

How to avoid employee depression in a recession

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As employees become increasingly anxious about job security and financial worries during an economic recession, satisfaction with the job they have, commitment to their company and engagement with their work are all affected detrimentally. This trend could be self-fulfilling in that disengaged employees could have a negative impact on a company's products or services and lead to its decline which would inevitably see the company failing.

Researchers in business and management have now formulated a model of how such employee engagement can change during an [economic downturn](#). The model could help management identify and acknowledge the impact of employee anxiety and implement workplace actions that help staff stay engaged, committed and improve job satisfaction.

Kenneth Green of the Department of Management at Southern Arkansas University and Bobby Medlin of the College of Business at the University of Arkansas at Fort Smith have collected data from several hundred full-time employees in a range of jobs regarding job satisfaction and worries. The data were collected at the height of the 2009 US recession, during which [gross domestic product](#) fell dramatically and corporate bankruptcies were at a level not seen since the [Great Depression](#) of the 1930s. Workers were rightly concerned about whether or not they would keep their jobs and whether or not they would be compensated if their company did not survive the recession.

The team uses an obvious definition of employee engagement that says an engaged employee is one who is fully involved in and enthusiastic about the work. This might be qualified by adding that a fully engaged worker is prepared to offer discretionary effort or be willing to "go the extra mile", the team explains. They add that intuitively one would assume that workplace anxiety would have negative consequences on level of

engagement and earlier research has supported this notion in recent years. The Arkansas team has now quantified this issue and suggests that it can be used by management to improve [employee engagement](#), organizational commitment, and [job satisfaction](#) by helping individuals overcome their recession anxiety.

The team recommends that managers acknowledge the impact of the anxiety generated during recessionary times and take actions to reduce the negative impact of workplace anxiety by providing employees with information related to the organization's current situation and each employee's status.

More information: "Impact of recession-based workplace anxiety" in *Int. J. Management and Enterprise Development*, 2010, 9, 213-232

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