Job Insecurity, Employability and Financial Threat during COVID-19

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COVID-19 has resulted not only in widespread illness and death, it has also upended most spheres of social life including the economic/financial one in that it has had large impacts on local economies, resulting in widespread job loss, job insecurity and loss of income. Employability, a psychological construct, refers to the belief that one can get a (another) job in the event of job loss, and financial threat refers to feelings of threat and anxiety associated with one's finances. During the pandemic, many people experienced job loss due mainly to business closures. The present study examined the relationship between employability, job insecurity due to COVID-19, and financial threat in a Canadian (n= 487) and U.S. (n=481) sample of adults recruited on MTurk early on in the pandemic (April 2020). Participants in the Canadian sample, compared to their American counterparts, were less likely to be employed full-time, 37% vs. 67%, respectively, were more likely to be unemployed, 40% vs. 13%, respectively, and had lower self-reported socio-economic status. A theoretical model was put forward in which employability was associated with less job insecurity and this was related to less financial threat. Results revealed that financial self-efficacy was associated with greater employability, less job insecurity and less financial threat in both samples. Further, feelings that one had enough income to "get by" since the advent of COVID-19, were positively related to employability in both samples, but in the Canadian sample only, these feelings were also related to less job insecurity and less financial threat. Implications of the study's results are discussed within the economic climate resulting from the pandemic.

Keywords: COVID-19, pandemic, economic, psychological, job insecurity, job loss, financial threat

JEL Classifications: A12, D9, D91, J28, J62, J64

1 Introduction

Research suggests that major societal upheavals can lead to widespread psychological turmoil and confusion. For example, as a result of the 2008 financial crisis, many people's personal finances deteriorated and this led to widespread anxiety, confusion and threats to people's financial situation (Marjanovic et al., 2013). The recent pandemic, also a social upheaval, has caused widespread illness and death worldwide. According to the World Health Organization, by 28 January 2022, the COVID-19 virus had infected over 364 million people globally with over 5.6 million fatalities (World Health Organization [WHO], 2022). On 11 March 2020, the WHO declared a global pandemic of COVID-19 (World Health Organization, 2020), which resulted in many governments worldwide implementing policies to prevent further spread of the disease by closing businesses, resulting in a sharp increase in unemployment. Moreover, the COVID-19 pandemic has had far-reaching economic consequences beyond the spread of the disease itself. As a way of slowing the spread of infection, authorities have limited in-person gatherings of people. Thus, restrictions have been placed on the numbers of people allowed to gather in physical spaces, such as shopping malls, sporting events, bars, and restaurants, for example. Businesses have suffered as a result of lockdown enforcements and social distancing, especially the service sector, sales, the entertainment sector, travel, tourism, catering, and the leisure industry (Ceylan et al., 2020). Many had to close due to loss of revenue and a shortage of workers who had been sickened by COVID-19. Thus, accumulating evidence attests to the deepening and pervasive effects of the pandemic in most spheres of social life including the economic sphere. Widespread job insecurity and loss of income throughout society have all added to the economic challenges that people have experienced during the pandemic on an ongoing basis resulting in rising risk perceptions and social and economic fear (Ceylan et al., 2020; Wilson et al., 2020).

Data attest to the extensive job loss in both the U.S. and Canada. For example, in the U.S., by June 2020, 44.2 million jobless claims were made since the start of the coronavirus shutdowns (Lambert, 2020). And, in Canada, in March 2020 many shops were closed, except for essential ones such as pharmacies and grocery stores. With lockdowns, came enforced business closures and physical distancing measures that resulted in massive job layoffs resulting in an unemployment rate of 13.7% by May 2020 as approximately 500,000 people applied for unemployment benefits in a single week (Statistics Canada, 2020). Further, A *Pew Research Centre* survey reported that many Americans continued to suffer economically as a result of COVID-19. Survey results in 2020 demonstrated that one in four adults had trouble paying their bills since the coronavirus outbreak started, one- third had to take money from their savings to make ends meet, and one in six had to borrow money to cover essential expenses (Parker et al., 2020). The report went on to say that, if they did not already lose their jobs, many workers had to reduce their employment hours or take a pay cut due to the economic fallout

from the pandemic. And, according to a survey conducted in Canada, as of March 30, 2020, 56% of those surveyed stated that they were affected by reduced hours or job losses. Canadians financially affected by COVID-19 indicated this was the result of a reduction in their working hours (33%) or losing their jobs (23%) (TransUnion, 2020). Since COVID-19 has upended the economic sphere, reports indicate that the pandemic is associated with reduced income, job insecurity, job loss and uncertainty about the future (Bogart, 2020). Taken together, these findings illustrate that the pandemic had destabilized people's personal finances and as a result, has likely led to elevated levels of financial threat, which refers to high levels of fear, uncertainty, and preoccupation about the stability and security of one's finances (Marjanovic et al., 2013; 2015). Thus, it is important to test the relationship between economic-related beliefs and psychological well being during the pandemic, a time of severe crisis for many individuals. One of the goals of the present research is to study psychological factors associated with financial threat such as, job insecurity, during the pandemic.

In order to address the development of financial threat, we integrate theoretical perspectives from Job Demands-Resources (JD-R) Theory (Demerouti et al., 2001) and Self-Regulation Theory (Bandura, 1991). According to JD-R Theory, feelings of stress arise when stressors such as, job insecurity, are high and personal resources needed to deal with them, such as self-efficacy, are low. Thus, when individuals have access to personal resources such as self-efficacy, they are less likely to experience stress (Lupsa et al., 2019). Self-Regulation Theory involves conscious personal management where one guides one's thoughts and behaviors to reach goals and it encompasses the concept of self-efficacy, which plays a central role in the exercise of personal agency by its strong impact on thought, affect, motivation, and action. Self-efficacy is conceptualized as the belief that one has the ability to successfully engage in specific behaviours to solve a difficult problem (Bandura, 1997). The goal in this research is to understand how job insecurity translates into threat in the financial sphere and the role of self-regulation in attenuating this threat.

Given the precarious economic conditions and uncertainty associated with many jobs during the pandemic, job insecurity would be a major concern for many individuals. Research reports that greater job insecurity was indirectly related to greater anxiety symptoms during the pandemic due to greater financial concern, as reported in a study consisting of 474 U.S. employees and that job insecurity due to COVID-19 increased depressive symptoms among employees (Wilson et al., 2020). According to research findings, those with high self-efficacy believe they have the ability to manage prospective situations and exercise control over them and self-efficacy is associated with lower stress (Jerusalem & Schwarzer, 1992). Moreover, job resources such as self-efficacy have been shown to weaken the relationship between job demands, such as job insecurity, and stress because they facilitate efficient ways of managing the demands of work (Xanthopoulou et al., 2007). Thus, we consider that self-efficacy in the

financial sphere is a form of self-regulation that is adaptive and useful particularly when dealing with financial beliefs.

Another personal resource that has been identified in research as adaptive in dealing with job insecurity is employability, the individual's belief that he or she has the possibility of achieving a (another) new job (Berntson & Marklund, 2007; Berntson et al., 2006), thus implying the possibility of future employment. This belief would be especially beneficial during the pandemic when many jobs were precarious. Employability, also a function of self-regulation, embodies beliefs that one can get a (another) job despite high rates of joblessness in society at the time.

In light of these conceptual considerations, a theoretical model is put forth here in which beliefs about job insecurity, are related to financial threat (see Figure 1). With greater resources such as self-efficacy and employability, it is hypothesized that job insecurity should be lower, and threats related to one's finances (financial threat) should also be lower since individuals should feel more confident in managing their finances. This is in line with previous research showing that, with greater self-efficacy, job insecurity is lower (DeCupyer et al., 2008). Moreover, to the extent that individuals have high self-efficacy in the financial sphere, i.e., financial self-efficacy, they should experience less financial threat related to their finances.

Given the uncertainty and threat associated with COVID-19, it is not surprising to learn that many people believe that the global pandemic will never end. In a poll conducted by the *Economist/YouGovPoll* during July 24 – 27, 2021 with 1500 U.S. adults who were asked, "In your opinion, when do you think the COVID-19 pandemic will finally end?", 21% responded that the pandemic will never end (Sanders, 2021). At the same time, given the widespread economic costs of the pandemic in terms of lost jobs, job insecurity, and financial uncertainty, there should be a relationship between the belief that the pandemic will never end, and perceived threat to one's financial situation. Thus, it is hypothesized that the more individuals believe that the pandemic will never end, the greater their financial threat.

Since the advent of coronavirus, individuals have experienced greater financial difficulty in managing their day-to-day expenses, including housing, rent, and grocery bills (Parker et al., 2020). That is, many people have reported that they have had difficulty getting by financially. With greater financial self-efficacy and employability, individuals should be more likely to believe that are able to effectively manage the challenges related to their finances. Therefore, it is hypothesized that individuals are more likely to believe they have enough income to "get by" with greater financial self-efficacy and employability (see Figure 1). We tested the model in two large samples of American and Canadian residents in order to establish broad support for our hypotheses.

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Figure 1   Job Insecurity, Employability and Financial Threat: Theoretical Model
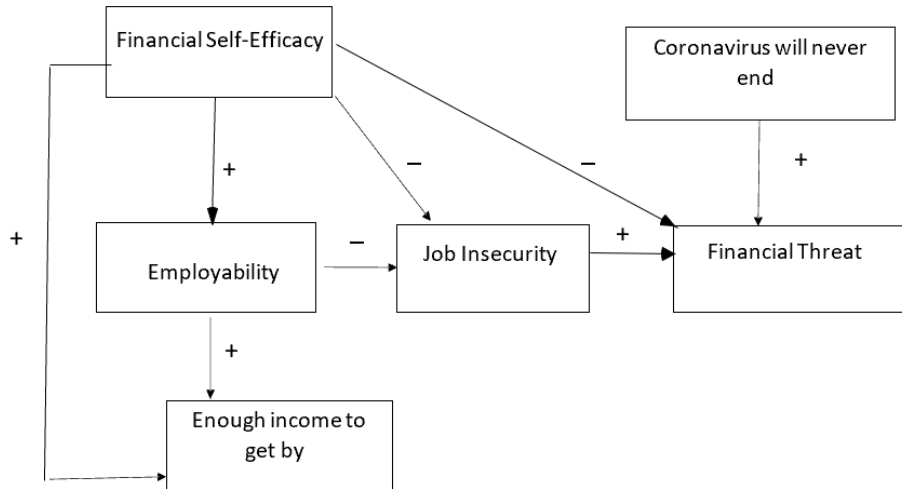
2.1 Procedure and Participants

Data were collected in April 2020 which allowed for the assessment of psychological reactions to COVID-19 early on when it was first declared a pandemic (WHO, 2020). Participants were English-speaking adults from Canada and the U.S., who were recruited on *Amazon's Mechanical Turk* (*MTurk*), a tool for collecting data online that is widely used in several disciplines. The questionnaire was presented in English and each participant was paid 1 USD. Participants then proceeded to the questionnaire, which was posted on *Qualtrics,* a survey software platform, and a randomly generated number was assigned to them to allow for payment. The data (Study 2) were placed on the *Open Science Framework* (https://osf.io/rs5ke/). The final sample consisted of 968 adults[1] (Canadian n = 487, U.S. n = 481).

The average age of participants in the Canadian sample was 31.22 years old (S.D. = 10.69) and 37.47 years old (SD = 12.05) in the U.S. sample. In the Canadian sample, 57% were male and in the U.S. sample, 65% were male. While 45% of the Canadian sample was married, 68% of the U.S. sample was married. Approximately three-quarters of the Canadian sample (79%)

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[1] Originally N = 1076. A total of 108 participants were deleted due to the following reasons: 29 were duplicates, one participant did not grant consent, four were from a country that differed from the two countries that were sampled (U.S. and Canada), 43 were considered random responders (Marjanovic et al., 2014) and 67 were from an unknown country. This left an N = 968. Criteria for data deletion are not mutually exclusive (e.g., a participant can be a duplicate and may also be a random responder)

was university-educated while 87% of the U.S. sample was university-educated. In the Canadian sample, 37% were employed full-time while in the U.S. sample, 67% were employed full-time. While 40% were unemployed in the Canadian sample, 13% were unemployed in the U.S. sample. In response to a question asking where participants would place themselves on a ladder from 1 to 10, where 1 is the lowest and 10 is the highest who are the best off, have the most money, education, and the most respected jobs (Socio-economic status; Goodman et al., 2001), 12% of Canadian participants put themselves on the top 3 rungs, while 31% of the U.S. sample did the same (see Table 1).

Table 1   Demographics of Canadian and U.S. Samples

	Canada	U.S.
N	487	481
Mean Age (SD)	31.22 (10.69)	37.47 (12.05)
Male % (N)	57 (277)	65 (314)
Married or common law % (N)	45 (222)	68 (328)
University- Educated % (N)	79 (387)	87 (420)
Full-time employment % (N)	37 (180)	67 (326)
Unemployed % (N)	40 (196)	13 (62)
Socio-economic status$^{\pm}$top 3 rungs % (N)	12 (62)	31 (150)

± Defined by the answer to the question: where would you place yourself on this ladder from 1 to 10, where 1 is the lowest and 10 is the highest who are best off, have the most money, education and the most respected jobs (Goodman et al., 2001)

2.1 Measures

Table 2 presents a summary of the measures, measure authors and sample items.

Job Insecurity was assessed with a 4-item scale (De Witte, 2000) that measured feelings of insecurity about one's current job [due to the coronavirus]. Responses went from 1 = *Strongly Disagree*, to 5 = *Strongly Agree*. De Cuyper et al. (2008) provide evidence for its discriminant validity.

Employability was measured with a 4-item scale (De Witte, 2000) that assessed the belief one could get another job instead of their present one. Participants responded on a 5-point scale that went from 1 = *Strongly Disagree*, to 5 = *Strongly Agree*. De Cuyper et al. (2008) provide evidence for its discriminant validity.

Table 2

Measures	Author	Sample Item
Job Insecurity	De Witte, 2000	Due to the coronavirus, I will soon lose my job.
Employability	De Witte, 2000	I could easily find another job instead of my present one.
Financial Self-Efficacy	Adapted from Jerusalem and Schwarzer, 1992	I am confident that I could deal efficiently with unexpected financial events.
Financial Threat	Marjanovic et al., 2013	How uncertain do you feel? {About your current financial situation}?
Enough Income to "Get By"	Greenglass and Fiksenbaum, see below	Do you feel that you have enough income to "get by"?
Coronavirus Will Never End	Greenglass and Fiksenbaum, see below	When thinking about coronavirus and the way things are now, it seems like it will never end.

Financial Self-Efficacy Scale, adapted from Jerusalem and Schwarzer's General Self-Efficacy scale (1992), consists of 10 items that assessed feelings and beliefs of self-efficacy when thinking about one's current financial situation. Response alternatives went from 1 = *Not at All True*, to 4 = *Exactly True.* Criterion-related validity for the General Self-Efficacy scale is found in numerous correlation studies where positive coefficients were found with favorable emotions, and work satisfaction (Schwarzer & Jerusalem, 1995).

Financial Threat Scale (FTS) (Marjanovic et al., 2013) consisted of five items that assessed level of fear, uncertainty, and preoccupation about the stability and security of one's finances. Items were rated on a 5-point scale ranging from 1= *Not at All,* to 5= *A Great Deal/Extremely.* The FTS' validity has been demonstrated by its relationship with psychological health outcomes, financial situation measures, and individual differences measures, all in the expected directions (Marjanovic et al., 2013).

Two single items, created by the authors, assessed beliefs specific to coronavirus. One item stated: "*Do you feel that you have enough income to 'get by' [*focusing on the time period since the advent of coronavirus]?'" Participants responded by selecting a response on a 5-point scale that went from 1= *Not at All,* to 5= *A Lot.* A second single item asked: "*When thinking about coronavirus and the way things are now, it seems like it will never end".* Participants were asked to indicate their degree of agreement/disagreement with this statement by selecting a response on a 7-point scale that went from 1= *Strongly Agree*, to 7 = *Strongly Disagree.*

Data Quality. Marjanovic et al.'s (2014) Conscientious Responders Scale (CRS) was used to identify participants who had responded randomly to any of the measures. The scale consists

of 5 items that instruct responders how to answer a particular question (e.g., please answer this question by choosing number 3, "Moderately agree"). Responding incorrectly to more than 2 of the 5 items, indicates a random response pattern and therefore these participants were excluded from further analyses.

3 Results

Descriptive statistics for all study variables in each national sample are presented in Table 3. Results of t-tests between the two national samples on study variables show that participants in the U.S. sample were significantly higher on employability and financial self-efficacy than their Canadian counterparts. Financial threat was also significantly higher in the U.S. sample.

Table 3   Descriptive Statistics of Study Variables

Variable	Range	Canada		U.S.		t - test
		Mean	S.D.	Mean	S.D.	
Job Insecurity	1-5	2.858	1.155	2.866	0.996	0.115
Employability	1-5	2.856	0.993	3.371	0.996	8.056***
Financial Self-Efficacy	1-4	2.917	0.540	2.992	0.572	2.098*
Financial Threat	1-5	3.097	1.028	3.317	1.011	3.357***
Coronavirus will never end[1]	1-7	3.82	1.715	3.72	1.777	0.891
Enough income to "get by" [2]	1-5	3.34	1.203	3.47	1.279	1.1629
N		487		481		

Notes: [1]1 = strongly agree to 7 = strongly disagree [2]1 = not at all to 5 a lot; *p < .05 ***p < .001

3.1 Analytical Strategy

A correlation matrix of all study variables was computed separately for the U.S. and Canadian samples to assess relationships among pairs of variables. This was followed by path analysis to examine the relationships among study variables in the theoretical model separately in each sample.

3.2 Correlations

A correlation matrix of all study variables is presented separately for the U.S. and Canadian samples in Tables 4 and 5, respectively, along with Cronbach's alphas, all of which are .80 or higher.

In the U.S. sample, financial self-efficacy correlated positively with employability and with beliefs that the participants had enough income to "get by". Financial self-efficacy was negatively related to job insecurity and financial threat. Employability was positively related to participants' belief that they had enough income to "get by". Further results showed that job

insecurity and financial threat were negatively related to the belief that they had enough income to "get by". That is, participants were less likely to report they had enough income to "get by" when they reported higher job insecurity and greater financial threat. Financial threat was positively related to job insecurity, and with greater financial threat, participants were more likely to agree that coronvirus will never end (see Table 4).

Table 4   Correlation Matrix of Study Variables – U.S.

	FSE	EM	EI[1]	JI	FT	CNE[2]
Financial Self-Efficacy	.90	.53***	.26***	-.21***	-.29***	.08
Employability		.87	.22***	-.02	-.02	.06
Enough Income[1]			---	-.18***	-.21***	.01
Job Insecurity				.80	.65***	-.05
Financial Threat					.89	-.22***
Coronavirus will never end[2]						---

***p < .001
Notes. FSE= financial self-efficacy EM=employability EI = enough income JI= job insecurity FT = financial threat CNE= coronavirus will never end

Cronbach's alphas on the diagonal
[1] Do you feel that you have enough income to" get by"? 1 = *not at all* to 5 = *a lot*
[2] Coronavirus will never end   1 = *strongly agree* to 7 = *strongly disagree*

Table 5 reports a correlation matrix of study variables for the Canadian sample. As in the U.S. sample, financial self-efficacy correlated positively with employability and with beliefs that the participants had enough income to "get by". Financial self-efficacy was negatively related to job insecurity and financial threat, and with greater financial self-efficacy, participants were more likely to disagree with the statement that "coronavirus will never end". With greater employability, participants were more likely to agree that they had enough income to "get by". Job insecurity and financial threat decreased with greater employability. Participants were more likely to disagree that "cornavirus will never end" with more employability. Job insecurity and financial threat were associated with feelings of not having enough income "get by". Further, the belief that coronavirus will never end was associated with the feeling that participants did not have enough income to "get by". With greater job insecurity, financial threat increased as well as the belief that coronavirus will never end. Financial threat increased with the belief that coronavirus will never end.

Table 5 Correlation Matrix of Study Variables – Canada

	FSE	EM	EI[1]	JI	FT	CNE[2]
Financial Self-Efficacy	.91	.31***	.33***	-.24***	-.40***	.13**
Employability		.89	.28***	-.36***	-.36***	.17***
Enough Income[1]			---	-.34***	-.40***	.11*
Job Insecurity				.90	.57***	-.12**
Financial Threat					.90	-.26***
Coronavirus will never end[2]						---

***$p < .001$

Notes. FSE= financial self-efficacy EM=employability EI = enough income JI= job insecurity FT = financial threat CNE= coronavirus will never end

Cronbach's alphas on the diagonal
[1] Do you feel that you have enough income to" get by"? 1 = *not at all* to 5 = *a lot*
[2] Coronavirus will never end 1 = *strongly agree* to 7 = *strongly disagree*
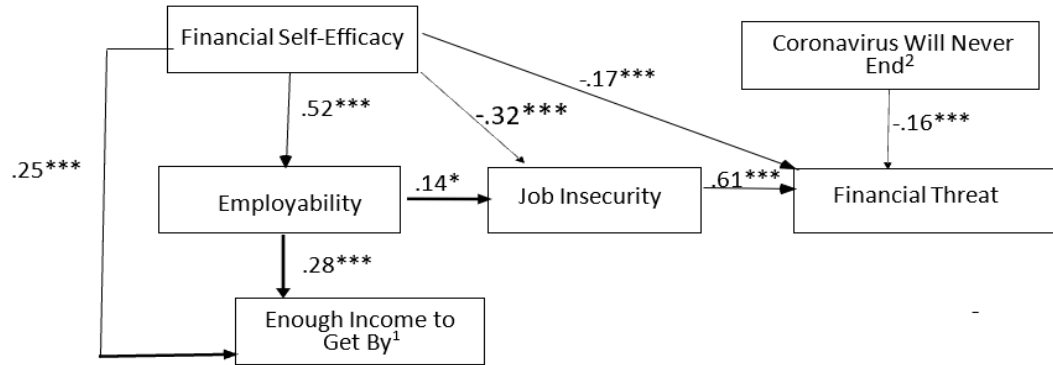
3.2 Path Analysis

Path analysis was used to examine the relationships among study variables in the theoretical model in each national sample using AMOS Version 15 (Arbuckle & Wothke, 1999).

In order to estimate the fit of the theoretical model (Figure 1) to the data, several fit indices were computed. A model is considered to have an acceptable fit with the data if the χ^2 statistic (Chi-square test) is non-significant. However, given the sensitivity of the Chi-square statistic to sample size, several alternative fit measures are often computed as well. Specifically, The Incremental Fit Index (IFI; Bollen, 1989), Comparative Fit Index (CFI; Bentler, 1990), and the Normed Fit Index (NFI; Bentler & Bonett, 1980) should be greater than .95 for an adequate fit and the Root Mean Square Error of Approximation (RMSEA) should be less than .08 (Hu & Bentler, 1999).

Figure 2 presents the results of the path analysis in the U.S. sample. The Chi-square was non- significant ($\chi^2(7) = 13.22$, p =.067). The IFI = .99, CFI = .99, NFI = .97, and the RMSEA was .04, thus indicating that the hypothesized model was a satisfactory fit with the data. Examination of the standardized path coefficients shows that financial self-efficacy was positively related to employability and negatively related to job insecurity and financial threat. Financial self-efficacy was related to the feeling of having enough income to "get by". Employability was positively related to job insecurity, and job insecurity was positively associated with financial threat. Employability was also related to the feeling of having enough income to "get by". The belief that coronavirus will never end was related to greater financial threat.

Figure 2 Job Insecurity, Employability and Financial Threat: Empirical Model -- U.S.
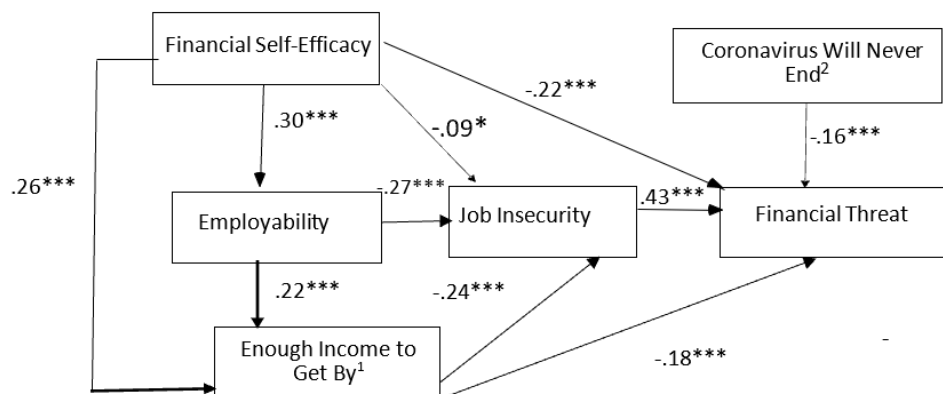

Notes: 1 Do you feel that you have enough income to "get by"? 1, not at all to 5 a lot 2 Coronavirus will never end 1, strongly agree to 7, strongly disagree; $*p < .05$ $**p < .01$ $***p < .001$

Results of path analysis conducted in the Canadian sample showed that the model was not an acceptable fit to the data. Fit indices were as follows: The Chi-square was significant ($\chi^2(7)$ = 72.36, p <.001). The IFI = .87, CFI = .87, NFI = .86, and the RMSEA was .14. The results of the path analysis indicated that two modification indices (MIs) were indicated, a path from enough income to "get by", to job insecurity, and a path from enough income to "get by", to financial threat. When the path analysis was rerun in the Canadian sample with the two MIs, results showed that the model was a better fit to the data as seen in the fit indices[2]. The Chi-square was significant ($\chi^2(5)$ = 26.19, p <.001) . The IFI = .96, CFI = .96, NFI = .95, and the RMSEA was .09, indicating the revised model was an acceptable fit to the data. Regarding the standardized path coefficients, financial self-efficacy was associated with employability and with thoughts of having enough income to "get by". Financial self-efficacy was also related to lower job insecurity and lower financial threat. Employability was related to lower job insecurity. Financial threat increased with job insecurity and with thoughts the pandemic will never end. In addition, when participants thought they did not have enough income to "get by", their job insecurity and financial threat were higher. The paths from enough income to "get by", to job insecurity, and enough income to "get by", to financial threat, improved the fit of the model in the Canadian sample only (Figure 3).

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[2] When the same model was tested in the U.S. sample, the fit indices remained approximately the same as the those reported for the model in Figure 2, but the paths from enough income to "get by", to job insecurity, and from enough income to "get by", to financial threat were not significant.

Figure 3   Job Insecurity, Employability and Financial Threat: Empirical Model With Two MI's- Canada

Notes: [1] Do you feel that you have enough income to "get by"? 1 *not at all* to 5 *a lot,* [2] Coronavirus will never end 1, *strongly agree,* to 7, *strongly disagree;* *p < .05 ***p< .001

To summarize the results of the path analyses, in both samples, job insecurity decreased as financial self-efficacy increased, and financial threat also decreased as financial self-efficacy increased. Furthermore, with greater financial self-efficacy, people believed they could get another job, and they also believed they had enough income to "get by". In both samples, financial threat increased with job insecurity, and with thoughts that the pandemic will never end. In the Canadian sample only, "not having enough income to get by" was related to greater job insecurity and more financial threat, and employability was related to lower job insecurity.

4   Discussion

The economic effects of COVID-19 have been widespread, affecting individuals' basic livelihood, undermining their feelings of confidence in the future, and generating anxiety and uncertainty about their finances. Throughout the pandemic, there have been large impacts on local economies resulting in widespread job loss, job insecurity and loss of income (Parolin et al., 2020). This has been due to periodic shutdowns imposed by governments over the last 18 months to contain the virus. Government mandates have forced businesses to temporarily close on several occasions, and many businesses experienced severe shortages of employees due to illness. This, coupled with disruption to transfer of goods and services due to the pandemic, have resulted in extensive anxiety and uncertainty in the labour market (Jones et al., 2021).

The present study is one of the few to date that examines the relationship between psychological factors and beliefs about economic factors during the pandemic. We designed a theoretical model that integrates these constructs that are pivotal in predicting financial threat, defined as fear, uncertainty, and preoccupation about the stability and security of one's finances

(Marjanovic et al., 2013; 2015) during the pandemic. We tested the fit of the model with data from two national adult samples from Canada and the U.S. We hypothesized that financial self-efficacy would be related to greater employability and the belief that participants had enough income to "get by", less job insecurity, and less financial threat. Employability and job insecurity were expected to be negatively related. Financial threat was expected to be positively associated with more job insecurity and with the belief that the pandemic will never end. Thus, the model we put forward is comprehensive, including beliefs about economic variables, psychological variables, and beliefs specific to the pandemic.

4.1   Financial Self-Efficacy

 Path analysis was used to analyze the fit between the theoretical model and the data, separately in each sample. According to the fit indices, the theoretical model was a good fit to the data in the U.S. sample. In the Canadian sample, two additional paths to the model (i.e., modification indices) were indicated in order to improve the fit of the model to the data. They were, a path from having enough income to "get by" to job insecurity, and another path from having enough income to "get by" to financial threat. To summarize, in both the Canadian and U.S. samples, financial self-efficacy predicted to the belief that one could get another job   (employability), findings that coincide with previous research (Fiksenbaum et al., 2017) which used a measure of general self-efficacy (Jerusalem & Schwarzer,1992). In the present study, the measure of self-efficacy that we used was adapted to the individual's financial situation. Findings observed in the present research, for both the Canadian and U.S. samples, showed that the greater one's financial self-efficacy, the lower participants' job insecurity and the less financial threat they experienced. Thus, in this study, self-efficacy in the financial sphere is a valuable resource that is positively associated with more positive attitudes about one's future employability, greater feelings of job security, and less threat associated with one's financial situation. These findings, observed in two different national samples, underline the importance of financial self-efficacy as a valuable resource that is positively associated with employment-related beliefs about one's capabilities in the future. Moreover, despite the economic challenges that individuals faced in both samples due to the pandemic, with greater financial self-efficacy, they were more likely to believe they had enough income to "get by". Thus, the present findings extend research on self-efficacy to beliefs during a pandemic through the relationship between financial self-efficacy and the belief that individuals had enough income to "get by". The reliability of this finding is increased since it was observed in both national samples. Further, in both samples there was a positive relationship between job insecurity and financial threat, results that are in line with recent data that job insecurity is significantly associated with depression and anxiety (Obrenovic et al., 2021). Our results suggest that the distress associated with job insecurity may be negatively associated with greater financial self-efficacy.

4.2   Employability, Job Insecurity and Financial Threat

We also predicted that employability would be related to less job insecurity because individuals would think they could easily find another job if they lost their present one. Present findings showed that employability was associated with less job insecurity in the Canadian sample only, results that corroborate previous research (Fiksenbaum et al., 2017). Therefore, to the extent that individuals believed that they could get another job, if they were to lose their present one (employability), they experienced less insecurity about their present job. Additional results in this study showed that employability was *positively* related to job insecurity in the U.S. sample. Thus, higher employability was associated with greater job insecurity in the American sample. The reason for this discrepancy in results between the two national samples may be due to differences in the employment and income status of the two samples. For example, while two-thirds of the American sample reported they had full-time employment, a little more than one-third of the Canadian sample reported full-time employment. Also, while only 13% of the American sample were unemployed, 40% of the Canadian sample were unemployed. Lastly, participants in the U.S. sample appeared to have a higher socio-economic status than their Canadian counterparts. Thus, job insecurity may have been a more salient concern for Canadian participants, given their more precarious employment situation and socio-economic status, compared to their American counterparts. As a result, one would expect that employability, the belief that one could get another job if the present one was lost, would be a significant factor in decreasing feelings of job insecurity in the Canadian sample. But, in the U.S. sample, employability and job insecurity were positively related to each other so that the greater their job insecurity, the more they believed they could find another job, which may have been due to their relatively more stable employment and higher income status, that may have bolstered their belief in being able to get another job. Results of t-tests showing that American participants reported higher employability and greater financial self-efficacy than Canadians may reflect their higher rate of full-time employment compared to the Canadians and their higher socio-economic status.

In light of the uncertainty that has characterized the economic sphere since the advent of coronavirus, individuals would have been concerned about having enough income to cover day-to-day expenses. In this research, we asked participants to respond to a question asking them if they had enough income to "get by" since the advent of coronavirus. Findings showed that, in both samples, the higher the employability, the more participants felt they had enough income to "get by", probably because they believed they could get another job if they lost their current one and therefore, they would be able to cover their expenses. At the same time, it was in the Canadian sample only that job insecurity and financial threat increased when participants thought they did *not* have enough income to "get by". It is also worth noting that Canadian participants' financial situation appeared more precarious than that of the American

participants, as seen in their lower rate of full-time employment, their higher unemployment, and their lower socio-economic status. Thus, the data suggest that when individuals' employment situation is more unstable and they feel they do not have enough income to "get by", this would be related to greater job insecurity as well as threats to their financial situation. These findings underline the importance of taking into account the socio-economic context of research, particularly regarding people's experiences during the pandemic. Moreover, our findings parallel previous research that shows that individuals with lower incomes have been more negatively impacted by the pandemic and experience greater difficulty covering day-to-day necessities than those with higher incomes (Durrani, 2020; Parker et al.,2020). It could be argued that for Canadian participants, not having enough income to "get by" was a more salient concern given their unstable economic situation, compared to those in the U.S. sample, and that as a result, it was related to greater job insecurity and greater financial threat. These ideas could be pursued in future research.

In this study, we asked participants to indicate how much they agreed with the statement that coronavirus will never end. As predicted, the more participants thought that coronavirus will never end, the greater the financial threat to their own financial situation, in both samples. Given the disruptions to the economic sphere caused by the pandemic, including job layoffs, disruptions to work, uncertainty about one's job, and the economic hardships people have had to endure, the belief that coronavirus will never end would be expected to be associated with greater fear and uncertainty regarding one's own financial situation. Moreover, the results obtained in this study emphasize the importance of incorporating people's beliefs about the pandemic into study design, since they are related to their experience of threat regarding their own financial situation.

In this study we used the original 10-item General Self-Efficacy Scale (GSE) (Jerusalem & Schwarzer, 1992) to assess financial self-efficacy and we modified the original instructions to the scale by instructing participants to indicate how true each of these statements was for them when thinking about their current financial situation. That is, we assessed self-efficacy as applied to their current financial situation. The primary reason for using this scale rather than existing scales such as the financial self-efficacy scale by Lown (2011), was that the GSE is an established scale with high reliability and validity across a variety of situations (Jerusalem & Schwarzer, 1992). On the other hand, the Lown scale (2011) is based on self-efficacy as applied to specific financial goals such as dealing with retirement and credit, issues not relevant to the present research.

The strength of our study is its focus on the relationship between psychological factors and beliefs about economic variables within the context of an ongoing pandemic, using data from two national samples. There are some limitations in that this research features a cross-sectional design, which limits our ability to infer causality among variables. Further, participants in this study were relatively young and well-educated thus generalizing to the larger, general

population should be done with caution. At the same time, given the design of the research, there is an absence of control variables that may serve as alternative explanations for the present findings such as personality traits and educational level, for example.

In conclusion, the economic impact of the pandemic can be seen in widespread disruption of people's working lives including job loss, job insecurity and anxiety about one's finances. The present study examines the relationship between psychological variables and those related to one's employment situation, including job insecurity, employability, financial self-efficacy, and financial threat to one's current financial situation. Findings indicate the importance of individuals' strengths, such as employability and self-efficacy, in their relationship to distress one may experience regarding their financial situation during a pandemic. The present results indicate the importance of considering the socio-economic context of research in the interpretation of the results and their wider implications. Moreover, analyzing data from two large samples of American and Canadian residents, we find broad support for the hypotheses put forth in this study. The robustness of the results and their generalizability are increased by our reliance on two independent national samples and the measures we took to ensure accurate modeling of the data. It is also worth noting that the findings reported here may have implications for interventions that could reduce financial threat in the future.

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