

Why worried workers won't withdraw: A proposal to expand our understanding of the antecedents and consequences of job insecurity

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Abstract

This study introduces a multi-level model of job insecurity that includes moderating factors as well as important organizational outcomes. Job insecurity contributes to employees experiencing emotional exhaustion; factors such as life stage, high-quality relationships, impression management, and perceived control can increase or decrease these consequences. Emotional exhaustion then leads to a decrease in important organizational outcomes such as innovation and organizational citizenship. A potential research design was developed to explain how the model would be tested and evaluated, including various self-report measures analyzed with structural equation modeling. Research limitations and future areas of focus are discussed.

Introduction

Companies must make complex decisions that balance the needs of stakeholders. Employees are particularly valuable stakeholders because they contribute to meeting the company's mission and help the company perform. Yet, in uncertain environments, organizations under pressure might be forced to place employees in difficult situations that detract from their ability to function effectively. Job insecurity, which occurs when an individual perceives that he or she could lose a current job, is a stressful, negative experience for employees (Sverke, Hellgren, & Naswell, 2002). Employees experiencing job insecurity are likely to become emotionally exhausted, or drained of psychological and emotional resources that, in normal circumstances, would be used to cope with difficult situations and allow them to continue to be productive (Piccoli & De Witte, 2015). Once employees are emotionally exhausted, important organizational outcomes like employees displaying organizational citizenship behaviors and innovation can be diminished.

Because of the stress and anxiety that result from job insecurity, employees tend to quickly deplete psychological resources to cope with the situation. The conservation of resources theory (COR) states that individuals have a limited amount of personal and psychological resources to draw upon; an employee experiencing job insecurity is more likely to deplete resources quickly because of the inherent stress and worry (Shore & Tetrick, 1994). In addition to COR theory, contract theory can also offer a theoretical understanding of job insecurity. It states that the traditional relationship between

employees and companies consists of a psychological contract in which the employee gives time, effort, and loyalty while the company provides a salary and fair treatment in exchange (Piccoli & De Witte, 2015). The proposed model draws upon and supports the adaptation cycle model. The adaptation cycle model claims that employees react to negative situations at work by adapting and changing to mitigate the negative situation (Boswell et al., 2014). This is an important contribution because it acknowledges that employees can have a variety of reactions to job insecurity, not only withdrawal.

The proposed model draws upon COR and contract theory as well as the adaptation cycle model to introduce a multi-level model that expands the current conceptions about job insecurity.

Propositions

Proposition 1: Environmental uncertainty in an industry positively contributes to job insecurity.

Proposition 2: Job insecurity contributes positively to emotional exhaustion.

Proposition 3: Life stage has a positive effect on the relationship between job insecurity and emotional exhaustion in which high-duty individuals are more likely to experience emotional exhaustion than medium- and low-duty individuals.

Proposition 4: Employees with higher levels of perceived control who are experiencing job insecurity are less likely to experience emotional exhaustion.

Proposition 5: Impression management positively affects the relationship between job insecurity and emotional exhaustion.

Proposition 6: Positive relationships at work will negatively affect the relationship between job insecurity and emotional exhaustion.

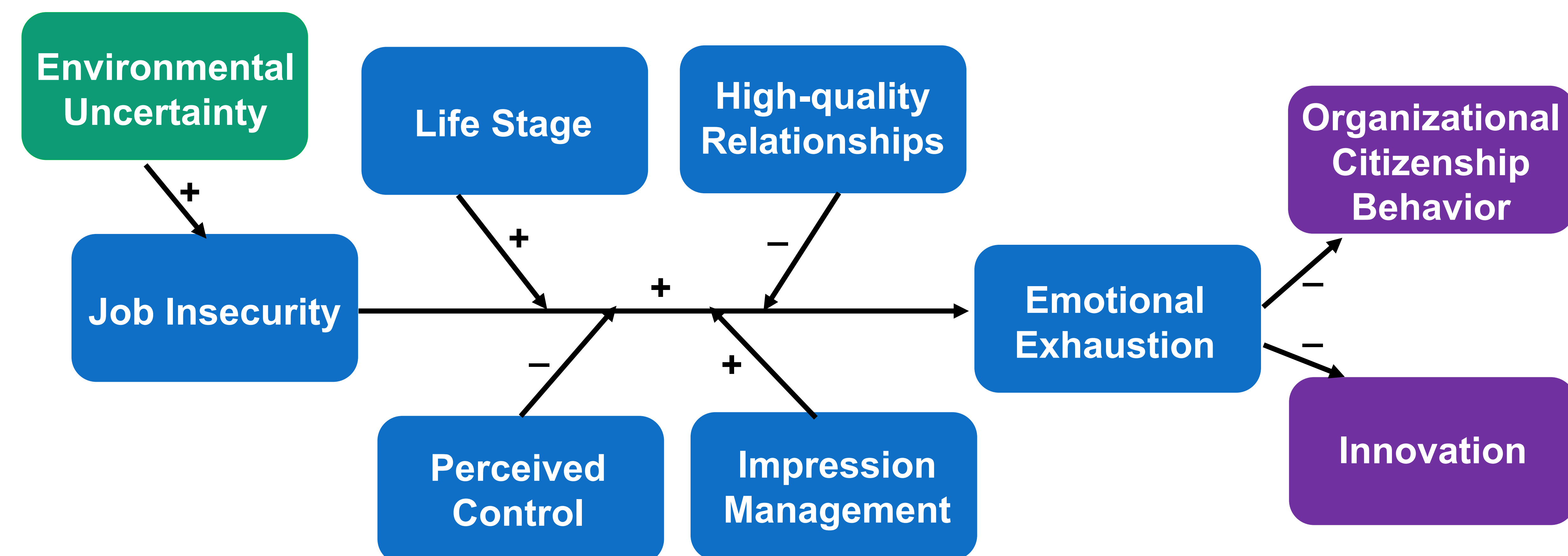
Proposition 7: Emotional exhaustion contributes negatively to organizational citizenship behaviors.

Proposition 8: Emotional exhaustion negatively impacts innovation

References

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Figures



Industry Level Individual Level Organizational Level

Research Design

Participants

The sample would consist of employees in companies from the Fortune 500 list. One supervisor and two peers of the primary employee would also be participants in the study.

Materials and Procedure

The participants would complete multiple measures that relate to the model. Primary employees would respond to the job insecurity, emotional exhaustion, life stage, impression management, perceived control, and high-quality relationships measures, which would total 45 questions. Supervisors would respond to the organizational citizenship behaviors and innovative performance measures, which would total 19 questions. Two coworkers would each respond to the organizational citizenship behaviors measure, which totals 13 questions.

Proposed Analyses

To test the propositions, structural equation modelling would be conducted.

Covariates: Race, Gender, Positive or Negative Affect, Type of Work

Discussion

This proposal offers three unique contributions to the job insecurity literature. The first contribution relates to the multi-level nature of the proposed model. Previous research has primarily focused on individual outcomes. Multiple meta-analyses offer inconclusive results about factors related to job insecurity, which suggests that more is going on than what the studies are testing, so the model addresses other variables that might be important (Sverke et al., 2002).

The second contribution of this model is the application of job adaptation theory to the job insecurity and emotional exhaustion literatures. The proposed model draws upon and supports the adaptation cycle model. The adaptation cycle model claims that employees react to negative situations at work by adapting and changing to mitigate the negative situation (Boswell et al., 2014). This is an important contribution because it acknowledges that employees can have a variety of reactions to job insecurity, not only withdrawal.

The new life stage variable is another notable contribution to the job insecurity literature. It replaces the age variable. Life stage captures more nuance about individuals' lives and makes less assumptions than the age variable does. With life stage, the level of responsibility of an individual is captured and it includes age, which allows for a better understanding about who is more likely to experience job insecurity.