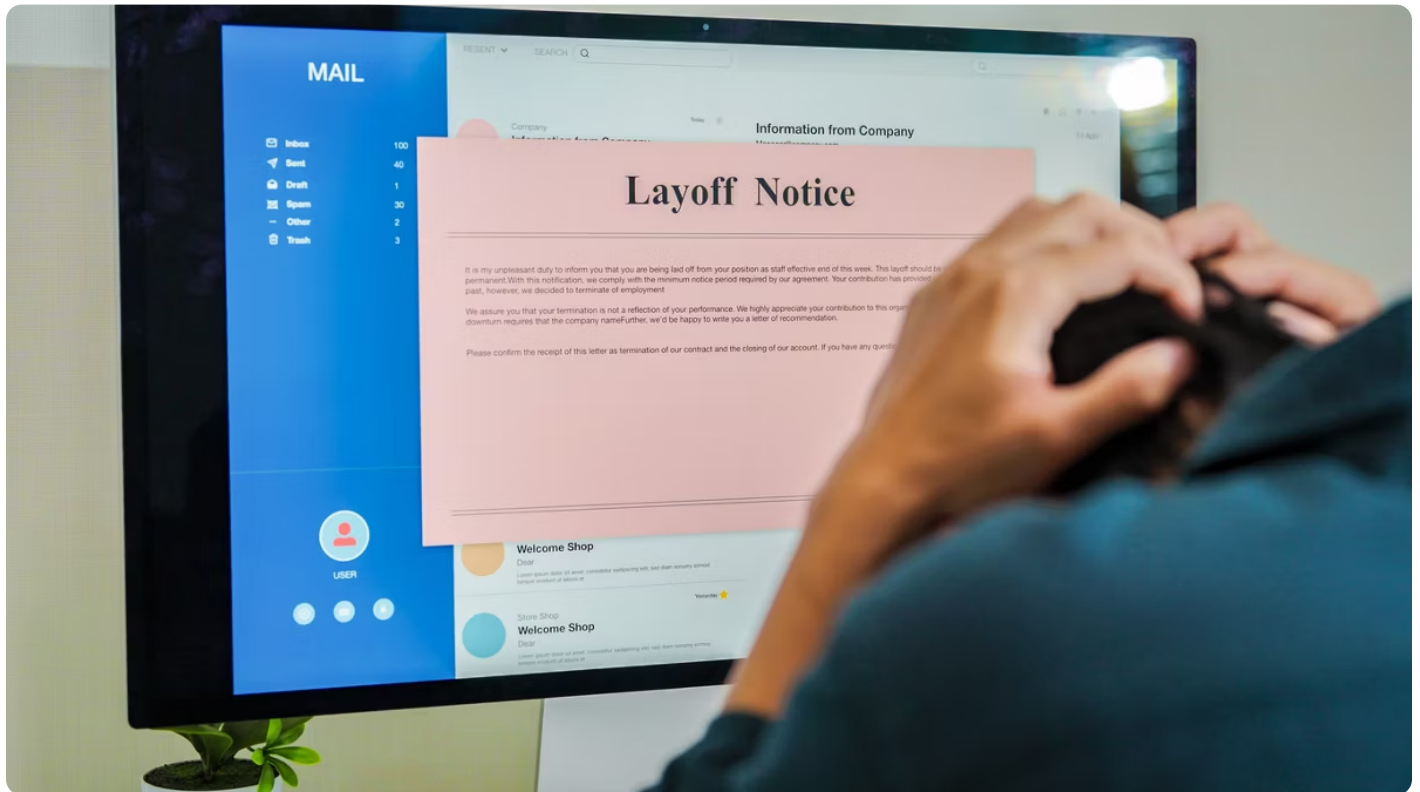


FEATURE

Concerns about Economy, Layoffs Causing Incivility

January 13, 2026 | Kathryn Mayer



Economic uncertainty and concerns about job security are top of mind for employees as 2026 kicks off — and they're taking a hit on workplace civility.

Concerns about an economic recession and how it may influence company cutbacks or layoffs, as well as the state and direction of the U.S. economy, have increased as reasons for incivility in and out of the workplace, according to the [SHRM Q4 2025 Civility Index - \(https://www.shrm.org/topics-tools/topics/civility/civility-infographic \)](https://www.shrm.org/topics-tools/topics/civility/civility-infographic).

Nearly 3 in 10 workers (29%) cited concerns about an economic recession and how it may influence company cutbacks or layoffs as a contributor to the acts of incivility they experienced or witnessed in the workplace — up from 26% in Q3 and 21% in Q1. And 31% cited the state and direction of the U.S. economy as a contributor to incivility they witnessed, up from 30% in Q3 and 28% in Q1, according to the index.

The SHRM data comes as an increasing number of employees worry about the direction of the economy: 1 in 3 workers fear job loss in 2026, according to a [survey from resume building site](#)

myPerfectResume - (<https://www.myperfectresume.com/career-center/careers/basics/the-great-stay-2026>)_, while nearly half believe the labor market will worsen.

Another survey of employees by jobs site Monster - (<https://www.prnewswire.com/news-releases/monsters-2026-workwatch-report-workers-brace-for-uncertainty-prioritize-stability-over-career-moves-302653679.html>) recently found that 52% of workers said they expect nationwide layoffs to rise, and 40% expect the adoption of artificial intelligence to result in moderate job reductions in their industry by the end of the year.

Related Specialty Credential: [SHRM AI+HI - \(https://store.shrm.org/AIHI-Specialty-Credential \)](https://store.shrm.org/AIHI-Specialty-Credential)

“Uncertainty is one of the hardest conditions for humans to live with,” explained Dr. Suzan Song, a psychiatrist in Washington, D.C., and author of the forthcoming book *Why We Suffer and How We Heal: Using Narrative, Ritual, and Purpose to Flourish Through Life's Challenges* (Harmony, 2026). “When people don’t know whether their work, income, or role will continue, it disrupts their sense of safety and coherence. Many experience difficulty concentrating, increased vigilance, sleep problems, and a loss of meaning in their work — those are normal responses to instability. When the uncertainty is prolonged or poorly managed, it becomes a concern, because people are asked to function as if nothing has changed, even though their internal sense of stability has eroded.”

The impact of economic uncertainty and concerns is “significant and widespread,” added Todd Katz, head of U.S. Group Benefits at MetLife in New York City. That uncertainty, he said, compounds **[financial stress - \(https://www.shrm.org/topics-tools/news/benefits-compensation/workers-look-employer-help-as-financial-well-being-dips \)](https://www.shrm.org/topics-tools/news/benefits-compensation/workers-look-employer-help-as-financial-well-being-dips)** and mental stress and contributes to burnout, disengagement, and delayed care.

Reacting to Instability

But the SHRM Civility Index, importantly, shows that economic and job security fears can also impact how workers treat one another, as stress can negatively impact behaviors.

“Under sustained uncertainty, the brain operates in a different way. People become more self-protective and less generous in how they interpret others,” Song said. “Everyday interactions carry more emotional weight, and small moments of friction escalate more quickly. What often gets labeled as incivility is frequently a signal that people no longer trust the environment to be fair or predictable. This is important to understand because responding with discipline or conduct training alone misses what’s really happening — people are reacting to instability, not choosing to behave badly.”

How-To Guide: How to Conduct a Layoff or Reduction in Force - (<https://www.shrm.org/topics-tools/tools/how-to-guides/how-to-conduct-layoff-reduction-force>)

Overall, the current SHRM Civility Index score is 48.6, marking a 0.1-point increase since the Q3 2025 findings, but a 1.1-point decline from the peak in Q4 2024. Civility Index scores are calculated on a 100-

point scale, with 0 being that incivility never occurs, and 100 being that incivility almost always occurs. The Civility Index score spotlights a “critical need for businesses and individuals to take decisive action now, not later,” SHRM researchers said.

Political differences, racial or ethnic differences, different opinions on social issues, age or generational differences, and current immigration policy concerns are to other contributors for uncivil acts at work, according to the SHRM Q4 2025 Civility Index.

“The most effective way employers can reduce harm is by creating clarity and predictability where possible,” Song recommended. “Clear communication, transparent decision-making, and avoiding prolonged ambiguity matter more than reassurance. People cope better when they understand what is happening and why, even if the news is difficult. Supporting individual well-being is important, but it cannot substitute for structural clarity, fairness, and [leadership accountability](https://www.shrm.org/topics-tools/news/employee-relations/what-can-managers-do-when-upper-management-causes-incivility) - (<https://www.shrm.org/topics-tools/news/employee-relations/what-can-managers-do-when-upper-management-causes-incivility>)_ during periods of uncertainty.”

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