven by workplace experiences of discrimination, which can lead non-white workers to feel less secure in their jobs. The Pew Research Center shows that around 41% of Black workers, 25% of Asian workers, and 20% of Hispanic workers report experiencing discrimination or unfair treatment by an employer in hiring, pay, or promotions due to their race or ethnicity. This can evoke feelings of job insecurity disproportionately for non-white workers.

To mitigate systemic issues of discrimination or perceived mistreatment, consider implementing practices in the areas of selection, pay, and promotion. Implementing these strategies, among others, may help address issues of job insecurity and ensure all employees are positioned to thrive..

- **Utilize structured interviews**: A clear and consistent interview process includes having clear criteria for roles and asking every candidate the same set of questions to assess responses and make hiring decisions.
- **Conduct a pay equity analysis:** When evaluating pay decisions, conducting a pay equity analysis can reveal inconsistencies between employees doing the same or similar job, ensuring people are paid for their contributions equitably.
- **Evaluate access to opportunities:** Assess how consistently employees are offered and taking advantage of learning and development opportunities.
- **Assess adverse impact.** When conducting employment actions (at scale), ensure that no one group is disproportionately impacted more than others across race, gender, age, and other protected identities.

Job Concern x Race/Ethnicity

● Not at all concerned ● Very/somewhat concerned

Race/Ethnicity	Not at all concerned	Very/somewhat concerned
White	49	51
Black	31	69
Hispanic/Latino	32	68
Asian	24	76

Agreement (y-axis: 0–80)

Leadership Strategies for Navigating Job Insecurity

Proactive Communication and Transparency
Employees value honesty, even when the news is difficult to hear. For those feeling particularly anxious, consistent updates on organizational changes—delivered with clarity, empathy, and specific details—can help reduce speculation, address fears directly, and build trust. Balance openness with thoughtful reassurance by sharing what you know, acknowledging uncertainties, and clearly outlining next steps when possible.
As a people leader, your role as a bridge between company-wide decisions and individual employees is critical. By proactively communicating changes and their potential impact, you can position yourself as a trusted source of information. Ensure your direct reports feel heard by creating a space for questions and concerns, and reinforce credibility by following up on unanswered questions or commitments made during these conversations.

Promote Growth and Skill Development
Offering opportunities for upskilling can empower employees to navigate uncertainty with confidence. Our October Pulse report showed that one in four workers feels they lack opportunities to focus on skill development in their current roles. A recent JAMA Network study highlights the protective effect of job flexibility and skill-building on mental health outcomes. Workers who feel equipped with transferable skills report significantly lower anxiety about their future employment prospects.

Address Inequities
Organizations must actively monitor disparities in job security perceptions and outcomes, particularly across racial, gender, and educational lines. Closing these gaps strengthens workforce cohesion and positions the company as an employer of choice in increasingly diverse markets.

Cultivate Psychological Safety
While leaders may not always control macro-level decisions, their approach and candor as a leader matters. The American Psychological Association's 2024 Journal demonstrated that 96% of employees who reported higher psychological safety at work indicated that their manager effectively respects their psychological and emotional well-being. Research also shows that supportive managers can buffer the negative effects of job insecurity by fostering trust and engagement, especially around sensitive topics. By creating an open dialogue where employees feel heard, you can address concerns proactively. Acknowledge their unsettled feelings, provide transparency as much as possible without making promises you can't keep, and commit to regular communication about their value, performance, and opportunities for skill development. These actions demonstrate that you understand the weight of job insecurity and are dedicated to supporting them, even when you don't have all the answers they may be seeking.

Human-Centered (vs. Cost-Centered) Layoffs
Too often, companies focus on cost savings when conducting reductions in force. When layoffs are unavoidable, approach the process with empathy. Leading with humanity involves addressing employee concerns, treating individuals with dignity, and focusing on long-term support. Centering these difficult conversations on genuine human connection ensures people are treated with dignity and respect on what is likely to be one of the most impactful days of their lives. The process of letting people go is one that will not only deeply impact your employees but also define *you* as a leader. For more insights, explore our newsletter, Letting People Go With Humanity.

idealis.

Conclusion

Work is more than a paycheck; it is a fundamental aspect of how we define ourselves, build connections, and find purpose. When the stability of this pillar is threatened, the ripple effects are profound—impacting individual well-being, team cohesion, and organizational performance. The pervasive fear of job insecurity is not merely an individual concern; it is a systemic challenge that demands human-centered leadership.

Research underscores that job insecurity undermines mental and physical health, fosters disengagement, and stifles innovation, all of which erode organizational resilience. Leaders must recognize that fostering a workplace culture of trust and stability is not just a moral imperative but a strategic advantage. From transparent communication and skill-building initiatives to leading and communicating with empathy during organizational changes, human-centered leadership is essential for navigating uncertainty and sustaining long-term company success.

By leveraging the insights provided in this report, you have the opportunity to transform fear into focus and instability into innovation. Equip yourself with the tools to address job insecurity proactively and create an environment where employees thrive—because a workforce secure in its future is the foundation of any organization's future success.

About the Pulse of the US Workforce

At idealis, we know that employee experience is closely tied to business outcomes. Yet, while financial metrics are often tracked rigorously, the workplace experience is less often measured with the same precision. Our Pulse of the Workforce, in partnership with Civic Science, captures real-time insights from over 3,000 U.S. workers each month. This data gives leaders a reliable and actionable view into how their employees feel, empowering them to make informed decisions that foster engagement and growth. To explore the insights and opportunities the Pulse can provide, visit our website.

References

Asfaw, A. G., & Chang, C.-C. (2019). *The association between job insecurity and engagement of employees at work*. Journal of workplace behavioral health. https://pmc.ncbi.nlm.nih.gov/articles/PMC7458536/

De Witte, H. (n.d.). *Who suffers more from job insecurity? A meta-analytic review - cheng - 2008 - applied psychology - wiley online library*. JSTOR. https://iaap-journals.onlinelibrary.wiley.com/doi/abs/10.1111/j.1464-0597.2007.00312.x

Mayer, K. (2023, December 21). *SHRM research: Work is negatively impacting employees' mental health*. SHRM. https://www.shrm.org/topics-tools/news/benefits-compensation/shrm-research-work-negatively-impacting-employees-mental-health#:~:text=The%20survey%20of%201%2C000%20workers,adapt%20to%20these%20changing%20expectations.%22

Menéndez-Espina, S., Llosa, J. A., Agulló-Tomás, E., Rodríguez-Suárez, J., Sáiz-Villar, R., & Lahseras-Díez, H. F. (2019b, January 29). *Job insecurity and mental health: The moderating role of coping strategies from a gender perspective*. Frontiers. https://www.frontiersin.org/journals/psychology/articles/10.3389/fpsyg.2019.00286/full

Pappas, S. (2020, October 1). *The toll of job loss*. Monitor on Psychology. https://www.apa.org/monitor/2020/10/toll-job-loss

Sackett, P. R., Zhang, C., Berry, C. M., & Lievens, F. (2022). Revisiting meta-analytic estimates of validity in personnel selection: Addressing systematic overcorrection for restriction of range. *Journal of Applied Psychology, 107*(11), 2040–2068. https://doi.org/10.1037/apl0000994

Sarfraz, M., Anwar, J., & Afzal Moshadi Shah, S. (2023, May). *Effect of job insecurity on job performance: Looking through the lens of subjective well-being*. ResearchGate. https://www.researchgate.net/publication/370957603_EFFECT_OF_JOB_INSECURITY_ON_JOB_PERFORMANCE_LOOKING_THROUGH_THE_LENS_OF_SUBJECTIVE_WELL-BEING

Shoss, M., Su, S., Schlotzhauer, A., & Carusone, N. (2022, September 28). *Job insecurity harms both employees and employers*. Harvard Business Review. https://hbr.org/2022/09/job-insecurity-harms-both-employees-and-employers#:~:text=Job%20insecurity%20can%20push%20workers%20to%20try%20to%20improve%20performance%E2%80%A6&text=This%20is%20because%20while%20job%20insecure%20workers,perform%2C%20essentially%20cancelling%20out%20any%20potential%20benefits

Sverke, M., Låstad, L., Hellgren, J., Richter, A., & Näswall, K. (2019, July 16). *A meta-analysis of job insecurity and employee performance: Testing temporal aspects, rating source, welfare regime, and union density as moderators*. MDPI. https://www.mdpi.com/1660-4601/16/14/2536

Wang, M. L., Narcisse, M., Togher, K., & McElfish, P. A. (2024). Job flexibility, job security, and mental health among US working adults. *JAMA Network Open, 7*(3), e243439. https://doi.org/10.1001/jamanetworkopen.2024.3439

About the Authors

Dr. Sumona De Graaf

An organizational psychologist specializing in motivation and what drives people. She has worked with founder-led businesses, family offices, venture capital and private equity companies, and boards and management teams across the public and private sector. Her work across clients has one commonality:

Sumona is called upon by Boards and C-level executives to help them navigate their most challenging human issues. As a social scientist, she uses data to draw insights, and as a career practitioner, guides her clients to redesign habits, processes and practices to create lasting impact.

Sumona is the founder and CEO of idealis. She spends her time helping clients navigate their most pressing leadership challenges, amplifying the stories of human-centered leaders, and most importantly, creating the conditions for her team of exceptional humans to thrive.

Dr. Abbey Salvas

An industrial-organizational psychologist who has been driven throughout their educational and professional career by the mission of making workplaces better for everyone.

At idealis, Abbey serves as a research lead and data expert, providing analytical support to the team to help answer our clients' most nuanced and challenging questions using best-in-class data tools and solutions. They apply human insight to hard data, answering the critical question of how to create human-centered environments that benefit everyone.

Allison Williams

An accomplished senior leader in higher education with 20+ years of strategic leadership and management responsibilities, Allison has implemented cutting edge individual and organizational leadership development initiatives with boards, executive leaders and complex organizations. She has built dynamic tools designed to ignite the leadership potential of individuals and teams to drive positive change at every level. She also teaches organizational leadership development at the graduate level and is a certified facilitator and trainer through the International Institute of Restorative Practices.

At idealis, Allison serves as our Chief Learning Officer and is guiding our growing higher education practice focused on developing current and future leaders of our world. With a deep passion for guiding others to repair culture, align vision and values, and bring forth the best in people, she couples theory and practice to offer new ways of thinking about today's most complex leadership challenges.

Francesca Vaneri

With a strong commitment to collaboration and content excellence, Francesca is dedicated to helping leaders articulate their vision and values through writing and inspire others to lead with authenticity and empathy.

At idealis, Francesca plays a role in content creation, research, and strategic communication, contributing to the firm's mission of fostering human-centered leadership.

idealis.
HUMANITY AT WORK

To learn more about this topic or the Pulse of the U.S. Workforce, reach out to programs and products, please reach out to **pulse@idealisadvisory.com** or visit our **website**.

Follow us on **LinkedIn** to receive real-time insights on the workforce today.