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## **The Effects of Job Insecurity on Job Satisfaction, Organizational Citizenship Behavior, Deviant Behavior, and Negative Emotions of Employees**

Reisel, W D ; Probst, T M ; Chia, S L ; Maloles, C M ; König, C J

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## **The Effects of Job Insecurity on Job Satisfaction, Organizational Citizenship Behavior, Deviant Behavior, and Negative Emotions of Employees**

**Abstract:** *This research examines the effects of job insecurity on three outcomes: job attitudes (satisfaction), work behaviors (organizational citizenship behavior and deviant behavior), and negative emotions (anxiety, anger, and burnout). A total of 320 U.S. managers responded to a self-report electronic survey. Additionally, two independent referees have analyzed and rated a subset of the sample of managers' (N = 97) comments over an electronic discussion group about their job satisfaction, organizational citizenship behavior, and deviant behavior. Analyses of both sets of data show that job insecurity is negatively related to satisfaction and that job insecurity has both direct and indirect effects on work behaviors and emotions. We address these results in the context of growing pressures on business to improve efficiencies through human capital reductions bearing in mind the tradeoffs that businesses must anticipate as employees respond to job insecurity in ways that are counterproductive to organizational purpose.*

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The perception of having a job but not knowing it is secure has been classified as one of the more stressful burdens that an employee can shoulder (Hartley, Jacobson, Klandermans, and van Vuuren 1991; Ironson 1992). Yet competitive pressure on businesses to rationalize their procedures and personnel is making job insecurity increasingly common. Each year, over 1 million U.S. workers are eliminated from positions during mass layoffs that help firms become more efficient by reducing payroll costs (Bureau of Labor Statistics 2008). In this research, we examine how job insecurity influences employee job attitudes, the enactment of positive and negative work behaviors, and negative emotions.

The aims here are threefold. First, we provide empirical evidence showing how job insecurity affects organizational citizenship behavior (OCB) and deviant behavior - a link that has received limited examination in the past. By simultaneously testing OCB and deviant behavior we can arrive at a fuller picture of the degree to which the direction of reactions to job insecurity is consistent.

Second, we utilize multiple methods of data collection to mitigate problems associated with response biases that are common to perceptual data research. Last, we suggest practical implications of employing managers who are experiencing job insecurity because they are very well established in their firms and perform complicated tasks that are critical to organizational purposes. Our expectation is that an employee performing more of the positive sorts of behavior such as organizational citizenship behavior would also perform less of the deviant behavior.

## **Concept of job insecurity**

Job insecurity has been conceptualized and defined in a number of ways. Some view it as a function of objective circumstances such as contract work that carries a specified term of service (Bordia, Hunt, Paulsen, Tourish, and DiFonzo 2004; Pearce 1998). Still many others regard job insecurity as a perceptual phenomenon that varies in intensity even when employees are confronted by identical job threats (Greenhalgh and Rosenblatt 1984, Hartley et al. 1991). The scope and dimensions of job insecurity have also been debated, some viewing it as a threat to a range of job features such as freedom to schedule work or access to job resources (Ashford, Lee, and Bobko 1989; Blau, Tatum, McCoy, Dobria, and Ward-Cook 2004; Lee, Bobko, and Chen 2006), while others have constrained the meaning of job insecurity to the job itself (Caplan, Cobb, French, Van Harrison, and Pinneau 1975). In line with general conceptualizations, Ransome (1998, 47) suggests that job insecurity draws its meaning from the importance of work in contemporary society given that it is fundamentally linked to material and psychological satisfaction . We also suggest that the job as a unit of analysis best expresses the notion of fulfilling survival needs via the income that a job generates, whereas insecurity over loss of valued job features is more akin to fulfilling human wants. Both insecurities may have great importance to individuals, but the job (loss) has primacy in the context of survival. Thus, we regard job insecurity as an individual-level perception specific to job loss and define it as the perceived stability and continuance of one's employment with an organization (Probst 2003).

Job insecurity presents an indirect problem for organizations. It is an internal perception of employees that becomes related to organizational outcomes as employees

go about their work while dealing with uncertainties of job retention. Employees do so by summoning resources to do both their tasks and to respond to their perceived job threat. The added burden of job is anxiety provoking to employees, decreases job satisfaction, and ultimately represents a distraction that may negatively affect performance and organizational productivity (Greenhalgh and Rosenblatt 1984).

### **Consequences of Job Insecurity**

Our purpose in this research is to understand what transpires when managers experience job insecurity. We draw on a recent meta-analysis of more than 70 published job insecurity studies including over 38,000 respondents that found that job insecurity is significantly and negatively related to job and organizational attitudes, to mental and physical health, and has a negative effect on work performance (Sverke, Hellgren, Näswall 2002). For example, the corrected correlation between job insecurity and job satisfaction was  $r = -.41$ . Additionally, the same meta-analysis observed negative relationships between job insecurity and job involvement ( $r = -.37$ ,  $k = 4$ ), organizational commitment ( $r = -.41$ ,  $k = 30$ ), trust ( $r = -.50$ ,  $k = 8$ ), mental health ( $r = -.24$ ,  $k = 37$ ), performance ( $r = -.20$ ,  $k = 12$ ), and a positive relationship with turnover intentions ( $r = .28$ ,  $k = 26$ ). Additional studies have also shown job insecurity to be related to worsened safety compliance records (Probst and Brubaker 2001), to reduced effectiveness with a firm's key accounts (Reisel, Chia, and Maloles 2005), and predicts burnout among married couples (Westman, Etzion, and Danon 2001).

The underpinnings of our model rely upon stress theory that describes events (stressors) and probable psychological and behavioral reactions (Lazarus and Folkman

1984; Spector 2000). We included examples of each of these outcomes in the model. While several of our hypotheses have been tested in prior research, the current research adds to the literature in at least two unique ways. First, the relationship between job insecurity and OCB and deviant behavior has not been thoroughly examined, and results thus far have been inconsistent. For example, Feather and Rauter (2004) found that job insecurity was related to higher levels of OCB, whereas Bultena (1998) found the opposite to be true. Our research will add to that growing body of literature by testing a more complex model of the relationships between job insecurity and these outcome variables. Rather than simply investigating correlates of job insecurity, we test both direct and mediating effects of job insecurity on these variables. As a result, our data may shed some light on why earlier research found apparently contradictory results.

A second advantage of the current research is gained through the use of both self-report and independent assessments of employee levels of job satisfaction, OCB, and deviant behavior. This use of multiple methods to measure some of our primary dependent variables helps us to avoid the pitfalls experienced by earlier research due to potential mono-method bias. The variables included in our study and the relationships among them are presented in Figure 1.

**Insert Figure 1 About Here**

Job satisfaction is one of the most commonly researched attitudinal outcomes of job insecurity (Sverke, Hellgren, and Näswall 2006). Job satisfaction is an emotional state resulting from the evaluation or appraisal of one's job experiences (Locke 1976). The relationship between job insecurity and job satisfaction is understandable because jobs provide numerous sources of satisfaction such as economic stability, social contacts, and

self-efficacy (De Witte 1999). Prior research has already shown that job insecurity is directly related to lowered job satisfaction (Ashford et al. 1989). Job insecurity is the general perception of job continuation; job satisfaction is the general favorable view of the overall job. Associations between general constructs are much stronger than between those of general and specific constructs such as facets of job satisfaction, e.g. pay satisfaction, or features of job insecurity, e.g. pay and promotion prospects. Two recent meta-analyses offer support for strength of associations between general constructs (Harrison, Newman, and Roth 2006; Judge, Thoresen, Bono, and Patton 2001). We expect the same pattern of evidence in this research. Thus, we hypothesize that:

*H1: Job insecurity is negatively related to job satisfaction.*

Although we are not providing a test of causal relationships, we reason that job insecurity will primarily influence employee attitudes about their jobs (e.g. job satisfaction), whereas behaviors and certain affective responses occur as a consequence of job satisfaction. We base this assumption on Sverke et al. (2002), who conjecture that the effects of job insecurity may be categorized as immediate and long-term. Job attitudes, such as job satisfaction are short-term consequences, whereas behavioral responses are long-term effects. Researchers have shown that job insecurity should arouse stronger emotional and physiological effects the longer it endures (De Witte 1999; Ferrie, Shipley, Marmot, Stansfeld, and Smith 1998). That is, job insecurity acts as a stressor that intensifies over time when acceptable resolution to the problem is not forthcoming. Given the timing of effects described in theory and demonstrated in evidence, we expect that the influence of job insecurity will be manifested first on job

satisfaction, which will then act as a mediator of subsequent long-term effects. Therefore, our second hypothesis is:

*H2: Job satisfaction mediates the effect of job insecurity on behavioral and affective responses such as H2a...H2b...H2c.....* (Each of the five possible mediations deserves an independent test. This means five sub hypotheses).

Our third and fourth hypotheses predict that the indirect negative effects of job insecurity should decrease the performance of behaviors valued by the organization and increase behaviors that are counterproductive to the organization. Our rationale for this expectation is grounded in exchange theories, which hold that employees who experience job satisfaction are likely to reciprocate through behaviors that contribute to the organization (Barnard 1938; Mount, Ilies, and Johnson 2006; Rousseau 1995), and by contrast, perform behaviors that detract from the organization when they are dissatisfied (Dalal 2005). We selected organizational citizenship behavior (OCB), as an example of valued behaviors, which is defined as individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in aggregate promotes the effective functioning of the organization (Organ 1988). Examples include sharing ideas with co-workers or belonging to outside groups to benefit the organization (Van Dyne, Graham, and Dienesch 1994).

There have been very few studies linking job insecurity to OCB; what research has been conducted has primarily investigated zero-order relationships between the two variables. Nevertheless, recent evidence suggests that OCB may increase in response to job insecurity, and that this may be particularly true if employees have a contingent (e.g., contract) employment relationship with their organization. In a study conducted in



Australia among both permanent teachers and contract teachers, OCBs were more strongly related to job insecurity among contract teachers than among permanent teachers (Feather and Rauter 2004). This suggests that contract employees may perform OCBs as a means of securing their position. Although job insecurity may be directly related to an increase in OCB, as noted above, we expect that job satisfaction will mediate the effects of job insecurity on OCB. In particular, part-time MBA managers, who are the focus of our research, may have little incentive to perform OCB as their jobs are already permanent. Reducing discretionary inputs such as OCB is a form of behavioral withdrawal over which employees have control and face limited accountability. The same is less true of task behaviors for which there are stated goals and performance metrics. The notion of withholding inputs such as OCB is consistent with the inducements-contributions principle of March and Simon's work (1958) as well as reactions to inequity (Adams 1965). Thus, we hypothesize that job insecurity will have an indirect negative affect on OCB via a decrease in job satisfaction.

*H3: Lower levels of job satisfaction are related to decreased enactment of organizational citizenship behaviors.*

We also investigated deviant behavior, which is defined as voluntary behavior that violates significant organizational norms and, in doing so, threatens the well-being of the organization or its members, or both (Bennett and Robinson 2000). To the best of our knowledge, there has been no examination of the relationship between job insecurity and deviant behavior using job satisfaction as a mediating variable. Evidence from an earlier study found a positive correlation of .34 between job insecurity and deviant behavior (Lim 1996). In this study, deviant behavior includes coming late to work, not working

hard as you can, or taking longer than permitted breaks. Recently, Robinson and Bennett (1995) distinguished between deviant behaviors that are organization-directed (e.g., stealing money from a cash register) versus those that are individual directed (e.g., stealing money from a co-worker). In this article we focus on deviant behavior that affects the organization as opposed to individuals. Deviant behavior is discretionary and counterproductive and is thought to be a reaction to employee perceptions of injustice and/or dissatisfactions as well as other factors (Bennett and Robinson 2000). Employees who perform deviant behavior are retaliating “against dissatisfying conditions and unjust workplaces by engaging in behavior that harms the organization and/or other employees” (Dalal 2005, 1243). Accordingly, our fourth hypothesis follows:

*H4: Job dissatisfaction is positively related to deviant behavior.*

Our final hypotheses examine affective responses to job insecurity. It is not surprising that strong emotional responses will emerge as employees endure protracted periods of job insecurity. As noted recently, “most studies that have examined the effects of self-reported job insecurity on health have documented consistent adverse effects on measures of psychological morbidity” (Ferrie, Shipley, Newman, Stansfeld, and Marmot 2005, 1593). In this study, we expect that satisfaction will also mediate the effect of job insecurity on anxiety, anger, and burnout.

As mentioned earlier, job insecurity is an added cognitive burden for employees. They have yet to be let go but are thinking about it while still being required to do their jobs. It is this enduring and uncertain set of conditions that may tend to heighten stress and susceptibility to negative emotions (Roskies and Louis-Guerin 1990; Strazdins, D’Souza, Lim, Broom, and Rodgers 2004). Therefore, our fifth hypothesis is:

*H5: Job satisfaction mediates the effect of job insecurity on anxiety, such that dissatisfaction resulting from insecurity results in higher anxiety levels.*

Job insecurity is threatening to individuals because it is an anticipation of an involuntary job change. Whether severance results or not, the employee is likely to feel angry about the change as has been suggested in the literature addressing psychological contract violations (Rousseau 1995). Our expectation of anger reactions is further grounded in empirical evidence that negatively associates job satisfaction and anger (Chen and Spector 1991). Thus, our sixth hypothesis states that:

*H6: Job satisfaction mediates the effect of job insecurity on anger, such that dissatisfaction resulting from insecurity results in higher anger levels.*

Our final hypothesis looks at burnout, which is defined as the feeling of being extended beyond one's resources (Maslach and Jackson 1986). Burnout represents a state of emotional exhaustion towards work comprising negative feelings that generalize to the organization, its members, and to the tasks for which one is responsible. In the context of job insecurity research, burnout has been found to be a consequence of long-term uncertainties associated with job insecurity (Dekker and Schaufeli 1995). As already indicated, the negative influence of job insecurity appears to intensify over time. This means that individuals who are confronted by job insecurity experience stress that has the effect of wearing them down, eventually draining them of energy. Consequently, our final hypothesis is:

*H7: Job satisfaction mediates the effect of job insecurity on burnout, such that dissatisfaction resulting from insecurity results in higher burnout levels.*

## **Methods**

### ***Participants and procedure***

Data collection was conducted in the spring of 2006 as part of a program of study for part-time MBAs attending graduate schools in the south-west and west coast of the U.S. All respondents (N = 320) were assured of confidentiality, could skip survey items or sections if uncomfortable, and received course credit for participating. We chose part-time MBAs because they work during the day and attend school at night. Thus, they are committed to maintaining a work relationship with their employer, but also are trying to develop additional skills that can be used in their workplace. Given the amount of effort these students devote to their employer (via work and additional professional development and training via the MBA program), we wanted to know what happens when these MBAs may harbor perceptions that their job is insecure.

The participants were working professionals averaging 35.7 years old. Sixty-six percent of the respondents were male (210) and 34 percent were female (110). On average, the participants worked 43.5 hours per week and had been employed by their present firm for an average of 4.28 years.

### ***Self-report measures***

Participants completed an electronic self-report questionnaire that included the main variables in the research along with demographic information. All items were presented using a 5-point Likert-type scale, ranging from 'strongly agree' to 'strongly disagree'.

Item responses were coded such that higher numbers reflect higher levels of the variables described below.

*Job insecurity:* Job insecurity was measured with 3 items from a global measure of job insecurity developed by Francis and Barling (2005). The coefficient alpha reliability in the current research was .80. A sample item is “I am afraid I may lose my current job.”

*Job satisfaction:* Four items were drawn from Judge, Scott, and Ilies (2006) performance in the market scale. The reliability as measured by coefficient alpha in the current research was .92. A sample item is “I am enthusiastic about my work.”

*Organizational citizenship behavior:* Three items from the OCB scale developed by Van Dyne, Graham, and Dienesch (1994) were used. A sample item is “I share ideas for new projects or improvements widely”. The reliability as measured by coefficient alpha in the current research was .69.

*Deviant behavior:* Four items were used for this variable originated with Bennett and Robinson (2000). A sample item is “I come in late to work without permission if I feel like it”. The reliability as measured by coefficient alpha in the current research was .80.

*Anxiety, anger, and burnout:* Emotional reactions were measured by single items (Caplan et al. 1975). Subjects were prompted to rate three emotions (anxious, angry, and burnt out by work) with the statement: “At work these days more than in the past, I have felt...”.

### ***Independent Measures***

This study is unique in that it assesses these variables using both self-reported and independent measures of the outcomes. This reduces the potential effects of common method variance, which has been a frequent problem with earlier studies of outcomes of job insecurity (Podsakoff, MacKenzie, and Podsakoff 2003). Of the 320 students, 97 participated in electronic discussion groups as part of a required class project. The other 223 students did not attend this specific course that utilized e-discussion groups and therefore did not provide relevant data for these subsequent analyses.

There was an extensive log of comments made by subjects, who frequently described their levels of job satisfaction and enactment of organizational citizenship behaviors and/or deviant behavior. A total of 910 student comments (over 10 Megabytes of text) were content coded by two trained raters on the following dimensions: (1) relevance; (2) job satisfaction; (3) organizational citizenship behaviors; and (4) organizational deviant behavior.

### ***Analyses.***

Multiple sets of analyses were conducted to test the study's hypotheses. First, we used structural equation modeling to analyze the self-reported data from the complete sample of 320 participants. Using AMOS 6.0 (Arbuckle 2005), we followed the two-step data analyses process recommended by Anderson and Gerbing (1988), in which the measurement model was first fit to the data followed by the structural model developed from the study's hypotheses shown in Figure 1. Additionally, to test the extent to which the effects of job insecurity were fully mediated by job satisfaction, two additional alternative models were tested: the first (Alternative Model 1) allowed for only direct effects of job insecurity on the outcome variables (i.e., non-mediation model), whereas

the second (Alternative Model 2) allowed both indirect (i.e., mediated) effects as well as direct effects of job insecurity on the outcomes. Because models with more freed paths would have better fit statistics, a sequential Chi-square was computed to assess whether any improvement in fit was statistically significant (i.e., not merely due to additional freed paths).

In the second set of analyses, the content analysis based? ratings of job satisfaction, OCBs, and deviant behavior were first assessed to determine if there were sufficiently high levels of inter-rater agreement. Each rater independently assessed a total of 910 participant comments on each of the 4 dimensions (relevance, job satisfaction, OCBs and deviant behavior). In other words, each rater independently made 3,640 ratings (i.e., 910 comments x 4 dimensions).

Results indicate that the raters exhibited a high degree of agreement with respect to whether particular participants' comments were relevant to the study (% Agreement = .96). The percent agreement for job satisfaction ratings was .68. Finally, the percent agreements for OCBs and for deviant behavior were .67 and .97, respectively. In the third set of analyses, regression was used to determine the extent to which the self-reported measure of job insecurity predicted the independently rated measure of job satisfaction, and the extent to which job satisfaction in turn predicted OCBs and deviant behavior. It should also be noted that due to the small sample size for which ratings were available, the observed power to detect significant effects was rather low for job satisfaction (.19) and deviant behavior (.38), although the observed power was improved for OCBs (.94). As a result, we primarily relied upon measures of effect size rather than p-values when interpreting the regression results..

## Results

Table 1 provides the zero-order correlations among the self-reported measures, along with descriptive statistics and scale alpha coefficients.

Insert Table 1 about here

As expected, job insecurity was negatively related to job satisfaction, and job satisfaction was positively related to OCBs, but negatively related to deviant behavior and anxiety, anger, and burnout.

### *Structural Equation Modeling Results*

Table 2 presents the fit statistics for the measurement, structural, and two alternative models.

Insert Table 2 about here

As can be seen, the fit statistics from the test of the measurement model indicate a very good fit and provide support for the construct validity of the instruments used in the study. Given these results, we next turned to the proposed and alternative structural models.

As shown in Table 2, while the fit of all the structural models was quite good, Alternative Model 2 offered the best fit compared to both the Proposed Model,  $\chi^2_{\text{seq}}(5) = 23.10, p < .01$  and Alternative Model 1,  $\chi^2_{\text{seq}}(1) = 17.80, p < .01$ . This suggests that the best model is the one that allows for both direct and mediated effects of job insecurity on our outcomes of interest. Therefore, the results of our original hypotheses are later discussed in light of these findings. Path coefficients from Alternative Model 2 can be seen in Figure 2.

Insert Figure 2 about here



As predicted by Hypothesis 1, job insecurity was negatively related to job satisfaction (path coefficient = -.25). Hypotheses 2 through 7 predicted that the effects of job insecurity on organizational outcomes would be fully mediated by job satisfaction. However, because Alternative Model 2 (which also allowed direct effects of job insecurity on the outcomes) was shown to have statistically improved fit over the fully mediated model, it appears that job satisfaction only partially mediated the effects of job insecurity and that direct effects must be taken into account as well. Specifically, both job satisfaction (.42) and job insecurity (-.15) were significant predictors of OCBs. Additionally, job insecurity and job satisfaction both predicted anxiety (.18 and -.28, respectively), anger (.16 and -.51, respectively), and deviant organizational behaviors (.11 and -.26). However, only job satisfaction predicted burnout (-.43).

### ***Regression Analysis Results***

The regression analysis indicated that self-report job insecurity perceptions were negatively related to independent ratings of job satisfaction ( $\beta = -.11$ ) accounting for 1.3% of the variance in job satisfaction ratings. Independent ratings of job satisfaction were positively associated with OCBs ( $\beta = .34$ ) accounting for 12% of the variance and negatively related to deviant behavior ( $\beta = -.17$ ) accounting for 3% of the variance. Notably, these beta-weights are consistent in size and direction with the path coefficients from the initial SEM analyses that relied solely on self-report measures.

### **Discussion**

(Your main finding is that when it comes to behaviors a mediated model provides a better explanation. When it comes to emotions the direct model provides better explanations. Please discuss what theory says about it and what what could be the reasons for that.)

This article tested a model of the effects of job insecurity on job satisfaction, organizational citizenship behavior, deviant behavior, anxiety, anger, and burnout. We hypothesized that the effects of job insecurity on the outcomes would be mediated by job satisfaction. The model tests using structural equation and regression analyses largely supported the hypotheses in the study. We found that job insecurity is negatively related to job satisfaction and that job satisfaction partially mediates the effects of job insecurity on the outcomes we investigated. However, our alternative model that also fitted direct paths from job insecurity to the dependent variables better fit the data than our original hypothesized structural model (see Table 2). This suggests that there are important direct effects of job insecurity on the outcome variables, in addition to those effects mediated by job satisfaction.

### ***Theoretical implications***

The model we tested replicated known relationships between job insecurity and job satisfaction (Sverke, et al. 2002) and between job insecurity and negative emotions: anger, anxiety, and burnout (Dekker and Schaufeli 1995; Roskies and Louis-Guerin 1990; Rousseau 1995; Strazdins, D'Souza, Lim, Broom, and Rodgers 2004). We also simultaneously examined two related but distinct sets of withdrawal behaviors: organizational citizenship behavior and deviant behavior.

Beginning with the unique contribution of this research, we found that job insecurity was viewed by our sample of managers as a source of dissatisfaction and this

was associated with deviant behaviors such as less effort on the job, working more slowly, taking longer breaks than permitted, and coming in later than allowed. As pointed by Dalal (2005) and Harrison, et al. (2006) deviant behavior signals a progression of attitudinal withdrawal that becomes behaviorally manifest as employees cut back on discretionary inputs into the organization. This result is a central theme of equity theory, which emphasizes the human motivation to achieve fairness in exchange (Adams, 1965).

We speculate that employees perform deviant behavior as an equity adjustment because the costs to them are violation of organizational norms, which are, by definition, less formal than rules. Consequently, the deviant behaviors we examined are largely discretionary outcomes as opposed to behaviors on tasks or goals for which formal scrutiny increases the cost to employees who willfully under-perform.

We also hypothesized and found support for the negative relationship between job insecurity and organizational citizenship behavior. This effect is both direct and indirect through job satisfaction and is consistent with earlier findings of research conducted with contract and permanent teachers (Feather, et al. 2004). Like permanent teachers who reduced their OCBs when faced with job insecurity, our managers (also permanent employees), reduced their OCBs as their job insecurity increased. They are not required to perform OCBs so these behaviors appear to diminish in the presence of job insecurity perceptions.

These results fit a pattern of evidence from research conducted recently in China that compared employee responses to job insecurity in state-owned enterprises and private joint-venture organizations (Wong, Wong, Ngo, and Lui 2005). In that study, job insecurity was found to be negatively associated with OCBs in the private joint ventures,

and positively associated with OCBs in the state-owned enterprises (SOE). The authors interpreted this apparently mixed set of findings via an integration of rational choice theory and social exchange theory. Job context, they reasoned, determines the explanatory strength of the theory. In the private joint ventures, they argued that employees were guided by relational attachments to their employers and job insecurity perceptions represent a violation of trust, which prefigures a reduction in OCBs. However, in the SOEs, employees were guided by rational choices because job insecurity was not provided. SOE employee behavior was predicted by the transactional benefits they received. These economic exchanges served as the driver of employee attachment and they were sufficient to increase OCBs even when their employment situation was insecure. Pearce (1998) reasoned similarly when she stated that objective circumstances of job insecurity (e.g. contract work) are not, in and of themselves, predictive of negative reactions to job insecurity. (All your respondents were permanent workers. So why do you bring up the findings in China?) Rather, employee reactions may be related to whether the contract work is engaged in voluntarily or not (All your respondents work voluntarily). Workers assuming voluntary positions with limited contract periods may have less severe reactions to their job insecurity than those who have no choice in the job they've accepted. Thus, it appears that job insecurity does not have a simple relationship with behavioral outcomes (This is not the conclusion of your research findings).. Rather, one must take into account how job insecurity affects the employee's job satisfaction and whether the enactment of OCBs or deviant behavior will serve to potentially adapt to the original stressor (i.e., job insecurity) or not. Taken in full, our evidence supports a consistent view of discretionary behavioral reactions to job insecurity. Our managers

reported doing more of the things that detract from organizational purpose (deviant behavior) and less of the things that positively support organizational purpose (OCBs).

We also looked at affective responses to job insecurity and found that job satisfaction mediated the effects of job insecurity on anxiety, anger and burnout. Job insecurity also had direct effects on anxiety and anger, but a non-significant effect on burnout. Again, we were not surprised by these results (so what is the significance of the results?) given the likely emotional reactions that managers will have to finding their jobs threatened. Although job insecurity was not directly related to burnout, the research design limits our ability to understand the actual extent of burnout, which occurs after an extensive period of strain.

What is the significance of the affirmation of model 2 in your study as compared with model 1? What improvements (specificity, generalization) have you made to theory of job insecurity?)

### ***Limitations and Future Research***

Because this research relies on cross-sectional data, conclusions are not possible regarding the causal nature of our research model. Future researchers should consider longitudinal research designs to address this shortcoming. Such an approach would greatly aid our understanding of the job insecurity process, particularly in light of the fact that behavioral reactions to job insecurity are likely to unfold over time as employees gauge and react to their job threat.

Further, this research makes a fairly general statement about outcomes of job insecurity as the sample was comprised of subjects from many different firms. It would be useful to offer greater contextual understanding of the job insecurity-outcomes

process. For example, we may suspect that managers with strong leadership skills who are included in high-level managerial networks are going to see more of what is happening and be well-positioned to avoid job threats (Rosenblatt and Schaeffer 2001). Thus, the effects we observed in this study may not apply to all managers.

The practical implication of this research is that job insecurity acts as a clear source of job dissatisfaction, negative emotions, and is associated with a pattern of discretionary withdrawal behaviors which is evident in reduced positive inputs (OCB) and increased negative inputs (deviant behavior). Because this research is the first to measure OCB and deviant behavior simultaneously, it is not established how long such a pattern can be expected to persist in the face of job insecurity, nor what may act to moderate the effects. We can speculate on the basis of information seeking research (see Brockner, DeWitt, Grover, and Reed 1990) that managers will react poorly to uncertainty given job threats and that it is advisable to mitigate negative reactions by offering clear statements from the senior most officers of the firm about what is to be expected. This should aid in moderating the uncertainty that has long been associated with job insecurity, thereby addressing and reducing the negative effects we observed. Short of this, the current research serves notice that job insecurity perceptions continue to have strong negative associations with outcomes that are counterproductive to organizational purpose.

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**Table 1**  
**Descriptive statistics, scale reliabilities, and inter-item correlations**  
**between job insecurity and variables in the study (n = 320)**

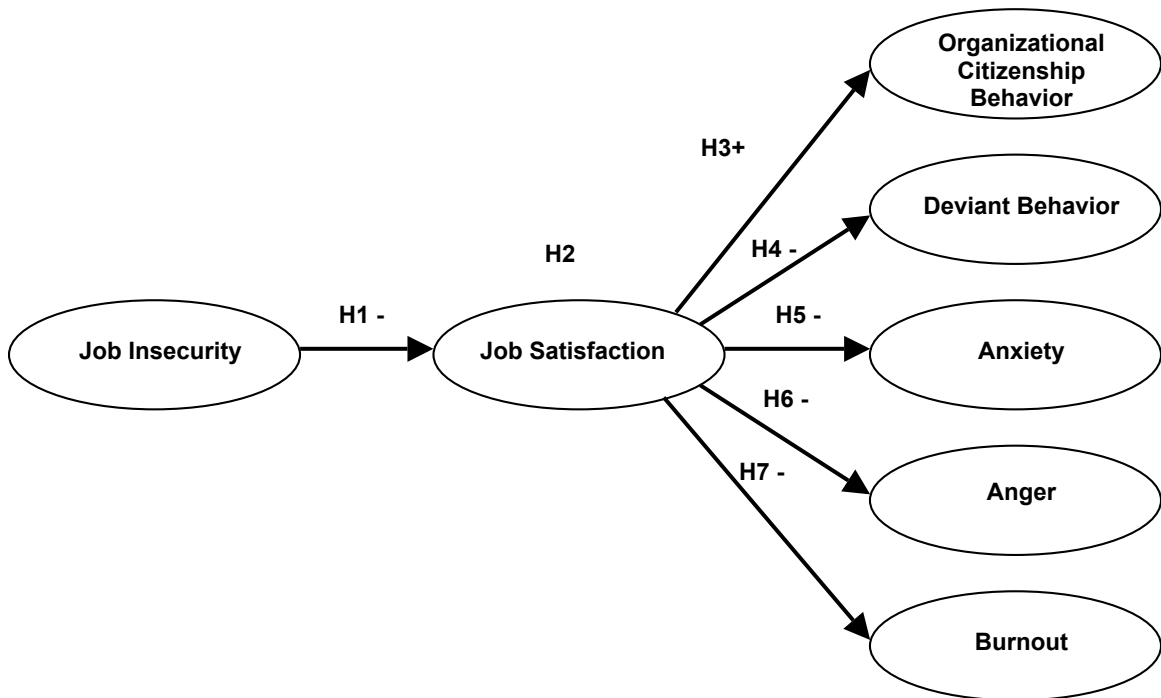
Variables	Mean	s.d	$\alpha$	1.	2.	3.	4.	5.	6.
1. Job Insecurity	2.21	.90	.80						
2. Job Satisfaction	3.33	1.06	.92	-.24**					
3. OCB	3.67	.77	.69	-.25**	.43**				
4. Deviant Behavior	2.09	.86	.80	.07	-.18**	-.21**			
5. Anxiety	3.02	1.21	-	.22**	-.31**	-.18**	.07		
6. Anger	2.69	1.13	-	.26**	-.54**	-.26**	.12*	.59**	
7. Burnout	2.95	1.23	-	.13*	-.43**	-.12*	.08	.44**	.55**

\* $p < .05$

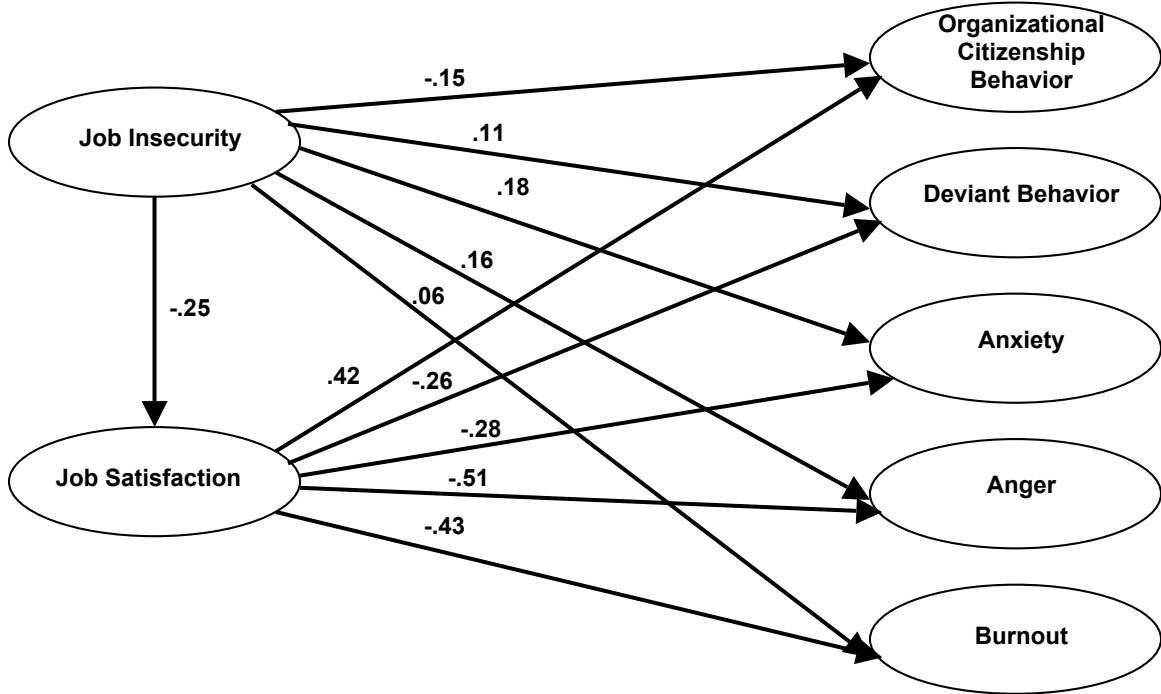
\*\* $p < .01$

**Table 2**  
**Fit statistics for measurement and structural models (n=97?)**

<i>Model</i>	$\chi^2$	<i>df</i>	$\chi^2/df$	<i>NFI</i>	<i>CFI</i>	<i>RMSEA</i>
Measurement Model	141.2	90	1.57	.95	.98	.04
Proposed Structural Model	185.5	96	1.93	.93	.97	.05
Alternative Model 1	180.2	92	1.96	.93	.97	.06
Alternative Model 2	162.4	91	1.79	.94	.97	.05



**Figure 1.** Proposed model of the effects of job insecurity on satisfaction, organizational citizenship behavior, deviant behavior, and emotions



Standardized solution (maximum likelihood estimates) for the mediated affects of job insecurity on outcomes (N = 320). Paths indicate standardized betas. Betas of .11 or higher are significant at  $p < .01$ . Fit indices are:  $\chi^2 = 162.4, p = .01$ ; NFI = .94; CFI = .97; RMSEA = .05.

**Figure 2.** An alternative model - direct and mediated effects of job insecurity on satisfaction, organizational citizenship behavior, deviant behavior and emotions.