

# WORK AND ORGANIZATIONAL PSYCHOLOGY IN TIMES OF ECONOMIC CRISIS

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ince the last special section on the psychology of work and organizations published in *Papeles del Psicólogo* (Peiró y Salgado, 2008) the social and labor context has been suffering from a global crisis, which began in 2008 and has many effects: an impact on consumption and investment, considerable capital losses, a severe increase in unemployment and a significant decline in economic activity. The Spanish economy has been affected more strongly by the crisis, because it is based on services that are personnel intensive, but not knowledge intensive (construction, hospitality and

tourism, services to individuals), an extremely dualized labor market, low productivity and the persistence of a housing bubble that has proven to be unsustainable. In fact, analysts have distinguished in our country, four different faces of the economic crisis: the financial crisis (capital losses and declining investment), the credit crisis (lack of liquidity for credit), the employment crisis (a dual labor market with very unbalanced flexibility between the two groups and high unemployment) and the fiscal crisis (based on unsustainable revenue generated mainly by the housing bubble), (Pérez García, 2011; 2012).

The effects of the crisis highlight its complexity, severity, permanence and persistence over the years. There have been multiple aspects of the crisis: a lack of liquidity, an increase in delinquencies and defaults, a reduction in credit, unemployment, reduced consumption, lower tax revenues, higher debt and public deficit, the increased cost of public financing, bankruptcy and business closures, etc. All of this has contributed to the deteriorating conditions of our productive sector, of the working population and the whole of our society. The costs of the crisis include the loss of wealth, but also the loss of rights and guarantees of citizens, increased poverty, greater risks of social exclusion, deterioration of social integration and increasing inequality (Estudios y Análisis Económicos La Caixa, [La Caixa Economic Studies and Analyses], 2013).

At the same time, efforts have increased to identify the challenges and strategies for recovery (Pérez García, 2013): the need to **develop human capital** for the new demands of the economy (improved training of entrepreneurs and freelance workers and business training for graduates, professionalization of management, continuing education, active employment policies for the unemployed to gain qualifications); leveraging human capital more effectively to continue **increasing productivity** (achieved by the destruction of less productive jobs) while at the same time creating employment; promoting **intermediation** work to promote employment and part-time working; facilitating **entrepreneurship** (reducing the red tape and providing support with expert knowledge); and taking into account geographical mobility (Pérez García, 2013). In short, the aim is to align growth and profits with a productivity that facilitates the more efficient use of production capacity (human and physical capital).

However it is imperative that such **recovery and growth are generated in an inclusive** way in order to avoid poverty and to guarantee equal opportunities. It will be necessary

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therefore to promote inclusive growth, the fruits of which will benefit the whole population, and ensuring access to essential public services for groups with a high risk of exclusion must play a vital role. In order to do this, the guarantee of the financial sustainability of the public sector and its effective and efficient operation are essential. In this context, debates of great relevance are taking place, including the labor market reform with strategies of flexibility to reduce the duality; improving productivity through the convergence of cost efficiency measures and associated profit margin increases, reforming the pension system and expanding the participation of older workers in productive activity; policies and actions regarding (legal and illegal) migration and their implications for internal labor market or work "mobility" through relocations. All these issues are raised in the context of dynamic change in the roles that the different social actors are playing and the reorganizations of labor relations and collective bargaining that are being proposed.

## CONTRIBUTIONS OF THE PSYCHOLOGY OF WORK AND ORGANIZATIONS IN TIMES OF CRISIS

Our discipline has scientific theories and models and empirical evidence underlying a good collection of methodologies and strategies of intervention that can contribute to the clarification and improvement of these debates and to the advancement of business and society in the responses to the challenges. Crucial to this is the contribution and participation of researchers and practitioners in the debates that are taking place and in public forums, in which our discipline usually has little presence. But especially necessary are the knowledgeable and expert contributions to policies and practices that contribute to the change that is required.

There are many areas where these contributions are important and they can be carried out focused on individuals, work groups or teams, organizations, or in the wider labor market context. In issue number 55 of INFOCOP (December 2011), some of these contributions were revealed. Blanch (2011) analyzed the changes in the labor scenario, paying particular attention to the consequences of unemployment and job insecurity. Peiró (2011) presented the attitudes, preferences and reactions of young people to labor flexibility measures at the time of their incorporation into the labor market. Moscoso, in an interview in the same issue, highlighted the value of human resource policies that recognize talent, personal competence, ability, commitment to the company and knowledge transfer.

Contributions from the psychology of work and organizations encompass various different lines. One of the most classic ones refers to the analysis of changes in the labor market and in the job itself, how working conditions evolve and how these changes affect the workers themselves, either through experiences of unemployment, underemployment or labor insecurity, or through the responses to the new challenges, demands and risks of work. At the present moment of crisis, this

line of action is a priority, not only in detecting changes and risks to individuals but also in proposing adjustment measures and establishing directives regarding the actions of social agents. The study of occupational health as a result of the above changes deserves special mention.

In addition to the macro-social transformations, our discipline has traditionally studied the changes in labor organizations, as well as their effect on the plans, policies and practices of human resource management. Under the current conditions, in which the crisis has a striking effect on many of the HR policies precisely when it would be most necessary to develop a strategy for the training and qualification of human capital, this work is even more necessary. Unraveling the negative effects that the crisis may have on various personnel practices and helping design and implement people management strategies to meet the challenges that the crisis poses to companies is a challenge to which our discipline is contributing.

In this sense, the contributions aimed at improving the effectiveness and efficiency of the qualification systems of human capital are especially relevant: fitting education and training with the demands of the production system in different educational subsystems (vocational training, university education, ongoing formal and informal training, as well as training activities that take place in companies, such as training on the job, etc.); promoting work values, meaning of work and labor socialization appropriate to the new situation and the development of a shared vision on the new mentality regarding what work is; contributing to the introduction of systems of production and work that are appropriate and conducive to the establishment and development of enterprises in knowledge-intensive and technology sectors; or promoting entrepreneurship and innovation in work and organizations, among other initiatives.

It is also important that our discipline and profession continue to make businesses more productive and more human. There are significant challenges such as increasing and improving productivity, efficiency and performance and better management of absenteeism and presenteeism, improved job design in order to make it more motivating, effective and productive adapting it to different groups of workers among whom explicit consideration should be given to older workers. The adaptation of jobs and the design of flexible forms of retirement that are appropriate to the needs of workers, businesses and society will be a major challenge in the coming years.

Achieving more human work organizations involves several requirements. One entails preserving the **workplace health** of employees and preventing the labor conditions caused by the crisis from being used as an excuse. Secondly, in order to be fully human they cannot be limited to the mere exclusion of discomfort or distress, but rather they should promote the well-being of workers, also focusing on opportunities for **personal development**. In this sense, positive organizational psychology



proposes the development of professional self-efficacy and engagement as fundamental aspects that will contribute to both the productivity and commitment of workers, as well as to their personal development at work. Thirdly organizations should develop **participatory and inclusive** practices, respecting and promoting equality and fairness within organizations and maintaining working conditions of dignity and respect for all occupational groups.

In short, in times of crisis our discipline and profession provides models, knowledge, methodologies and tools to contribute to a productive and sustainable development of work behavior in organizations.

#### THE MEANING OF THIS SPECIAL ISSUE

The psychology of work and organizations in Spain has been making important contributions to the international academic context. Publications in prestigious international journals are becoming more numerous, but this should not work to the detriment of the research carried out in our country being available to professional psychologists in our country. It is also important that they are published so their usefulness can be seen clearly by professional practitioners. We have been producing this work regularly for more than five years (Salgado & Peiró, 2008; Orengo, Peiró & Zornoza, 2011). The purpose of this special issue is to synthesize a large part of these contributions to contribute to the analysis of the situation and to the scientific substantiation of a professional practice based on empirical evidence and to promote collaboration between practitioners and researchers in the relevant subjects. The intention is to present, synthesize and share a substantial part of the recent research in Spanish universities, and to disseminate it to all practitioners in the psychology of work and organizations. We also seek to highlight the major advances in our discipline to the rest of our profession. We firmly believe that our contributions have relevance in other areas of psychology, in the same way that our discipline thrives on the progress of our colleagues in other professional fields.

The significant development in our discipline, which now has a considerable number of research teams, makes it impossible to cover contributions from all of the research groups in one special edition, even extending this special edition to two consecutive issues of the magazine. In any case, the sample of contributions collected and the diversity of topics covered allows for a rich and accurate overview of the recent contributions to the psychology of work and organizations. While this does not include all that should be included, the contributions that are present in this issue are all relevant; they represent valuable advances in our understanding of the reality of the work situation and they contribute to the improvement of the professional practice of psychologists in work environments. As noted, the sheer number of contributions to this special edition requires them to be divided between two consecutive numbers.

### CONTRIBUTIONS INCLUDED IN THIS IN THIS SPECIAL SECTION

These contributions display a clear diversity and can be arouped into four main blocks: after an initial contribution that proposes a model for productive and sustainable well-being that frames a large number of contributions in this special issue, several studies analyze the perceptions of workers in relation to their psychological well-being. Specifically, the issues analyzed include the consequences of job insecurity for workers, the phenomenon of engagement from positive organizational psychology to achieve healthy organizations, the motivational processes of employees as a result of the working conditions in times of crisis, with special reference to self-regulated behaviors, and also studied are workers' perceptions and responses to certain organizational changes arising from what is known as New Public Management, which is a very common trend in our environment today, as a response to some of the demands and conflicts posed by the economic crisis. Finally, we also analyze a key aspect of well-being at work; the balance between work and other areas of life.

A second block of studies, still maintaining the concern for well-being at work, adopts a perspective focused on organizations as a whole and some of the organizational practices that should be implemented to achieve the goal of productive and sustainable well-being. Specifically, the phenomena addressed include work absenteeism, the prevention of harassment at work, and the phenomenon of early retirement and the existence of "bridge-jobs" between the phase of full-time employment and permanent retirement.

The third block of studies focuses on various performance indicators, and some of the variables and processes that can help to improve job performance based on parameters of well-being at work and personal development. In particular, attention is paid to the quality of service and its relationship to the work environment, equity and organizational fairness, addressing how to deal with errors and decision making in uncertain situations, which the current crisis situation often favors, and initiatives are provided to improve the quality, efficiency and acceptance of the performance appraisal systems, which are necessary to improve organizational efficiency and labor productivity, but which are perceived with certain suspicion in the current situation.

Finally, a small group of studies focus on the analysis of labor relations and collective bargaining in order to achieve more inclusive organizations providing equal treatment to different groups of workers, closing this special issue with an analysis of the psychosocial effects of the economic crisis.

Firstly, Peiró, Ayala, Tordera, Llorente and Rodríguez (Universitat de València) review the studies of well-being at work, and propose a model of productive and sustainable well-being at work, calling for more attention not only to the hedonic aspects of well-being (in terms of pleasure, satisfaction, etc.), but their eudemonic aspects (related to individuals realizing their potential). Many of the



contributions in this special issue can be framed in this model of productive and sustainable well-being at work.

Sora (Universitat Oberta de Catalunya), Caballer and Peiró (Universitat de València) review the recent evidence on the effects of job insecurity, its background variables and some variables that modulate the relationship between job insecurity and psychological well-being. These include the employability of workers, their professional self-efficacy, length of service in the company, perceived organizational support and perceptions of organizational fairness.

Salanova, Martínez and Llorens (Universitat Jaume I, Castellón) from the field of positive occupational health psychology, reviewed several studies focused on the RED theoretical model (Resources-Experiences-Demands) and the HERO evaluation methodology (HEalthy and Resilient Organizations). The authors emphasize the role of professional self-efficacy and engagement in promoting greater well-being among workers and improved contributions to their work and the organizations to which they belong.

Navarro, Ceja, Curioso and Arrieta (Universidad de Barcelona) analyze how in the context of the economic crisis, many working conditions are deteriorating and this affects the motivation of workers. From the Human System Audit model and a dynamic conception of motivation, they present various steps that are necessary to keep workers motivated in times of crisis, focusing much more on the aspects of self-determined work, and much less on contextual elements of the work, which are precisely the ones that deteriorate most in times of crisis.

Blanch (Universidad Autónoma de Barcelona) analyzes how sweeping reforms of public services, based on what is known as New Public Management (a neoliberal orientation that drives commercial strategies in public organizations to ensure their financial survival) affect how workers in these services perceive their working conditions and the meaning they attach to their experience of work. He also provides evidence regarding how workers react to some of the changes that public organizations have been experiencing in recent years.

Romeo, Yepes-Baldó and Berger (Universidad de Barcelona) provide an extensive review of the research conducted in Latin America on the work-life balance, after presenting their own recent research on this subject. Their contributions, based on the model of the Human System Audit, examine the major facilitators of the work-life balance and their relationship with the effectiveness of organizations that apply family reconciliation measures.

In the last paper included in this number, Tous, Flores, Soler, Espinoza, Mayor and Tendero (Universitat Rovira i Virgili, Tarragona) analyze absenteeism in the hospitality sector. Their results show high levels of absenteeism, with higher rates among people in lower-level positions, who often suffer more accidents. Since the beginning of the crisis, a drop in unregulated absentee behavior has been perceived, but phenomena of present-absenteeism have been occurring. Also noted are prevention strategies based on the redesign of jobs, intervention in the work

environment, attention to individual differences and multilevel evaluation of the context for early detection of possible triggers of absenteeism

We, the editors of this special issue of *Papeles del Psicólogo*, would like to thank all the authors who have accepted the invitation to contribute, in spite of their other obligations and the short timeframe for submission. All of the contributions provide an opportunity for readers to further their knowledge of our field, and they contribute to stimulate debate in our profession regarding the contributions of the psychology of work and organizations to the well-being of workers and improvement in our organizations in these times of crisis. We would also like to thank Serafin Lemos, the director of the magazine *Papeles del Psicólogo*, for giving us the opportunity to edit this special issue and for his support and guidance throughout the editing process.

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