

Summary

Perceived Job Insecurity and Job Search Behavior: The Mediating Roles of Job Satisfaction, Affective Organizational Commitment and Turnover Intention

Ümran Yüce-Selvi¹

Eskişehir Osmangazi University

Nebi Sümer

Sabancı University

In recent years, socioeconomic transformations and structural changes in the organizational environment, unpredictable economic situations, frequently encountered economic recession periods, increasing global competition, and rapid technological changes have compelled organizations to change their employment policies to maintain their productivity with fewer resources. In response to these changes, organizations have begun to take more preventive actions such as downsizing, restructuring, company mergers, or hiring employees with only temporary work contracts. These changes, in turn, have resulted in high unemployment rates and job insecurity perception (Hartley et al., 1991; Sverke et al., 2002).

Higher unemployment rates and job insecurity are the two critical effects of the recent transformations on the labor market (Sümer et al., 2013). Extant research has documented the detrimental effects of unemployment and perceived job insecurity on employees and organizations (see McKee-Ryan et al., 2005; Paul & Moser, 2009; Wanberg, 2012, for the effects of unemployment; Cheng & Chan, 2008; Jiang & Lavaysse, 2018; Sverke et al., 2002, 2019, for the effects of job insecurity). The current study examines the relationship between job insecurity perception and the job search behavior of blue-collar employees in the automotive industry in Turkey.

Job insecurity is commonly defined as “an overall concern about the continued existence of the job in the future” (Sverke et al., 2002, p. 243). As one of the most crucial job stressors in employment (Ashford et al., 1989; Hartley et al., 1991; Reisel et al., 2010), its adverse effects on employees and organizations have been shown in the past research. Previous studies have consistently demonstrated that job insecurity harms employees by impairing their physical and psychological health

and well-being; damages organizations by decreasing employees’ job satisfaction, job involvement, organizational commitment, organizational trust, and job performance; and by increasing turnover intention (see Cheng & Chan, 2008; Jiang & Lavaysse, 2018; Sverke et al., 2002, 2019, for meta-analyses).

Employees may react differently to unfavorable employment conditions (low job satisfaction, job insecurity). Researchers often use Hischman’s (1970) exit, voice, loyalty, and neglect (EVLN) model to explain employee behaviors in the face of unfavorable employment conditions. According to this model, employees may choose to quit their jobs (exit); generate constructive solutions for solving problems in the organization (voice); ignore the problems, wait for conditions to improve, and stay to be a “good employee” (loyalty); or protest the conditions by showing indifference (neglect) (see Farrell, 1983; Rusbult et al., 1982, 1988). Research findings generally indicate that job insecurity is related to increased exit (Berntson et al., 2010; Sverke & Goslinga, 2003; Sverke & Hellgren, 2001) and decreased loyalty (Berntson et al., 2010; Sverke & Goslinga, 2003). There are also findings showing that job insecurity has significant effects on the neglect (e.g., Roskies et al., 1993) and voice (e.g., Sverke & Hellgren, 2001). This study focuses on exit, one of the four behavioral responses examined within the framework of EVLN.

Job search, defined as “the behavior through which effort and time are expended to acquire information about labor market alternatives and to generate employment opportunities” (Boswell et al., 2012, p. 129), is the immediate determinant of actual turnover (Griffeth et al., 2000). Because turnover often results in high costs to an organization (Abbasi & Hollman, 2000; Hom & Griffith, 1995), it is crucial to identify the predictors of employee

job search behavior. Existing knowledge emphasizes the roles of employees' job and organizational dissatisfaction (Bretz et al., 1994), job search attitude, subjective norm, perceived behavioral control, job search intention (van Hooft et al., 2004), intrinsic and extrinsic job search motivation (Welters et al., 2014).

On the other hand, studies examining the association between job insecurity and job search behavior show a positive but weak relationship between these two variables (e.g., Adkins et al., 2001; Lim, 1996; Reisel & Banai, 2002). However, since there is a relatively weak relationship between job insecurity and job search behavior in these studies, it is suggested that there may be variables that can mediate this relationship.

Job Satisfaction, Affective Organizational Commitment and Turnover Intention as the Mediator Variables

The meta-analysis findings revealed the crucial negative impact of job insecurity on employees' job satisfaction (Cheng & Chan, 2008; Jiang & Lavaysse, 2018; Sverke et al., 2002). On the other hand, job satisfaction strongly predicts employees' exit reaction (e.g., Rusbult et al., 1988), and it is among the apparent determinants of job search behavior (Boudreau et al., 2001; Böckerman & Ilmakunnas, 2009; Bretz et al., 1994).

Another variable considered within the scope of this study is affective organizational commitment, defined as "employee's emotional attachment to, identification with, and involvement in the organization" (Meyer & Allen, 1991, p. 67). It can be argued that employees' affective commitment to the organization will be negatively affected in the face of job insecurity. When the organization fails to provide job security, employees may think that the psychological contract between them and the organization is broken in a way that puts them in a disadvantageous position, which leads them to make negative evaluations and develop negative attitudes towards their jobs and the organizations (Brief & Weiss, 2002). Findings revealing that job insecurity is associated with decreased affective organizational commitment (Cheng & Chan, 2008) support this argument. On the other hand, studies have shown negative relationships between affective organizational commitment and job search behavior and turnover. (e.g., Meyer et al., 2002; Vandenberghe ve Bentein, 2009). Based on previous studies, in the present study it was predicted that affective organizational commitment would mediate the relationship between job insecurity and job seeking behavior.

Furthermore, the turnover intention is among the most evident consequences of job insecurity perception: As employees' job insecurity perception increases, their intention to quit also increases (see Cheng & Chan,

2008; Jiang & Lavaysse, 2018; Sverke et al., 2002). On the other side, building on the theory of planned behavior (Ajzen 1985, 1991, 2012) suggests that intention is the closest determinant of behavior; the stronger an employee intends to quit, the stronger the job search behavior and actual turnover. Supporting this expectation, in their meta-analysis, Griffeth et al. (2000) showed that turnover intention and job search behavior are the closest predictors of actual turnover. Wickramasinghe (2014) found a strong positive relationship between turnover intention and job search behavior. Therefore, this study assumes that turnover intention would mediate the relationship between job insecurity and job search behavior.

In summary, this study proposes and tests a model assuming the effect of job insecurity on job search behavior occurs through job satisfaction, affective organizational commitment and turnover intention (see Figure 1).

Method

Participants

The research sample consists of 552 blue-collar employees working in the automotive industry. Of the participants, 86% were male, and 67% had a high-school degree. The age range was between 17 and 56 ($M = 31.64$, $SD = 6.59$).

Measures

Perceived Job Insecurity. Employees' job insecurity perception was measured using the 10-item Job Security Scale ($\alpha = .81$) developed by Oldham and colleagues (1986) and adapted into Turkish by Sümer et al., (2012). The items were rated on a 6-point Likert-type scale ($1 = strongly disagree$, $6 = strongly agree$).

Job Satisfaction. Job satisfaction was measured with the 3-item job satisfaction sub-scale ($\alpha = .79$) of the Global Job Satisfaction Scale developed by Hackman and Oldham (1975) and adapted into Turkish by Bilgiç (1998). Participants were asked to evaluate the scale items on a 6-point Likert-type scale ($1 = strongly disagree$, $6 = strongly agree$).

Turnover Intention. Turnover intention was assessed by the 2-item turnover intention sub-scale ($\alpha = .67$) of the Global Job Satisfaction Scale (Hackman & Oldham, 1975; Bilgiç, 1998). The translation of the scale items into Turkish was conducted by the researchers using the translation/back-translation method. Participants rated the scale items using a 6-point Likert-type scale ($1 = strongly disagree$, $6 = strongly agree$).

Affective Organizational Commitment. Affective organizational commitment was measured with the 9-item affective commitment sub-scale ($\alpha = .77$) of the Organizational Commitment Scale developed by Mey-

er and Allen (1997) and adapted into Turkish by Wasti (2002). The items were rated on a 6-point Likert-type scale (1 = *Strongly Disagree*, 6 = *Strongly Agree*).

Job Search Behavior Frequency. The frequency of job search behavior was assessed using a one-item scale developed for his research ("Are you actively looking for a job? Indicate how often you look for a job using the scale below"). Participants were asked to choose the option that suits them on a 7-point Likert-type scale (1 = *not looking for a new job at all*, 7 = *looking for a new job almost every day*).

Result

Descriptive statistics, correlation, and reliability analyses were performed using SPSS 24 program. Mean substitution method was used to deal with missing values in the data set (3.6% of the total values). Structural relationships in the proposed model were tested by path analysis using the LISREL 9.3 program.

Correlations among Study Variables

Correlations among study variables were in line with the expectations and previous research findings. As presented in Table 1, there is a significant but weak ($r = .14$) relationship between job insecurity and job search behavior. On the other hand, job insecurity was found to be negatively correlated with affective organizational commitment ($r = -.39$) and job satisfaction ($r = -.37$) and positively associated with turnover intention ($r = .27$). When looking at the relationship between job search behavior and other variables, as expected, the frequency of job search behavior was negatively correlated with affective organizational commitment ($r = -.31$) and job satisfaction ($r = -.29$) and positively correlated with turnover intention ($r = .32$).

Testing the Proposed Mediation Model

The model assuming that the relationship between perceived job insecurity and job search behavior is mediated by job satisfaction, affective organizational commitment, and turnover intention was tested with path analysis. Firstly, the full saturated model, which includes all possible direct and indirect paths between the independent variable, mediators, and the dependent variable, was tested. The model does not fit the data, ($\chi^2[3, N = 552] = 222.39, p < .001, RMSEA = .36, 90\%CI [.32 ; .41], CFI = .58, SRMR = .16, GFI = .85, AGFI = .27$). When the significance of the path coefficients in this model was examined, it was observed that the path from job insecurity to job search behavior was not significant. Besides, modification indices showed that the correlated errors between the three mediators were quite high. The

trimmed final model was then created by removing the insignificant path from job insecurity to job search behavior and adding the correlated errors between the mediators. This trimmed final model fit the data very well, ($\chi^2[1, N = 552] = 0.87, p = .35, RMSEA = .00, 90\%CI [.0 ; .11], CFI = 1.00, SRMR = .01, GFI = 1.00, AGFI = .99$).

As presented in Figure 2, job insecurity negatively predicted affective organizational commitment ($\beta = -.39, p < .001$) and job satisfaction ($\beta = -.35, p < .001$); and positively predicted turnover intention ($\beta = .32, p < .001$). Accordingly, perceived job insecurity was related to decreased affective organizational commitment and job satisfaction and increased intention to quit. Job insecurity explained 15% of the variance in affective organizational commitment, 13% of the variance in job satisfaction, and 10% of the variance in turnover intention. On the other hand, affective organizational commitment ($\beta = -.15, p < .01$) and job satisfaction ($\beta = -.14, p < .01$) negatively predicted job search behavior; turnover intention ($\beta = .19, p < .001$) positively predicted this behavior. According to these findings, it can be said that employees' affective organizational commitment and job satisfaction are associated with decreased job search behavior, and turnover intention is related to increased job search behavior. Job insecurity and the proposed mediators together explained 15% of the variance in job search behavior.

While there was a significant correlation between the independent and dependent variables, this relationship turned to insignificant after adding the mediators to the model, which supported the fully mediated model (indirect effect $B = .28, SE = .04, t = 7.39$). As such, the model test complies with Baron and Kenny's (1986) mediating variable approach and the mediation conditions. To conclude, the results reveal that employees' concerns about the future continuity of their jobs lead them to job search behavior through decreased affective organizational commitment and job satisfaction, and increased turnover intention.

Discussion

This study aimed to examine a model assuming perceived job insecurity lead employees to search for new jobs through its effects on affective organizational commitment, job satisfaction, and turnover intention. Consistent with the previous research findings, we found a significant but weak relationship between job insecurity and job search behavior. However, supporting the proposed mediating relationships, the results of the current study indicated that the three critical mediators could strongly regulate the link between these variables. In other words, job insecurity leads employees to search

for a new job, not decently but by decreasing their job satisfaction and affective commitment to the organization and increasing their intention to quit. These findings were in line with previous studies that have separately shown that these critical mediators are related to both job insecurity and job search behavior. As such, findings of the present study signify the detrimental effects of job insecurity on both individual and organizational variables and contribute to the current literature by indicating the underlying mechanism of the link between perceived job insecurity and job search behavior.

Nevertheless, the findings should be interpreted by considering the following limitations. Given that results were derived from a cross-sectional and correlative study, researchers should be cautious about causal interpretations. Future studies may examine the proposed relationships longitudinally. The single-item measure of job search behavior frequency may be seen as a limitation though Bowling's (2005) asserts that a single-item measure is strong enough in such research. In this study, we only focused on the individual quantitative job insecurity (i.e., concerns about the future continuity of the current job) by not handling the individual qualitative job insecurity (i.e., concerns about the future of the valuable job features) and job insecurity climate (i.e., perceptions of the job insecurity climate in the workplace). Employees may react to other job insecurity forms rather than individual quantitative job insecurity in different ways (De Witte et al., 2010), so there is a need to examine their effects on employees and organizations (Låstad et al., 2015; Låstad et al., 2016; Sora et al., 2009). Future researchers should also consider the subjective (perceived) and objective job security distinction. Employees may show different reactions to job insecurity that reflects a factual/objective situation resulting from the characteristics of the labor market and working conditions. Also, it should be kept in mind that in this study, all measurements were obtained by self-reports, which may lead to the common method variance problem. The representativeness of the sample is another limitation of the study. The sample consists of mostly male, unionized, and blue-collar employees working in the automotive industry, limiting the generalizability of the findings for women, those working in other industries, non-unionized, and white-collar employees. Future studies may pay more attention to the representativeness of the sample.

To conclude, with the limitations mentioned above, this study contributed to the current literature by revealing that the influence of job insecurity on employees' job search behavior cannot be fully understood without considering the mediating individual and organizational variables.