

A Study investigating the empirical relationship of Job insecurity, Job performance and Emotional intelligence: A mediation analysis

Saifullah Shaikh¹, Riaz Ahmed Mangi², Noor Shah Bukhari³

PhD candidate in Commerce at Shah Abdul Latif University Khairpur¹, Professor in Commerce at Shah Abdul Latif University Khairpur², Professor in Public Administration at Shah Abdul Latif University Khairpur³

Corresponding Author Email: Saifullah.sheikh@salu.edu.pk¹

Cite this paper: Sheikh, S., Mangi, R. A., & Bukhari, N. S. (2019). A Study investigating the empirical relationship of Job insecurity, Job performance and Emotional intelligence: A mediation analysis. *Paradigms*, 13(2), 177-181.

The study is conducted to examine the impact of Job Insecurity on Job Performance with mediation analysis of Emotional Intelligence among faculty members of privately-owned degree awarding institutes of Sindh Province affiliated with Higher Education Commission Pakistan. Intervening impact has been investigated using mediation technique by Baron & Kenny (1986). Results propose that there is negative significant relationship between Job insecurity and Job performance. Results further recommend that there is full mediation of Emotional intelligence between Job insecurity and Job Performance. Study is important because it has attempted to explore occupational psychology variables which can not only help management to control unpredictable behavior of employees, but it would also add value in existing literature. Findings can guide policy makers to make employee-oriented policies which may help to reduce job insecurity and increased emotional intelligence resulting in improved job performance by employees.

Keywords: Job Insecurity, Job Performance, Emotional Intelligence

INTRODUCTION

Human nature is complex, and people are unpredictable. They are unpredictable in their personal life and that unpredictability is also evident in their professional life. Various researchers have been trying to identify how employees behave when there is no security or less security in their job and what are their job outcomes in that situation. Further they are wishful to understand how employees emotionally feel when there is discomfort situation in their job. Management of organizations wants to deal this untoward situation to control this unpredictability of behaviour. They are keen to see the methods to decrease job insecurity and enhance the emotional intelligence and job performance. Keeping in view the importance of unpredictable behaviour of employees and past studies, this study is an empirical endeavor to measure the impact of job insecurity on job performance. The study is conducted to investigate that there is relationship of Job insecurity with Job performance with mediation analysis of emotional intelligence between them. This study has been conducted in the province of Sindh, country Pakistan. The faculty members (Lecturers, Assistant Professors, Associate Professors and Professors) who work in privately owned degree awarding institutes of Sindh have constituted the population. Those institutes have been focused who are affiliated with higher education commission of Pakistan.

Significance and Scope of Study

There are several opportunities knocking the doors of organizations and for those opportunities, there are several challenges too. Organizations need to have pro-active mechanism in order to get opportunities and face challenges. This mechanism can be achieved when all the sectors of organizations including employees work according to the standard criteria of current market. Employees of the most organizations (especially privatively owned) are appointed on

contract basis. These types of organizations expect that employees perform in a best way so that targets can be achieved. If performance is poor, employees are terminated or face different threats from management of organization. This study has been conducted to explore that situation. This study has pointed out that employees cannot perform well if there is insecurity in their job. Job insecurity leads to adverse impact on job performance. This study has also investigated that job insecurity can be lessen if some positive techniques of emotional intelligence can be applied. The findings of this study will help management of the organizations and policy makers to work on positive attributes like emotional intelligence so that insecurity in job must be lessen. The scope of the study is considerable. There are various private institutes who only work on profitability. Their mission is only to increase profitability. Job insecurity is mostly observed in these private institutes. Till these institutes are available, this study has the scope.

Objectives

- To study job insecurity, job performance and emotional intelligence among faculty members of privately-owned degree awarding institutes of Sindh.
- To explore the impact of job insecurity on job performance among faculty members of privately-owned degree awarding institutes of Sindh.
- To investigate intervening effect of emotional intelligence between job insecurity and job performance among faculty members of privately-owned degree awarding institutes of Sindh.

Problem Statement

Organizations specifically service organizations try to create positive work attitude among employees. Employee oriented environment is created regarding gain competitive advantage. But practical reality is different. There are various counter work

behaviors which are always observed in private organizations. So, it can't be ignored that ideal condition is different from practical reality. Considering from detailed available literature it was observed that there are limited studies conducted in which job insecurity and job performance have been measured with intervening influence of emotional intelligence in privately owned degree awarding institutes of Sindh, Pakistan. The nexus between variables of interest have yet to win the confidence of academic scholars. Such constitutes the research gap for the proposed study. Patrick O'Neill (2013) also pointed this research gap to explain that there is shortage work done in which job insecurity has been studied with job performance with mediation of emotional intelligence. Current study intends to fill identified research gap by ascertaining above situation in the faculty of privately-owned degree awarding institutes of Sindh.

LITERATURE REVIEW

In this modern era, most of the organizations loose monopolistic situations towards their competitors. They are in a state of working hard to survive in a globe. In this competitive scenario, the main ultimate step for most of the organizations is profitability. Profitability is highly considered in most of the organizations. According to Grobler et al. (2002), these organizations need to investigate major sources of cost- savings. Such sources involve technology, raw- materials, economies of scale and wages and salaries (Marais, et al., 1996). Further, it adds to this that if permanent layoffs have been downsized and early retirement has been offered, it will become useful strategy for improving competitive ability and efficiency (Mishra et al., 1991).

In 1990's the practice of job insecurity had become widespread and it was seen that there is huge increase in outsourcing, re-engineering mergers and downsizing the companies that affected the practice of job insecurity. According to Jacobson et al. (1991), unemployment may have become tip of an iceberg. Organizations attempt to have pressure on employees, welcome alternative employment, relocate, hiring and firing formula and demote, all are the states of job insecurity. It leads employees to work hard and hard in order to get secure position in the job (Bussing, 1990).

Job Insecurity

Job insecurity is a state or position of a job where employees don't feel secure or comfort in a job in the future. It is said to be potential threat to employees in continuity of current job (Heaney et al., 1994). Job Insecurity has further been categorized in four dimensions. Job Loss Insecurity, Job Changes Insecurity, Organizational Survival Insecurity and Marginalization Insecurity. *Job loss Insecurity* is a state where employees perceive uncertain situation about the continuance of job (Likelihood of Job loss) (Mohr et al., 2000). *Job Changes insecurity* is a state where employees loose favorable tasks in job description (Lee et al., 1989). *Organizational survival insecurity* is a state where organizational economic conditions are not in position to contribute the survival in the marketplace (Lahey et al., 1984). *Marginalization Insecurity* is a position where perception by management is to ignore the employees. It also excludes employees to involve in social tasks (Goffman, 1970).

Job Performance

Employees' activities and behaviors on job that remain in the control of employees and add to the organizational objectives (Johnson & Meade, 2010). Job Performance is further categorized in three dimensions, Task Performance, Contextual Performance and Adaptive Performance. *Task Performance* refers to those activities which remain the part of job description. These tasks must be accomplished in order to get salaries and continuance of employment (Borman et al., 1993). *Contextual Performance* refers to activities which involve psychological and social context. Contextual performance involves the activities which are performed on volunteer basis. These activities are not formally the part of job description but are performed to help and cooperate others in order to get the organizational tasks accomplished (Borman et al., 1993). *Adaptive performance* consists of employee's ability to change the performance in addition to the enactment of change behaviors in the organization (Pulakos et al., 2000)

Emotional intelligence

It defines the competency of a person to understand, aware of, and control own emotions in order to understand and recognize the emotions of others. This is done to generate the knowledge of getting success and success of others (Salovey et al., 1994). Emotional Intelligence is further classified into three constructs: General Mood, Intrapersonal Intelligence and Interpersonal Intelligence. *General mood* is called positive emotions. It comprises optimism and happiness. It explains the satisfaction level of one's life and positive thinking (optimism) regarding future (Bar-On, 1997). *Intrapersonal Intelligence* is ability in oneself to understand and recognize own emotional states. It is self-awareness emotional state. This ability helps to identify and know that what factors caused the one's feelings (Gardner, 1999). *Interpersonal Intelligence* is a ability to understand the social skills. It encompasses the capacity pertain to know the social relations and emotions of others. It regards appreciation of others too (Gardner, 1999).

Conceptual Framework

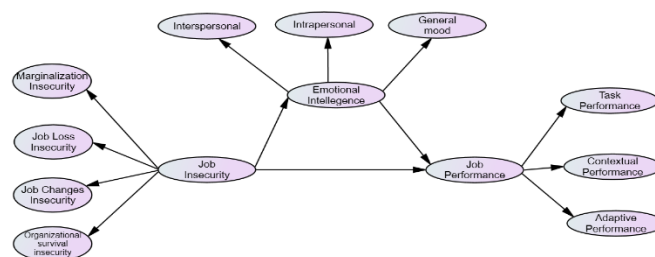


Figure 01: Model

Literature review became the basis for developing this model. Model elaborates that Job Insecurity is an independent variable and Job Performance is a dependent variable. Emotional intelligence is a mediating variable between independent and dependent variables.

Hypotheses of Study

H₁: There is negative significant relationship between Job insecurity and Job performance.

H₂: There is negative significant relationship between Job insecurity and Emotional Intelligence.

H₃: There is positive significant relationship between Emotional Intelligence and Job Performance.

H₄: There is full mediation of Emotional Intelligence between Job insecurity and Job performance.

RESEARCH METHODOLOGY AND DESIGN

The Research design of this study is causal because it shows impact of Job Insecurity on Job performance with intervening effect of Emotional Intelligence between Independent and dependent variable. The Primary and Quantitative data has been collected through questionnaires. The population of the study is comprised of faculty members working in Privately owned degree awarding institutes of Sindh province, Pakistan. According to higher education commission of Pakistan, there are 31 institutes in Sindh Province (Privately owned degree awarding institutes) working under the shadow affiliation of Higher Education Commission of Pakistan. Faculty members working in Privately owned degree awarding institutes of Sindh constitute the population for study having population size of 800. Male and female faculty members working in Privately owned degree awarding institutes of Sindh were the sample with sample size of 260 determined based on Saunders et al., (2009). Cluster sampling technique has been used. Job Insecurity, Job performance and Emotional Intelligence has been measured using questionnaires. For Job Insecurity, adopted and modified questionnaire of O'Neill (2011) has been used. For Job Performance, adopted and modified questionnaires of Coole (2003), Borman (1993), Plamondon (2000) have been used. For Emotional intelligence, adopted and modified questionnaire from Bar-On: Emotion Quotient Inventory Model (1997) has been used. Data has been analyzed through descriptive statistics, correlation analysis and regression analysis. Hypotheses have been tested using mediation methods proposed by Barron and Kenny (1986).

Results and Hypotheses Testing

Reliability Static

Table: 01: Reliability Value

Variable	Reliability Value	Variable	Reliability Value
Marginalization Insecurity	.83	Intrapersonal	.85
Job Loss Insecurity	.85	General Mood	.83
Job Changes Insecurity	.82	Task Performance	.82
Organizational Survival Insecurity	.87	Contextual Performance	.81
Interpersonal	.84	Adaptive Performance	.84

Above reliability coefficients are well within range of $\geq .70$ as suggested by (Nunnally, 1978) Nunnally (1978) considered Cronbach Alpha Value of .70 or greater as acceptable reliability coefficient.

Table: 02: Demographic Profile

S.NO	Category	Frequency	Ratio	Sample Size
		Faculty		
01	Lecturers	400	50%	130
02	Assistant Professors	200	25%	65
03	Associate Professors	100	12.5%	32

04	Professors	100	12.5%	33
	Total Population Size	800	100%	260

Given table indicates categories and their ratio of participation in suggested sample size. Lecturers, Assistant Professors, Associate Professors and Professors have ratio of 50%, 25%, 12.5% and 12.5% respectively.

Table: 03: Descriptive and Correlation Analysis

Variable	Mean	Standard Deviation	JI	EI	JP
Job Insecurity (JI)	3.6	0.60	1.0	-	-.65**
Emotional Intelligence (EI)	3.8	0.54		1.0	.71*
Job Performance (JP)	3.7	0.79			1.0

*. Correlation is significant at the 0.05 level. **. Correlation is significant at the 0.01 level.

The findings show that Job Insecurity has negative significant relation with Emotional Intelligence ($r = -.67$, $p < .05$) and negative significant relation with Job Performance ($r = -.65$, $p < .01$). Emotional Intelligence resulted to have positive significant relation with Job Performance ($r = .71$, $p < .05$).

Hypotheses testing

Hypotheses have been tested using mediation procedure laid down by (Baron and Kenny, 1986)

(Analysis 01 for Path C to test H: 1)

H₁: There is negative significant relationship between Job insecurity and Job performance.

(Analysis 02 for Path A to test H: 2)

H₂: There is negative significant relationship between Job insecurity and Emotional Intelligence.

(Analysis 03 for both Path B and Mediation to test H: 3 and H: 4)

H₃: There is positive significant relationship between Emotional Intelligence and Job Performance.

H₄: There is full mediation of Emotional Intelligence between Job insecurity and Job performance.

(Analysis 01 for Path C to test H: 1)

H₁: There is negative significant relationship between Job insecurity and Job performance.

Table: 04: Path (C)

Variable	R	R ²	Adjusted R ²	B	Sig
Job Insecurity	.65	.42	.41	-.47	.000

Dependent Variable: Job Performance

Findings show the strong relationship between Job Insecurity and Job Performance ($r = .65$) and 42% of variation in Job Performance is caused by Job Insecurity ($R^2 = .42$). Results further confirm that Job Insecurity is negatively and significantly related to Job Performance ($\beta = -.47$, $p < .01$) fulfilling the 1st condition for path (c) suggested by (Baron & Kenny, 1986) and accepting the hypothesis.

(Analysis 02 for Path A to test H: 2)

H₂: There is negative significant relationship between Job insecurity and Emotional Intelligence.

Table: 05: Path (A) Exploration

Variable	R	R ²	Adjusted R ²	B	Sig
Job Insecurity	.67	.45	.44	-.46	.001

Dependent Variable: Emotional Intelligence

Findings show the strong relationship between Job Insecurity and Emotional Intelligence ($r=.67$) and 45% of variation in Emotional Intelligence is caused by Job Insecurity ($R^2=.45$). Results further confirm that Job Insecurity is negatively and significantly related to Emotional Intelligence ($\beta = -.46$, $p < .01$) fulfilling the 2nd condition for path (A) suggested by (Baron & Kenny, 1986) and accepting the hypothesis.

(Analysis 03 for Path B and Mediation to test H: 3 and H: 4)

H₃: There is positive significant relationship between Emotional Intelligence and Job Performance.

H₄: There is full mediation of Emotional Intelligence between Job insecurity and Job performance.

Table: 06: Path (B) and Mediation Exploration

Variable	R	R ²
First Model (Path C)	.65	.42
Job Insecurity		
Second Model	.71	.50
Emotional Intelligence (Path B)		
Job Insecurity		

Dependent Variable: Job Performance

Table 06 comprises of two models. The first model which named path c, has already been done in table 04. Similar results are carried here to compare with second model regarding measuring the impact of mediation. Second model comprises the findings of Regression analysis taking Job Performance as dependent variable and Job Insecurity as independent variable. Further Emotional Intelligence (mediator) have been taken as another independent variable as proposed by Baron & Kenny (1986). Findings of second model mention that 50% change in Job Performance is caused by Job Insecurity and Emotional Intelligence. Findings indicate that emotional intelligence is positively and significantly related to Job Performance ($\beta = .52$, $p < .01$) proving 3rd situation for path (b) proposed by (Baron & Kenny, 1986) accepting hypotheses 3.

In first model (path c), Job Insecurity was significant ($\beta = -.47$, $p < .01$) is no longer significant with substantial decline in β value ($\beta = -.22$, $p > .05$) with addition of intervening variable Emotional Intelligence proving last situation proposed by Baron & Kenny (1986) estimating full mediation. So, it can be determined that Emotional Intelligence fully mediates the relationship between Job Insecurity and Job Performance estimates in accepting the hypotheses 4.

Conclusion and Recommendations

Current study is an attempt to comprehend job insecurity, job performance and emotional intelligence of faculty members of privately-owned degree awarding institutions of Sindh. We proposed that job insecurity is negatively and significantly impacting on job performance (Mohammad Ashraf, 2015; Wasim, 2014; O'Neill, 2011; Antonio, 2005) and the outcomes of study suggested the same result. Furthermore, study suggested that emotional intelligence fully mediated the relationship between job insecurity and job performance (Harris, 2016; Adrian, 2012; James DA Parker, 2008) and results came in line with previous studies.

Results of this particular study have confirmed that job insecurity has negative and significant relationship with job performance and their relationship is fully mediated by emotional intelligence in faculty members of privately-owned degree awarding institutions of Sindh. Policy makers and management of privately degree awarding institutions can use outcomes of this study to reduce level of job insecurity and increase the level of emotional intelligence which may ultimately enhance the job performance. Future researchers are recommended to include more sector and variables in study to generalize the research outcomes.

References

- Ashford, S. J., Lee, C., & Bobko, P. (1989). Content, causes, And consequences of job insecurity: A theory-based model and substantive test. *Academy of Management Journal*, 32(4), 803.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173–1182. doi: org/10.1037/0022-3514.51.6.1173.
- Bar-On, R. (1997). *Bar-On Emotional Quotient Inventory (EQ-i): Technical manual*. Toronto, Canada: Multi-health Systems.
- Borman, W. C. (1993). Expanding the criterion domain to include elements of contextual performance. In & W. In N. Schmitt, *Personnel Selection in Organization* (pp. 71-98). New York: Jossey-Bass.
- Bussing, A. (1990). Can control at work and social support moderate psychological consequences of job insecurity? Results from a quasi-experimental study in the steel industry. *European Journal of Work and Organizational Psychology*, 8(2), 219-242.
- Cameron, K., Freeman, S., & Mishra, A. (1991). Best practices in white-collar downsizing: Managing contradictions. *Academy of Management Executive*, 5,57-73.
- Gardner, J. (1983). *Frames of mind: The theory of multiple intelligences*. New York: Basic Books.
- Gardner, J. (1999). *Intelligence reframed: Multiple intelligence for the 21st century*. New York: Basic Books.
- Goffman, E. (1970). *Stigma: Notes on the management of spoiled identity*. Harmondsworth, Middlesex, England: Penguin Books, Ltd.
- Grobler, P.A., Warnich, S., Carrell, M.R., Elbert, N.F., & Hatfield, R.D. (2002). *Human Resource Management in South Africa* (2nd ed.). London: Thomson.
- Hartley, J., Jacobson, D., Klandemans, B., & Van Vuuren, T. (1991). *Job insecurity coping with jobs at risk*. London: SAGE Publications, Ltd.
- Heaney, C. A., Israel, B. A., & House, J. S. (1994). Chronic job insecurity among automobile workers: Effects on job satisfaction and health. *Social Science and Medicine*, 38(10), 1431-1437.
- Johnson, E. C., & Meade, A. W. (2010). A Multi-Level Investigation of Overall Job Performance Ratings. *Annual Meeting of the Society for Industrial and Organizational*

- Psychology* (pp. 1-8). Atlanta, GA: Society for Industrial and Organizational Psychology.
- Lahey, M. A. (1984). *Job security: Its meaning and measure*. (Unpublished doctoral). Kansas State University.
- Marais, E.N. & Schepers, J.M (1996). The effect of organizational restructuring on job satisfaction, career aspirations and stress levels of employees. *South African Journal of Industrial Psychology*, 22(3), 1-6.
- Mohr, G. B. (2000). The changing significance of different stressors after the announcement of bankruptcy: A longitudinal investigation with special emphasis on job security. *Journal of Organizational Behavior*, 21(3), 337-359.
- Nunnally, J. C. (1978). *Psychometric theory* (2nd ed.). New York: McGraw-Hill.
- Patrick O'Neill and Peter Sevastos. (2013). *Journal of Occupational Health Psychology* 2013, Vol. 18, No. 3, 338–349 DOI: 10.1037/a0033114
- Pulakos, E. D., Arad, S., Donovan, M. A., & Plamondon, K. E. (2000). Adaptability in the Workplace: Development of Taxonomy of Adaptive Performance. *Journal of Applied Psychology*, 85(4), 612-624.
- Salovey, P., & Mayer, J.D. (1994). Some final thoughts about personality and intelligence. In R.J. Sternberg & P. Ruzgis (Eds) *Personality and Intelligence*. Cambridge; CUP, pp 303-318.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research methods for business students* (5th ed.). Harlow: Pearson Education.