

45 percent of layoff victims, despite anger, would return to former employer

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With an 8.1 percent August unemployment rate and 12.5 million Americans out of work, a new Temple University study examines a neglected area of research: how the unemployment process impacts the willingness of those laid off to endorse or return to their previous employer.

The study of predominantly highly paid, college-educated professionals who are unemployed finds that 45 percent of layoff victims would return to work for their former employer – despite anger over being terminated. The research also emphasizes the importance of fair and transparent layoff decisions, as the treatment of downsized employees affects layoff survivors, company reputation and the ability to attract candidates during an [economic recovery](#).

"How employers treat employees through [layoffs](#) is always important and will become even more so when the economy fully rebounds and it's an employees' market again," said human resource management Professor Gary J. Blau, the study's lead author.

Blau and two [human resource management](#) colleagues at Temple's Fox School of Business stress that "employers have a vested practical interest in ensuring the process of deciding who goes and who doesn't is perceived as a fair one," especially when social media and review-your-employer websites such as glassdoor.com provide more opportunities than ever to publicly vent frustration and amplify negative sentiments.

Layoff victims' communication of mistreatment can impact layoff survivors, who may anticipate the same or even worse treatment. Remaining employees with "lower trust, motivation and commitment would be more likely to give a negative or discouraging employer endorsement/referral to prospective applicants," the authors wrote.

The researchers examined unemployment effects on an understudied population: salaried professionals, middle managers and executives. Of the 382 [respondents](#) surveyed online, 64 percent earned more than \$75,000 a year, 79 percent had at least a [college degree](#), 79 percent were the primary source of household income when laid off and 83 percent were salaried professionals or in higher positions.

The sample also included a wide range of unemployment lengths, with 65 percent out of work for at least 27 weeks, the U.S. Department of Labor's definition for long-term unemployment. Another 23 percent of respondents were unemployed for more than two years – and suffered the most in a number of areas, including lower life satisfaction, lower re-employment confidence and higher unemployment stigma and depression.

"People are at a point where they're losing their houses, their wives or husbands are leaving them. They're in a severe hardship," said Tony Petrucci, an assistant professor and managing partner at Gravitas LLC, an executive and board search firm. "People are saying, 'I may not like this employer because of how they handled my layoff. I'm angry, but I would consider going back to work with them.' It's a state of desperation."

Respondents' comments underscored the effects of unemployment, with numerous complaints about delayed retirement, perceived age discrimination and unfairness of automated application-screening measures, as well as striking statements of despair. "The last 30 years of

my life have been erased," said one respondent. Concluded another: "I remind myself that being unemployed is not the end of the world ... but I think I can see it on the horizon."

"We forget about these people because they aren't even counted in the labor force if they aren't doing a proper search," co-author John McClendon, an associate professor, said of the segment of the unemployed who are not considered part of the workforce if they have not actively looked for a job in the past four weeks. "They literally can disappear."

More information: The study, titled "Effects of Layoff Victims' Justice Reactions and Emotional Responses on Attitudes Toward Their Previous Employer," appears online in the journal *Career Development International*.

Provided by Temple University

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