JOB INSECURITY – CONCEPTUALIZATION OF THE NOTION AND METHODS OF MEASUREMENT

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ABSTRACT

Increasing globalization and transformation of the modern labour market have changed the traditional employment model, introducing insecurity associated with taking up and maintaining work. Job insecurity, understood as a "perceived threat of job loss and concerns related to this threat" is an unavoidable and widespread phenomenon in today’s professional world. Job insecurity has been of great interest to researchers since the 1980s. Job insecurity is one of the emerging research directions in economic theory. The aim of the article is to try and provide an interdisciplinary conceptualization of job insecurity. The article presents different ways of understanding job insecurity and discusses the methods of its measurement. A systematic review of world literature was conducted to identify and assess the current state of knowledge in this area. The analysis of scholarly publications on job insecurity confirms the existence of a relatively small number of scientific and research studies in this field in Poland. Therefore, a cognitive gap is identified which invites a more in-depth investigation of job uncertainty, in particular its integrated review and conceptual framework as well as designing the relevant measurement tool. The article is analytical and conceptual, and can be a contribution to the discussion on job insecurity and a starting point for empirical research in economic sciences.

Key words: job insecurity, measuring job insecurity, labour market

JEL codes: J24, J28, J62

INTRODUCTION

Over the last few decades, there has been a considerable increase in the number of studies conducted on the job insecurity [De Cuyper et al. 2014, Richter et al. 2018]. Job insecurity refers to employees’ negative reactions to changes concerning their jobs and reflects anxiety caused by serious and undesirable organizational transformations that threaten the continuity of employment. This phenomenon is a subjectively experienced anticipation of an important, undesirable event regarding job situation.

With the rapid changes in the organizational environment and the growing number of temporary and short-term employment contracts, job insecurity is becoming increasingly unavoidable in the current business environment [Sverke and Hellgren 2002]. It is important to seek effective strategies to help employees cope with job insecurity so that they may stay engaged and productive in their work, particularly under difficult economic conditions.

The experiencing of job insecurity has been found to be more complex, as studies show that individual employees working at the same organization experience different levels of job insecurity, which can be explained through inter-individual differences that may affect the perception of a common work situation [Sverke et al. 2002, De Witte and Näswall 2003].
A study comparing subjectively to objectively defined insecurity found that individually perceived job insecurity was more strongly associated with negative consequences than were environmentally determined indicators of job insecurity such as temporary work [De Witte and Näswall 2003]. Thus, approaching job insecurity subjectively, through measuring employees individually, makes it possible to capture a greater variability in job insecurity perceptions [Richter 2011]. Researchers and organization managers therefore need to know under what conditions employees’ negative responses to job insecurity can be buffered. In particular, Rosen et al. [2010] advocated more research on work contextual moderators of job insecurity, because it is not only crucial for the theoretical development of the job insecurity literature, but also provides practical implications for organizations to manage job insecurity crisis. Nevertheless, in the literature only limited studies have examined work contexts as moderators of the effects of job insecurity on behavioural outcomes, and most of them focus on work-related support [Loi et al. 2011]. In addition, many of the existing empirical studies on job insecurity are limited to cross-sectional data [Sverke and Hellgren 2002, Greenhalgh and Rosenblatt 2010].

The problem of job insecurity has been recently the subject of increasing interest in economic theory. Therefore, the aim of these considerations is to present the essence of this phenomenon. In Poland, research on job insecurity is not yet very common [Chojnacki 2015]. This article provides an overview of the rapidly growing job insecurity literature aimed at identifying crucial gaps and providing a general framework through which to guide future work. To that end, it calls for greater attention to the conceptualization and measurement of job insecurity. Research is additionally needed to expand knowledge of antecedents of job insecurity, in particular by recognizing that job insecurity occurs not only when individuals perceive that future of the job itself is threatened but also when they perceive certain risks to themselves as jobholders. Different ways of understanding job insecurity were presented, and different methods of its measurement were discussed, in the article using a critical literature review. The review of the literature was carried out using the Ebsco Business Source Complete, Emerald and Proquest database, with preference for full-text, peer-reviewed articles published in scientific journals in 2000–2018, containing the following two key words in their abstract: job insecurity and research.

LITERATURE REVIEW

The content of job insecurity
The term “job insecurity” is used in a variety of ways. This poses a challenge, as the building of a coherent and practically useful body of knowledge surrounding job insecurity requires a clear conceptualization of the construct. Job insecurity exists on a continuum from insecure to secure, where employees experience job security when they perceive that the continuity and stability of their jobs are unthreatened.

Job insecurity can be defined as the perception that the future of one’s job is unstable or at risk, regardless of any actual objective level of job security [Lixin 2017]. This definition points to several core elements of job insecurity [Shoss 2017]. First, job insecurity is a subjective experience [De Witte 1999]. This focus on perceptions, though consistent with most conceptualizations, contrasts with the designation of jobs as objectively insecure – for example, based on contract type (e.g. temporary workers) or objective organizational circumstance (e.g. layoffs). Given the subjective nature of job insecurity, two persons in the same objective situation may experience very different levels of job insecurity. Second, the notion of threat highlights job insecurity as a future-focused phenomenon. Job insecurity reflects a forecast about an event, specifically a loss event, which might happen at some point in the future. Thus, not all anticipated or potential job-related events create job insecurity – rather, only those that involve the “potential for harm or loss” [Boswell et al. 2014]. Because threats have not yet materialized, job insecurity involves uncertainty [De Witte 1999, Sverke et al. 2002, Probst 2003]. Hence, the study of job insecurity is the study of how people perceive and respond to “visualized [job or job feature] loss” [Greenhalgh and Rosenblatt 1984, p. 441] as opposed to actual job or job feature loss. Finally, what is under threat in the case of job insecurity is the stability and continuity of one’s current employment – specifically,
Job insecurity is a complex phenomenon that can affect not only the individual at work, but also the individual outside work, and his or her organization. Job insecurity has been defined as the employee’s “perceived powerlessness to maintain desired continuity in a threatened job situation” [Greenhalgh and Rosenblatt 1984, p. 438]. The two key aspects affecting the experiencing and severity of job insecurity, as stressed by these researchers, are: (1) powerlessness, a feeling of not being able to change the situation and (2) the perceived threat of job loss [Richter 2011].

Greenhalgh and Rosenblatt [1984, p. 438] define job insecurity as “the perceived powerlessness to maintain desired continuity in a threatened job situation”. In their model, the job insecurity construct is multidimensional, consisting of five components1 [Ashford et al. 1989]. The first four make up what Greenhalgh and Rosenblatt [1984, p. 440] labelled “the severity of threat”, or the degree of perceived threat to continuity in a job situation. This threat may pertain to various features of a job or to the entire job. Thus, the first component of the job insecurity construct is perceived threat to various job features such as opportunities for promotion and freedom to schedule work. The more features that an individual perceives to be threatened, the greater the job insecurity. However, as in expectancy-valence formulations, in Greenhalgh and Rosenblatt’s model the perceived importance of each feature to an individual – the second component of the insecurity construct – weights the first dimension. To achieve this weighting, researchers would multiply the perceived threat to each feature by its importance and then sum the scores for each feature to obtain an overall severity rating. This operation relies on the assumption that a threat to an important job feature will contribute more to job insecurity reactions than will a threat to a minor feature [Greenhalgh and Rosenblatt 1984]. The construct’s third component is the perceived threat of the occurrence of various events that would negatively affect an individual’s total job; being fired or laid off for a short while are examples. The fourth component is the importance attached to each of those potentialities. These two components would also combine multiplicatively and, when summed, yield a weighted rating of the severity of the threat to a total job. The fifth component of the job insecurity construct is powerlessness. Although Greenhalgh and Rosenblatt did not explicitly define powerlessness, it seems to encompass an individual’s ability to counteract the threats identified in the first four components. Thus, even if they perceive a threat to their jobs or job features, people who have the power to counteract threats – those who are low in powerlessness – should not experience much job insecurity.

Subsequent authors have widened the concept to include not only perceptions of unwanted job termination, but the implications of such an event should it happen. Sverke and Hellgren [2002, p. 39] have devised an integrated model, describing job insecurity “as a subjectively experienced multidimensional phenomenon which may arise as a function of the interaction between the objective situation... and subjective characteristics”.

Other authors have proposed alternative definitions: “the subjectively experienced anticipation of a fundamental and involuntary event related to job loss” [Sverke et al. 2002], “a discrepancy between the level of security a person experiences and the level she or he might prefer” [Hartley et al. 1991, p. 7], the

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1 The elements were combined to form a multidimensional construct of job insecurity, an alternative concept to the unidimensional construct previously used [Greenhalgh and Rosenblatt 2010]. This factor structure of the job insecurity construct has faced criticism and controversies in a number of subsequent studies. For example, some researchers claimed that powerlessness should be regarded as either an antecedent or outcome of job insecurity, and not as another dimension of this construct. However, the multi-factorial structure of the job insecurity concept has proved quite robust and is viewed as superior to the unidimensional construct. This structure was used as a foundation for a number of studies over the years and was central in the development of a measure to test the theory [Ashford et al. 1989, Lee et al. 2008].
“one’s expectations about continuity in a job situation” [Davy et al. 1997, p. 323], as well as the “concern about the continued existence of jobs” [Van Vuuren 1990, cited in De Witte 1999]. These definitions highlight a number of important issues such as job insecurity and job loss, and subjective and objective job insecurity.

The uncertainty and the powerlessness the workers suffer refers to a future situation, making the individual wondering about the future employment prospects of the present job. And this can be a very precarious situation: when the workers are actually fired or have been notified that they will be fired soon, they can take actions or do something to buffer the negative consequences of the dismissal. In this case, the workers can cope with the possible results of the job loss by doing something against it. In contrast, job insecurity implies that there is no certainty about losing the job. Hence, the worker is located in the middle of two possible positions: keeping his job or losing it. As a result, there is uncertainty about the future. And the future not only refers to the working situation, but also to aspects as family, social relations or health. Losing the job may have a negative effect on a lot of different situations and persons [Awosusi and Fasanmi 2014].

However, all authors agree in presenting subjective job insecurity as the result of a two-stage process by which a subjective threat is derived from an objective threat. Selected definitions of job insecurity are included in the table.

### RESULTS AND DISCUSSION

#### Measuring job insecurity

There are different ways to measure job insecurity. Most researchers currently assume that job insecurity includes cognitive and affective aspects [Johnson et al. 1984, Borg and Elizur 1992, Mauno and Kinnunen 2001].

<table>
<thead>
<tr>
<th>Definition</th>
<th>Reference</th>
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<tbody>
<tr>
<td>Perceived powerlessness to maintain desired continuity in a threatened job situation.</td>
<td>Greenhalgh and Rosenblatt 1984</td>
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<td>An overall concern about the continued existence of the job in the future.</td>
<td>De Witte 1999</td>
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<tr>
<td>Quantitative job insecurity refers to concerns about the future existence of the present job. Qualitative job insecurity pertains to perceived threats of impaired quality in the employment relationship, such as deterioration of working conditions, lack of career opportunities, and decreasing salary development.</td>
<td>Hellgren et al. 1999</td>
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<tr>
<td>A fundamental and involuntary change concerning the continuity and security within the employing organisation.</td>
<td>Sverke and Hellgren 2002</td>
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<tr>
<td>Job security [is] the perceived stability and continuance of one’s job as one knows it.</td>
<td>Probst 2003</td>
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<tr>
<td>Employees’ perceptions about potential involuntary job loss.</td>
<td>De Cuyper et al. 2008</td>
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<tr>
<td>A concern about the future of one’s job.</td>
<td>Klandermans et al. 2010</td>
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<tr>
<td>A psychological state in which workers vary in their expectations of future job continuity within an organization.</td>
<td>Loi et al. 2011</td>
</tr>
<tr>
<td>Worker’s perception or concern about potential involuntary job loss.</td>
<td>De Cuyper et al. 2012</td>
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<tr>
<td>The overall apprehension of the continuing of one’s job.</td>
<td>Keim et al. 2014</td>
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<tr>
<td>The subjectively perceived and undesired possibility to lose the present job in the future, as well as the fear or worries related to this possibility of job loss.</td>
<td>Vander Elst et al. 2014</td>
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<tr>
<td>The perceived threat of losing the current job in the near future.</td>
<td>Vander Elst et al. 2016</td>
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Source: Own elaboration based on the sources provided.
have adapted the scale developed by Borg and Elizur that measured both these facets. Some researchers and developed an instrument made up of two scales for distinguishing the cognitive and affective aspects, Borg and Elizur [1992] demonstrated the justification test items on theoretical grounds. It was the case until less failed to justify the methodology of formulating developed by Johnson et al. [1984], who nevertheless applied mainly to its affective aspect 4, was variability in the perception of job insecurity. Also, the subjective treatment of job insecurity, based on the measuring of individual employees, allows to identify greater variability in the perception of job insecurity. Richter [2011] argues that subjective phenomenon and stresses the importance of personal perception, the affective element appears to be more significant when examining job insecurity and individual well-being. Richter [2011] argues that subjective treatment of job insecurity, based on the measuring of individual employees, allows to identify greater variability in the perception of job insecurity. One of the first operationalizations of job insecurity, referring mainly to its affective aspect 4, was developed by Johnson et al. [1984], who nevertheless failed to justify the methodology of formulating test items on theoretical grounds. It was the case until Borg and Elizur [1992] demonstrated the justification for distinguishing the cognitive and affective aspects, and developed an instrument made up of two scales that measured both these facets. Some researchers have adapted the scale developed by Borg and Elizur [1992], selecting from it only those items related to the risk of job loss [Stiglbauer et al. 2012] 2.

In the following years, the cognitive approach dominated the mainstream of research on job insecurity. Even though the affective scales were still partially applied [Mauno and Kinnunen 2002], the act of doing so lacked proper theoretical justification. This was pointed out by Sverke et al. [2002], who observed in the meta-analysis of the effects of job insecurity that only the cognitive operationalizations contradicted the definitions accepted by the researchers. They also postulated to include affective scales, i.e. scales exploring the concerns related to job loss. Probst [2003], meanwhile, developed two instruments: the Job Security Index and the Job Security Satisfaction, which examine the cognitive and affective aspect of the phenomenon in question. An instrument developed by De Witte, which accounts for both cognitive and affective items, has been used since 2000 3. A significant contribution to the study of both aspects of job insecurity was also made by Huang et al. [2010]. They developed and empirically tested a model in which affective job insecurity was a partial mediator of the relationship between cognitive insecurity and job satisfaction and organizational involvement. They pointed out that one should avoid combining test items examining the cognitive and affective aspects into one scale as this makes it impossible to differentiate individual constructs and discover their correlation with other variables [O’Neill and Sevastos 2013].

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2 Some researchers combine cognitive and affective aspects into one indicator [Vander Elst et al. 2011], while others use two separate scales [Huang et al. 2010]. According to O’Neill and Sevastos [2013], the second approach should be adopted since combining two separate aspects into one indicator makes it impossible to find their differential relations with other variables. The scale of job insecurity of O’Neill and Sevastos includes elements that focus on changes at work and explicitly consider the concept of potential job loss. Unfortunately, it has not yet been possible to reach a consensus whether the items analyzing these aspects should be grouped into one indicator or treated as two separate scales [Chojnacki 2015].

3 The cognitive approach clearly refers to man’s rational vision, presenting people as “probability calculators” who process available information in a logical way [Huang et al. 2010]. Chojnacki [2015], however, poses the question of whether this corresponds to the subjective states experienced by employees in the face of fear of losing employment, adding that at an early stage of the theory of job insecurity there were voices for it to include both cognitive and affective element.

4 It was part of the work opinion questionnaire, whose goal was to anticipate the effectiveness of working low-paying jobs.

5 The tools intended to explore the affective aspect of job insecurity also referred to job as a whole, rather than its individual features [Johnson et al. 1984, Huang et al. 2010].

6 Unfortunately, it was published in Dutch, while the test items used in various studies did not always coincide. It was not until 2014 that four test items in English were unified, and the instrument itself was translated and validated in five European countries: Belgium, the Netherlands, Spain, Sweden and the United Kingdom [Vander Elst et al. 2014].
Another method of measuring job insecurity was proposed by Greenhalgh and Rosenblatt [1984] and Ashford et al. [1989], who suggested that job insecurity concerned not only the loss of job as such, but also the insecurity associated with the loss of important functions of that job. These conditions may include career and development opportunities, recognized co-workers or valued professional responsibilities. In order to obtain a more complete picture of job insecurity, it should be noted that organizational changes may affect the desired qualities of employment. In addition, Hellgren et al. [1999] emphasize that valued aspects of work should also be considered as potential objects at risk. They even developed a scale taking into account the essential features of work as part of the overall structure of job insecurity. They called that dimension “qualitative job insecurity”, while the term “quantitative job insecurity” was used to describe the uncertainty associated with the loss of employment understood in the holistic context.

Ashford et al. [1989] developed a measure covering three basic parts: (1) insecurity concerning the loss of job as a whole (global work), (2) insecurity concerning the loss of individual job elements (job features) and (3) powerlessness in preventing the loss of job. Each of these three components was functionally defined by a scale consisting of multiple elements. This multifaceted scale of job insecurity includes the following elements: job functions (significance of job features $\times$ probability of losing a given job function), total work (significance of job loss $\times$ probability of losing a given element of total work) and powerlessness (perceived powerlessness to confront the threat). Ashford et al. [1989] empirically supported the multifaceted nature of job insecurity, demonstrating that their theoretical measure has superior predictive validity compared to previous measures assessing the global perception of job insecurity.

The complexity of the measure developed by Ashford et al. [1989] prompted other researchers to simplify it. Lee et al. [2008] worked out a shorter version of the original instrument while maintaining its psychometric properties. Reisel and Banai [2002] showed that the global element of work, as well as the dimension of valence (threat), are more important than other elements.

Sverke and Hellgren [2002] presented a global (one-dimensional) approach as referring to the “threats of immediate job loss”, indicating that the multidimensional approach accounts for other aspects, such as loss of job features. At the same time, the scale created by Caplan et al. [1975] was classified by them as global, although it contains, among other things, the question about the anticipated scope of duties, which clearly indicates the intention to examine the loss of job characteristics, not employment as such. Another example of an instrument covering both work as a whole as well as its features was the scale by Hellgren et al. [1999]. These authors referred to the threat of job loss as quantitative job insecurity, and to the threat of losing specific job features – as qualitative job insecurity. The approach focusing on losing job as such is now widely used.

Based on the literature analysis, it can be concluded that one generally accepted view has not been worked out in this area. It seems, however, that the use of instruments to examine job insecurity in terms of loss of job as such, rather than its individual features, should be the desired direction of future research.

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7 Most studies focus primarily on quantitative uncertainty of employment, which is normally referred to as job insecurity [Richter 2011].

8 Multiplicative scales are criticized for conceptual and statistical reasons. In particular: (a) only the highest and lowest results provide unique solutions, which makes interpretation of the remaining results difficult, (b) not every total result is possible, making the measurement segmental rather than interval; and (c) analyses using multiplicative measures imply the inclusion of the cross product into the regression model without taking into account its component parts.

9 Greenhalgh and Rosenblatt [2010] stated that the global measure of job insecurity, based on the seriousness (threat) and probability of losing a job as a whole, can work for private sector organizations in which job security is regularly challenged. On the other hand, a multifunctional instrument referring to the threat and likelihood of losing various aspects of work may be appropriate for public sector organizations where there are fewer worries about direct dismissal and more fear of losing a job “as one usually does” (e.g. by transfer or withdrawal of professional qualifications).
CONCLUSIONS

How to measure job insecurity (i.e. what constructs and components to incorporate) is an important topic in the literature. Job insecurity refers to a “sense of powerlessness to maintain desired continuity in a threatened job situation”. Early research often measured the construct as a unidimensional phenomenon, reflecting a general concern over future employment. As noted by several authors, job insecurity has been measured in an ad hoc manner, often with single items, scales with unknown psychometric properties, or measures devoid of a theoretical basis. However, a number of conceptual clarifications have been made over the years. First, job insecurity by definition reflects a fundamental and involuntary change concerning the continuity and security within the employing organization. Second, job insecurity is a subjective phenomenon based on the individual’s appraisal of uncertainties in the immediate work environment, which implies that the feeling of job insecurity may differ between individuals even if they are exposed to the same objective situation. A third, and highly important, conceptual advancement is represented by the introduction of multidimensional definitions. Although research on job insecurity has traditionally focused on threats of imminent job loss, several commentators have argued that this definition is too narrow in that it fails to encompass concerns about deteriorated employment conditions and career opportunities. Given the prevalence of job insecurity across the globe and its negative consequences, it seems imperative to identify potential moderators that might attenuate one’s perception of and reactions to job insecurity.

REFERENCES


NIEPEWNOŚĆ ZATRUDNIENIA – KONCEPTUALIZACJA POJĘCIA I METODY POMIARU

STRESZCZENIE

Postępująca globalizacja i przeobrażenia współczesnego rynku pracy zmieniły tradycyjny model zatrudnienia, wprowadzając „niepewność” związaną z podjęciem i utrzymaniem pracy. Niepewność zatrudnienia rozumiana jako „postrzegane zagrożenie utraty pracy oraz obawy związane z tym zagrożeniem” jest zjawiskiem nieuniknionym i powszechnym we współczesnym świecie pracy, które budzi ogromne zainteresowanie badaczy od lat osiemdziesiątych ubiegłego wieku. W teorii ekonomii tematyka dotycząca niepewności zatrudnienia stanowi jeden z wyłaniających się obecnie kierunków badań. Celem artykułu jest próba interdyscyplinarnej konceptualizacji zagadnienia niepewności zatrudnienia. W artykule zaprezentowano różne sposoby rozumienia niepewności zatrudnienia oraz omówiono metody jej pomiaru. Dla potrzeb identyfikacji oraz oceny dotychczasowego stanu wiedzy na temat niepewności zatrudnienia przeprowadzono systematyczny przegląd światowej literatury. Analiza publikacji dotyczących niepewności zatrudnienia potwierdza istnienie stosunkowo małej liczby opracowań naukowo-badawczych z tego obszaru w Polsce. Istnieje zatem luka poznawcza, która skłania do koncentracji uwagi badawczej na zagadnieniu niepewności zatrudnienia, w szczególności zintegrowanego przeglądu i ram koncepcyjnych oraz konstrukcji narzędzia pomiarowego. Artykuł ma charakter analityczno-koncepcyjny i może stanowić przyczynę do dyskusji nad podjętą problematyką oraz punkt wyjścia do badań empirycznych w naukach ekonomicznych.

Słowa kluczowe: niepewność zatrudnienia, pomiar niepewności zatrudnienia, rynek pracy