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Working Paper

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ISER Working Paper Series, No. 2013-13

Provided in Cooperation with:

Institute for Social and Economic Research (ISER), University of Essex

Suggested Citation: Gush, Karon; Scott, James; Laurie, Heather (2013) : Households' responses to spousal job loss: 'all change' or 'carry on as usual', ISER Working Paper Series, No. 2013-13, University of Essex, Institute for Social and Economic Research (ISER), Colchester

This Version is available at:

<https://hdl.handle.net/10419/91679>

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Households' responses to spousal job loss: 'all change' or 'carry on as usual'?

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No. 2013-13
August 2013



INSTITUTE FOR SOCIAL
& ECONOMIC RESEARCH

Non-technical summary

Job loss or reductions to paid working hours can pose a serious threat to the economic stability of a household, creating an incentive for couples to jointly re-evaluate the way in which paid and unpaid labour is shared between them and adjust to their changed circumstances. It is generally accepted that the UK recession which began in 2008 has been accompanied by a squeeze in living standards but little is known about the ways in which households have responded to the economic downturn. In particular, do couple members attempt to replace the lost earnings of their partner when they experience a job loss or reduction in hours? This added worker effect has been extensively researched in the economics literature with mixed results. This paper explores household behaviour and expectations to better understand why the added worker effect tends to be weaker than economic theory would suggest. We examine (a) the level of anticipation surrounding job loss and job search responses (b) the extent to which couples adopt long or short term labour market perspectives and (c) whether couples seek to preserve their established division of paid and unpaid labour or re-configure their joint labour supply. Drawing on in-depth qualitative interviews conducted with a purposive sample selected from the *Understanding Society* Innovation Panel, couples' experiences and expectations are examined where one couple-member had undergone a change in job, working hours or employment status since spring 2008. The findings suggest that even where there is a reasonably high level of awareness that job loss is a very real prospect, when it actually happens it can still prove to be a 'shock'. Furthermore, the extent to which couples favour long or short term approaches towards their labour supply appears to be strongly linked to preferences and occupation. Regardless of whether job loss is anticipated, couples seek to maintain or regain their pre-shock share of paid and unpaid household labour preferring to employ income smoothing techniques over an immediate labour market response. Such techniques can include a complex mix of cutting household expenditure on everyday and/or big ticket items, relying more heavily on support from other family members and drawing on savings and investments. The results suggest mechanisms which may help us understand why the added worker effect is not as strong as might otherwise be expected.

Households' responses to spousal job loss: 'all change' or 'carry on as usual'?

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Abstract: Economic theory suggests that when a primary earner within a couple loses their job, one potential response is for the secondary earner to seek additional paid work to bolster their household finances. Yet, the empirical quantitative evidence regarding any such 'added worker effect' is mixed. To investigate why this might be, we explore the processes behind household responses to job loss through qualitative interviewing techniques. The findings indicate that the use of additional spousal labour is only one response of many alternatives and typically only invoked in cases of serious financial hardship.

Keywords: Couple-households, labour supply, recession, job loss, qualitative interviews, *Understanding Society* Innovation Panel.

JEL Classification: D13; J22; J64

Acknowledgements: This research was supported by funding from the UK Economic and Social Research Council (ESRC) under the grant 'Understanding the impact of recession on labour market behaviour in Britain' (grant number ES/I037628/1).

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Background

The experience of job loss or reductions to paid working hours can pose a serious threat to the economic stability of a household. This creates an incentive for couples to jointly re-evaluate the way in which paid and unpaid labour is shared between them and adjust to their changed circumstances. To understand how couples make these adjustments, a wide range of studies have examined how spouses alter their paid or unpaid working hours in response to a partner's loss of waged work.

One potential response to a primary earner's loss of waged work is where the secondary earner seeks additional paid work to protect the household from economic hardship, commonly known as the 'added worker effect'. Empirical research into the labour market behaviour of women married to unemployed men finds somewhat mixed results regarding whether women enter paid work or increase their work hours when their husband becomes unemployed. Some studies find no evidence that women increase their labour supply as a response to their spouse's unemployment (Layard et al. 1980; Maloney 1987) whilst others find significant but relatively small increases (Heckman et al. 1980; Lundberg 1985; Cullen et al. 2000). Focussing on the spousal labour supply of displaced workers, i.e., those who experience job loss because their job permanently disappears, Stephens (2002) finds a small increase in US wives' labour supply in the time period leading up to the job loss and much larger increases in the post-displacement period. Looking at the current economic downturn, in a recession-prosperity comparison of US data from 2008/9 and 2004/5, Mattingly and Smith (2010) find that wives of husbands who became non-employed in a recent period of recession were more likely to start a job than previously, suggesting that wives are taking on jobs that they would not have considered before.

Studies of the employment status of UK couples have found that women partnered to unemployed men are less likely than women with employed partners to enter paid work (see Martin et al. 1984; Davies et al. 1992; Irwin et al. 1993; Bingley et al. 2001). More recently, Harkness and Evans (2011) find that women partnered to men who are not in work are still less likely to be employed than women with employed partners but the employment gap between these two groups of women is declining. Furthermore, before the recession of 2008/9 women in work tended to work fewer hours per week on average if their partner was not employed compared to working women with employed partners. By contrast, during the

economic downturn women with a non-employed partner tended to work more hours on average during the 2008/9 period than those with employed partners (Harkness and Evans 2011).

One explanation for any absence of an ‘added worker effect’ centres on the notion of the ‘discouraged worker effect’. This occurs where the economic climate is perceived to be so bleak as to yield little prospect of finding suitable employment such that potential job seekers are sufficiently put off looking for work. As these two competing effects pull in opposite directions and can offset each other, it is generally difficult to assess the separate contribution of each. Understanding the root processes behind couples’ labour supply decisions in response to reductions in waged work is further confounded by alternative explanations for the absence of an ‘added worker effect’. One such explanation focuses on the role of public assistance. Studies of couples’ employment status in the 1970s, 1980s and 1990s have shown the importance of disincentives for the labour supply of partnered women inherent within the UK tax and benefit systems (Layard, Barton et al. 1980; Moylan et al. 1984; Dilnot et al. 1987; Bingley and Walker 2001; McGinnity 2002). However, Irwin and Morris (1993) point out that the particular structure of a social security regime is ‘at most, a partial explanation of the coincidence of partners’ labour force statuses’ arguing that the constraints on women’s labour supply in terms of domestic commitments and available employment opportunities are both a cause and consequence of socio-economic disadvantage and thus not straightforward.

Clearly, couples assess the relative economic advantages and disadvantages of utilising additional spousal paid labour to shore up household finances but these assessments are rarely gender neutral (Duncan et al. 2003). Historically, the development of industrial society heralded the primacy of male earning power and wives’ opportunities for paid work operated on less preferential terms and were seen as less important to that of their husbands. Indeed, much of the literature regarding spousal labour supply is predicated on the assumption that a woman’s earning power is secondary to that of their partner. Over recent generations this ‘male breadwinner model’ has increasingly been supplanted by the ‘dual breadwinner model’ as women’s employment and earnings have become ever more integral to household finances (Harkness et al. 1997; Charles et al. 2005). Despite this shift in the relative importance of men’s and women’s financial contributions to the household, research has consistently found that traditional ideologies of gendered labour persist (Forret et al. 2010). A qualitative study of US steelworkers and their wives’ experience of unemployment at the beginning of the twenty-first century reveals changing attitudes towards women’s paid employment but little

movement on the inclusion of men in domestic labour at home. Whilst accepting of women's paid work outside the home as '[it takes] two incomes to make ends meet', household chores generally remained and were seen as the purview of women (Legerski et al. 2010).

Expectations of men's contribution to the care of their children have also changed in recent generations and fathers are much more likely to be involved in child-caring (Sullivan 2010).

Yet ideologies may not have changed very much here either. In a qualitative study of working class UK fathers, Braun et al (2010) find breadwinner ideologies remain fundamentally important to some fathers, suggesting that a 'guy thing' may still be occurring. Overall, the degree to which couples reorganise their share of paid and unpaid labour in response to a labour market shock will depend in part on how easily they can swap roles. Yet, a couple's assessment of the extent to which their individual contributions to the household are substitutable are arrived at through a process of 'socially negotiated moral understandings', meaning that family decision making is diffused with relational commitments, social ethics and not purely made on economic cost-benefit analyses (Duncan et al. 2004).

Precisely how couples respond to job loss naturally depends on the set of employment options they perceive as viable in the new set of circumstances. This is likely to depend on a complex mix of work preferences and constraints but it will also be a reflection of how long the revised set of arrangements is expected to last. Coping in times of adversity can be a time-limited process. The concept of 'resilience' has recently emerged in policy and academic debates, describing the process through which individuals and communities 'bounce back' from their difficulties (Batty et al. 2010). Yet as Harrison (2013) notes, resilience to the effects of recession is not a 'bottomless pit that can be continually replenished' and sub-optimal coping strategies like moving into poorer quality or precarious work can have long term implications on future employment prospects and total household income levels. This raises some interesting questions as to how durable any new set of arrangements is likely to be. Couples may make adjustments to the way they each contribute to the household but these new arrangements may be brittle and delicate; not only because the contributions of individual couple-members are not necessarily interchangeable but also because they may not be sustainable over the long term.

The way in which couples respond to job loss is likely to be a function of their need to earn money and their willingness to re-organise their individual schedules and roles, potentially along non-normative lines. Almost by definition, the prime motivation for engaging in paid work is to earn money and couples faced with a loss of waged work can potentially reallocate

the share of paid and unpaid work between them. Yet, the process of within-couple role allocation embodies reference to normative ascriptions and temporal toleration thresholds. Despite a fairly extensive literature on whether wives' shift their labour into the paid sphere when their husband loses a job, or whether changed schedules have an impact on the division of household labour, few studies have examined the tripartite question of 'how, when and why?' couples reallocate in the way that they do. To examine the core mechanisms behind the ways in which couples adjust their supply of labour the specific research questions addressed in this paper are (i) Are couples pro-active or re-active when unemployment or underemployment is a likely prospect? (ii) Do couples alter the way they operate by adopting short term measures simply to deal with their current situation or do they consider the longer term implications of particular strategies and what might happen in the future? (iii) Whether in the short or long term, do couples seek to regain their erstwhile share of paid and unpaid labour once their labour market prospects improve?

Methodology

This research is part of a wider quantitative ESRC-funded project on understanding the effects of recession in Britain.¹ Providing rich contextual information to illuminate the quantitative findings, qualitative interviews were carried out with 30 respondents across 17 households. A purposive sample drawn from the *Understanding Society* Innovation Panel was selected to include couples where a partner had experienced a job loss, decreased working hours or changed employment status since Spring 2008. The *Understanding Society* Innovation Panel is an annual panel survey that captures a wealth of information about the social and economic circumstances and attitudes of people living in 1,500 households across Britain². Building on the information respondents provide through the survey, semi-structured interviews of approximately 45 minutes duration explored themes surrounding household responses to economic uncertainty and employment 'shocks' for those who had experienced turbulence in their working patterns during the recession.

To explore the experiences of job loss in diverse contexts, the sample was designed to include respondents from different parts of Britain in order to tap into regional labour market variations and across an age range reflecting various life stages. One of the characteristics of the recession that began in 2008 is the disproportionate impact it has had on young people and their employment prospects, principally those in the 16-24 year age group (Gregg et al. 2010). However, as might be expected for a group heavily populated by school-leavers and

students, this was not an age category that featured in our sampling frame of couple households. Nonetheless we conducted interviews with respondents ranging in age from their late twenties to those in their early sixties. In all, this comprised a variety of contexts: those with and without children, two age groups of children; the pre-retirement phase; a range of incomes; labour market areas more and less affected by the recession and type of relationship (married or cohabiting)³.

Conducting research with couples raises the question of whether to interview spouses separately or together as there are epistemological virtues and drawbacks in both approaches (see Allan 1980; Valentine 1999). For this research we interviewed couples apart where possible to give respondents more freedom to express their personal views. However, the interviews were conducted face-to-face in respondents' houses and with two couples the physical layout of their homes rendered separate interviewing impracticable. A further issue was that in four households only one partner was prepared to participate in the project. As a result, this research is based on two couples interviewed together, eleven couples interviewed separately and four couples where only one partner was interviewed. The fieldwork took place between October 2012 and February 2013 and all interviews were recorded and transcribed using conventional qualitative techniques. Analysis consisted of identification of dominant narratives which were subsequently coded, enabling the refinement of concepts, identification of themes and comparison between both participants' stories and existing literature. Care was taken not to dissociate sections of coded text from the all-important context in which they appeared. Transcripts were read many times to ensure that we, as researchers, engaged with the data in a meaningful way that gave respondents' stories due respect. All transcripts were anonymised in order that participants cannot be identified.

Anticipation or Ostriches?

To investigate how couples respond to an employment or income 'shock' we first look at how aware individuals were about the impending nature of this shock. We might assume that warning signs about potential job loss would be helpful, allowing time for contingency plans such as job search or re-organising finances to cushion the financial blow when it happens. However, participants did not always see, or chose not to see, these 'shocks' coming despite numerous outward indicators of potential job loss:

"...it was inevitable. They were going to sort of get rid of him. They were using him for a period as most companies do and then of course... they get their people...But it was a shock. I think he sort of got an inkling it was going to happen, but of course

you go on and you think, "Oh, it might blow over," but you get a gut feeling....So I would say probably about four weeks, maybe a couple of months absolute, you know, before we knew. But even then, you know, we didn't know. And when it did happen, we were absolutely gobsmacked." [Gail, Catering Assistant, Worcestershire.]

Even with 'a gut feeling' about the 'inevitability' of her husbands' job loss, Gail notes the shock of him losing his job when it happened. This theme was a recurring one in the interviews, with a number of participants apparently ignoring the clues that they were about to suffer an employment shock or choosing to believe that they would not be the person affected.

"I didn't have any indication whatsoever...I knew that things were quiet and obviously helping out with accounts, I could see that things were quiet. And it was becoming more and more difficult to get paid and to get money in from companies.... And you just gradually notice that things weren't...jobs weren't coming in. People weren't being paid. So we literally went on holiday, had a nice holiday in Dubai and I came back. And just out of the blue...and I had actually offered before I went on holiday because I could...I noticed that things were quiet, I did actually offer to reduce my five days to make a reduction...I was assured, "No, no. Everything's fine." So it was a bit of a shock." [Lynn, Teaching Assistant, Essex]

In a similar vein to Gail, above, Lynn displays a certain ambivalence – stating on the one hand that there was 'no indication' of her impending job loss, whilst in the next breath noting a lack of incoming work and a difficulty in securing payment for work carried out that led her to offer to reduce her hours. Despite these signals that the small company she worked for at the time (as an Office Assistant) was not faring well economically, Lynn still found losing her job to be a shock to the extent that she notes a detrimental effect on her confidence that was *"probably why it took me until the December to actually go for a job"*. This again suggests the head-in-the-sand tendencies noted above. Roger below notes not just the shock of losing his job (despite continued cuts in the department) but that he had been convinced that another employee would be made redundant before him, increasing the shock and sense of injustice that it was *he* who had suffered this shock, he who had not 'survived'.

"Well, the departmentthey kept cutting, cutting, cutting, and there was me and one other fellow who's a nice guy. And he'd been there less time than I had. He'd even gone....he'd even left the company and come back again for a couple of weeks....Because we were both, I'd say both similar in being capable, but I just felt that, "Hang on. It shouldn't have been me." So I thought right up to a month before that it was going to be...I was going to be the survivor and the other guy was going to go" [Roger, Housebuilding Technical Manager, Surrey]

In these accounts there is no sign of the added worker effect pre-job loss (see Stephens 2002) as the approach of these couples has been to avoid acting proactively on observable signs and

simply hope that if there are redundancies they won't be affected. Of course the above accounts are all post-redundancy and it could perhaps be argued that participants are seeing the signs after the fact. However, similar behaviour is also evident in those who are *currently* observing a downward turn in their employment context.

"But to go down to three people on the firm is a bit...yeah, it makes you wonder. But we still keep going. Work is still there. It's looking a little bit better at the moment. Plus this year, we've had a couple of sub-contractors that are coming in, which in my mind, indicates that we've obviously got a bit more work coming in.... He hasn't employed any more people...we haven't had a wage rise in the last probably three straight four years...work isn't that good." [Andy, Plumber, Essex]

"And neither [Alan] nor myself were really taking any money out of the business in the last 18 months.....there are always hints and hopes of something on the horizon which keeps you going. You're always working for the next big contract coming along....It's still maintaining a job, as I said before, there's always a hope that something will come out of it." [John, IT Specialist, Northamptonshire]

In both of these accounts, despite the signs of deterioration, there is future hope that the situation will right itself eventually, that all is not yet lost and that, crucially, bigger life changes in the form of job/business loss, will not be necessary. For many it seems that small negative changes in employment circumstances such as a reduction in hours or a wage freeze can be endured as long as the change does not become too significant and lead to job loss. Although unemployment has not increased to the levels predicted by some commentators, the current context of the 'Great Recession' (Bell et al. 2010; Beyers 2013) is likely to play a part in this, with people being more likely to endure unfavourable employment circumstances due to a feeling that their options for positive change (i.e. finding another, secure, job) are more limited than perhaps they once were. With news reports of redundancies commonplace in the last few years (Addley 2012; Drury 2012; Neville 2013a; Neville 2013b), preservation of existing employment is perhaps seen by these participants as preferable to 'jumping ship' to another company with which they have no history and thus an even greater feeling of insecurity. Even those with a more despondent view expressed the need to cling on to what they have rather than seek alternatives in the hope that the spectre of redundancy will not turn into reality.

"You've got the choice of either hoping things are going to get better or decide there's some better opportunities elsewhere, and to move and at the moment, I'm just hanging in there..... I was put at risk redundancy-wise, I've just come through that and it could well be that if things don't get better that will happen again. So I could foresee that happening. The positive side is that some you know, new contracts or

new work comes in and sort of things improve but at the moment, most of the people I speak to don't feel very...they're more pessimistic than optimistic..." [Ian, IT Specialist, Berkshire]

For Ian, part of the reason he was sticking with a precarious job was due to the lack of networking opportunities as many of his industry contacts had also lost their jobs and simply did not have any job openings to offer. Yet, echoing a theme common to many respondents, Ian does not focus on the perilous nature of his job situation preferring to emphasise that despite how 'things are very tight out there and there's very few jobs' he had managed to keep hold of his so far and that his best option was to keep 'hanging in there'.

Long Term vs Short Term Perspectives

Whether an employment or income shock is perceived as being short-term and temporary or likely to be longer-term will also affect how couples react when faced with a job loss. Some may see the situation as a temporary set-back and have the financial resources to weather the storm while for others replacing any loss of income from employment may be critical to maintaining their standard of living. For others maintaining their longer-term career prospects may be the priority even if this means taking sub-optimal employment. For some participants getting back into work as quickly as possible was the main priority. Carol, who had previously been earning 'lots of money' as a contractor before she took a year off work did not appear to have worried unduly about finding another job until her partner was also made redundant, at which point it became a much higher priority:

'If necessary, I'd have gone and worked in Tesco's. That didn't happen, and I was fortunate the way it turned out...it was the case of look at what was around and take the best thing even if it's been a temporary sort of job, if you know what I mean. You know, something short-term just so one of us was working. Because my first instinct was panic, neither of us is working.... Neither of us were coming up to retirement age....so it was a case of, 'Oh, dear, let's get a job'' [Carol, Quality Manager, Northamptonshire]

Carol notes the 'panic' that neither she nor her partner were working and says that she would have accepted a sub-optimal job as long as it meant that *one* of them was working. This seems based upon the notion that it would be easier for her to find employment than her

partner as his work is more 'specialised', and general feelings of vulnerability and uncertainty ('the thought 'what happens if...in a long term, if we don't get work?') in the short and long term. Moreover this suggests a more fluid approach to 'breadwinner' roles that were male-centric from the mid-nineteenth century in Britain (see for instance Creighton 1999) and which are often now thought to be in steady decline. As in this scenario the breadwinner, in the short term at least, would be the female half of this heterosexual couple. As Charles and James (2005: 499) note, '*...the strength of male breadwinner ideology may be waning and...definitions of who is the main breadwinner are more pragmatic than ideological*'. Similarly, Roger says that he too would have considered a sub-optimal job, conceding that, despite his mother's concerns, he would probably have taken the first job that came his way.

'I just felt, 'Well, I'd rather be working. It doesn't matter where I work, it doesn't matter who I work for, as long as I was working' ...my main worry actually about being out of work was being bored because it's a real fear that I'm not the most self-motivated person in the world...you feel you're not getting anywhere because there's no money coming in, but that wasn't my main concern... my mother said, 'Look, don't take the first job that you find if you don't want it. Just think about it for a minute'. I'm not sure I would've taken that advice...I would've gone there, I would have got my feet under the table and did what I could and got paid. That's why I would've taken the first job. I may not have stayed there for very long...I would've not stayed, but I would have taken it because I wanted the income...I probably would have taken a delivery driving job' [Roger, House Building Technical Manager, Surrey]

Boredom and a perception of his own general lack of motivation seem to have instilled concerns in Roger that necessitated a swift return to work, whatever the role and even if his tenure was to be short. Carol and Roger both felt they needed to return to work of almost any type in the short term, but for others it was a quick return to the *right kind* of work that was of utmost importance.

"...it was forced, it was an enforced...going full time because my school closed down, I had to take a job. I didn't really want to go full-time.....my concern, when my last school closed down was that...I'm not a cheap teacher anymore. I'm not easy to employ because I'm more expensive. Students...to people just leaving college have obviously more a bit more desirable because they're cheaper with no experience but

nevertheless school budgets are...dictate that. My job...you need to keep in my job otherwise, you lose touch what's going on" [Wendy, Teacher, London]

For Wendy, being out of the teaching profession for too long would be problematic as it would lead to her 'falling behind' or 'losing touch' with the intricacies of the profession. This, coupled with anxiety about being priced out of the market by less experienced, more recently qualified teachers, meant that she took the first teaching job she was offered (found through a friend) despite the hours being longer than she desired. Teaching is not the only profession in which 'staying in the game' was viewed as crucial by participants. When John was asked what he did when he was made redundant he too stressed the urgency of finding the right kind of employment as soon as possible.

'Start looking for more or less straightaway...I had quite a good CV...so it was just a matter of keeping it up to date...the prospect of taking time out, I mean, that time, I'd be, what, 48. The fear is if you take a little bit time out, then that extends and grows and continues...the fear is that any forced absence, then it comes to be seen as, by a potential future employer, oh 'Why is he still absent? Was it, he's been for a few interviews and nobody wants him?' or whatever. So it's really just a case of getting back on the horse again really as soon as you can' [John, I.T. Specialist, Northamptonshire]

Of course, whatever the underlying reasons, a swift return to work is not always experienced in entirely positive ways. Despite being happy in his current job, Dave looks back to a previous period of unemployment when talking about his regret at not taking more care over his job search at that time.

'...we don't really plan what job I'm going to do...when I fancy doing something, I'll just try for it...the job at [the automotive company], I just sort of walked into that one because of somebody I knew. Because I thought I've been in the glass trade for 29 to 30 years, never done nothing else. And I was thinking, who's gonna want to employ me, nearly 50 years of age...I was quite surprised when they took me in. I regretted going there...financially, we obviously, we got some redundancy money to save...walking into a job straight away that then becomes a bit of a benefit. But I just wish that I took a little bit more time and...try and find something more suited to what I want, you know, to what I would've enjoyed more rather than just panicking and

taking the first thing that sort of came along’ [Dave, Health Care Assistant, Worcestershire]

Dave, to some extent buoyed by the idea that his redundancy money could be saved and the idea of doing something new after a long career in the glass trade alongside his sense of ‘panic’ at having no job, ‘walked’ into the first job available, a job made known to him through a personal contact, and later regretted it. Some research (for example Crossley et al. 2005) shows that searching for work in a focused way is positively associated with satisfactory outcomes. Dave himself notes that his short-term approach to job search in this instance lacked planning and focus and was experienced as unsatisfactory in the longer-term.

It is clear that participants approached redundancy from different angles, with different priorities and goals. For some, sub-optimal positions were considered as a short term solution; to bring money into the home or to maintain their career prospects. A number of participants note the ‘panic’ that they experienced as a jobseeker and how this sometimes led them to take work that was not ideal either in terms of contracted hours or type; in the case of Dave this panic resulted in him taking the first job he was offered and later regretting not having conducted a more careful and considered job search. For some, almost any work would do, whilst for others it was keeping ‘in the game’ and returning to their chosen profession *as soon as possible* that was all-important in order to not lose ground and ‘fall behind’ in terms of skills and knowledge.

Many of the participants above expressed worries about the short term effects of unemployment and reacted accordingly. Whilst short term solutions were sought initially in many cases, there are other temporal aspects at play due to an awareness that the longer one is out of work the harder it may be to find work in the mid to long term. For certain types of occupation anxieties about ‘falling behind’ by being out of one’s profession and thus being less desirable as a potential employee stretch beyond the short term indicating an acute awareness of the long-term implications for career prospects in the future.

More than an Added Worker Effect

When one couple member suffers an employment/income shock, the responses of that couple may take many forms. Amongst the sample interviewed, a common pattern was for the person made redundant to be most likely to look for new paid employment, rather than their

partner altering their labour-market behaviour as an immediate response to the shock. In contrast to the expectations of the added worker thesis, we found few cases where a spouse would seek additional work in direct response to their partners' job loss. This is not to say that spouses responded passively but that their efforts were generally targeted at supporting their partner in finding a new job rather than seeking additional employment for themselves. As Dave puts it:

Well, when I'm looking for a job, [my wife] is up there with me looking as well. And when I'm not at home, if I'm doing something else, she's, she'll spend time looking for a job for me on the Internet as well. So she was very supportive. [Dave, Health Care Assistant, Worcestershire]

Part of the backdrop for this was that some spouses were already working full-time with very limited opportunities to increase their income. Yet even in cases where spouses were working part-time and could theoretically increase their labour market time, other factors restricted additional spousal labour. These included family caring commitments and domestic responsibilities, no opportunity to increase hours at work, and strong preferences for part-time working. As Sarah described increasing one's working hours is not always easy:

No, I wouldn't...well, no, I probably wouldn't be able to [increase work hours]. It's only a morning nursery anyway, and I do three mornings. And they wouldn't take me on the other two days if we haven't got, you know, the children. We've got enough staff, so I probably wouldn't be able to increase my hours. [Sarah, Nursery Assistant, Surrey]

To weather the loss of income, an alternative strategy favoured by many couples involved reducing household expenditure and many spoke of being 'careful' and 'watching what we spend now'. Changes in household spending ranged from cutting back on everyday items at the supermarket to forgoing meals out and takeaways, cancelling gym memberships and or/postponing other leisure activities such as holidays. Some restructured their finances by switching to cheaper mortgages, drawing on loans and inheritances from family members or 'dipping into' savings. It should be noted, however, that none of the respondents regarded themselves as being in serious financial difficulties, even though some had gross household incomes well below the national average. Had they been 'struggling to put food on the table' as many put it, they all said that things would have been different and both couple members would have taken positive action to find work. This suggests that the 'added worker effect'

may represent an immediate response to job loss only in particular circumstances where finances are very tight.

A common thread running through most participants' accounts is a resistance to making substantial adjustments to the existing household equilibrium in the share of paid and unpaid labour between couples. Socio-psychological understandings of why people are averse to change suggest that what we 'have' is generally preferable to what we 'might have' especially the context of uncertainty (Samuelson et al. 1988; Eidelman et al. 2009). Maintenance of the status quo is thus seen as desirable, particularly where established patterns of behaviour have been formed (Eidelman et al. 2010). Whilst many of the respondents displayed behaviours and attitudes in line with the notion that change would be unwelcome, a number of participants had different stories to tell. For some redundancy acted as a trigger to start new a new venture so was not universally perceived as a negative experience. Jonathan, an ex-Construction Industry Executive from Worcestershire became a self-employed property developer post-redundancy and, despite the "*great bitterness and wailing and gnashing of teeth*" associated with his employment shock, considers this new venture an 'opportunity'. He does however note that his wife, Gail, who had been a homemaker for 19 years, returned to paid employment (as a catering assistant) partly as a result of the couples' reduced income following his job loss. Her earnings help to keep "*a little bit of money coming into the house*" whilst he awaits returns on development projects, clearly showing signs of the added worker effect (see Lundberg 1985; Cullen and Gruber 2000).

However, the added worker affect is not present in all participants' accounts of new opportunity following job loss.

"...in a way, for us, it came at quite a good time because...they said, "Yeah, you can start [IVF] in the June" and obviously, I got made redundant in the June. So, for me, it was quite a good time in a way although I was going to lose my job because I did like it..... I did get offered a job just before the shop closed and I was like in two minds to take it and then we just decided, you know, just to concentrate on [the IVF] [Claire, Stay-at-home-mum, Devon]

Claire talks here about how being made redundant came at a convenient time for her and her husband and how she even refused the offer of another job just before the shop she worked in finally closed. This couple's response to job loss was neither rooted in the added worker effect nor the discouraged worker effect, whereby people are deterred from looking for work due to their perception of their chances of finding suitable employment being extremely low (see for example Bingley and Walker 2001). The response here centres on lifestyle choice. Priorities are set in this instance around fertility treatment and starting a family rather than immediate financial concerns and an attendant return to paid employment. Similarly, John, an IT specialist, took a job that many would find far from ideal upon being made redundant from his previous place of employment, effectively working for long periods without pay. His wife, Carol, outlines the context:

"A number of years, I was poorly and I decided I wanted to do something. I couldn't do anything. I couldn't pick these paper up off the floor. And I thought I'm going to get better and I wondered about the people that didn't get better. We've got a local charity...which provide dogs for adults and children with disabilities, and I wanted to get involved with them and I didn't think we could because we both work. I spoke to them and they were quite happy because he [John] works at a small software house. He can take a dog to work with him. If I didn't earn the money that I earned, then he would have to leave where he is...He gets paid now and again. When they get an order in, they get paid...if they don't get an order, it can be several weeks before he gets any money. But the one problem that we would have if he found another job, we couldn't look after the dogs...as long as we can cope financially, which we can at the moment, I've got no problem with it" [Carol, Quality Manager, Northamptonshire]

For John and Carol, the ability to be able to look after dogs, and thus remain heavily involved with the charity work that holds great meaning for them, takes priority over the steadier income that John might earn in a more conventional job. As long as they could cope financially sacrificing his potential income was felt worthwhile. His ability to be able to take the dogs to his workplace is currently very important to the couple and John's redundancy from his previous job has made this possible. An echo of the added worker effect is present here inasmuch as one half of the couple [presently Carol] must earn a steady income in order for the other to have a less regular income which provides the flexibility they need to stay involved with the charity at their current level. Carol notes that if she didn't have a good income then John would have to leave his current position for a more financially

conventional one – effectively, if she was made redundant, this would have repercussions for John’s working life. This arrangement sees the couple taking a short term, reactive perspective that utilizes the resources they have in such a way as to ‘draw back’ from (further) change (see McCrone 1994). The arrangement relies on a balance, whereby one half of the partnership must make up for the financial shortfalls in the others’ work-related income but it does not fully evoke the added worker effect. Other participants took their redundancy as a chance to rethink their lives in relation to work. Lynn, for instance, now talks about slowing down.

“I mean my confidence was knocked...I really enjoyed, really liked it. I just like working in a small office. And I love number anyway and I just really enjoyed it. So it was such a shock. And the status as well I guess really, working in an office to working in a school because I’ve always done it. Even though I am very, very qualified and very experienced and I am very good at what I do...I’m happy where I am...I’m not going out looking for a job...I’m thinking really I don’t want to become dependent on my salary...I’m not someone that’s striving for a big, four-bedroom house. If anything I want to downsize. I’m going to be honest as you know I don’t want to come home dead. I just don’t. Life’s just too short. You know that’s really how I’m feeling. I’m just feeling that, ‘I don’t need this stress’.” [Lynn, Teaching Asst, Essex]

Lynne was shocked by her redundancy and initially felt that subsequently going back into a school environment as a teaching assistant was somewhat of a backwards step for her in terms of status. However, she notes that she is nonetheless happy and would like to downsize her property, thus freeing up capital and reducing overheads in a bid to be less reliant on work-related income. She would then avoid the stress she perceives as part and parcel of the salary ‘dependency’ she equates with the kinds of jobs she is qualified enough to do. Despite some loss of status, she has no plans to search for a new, higher salaried job, with any lifestyle changes coming from future downsizing rather than ‘striving’. Suggestions from participants that redundancy turned out to be a positive experience may of course represent defensive posturing and retrospective rationalisation of their circumstances once the initial shock and unhappiness of redundancy have passed (Gabriel et al. 2013).

Gail, who had worked in sales before her and her husband, Jonathan, had children, went back to work after 19 years as a homemaker during the period that Jonathan was unemployed. However, there is more than her husband's (then) unemployment at play here:

“Three years ago, [Jonathan] had sort of been out of work for a couple of years and it was lovely having him about but I just felt he was under my feet...he sort of got a golden handshake when they sold the company... probably the first six to eight months...we invested the money and the returns were absolutely marvellous. But then, everything sort of caved in, the banks sort of reducing their interest rates. And it was a dramatic drop in what we were getting...I thought, well, a little bit of extra income as well but mostly I think it was to get me out of the house...I don't think it's healthy to be under each other's feet sort of 24/7...having been at home for 19 years raising the children, and [Jonathan] always being the breadwinner. I just wanted something to take me out the house and something for me and to sort of start mixing with people. And because I've been quite heavily involved in sales before...I didn't really want to sort of get back into that because it would take me away from home and travelling. And I wanted something quite light and that I didn't have to sort of apply one's brain. I think the brain has gone to mush over the last 19 years...I've always been able to communicate with older people...I've always find it quite easy and enjoyable” [Gail, Catering Assistant, Worcestershire]

Whilst a trace of added worker effect is present here in Gail's explanation for returning to work after 19 years to earn some extra income, other factors seem to be more influential in the decision. Firstly, she notes the temporal and proximal effects of both Jonathan's unemployment on their relationship. They were spending too much time in close proximity to one another, without the breaks in contact characteristic of their time when Jonathan was working. In essence, his unemployment and greater presence in the home was not experienced as “healthy” for their relationship (Vinokur et al. 1996). Social isolation and the associated lack of contact with other people outside the home (Ferree 1976; Shehan et al. 1986) is also a theme here. Returning to work is seen by Gail as a way to remedy both the (then) ‘unhealthy’ amount of time spent with Jonathan during his unemployment and as a way of returning to the wider world, increasing social contact and “*mixing with people*”.

We can see from the above examples that although the added worker effect is sometimes present *to a degree* within participants' accounts, it typically crosscuts with a variety of other aspects of lifestyle. Therefore, how couples respond to employment/income shocks varies enormously due to the specificities of their particular circumstance, their feelings about work, their priorities and interests, thus rendering straightforward explanations somewhat elusive.

Conclusion

To mitigate the financial loss associated with unemployment couples can reorganise the way in which they share paid and unpaid labour between them. To understand the extent to which such a reallocation takes place and the mechanisms that underpin it, studies have analysed the labour market participation of secondary earners when the primary earner of a couple experiences job loss, looking for an expected 'added worker effect'. However, the findings of this qualitative research suggest that this may not always be an appropriate way to characterise how couples respond to employment shocks.

The evidence from these qualitative interviews sheds light on the three research questions addressed in this article. Firstly, regarding whether couples act proactively or reactively in the face of an anticipated job loss, this research shows that when it comes to anticipating job loss a common reaction is to do nothing. Even where the chances of job loss appear to be quite high, a number of participants suggested that they were still shocked when the moment of redundancy finally came and had instigated little or no pre-emptive action in terms of job search or financial manoeuvring. This was true of participants who spoke about a previous job loss episode and of those whose current employment was experiencing a noticeable downturn. For the latter group, unfavourable changes in employment circumstances can seemingly be endured as long as the change does not become too significant and lead to job loss. For many participants, the idea of maintaining a sense of equilibrium in the household was paramount. Action would only be taken when absolutely necessary and not before.

Turning to the question of whether couples respond to job loss with a short or long term view there is evidence of both types of approach but, whether using a short or long term perspective, the emphasis for finding work is almost always on the part of the partner that has lost the job, not their spouse. For some, losing a job and being out of work is wholly

incongruous with their self-identity and this propels them to take the first job that comes along. Such respondents are less concerned with what will happen in the future and more focussed on their present circumstances. However, those with more long-sighted approaches can also take the first available job opportunity if it is seen as favouring the realisation of long term goals, such as maintaining career continuity. In both cases, household tactics were essentially to try and keep life as close to 'normal' as possible and avoid invoking any additional paid spousal labour. Other respondents used the opportunity of job loss to re-evaluate their lives and adopt lifestyle changes that would resonate over the longer term such as starting a family, making more time for grandchildren, becoming more involved in charity work and so on. These respondents had reached a crossroad in their lives and opted to venture along a different path in search of other ambitions. Here, the intention was to instigate what was seen as positive change, for which the employment shock often operated as a catalyst.

The final question addressed in this article is whether couples seek to regain or maintain the status quo in their household arrangements for paid and unpaid work and the answer to this appears to be tied up in preferences. Whether households adopt an 'all change' or 'carry on as usual' reaction to job loss (or imminent job loss) depends largely on the priorities that people set themselves. It would certainly be fair to say that for the most part households tend to gravitate towards the 'carry on as usual' option but in a few cases, such as Carol and Gail, work-related household changes did occur. For the former this was a necessity and for the latter it was a combination of wanting to get out of the house *and* increasing household income. For others, redundancy was used as an opportunity to do something else such as get involved with charity work or begin IVF treatment. Ultimately, reactions to redundancy were intimately bound with lifestyle choices. Some households were able to take projects on board and still stay afloat through their partners' earnings – this of course involves change but a qualitatively different change to that which would manifest itself through the added worker effect. Other households reacted quickly to job loss and the redundant partner found new employment in a short space of time, retaining the usual set up of the household, whilst others still were, at the time of interview, still trying to ignore their deteriorating work situations in the hope that things would work out. It seems that, generally speaking, households will try to carry on as usual if change can be avoided.

All of this offers some insight as to why the expected added worker effect in quantitative studies is often not present or quite small. Unless a change in the share of paid and unpaid

labour facilitates the realisation of a long-term aim, couples seem to work very hard to retain the status quo in their division of labour and avoid making substantial household changes until absolutely necessary. Couples display remarkable resilience in finding alternative coping strategies to absorb an employment or income shock. The use of additional paid spousal labour as a response to unemployment is one response amongst a set of alternatives and couples may prefer to exhaust all other alternatives before invoking major changes to the way labour is shared between them.

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¹This research was supported by funding from the UK Economic and Social Research Council (ESRC) under the grant "Understanding the impact of recession on labour market behaviour in Britain" (ES/I037628/1)

² <https://www.understandingsociety.ac.uk/about/innovation-panel>

³ All respondents were White British. Whilst other ethnic groups were represented in our sampling frame, they either could not be contacted or declined to participate.