

EFFECTS OF NEW ORGANIZATIONAL OWNERSHIP ON EMPLOYEES' JOB INSECURITY AND PSYCHOLOGICAL HEALTH AND WELL-BEING The Danish case

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Effects of Mergers and Acquisitions

- Decreases in commitment, job satisfaction, trust and career satisfaction, and increase in turnover intention (Armstrong-Stassen et al., 2001)
 - Resources: Organizational support
- Resources related to self-efficacy and stress symptoms (Amiot et al., 2006)
 - Clarity of communication
 - Participation
 - Change management

The Danish Context: The Flexicurity Model

- Weak employment protection laws – easy to hire and fire
- High unemployment benefits – up to four years*
- Active labour market policy
 - Job training
 - Information about job openings
 - Pressure to apply for jobs – and accept jobs
- (Generous early retirement scheme)

Restructuring in DK

- DWECS: 2000 and 2005
- Both questionnaire, web-based questionnaire and interviews
- Sample: 5436 (employed, excluding self-employed)
- Measures
 - New owner (one year prior to questionnaire completion) (N = 256)
 - Psychosocial factors: Task autonomy, social support from colleagues and superiors, effort-reward balance
 - Self-efficacy
 - Job insecurity
 - Health and well-being: Mental health, general health, job satisfaction

Hypotheses

- New ownership will be related to poor health and well-being, and high job insecurity five years later
- Personal and job resources at the time of change will protect against these negative effects of new ownership

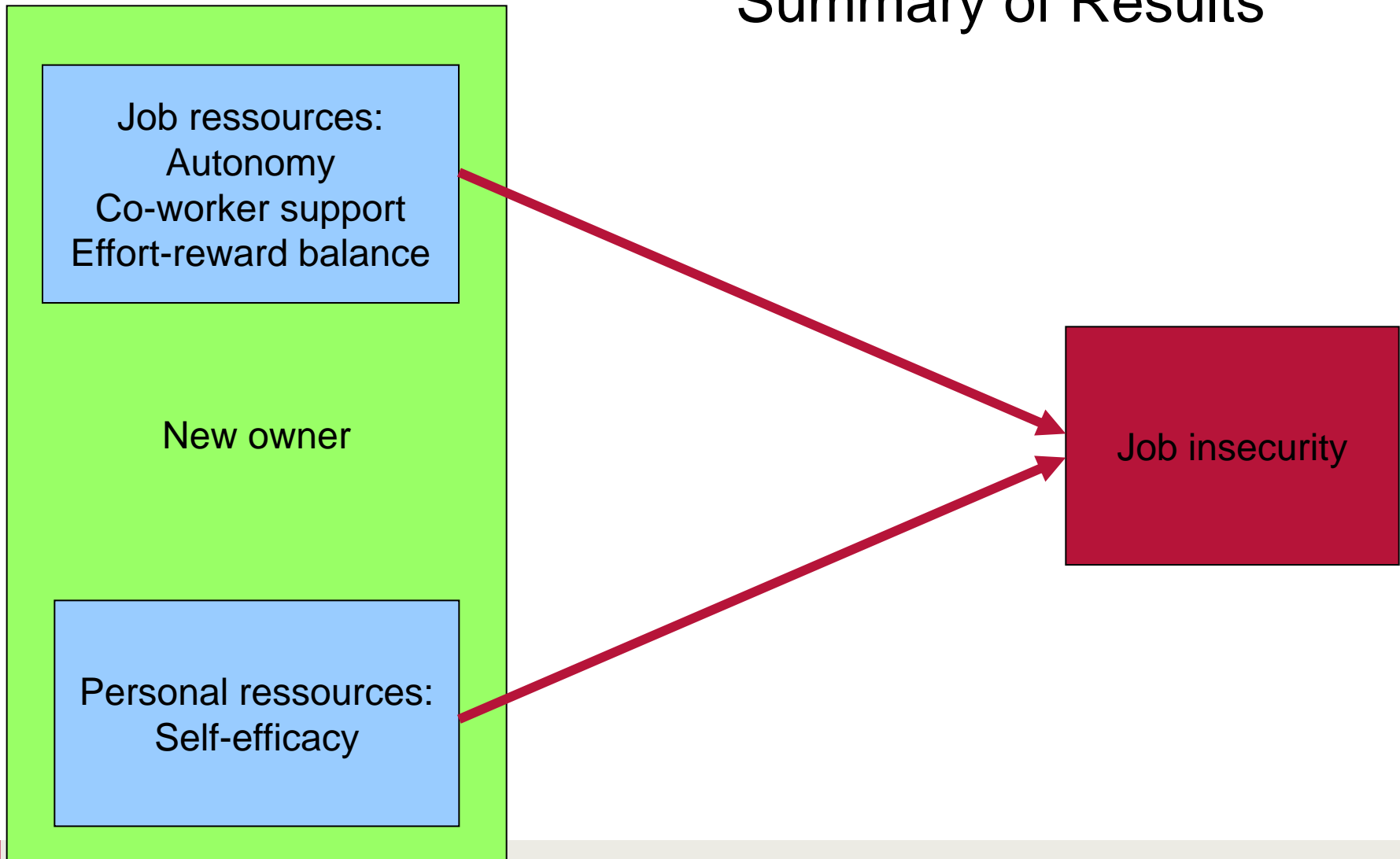
Longitudinal Results of Change in Ownership

	N	Scale	Mean 2005	pvalue ^a
Work-related well-being (2000)				
<i>Job satisfaction</i>				ns
Change in ownership	217		1.4	
No change	2890		1.4	
General well-being (2000)				
<i>Mental health</i>				ns
Change in ownership	253		82.0	
<i>No change</i>	3392		81.7	
<i>General health</i>				ns
Change in ownership	254		1.9	
No change	3423		1.9	
Job insecurity (2000)				
Change in ownership	214		20.5	**
No change	2881		15.8	

Protective Factors: Job Insecurity

	Job insecurity (2005)	
	B (s.e.)	p value
Task autonomy (2000)	-.18 (.08)	*
Coworker support (2000)	-.24 (.09)	**
Supervisor support (2000)	-.06 (.08)	ns
Effort-reward balance (2000)	-.28 (.13)	*
Self-efficacy (2000)	-.47 (.15)	**

Summary of Results



Discussion

- Little effect of new owner five years later
 - Five year follow-up too long a period?
 - New owner may not have an effect on working conditions?
 - Flexicurity model plays a role?
- Protective factors: Job insecurity
 - Self-efficacy, autonomy, effort-reward balance and social support from colleagues predict job insecurity
 - Supervisor support no effect

Thank you for your attention!

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