

Families are feeling the stress of economic crisis, researcher finds

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There is no question that the recent economic crisis has wreaked havoc on companies and on families across the country. Now, a recent study of 300 married, working couples conducted by Wayne Hochwarter, the Jim Moran Professor of Management at Florida State University's College of Business, is revealing just how deeply the crunch is being felt.

In "The Hits Just Keep Coming: How the [Recession](#) is Affecting Families and Work," Hochwarter sought to find out how the [financial crisis](#) is affecting people both at work and in their personal lives. His results show that in the workplace, large numbers of people are feeling more [stress](#), more pressure from management and more concern about their [job security](#), and are witnessing more incivility.

Among Hochwarter's findings:

- More than 70 percent of both men and women in the survey confirmed that the recession has significantly increased the stress levels of [employees](#) in recent months.
- More than one-half (55 percent) reported that management has grown increasingly demanding over this period.
- More than 65 percent predicted significant job changes to occur within one year, causing employees to grow progressively more concerned about job status; 80 percent of employees reported being nervous about their long-term financial well-being.

- More than 60 percent were asked to find ways to cut costs on a weekly basis.
- More than 40 percent of employees reported increased incivility (i.e., "backstabbing," "sucking up" and politicking) as a means to stay employed in the event of a layoff.

The study also explored the shifts in home life due to the financial crisis. More than 70 percent of both men and women admitted making significant spending changes, including a decision to limit or eliminate the purchase of items deemed non-essential. More than 80 percent of both men and women also admitted that it was unlikely they would be able to retire when they wanted and with the amount of money anticipated as recently as one year ago.

In the face of record unemployment and layoffs, the study found that many people (42 percent) could maintain their current standard of living for just one month or less, while the majority of those asked (55 percent) reported three months or less. In addition, more than 33 percent of [couples](#) reported discrepancies of greater than six months in perceived standard of living following layoffs, suggesting that husbands and wives are not always on the same page in terms of financial status or long-term economic viability in the event of job loss.

"Scared -- it's the one word I would use to describe the mental status of employees these days," Hochwarter said. "Employees are more stressed and more strained today, and they aren't looking to make a move to improve their situation. The study shows employees have little confidence that the next work situation will be any more secure than the current one.

"The housing market is also playing a big role," he said. "For many, selling a house and its potential to contribute to an already dire financial

situation is simply too much at this point."

Hochwarter's research confirms that developing a climate of trust and expanding lines of communication, even when the news is not favorable, may help reduce the anxiety associated with job insecurity.

Hochwarter's research is being prepared for publication.

Source: Florida State University

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