

Job Insecurity

the relationship between objective and subjective job insecurity and its effects on effort and performance within the UMCG

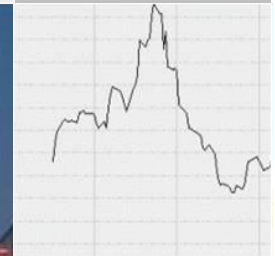
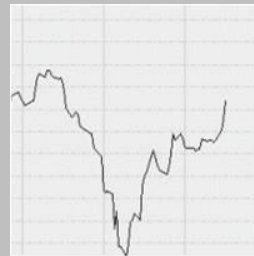
Naomi van Elk

UMCG, UMC-Staf P&O, Mobiliteitspunt
RUG, Human Resource Management

Groningen, december 2010

Studentenbureau UMCG

Universitair Medisch Centrum Groningen



Job Insecurity: the relationship between objective- and subjective job insecurity and its effect on effort and performance within the UMCG

Groningen, December 2010

Auteur
Studentnummer

Naomi van Elk
S1752936

Afstudeerscriptie in het kader van

Human Resource Management
Faculty of Economics and Business
RuG

Opdrachtgever

mr. M. van Renssen
Mobiliteitspunt, UMC-staf P&O, UMCG

Begeleiders

mr. prof.dr. H.B.M.. Molleman
ms. dr. H. Broekhuis
Faculty of Economics and Business, RUG

Begeleider UMCG

mr. M. van Renssen
Hoofd Mobiliteitspunt

ISBN 978-90-8827-085-7

NUR 807

Trefw objective job insecurity, subjective job insecurity, organizational communication, locus of control, age, education, effort, performance

Omslag: Wenckebach Instituut, Universitair Medisch Centrum Groningen

© 2010 Studentenbureau UMCG Publicaties Groningen, Nederland.

Alle rechten voorbehouden. Niets uit deze uitgave mag worden verveelvoudigd, opgeslagen in een geautomatiseerd gegevensbestand, of openbaar gemaakt, in enige vorm of op enige wijze, hetzij elektronisch, mechanisch, door fotokopieën, opnamen, of enige andere manier, zonder voorafgaande toestemming van de uitgever.

Voor zover het maken van kopieën uit deze uitgave is toegestaan op grond van artikel 16B Auteurswet 1912 j° het Besluit van 20 juni 1974, St.b. 351, zoals gewijzigd in Besluit van 23 augustus 1985, St.b. 471 en artikel 17 Auteurswet 1912, dient men de daarvoor wettelijk verschuldigde vergoedingen te voldoen aan de Stichting Reprorecht. Voor het overnemen van gedeelte(n) uit deze uitgave in bloemlezingen, readers en andere compilatiewerken (artikel 16 Auteurswet 1912) dient men zich tot de uitgever te wenden.

PREFACE

This thesis was written following my graduation research at the UMCG from the master Human Resource Management. In this research the focus is on the relationship between objective- and subjective job insecurity and a couple of moderators that positively or negatively influences this relationship. Next to the focus on the relationship between objective- and subjective job insecurity, the relationship between subjective job insecurity and the level of effort and performance is examined.

From the UMCG I want to thank Mr. van Renssen. He believed in my research and made it possible. Without his effort to find participating departments and his enthusiasm about this subject, not that many employees would have participated. Next to his involvement within the research I also enjoyed our conversations during our meetings and his opinion about my future plans. Next to Mr. van Renssen, I would also like to thank Ms. De Jong for her support.

From the University I would like to thank Mr. Molleman and Ms. Broekhuis for their guidance and support. They helped me to bring this master thesis to a higher level.

In the end, I want to thank my family, boyfriend and friends for their advice and support during this period.

Naomi van Elk
Groningen, December 2010

Table of contents

ABSTRACT	1
1 INTRODUCTION	3
2 THEORETICAL FRAMEWORK	5
2.1 OBJECTIVE JOB INSECURITY	5
2.2 SUBJECTIVE JOB INSECURITY	5
2.3 ORGANIZATIONAL COMMUNICATION	5
2.4 LOCUS OF CONTROL	5
2.5 AGE	6
2.6 EDUCATION	6
2.7 SUBJECTIVE JOB INSECURITY AND SOME POTENTIAL CONSEQUENCES	7
2.8 LOCUS OF CONTROL	7
2.9 AGE	7
2.10 EDUCATION	8
3 RESEARCH METHODOLOGY	9
3.1 PROCEDURE	9
3.2 SAMPLE	9
3.3 MEASUREMENT INSTRUMENT	9
3.4 DATA ANALYSES	10
4 RESULTS	11
4.1 DESCRIPTIVES	11
4.2 REGRESSION ANALYSIS	11
5 DISCUSSION	15
5.1 LIMITATIONS	16
5.2 PRACTICAL IMPLICATIONS	16
6 REFERENCES	17
APPENDIX 1 QUESTIONNAIRE	19

Abstract

This research examines the relationship between objective job insecurity and subjective job insecurity and its effect on effort and performance of employees within the UMCG. Besides it examines the moderating effect of age, education, locus of control and organizational communication. By means of a literature study a conceptual model was developed. This conceptual model expected a positive relation between objective- and subjective job insecurity which becomes weaker with a high level of organizational communication and an internal locus of control and which becomes stronger for older and lower educated employees. The conceptual model expects no relationship between subjective job insecurity and effort and between subjective job insecurity and performance. It was expected that the relationship between subjective job insecurity and effort/performance would be negative for older employees, for lower educated employees and for those with an external locus of control. Further it was expected that the relationship would be positive for younger employees, for higher educated employees and for those with an internal locus of control. A questionnaire was filled out by 147 employees of five different departments within the UMCG. Analyses showed that the expected hypotheses were not supported by the data. These (non-) results as well as the limitations and practical implications are discussed in the last section of this paper.

Key words: objective job insecurity, subjective job insecurity, organizational communication, locus of control, effort, performance.

1 Introduction

Due to the worldwide economic crisis many economic changes have taken place. This economic recession has forced many organizations to reorganize and even downsize their organization (Mauno, Leskinen & Kinnunen, 2001). Because of these reorganizations, job insecurity has become an important issue. Reorganizations are mostly followed by feelings of threat among employees for job loss or job transfer (Mauno et al, 2001). These feelings can be experienced as job insecurity because more and more employees feel uncertain about the future of their job (Burchell, 2002). According to Greenhalgh and Rosenblatt, job insecurity can be defined as: “perceived powerlessness to maintain desired continuity in a threatened job situation” (1984:438). Another, more recently developed, definition about job insecurity is “a person’s expectations about continuity in a job situation” (Davy, Kinicki & Scheck, 1997:323).

Greenhalgh and Rosenblatt’s work can be seen as one of the first building blocks for research about job insecurity and the consequences of this insecurity for the organizational effectiveness. Subsequently, other research has shown a variety of consequences of job insecurity (Burchell, 2002), but they all agree on one thing: job insecurity results in a change of effort, satisfaction, productivity and turnover, and a resistance to change. These effects can be either positive or negative (Greenhalgh et al, 1984). This change is not the same for all employees, because certain employees perceive job insecurity differently than others. This difference is possible through contextual factors and employees’ characteristics (Greenhalgh et al, 1984).

In this study I will look at the relationship between the actual level of job insecurity (objective job insecurity) and the extent to which employees perceive job insecurity (subjective job insecurity). I will argue that this relationship

depends on contextual factors (i.e. the quality of organizational communication) and on the employees’ characteristics (age, education and locus of control). Next, I will analyze the relationship between perceived job insecurity and some potential consequences (effort and performance). Again, I will argue that this relationship depends on the employees’ characteristics (age, education and locus of control). The complete theoretical model is depicted in Figure 1. These aspects will be further explained in the theoretical framework. Following the theoretical framework, the methodology section will describe the sample of employees that participated in this study, the design of this study as well as the instruments used. The outcomes of this research will be described in the results section and will be discussed at the end.

Understanding the relationship between job insecurity and its consequences is important for organizations. If job insecurity leads to unmotivated employees and lower productivity, the expected positive outcome of downsizing may be much smaller than managers think in advance. Therefore, it is important to know how plans for downsizing (i.e., objective job insecurity) affect the employees’ feelings (i.e. subjective job insecurity) and ultimately influence their behaviour (i.e. effort and performance). Besides it is important to know how organizations can influence these relationships in order to minimize the possibly negative impact of downsizing on employees’ feelings and organization outcomes. Furthermore, it is important for organizations to know which employees might respond most negatively to objective job insecurity so that more specific human resource management interventions may be developed for specific groups of employees.

This thesis studies the consequences of job insecurity in the University Medical Center Groningen (UMCG). The

UMCG is one of the largest hospitals in the Netherlands and the largest in the northern part of the Netherlands. The UMCG has 3 main tasks: care, education and research. As said before, due to the economic crisis organizations have to reorganize and this is also true for the UMCG. They are forced to downsize some departments which will lead to job insecurity within these departments.

2 Theoretical framework

2.1 Objective job insecurity

Objective job insecurity is the actual chance that an employee will lose his job in the organization (Mauno et al, 2001; Klandermans & van Vuren, 1999). Objective job insecurity is not based on the employee's personal feelings and many managerial actions can influence objective job insecurity, for example reorganizing, downsizing, transferring, firing etc.

2.2 Subjective job insecurity

Subjective job insecurity refers to perceived job insecurity (de Bustillo & de Pedraza, 2010). It refers to the job insecurity employees actually feel and can be seen as the result of a two-stage process by which a subjective threat is derived from an objective threat. That is way organizations need to keep in mind that objective and subjective job insecurity correlate to each other (de Bustillo & de Pedraza, 2010; Klandermans & van Vuren, 1999). Although objective and subjective job insecurity are not the same, previous

research has shown that objective job insecurity will be positively related to subjective job insecurity (de Bustillo & de Pedraza, 2010). It can be stated formally that:
Hypothesis 1: There is a positive relationship between the level of objective job insecurity and the level of subjective job insecurity

The positive relationship between objective and subjective job insecurity is influenced by moderators. These moderators can either weaken or strengthen the positive relationship between objective and subjective job insecurity. As mentioned in the introduction, I will focus on

four moderators to study this relationship: one contextual moderator (organizational communication) and three characteristics belonging to employees (locus of control, age and education), to study this relationship.

2.3 Organizational communication

Organizational communication is one of the most important aspects that influence the relationship between objective and subjective job insecurity (Mauno & Kinnunen, 2002). Organizational communication refers to “the extent to which employees receive sufficient information about the functioning of the organization” (van der Elst, Baillien, de Cuyper & de Witte, 2010; 251). The communication flow about the reorganization and functioning of the UMCG is a one-way, top-down stream of information which is important for employees while it helps them in gaining insight in the current situation of the UMCG. This insight in the current organizational situation will weaken the subjective job insecurity employees feel. Kramer shows that the positive relationship between objective and subjective job insecurity is influenced by organizational communication. Organizational communication weakens the positive relationship between objective and subjective job (Kramer, 1999).
Hypothesis 2A: The positive relationship between objective and subjective job insecurity becomes weaker if the level of organizational communication is high

2.4 Locus of control

Next to organizational communication, locus of control can also be seen as a moderator in the relationship between

objective and subjective job insecurity. Locus of control explains “the perception of an employee about the underlying main causes of events in his or her life” (König, Debus, Häusler, Lendenmann & Kleinmann, 2010:234).

People can have an internal or an external locus of control. If employees have an internal locus of control, they believe that they can control their own lives and that they are not influenced as much by environmental events. Having an external locus of control indicates that employees believe that their fate is influenced by environmental events and that they don't have as much control over their own life as employees with an internal locus of control (Ashford, Lee & Bokko, 1989).

The positive relationship between objective and subjective job insecurity can be influenced by locus of control. When employees have an internal locus of control, the positive relationship between objective and subjective job insecurity will be weaker. This means that if there is objective job insecurity employees with an internal locus of control believe that they can influence the situation themselves in a positive way. This will reduce feelings of threat (i.e. subjective job insecurity). When employees have an external locus of control, the positive relationship between objective and subjective job insecurity becomes stronger. This means that if there is objective job insecurity employees with an external locus of control believe that they can't influence the situation themselves and are dependent on others. This will increase feelings of threat (i.e. subjective job insecurity). In accordance with the theory, the following hypothesis will be examined:

Hypothesis 2B: The positive relationship between objective and subjective job insecurity becomes weaker if employees have an internal locus of control and stronger if they have an external locus of control

2.5 Age

Age is an important moderator that can influence the positive relationship between objective and subjective job insecurity (de Bustillo & de Pedraza, 2010). The risk

aversion and costs of losing a job are lower when dealing with younger employees than with older employees. Through the lower risk aversion and costs of losing a job, younger employees feel less subjective job insecurity due to objective job insecurity compared to older employees (de Bustillo & de Pedraza, 2010). Older employees feel more insecure about finding a similar job because they think the opportunity of finding such a job decreases (de Bustillo & de Pedraza, 2010).

Hypothesis 2C: The positive relationship between objective and subjective job insecurity becomes stronger with older employees

2.6 Education

Education is an important factor that can influence the positive relationship between objective and subjective job insecurity. Lower educated people tend to feel more subjective job insecurity, because they think that the more education a person has had, the better he or she can deal with difficult situations that arise with higher objective job insecurity (de Bustillo & de Pedraza, 2010). A result could be that these lower educated employees react in a different (more negative) way than their colleagues with a higher educational degree to objective job insecurity. Reacting differently (more negative) makes the relationship between objective and subjective job insecurity stronger.

Additionally, finding a new job is also related to education, as it seems that lower educated people have more problems with finding a new job than people with a higher educational level (de Bustillo & de Pedraza, 2010). The difficulty of finding a new, similar job also influences the positive relationship between objective and subjective job insecurity. Because lower educated employees have more difficulty in finding a new job, they tend to feel a larger degree of subjective job insecurity which makes the relationship between objective and subjective job insecurity even stronger. Formally stated:

Hypothesis 2D: The positive relationship between objective and subjective job insecurity becomes stronger the lower the educational level of the employees is

2.7 Subjective job insecurity and some potential consequences

I will argue that the relationship between subjective job insecurity and its consequences in terms of effort and performance depends on three moderators (locus of control, age and education).

The different levels of subjective job insecurity employees perceive, influence their individual reaction towards this insecurity and this has consequences for individual effort and organizational effectiveness (Greenhalgh & Rosenblatt, 1984). These consequences can be both positive and negative. A negative consequence is the decline in effort and productivity of the organization (Ashford et al, 1989, Erlinghagen, 2008). With a high level of subjective job insecurity, employees will perceive more threat. This threat will lead to a lower level of effort and organizational productivity. A reason of the reduction in effort can be that employees who deal with subjective job insecurity can not identify themselves with the organizational objectives anymore and this negatively influences the effort of the employees (de Witte, Näswall, 2003).

On the other hand, subjective job insecurity can lead to an increased work effort (Galup, Saunders, Nelson & Gerveny, 1997). Being insecure about your own job and position in the organization may motivate employees to work harder to retain their job (Greenhalgh, 1982). Because research doesn't show a solely positive or negative relationship between subjective job insecurity and its potential consequences (effort and performance), I will argue that the relationship depends on the characteristics of the employees (locus of control, age and education).

2.8 Locus of control

Employees with an internal locus of control will likely react differently on subjective job insecurity than employees

with an external locus of control. Employees with an internal locus of control believe they have the power to deal with changes and threats in their organizational life (Ashford et al, 1989), which will increase their effort and will make the relationship between subjective job insecurity and the consequences positive. Employees with an external locus of control feel they can't change the situation they are in, which will reduce their effort and this will result in a negative relationship between subjective job insecurity and its consequences.

Hypothesis 3A: There is no direct relationship between subjective job insecurity and its consequences, but with an external locus of control the relationship becomes negative and with an internal locus of control the relationship becomes positive

2.9 Age

Age is the second moderator in the relationship between subjective job insecurity and its consequences (effort and performance). There is no research that has shown that age influences the relationship between subjective job insecurity and its consequences. However, there is some indirect evidence that points to age being a moderator.

Warr and Fay (2001) found that the older the employees are, the less flexible they become. When an organization is in the process of downsizing, changes have to be made. Here flexible employees are needed to maintain the quality of the organization during the change. Younger employees can cope better with these changes due to their flexibility. Older employees have more difficulties with these changes, which will lead to a reduced effort and performance level.

Next to flexibility, Warr and Fay also argue that the older the employees are, the less motivated they are for training. During downsizing, training is needed to make sure employees can deal with the changes and that the reorganization proceeds as planned without negative consequences. If older employees are less motivated for

training, consequently they will have more difficulty coping with the changes. This will lead to negative consequences (effort and performance) (Warr & Fay, 2001). By knowing that older employees are less flexible and have a lower training motivation, age will negatively influence the relationship between subjective job insecurity and its consequences (effort and performance).

Hypothesis 3B: There is no direct relationship between subjective job insecurity and its consequences, however this relationship becomes negative with older employees and positive with younger employees

2.10 Education

Education is very similar to the moderator age. According to De Bustillo and de Pedraza (2010), employees with a lower educational level experience more subjective job

insecurity and also react more negatively towards subjective job insecurity. They have trouble to cope with difficult situations and changes needed.

During downsizing, the organization goes through a lot of changes, some more difficult than others. If lower educated employees feel subjective job insecurity and difficult changes are needed, this will probably result in a lower level of effort and performance. Because lower educated employees have a higher level of subjective job insecurity and have more difficulties with change a lower educational level turns the relationship between subjective job insecurity and its consequences (effort and performance) into a negative one.

Hypothesis 3C: There is no direct relationship between subjective job insecurity and its consequences, however the relationship becomes negative with lower educated employees and positive with higher educated employees

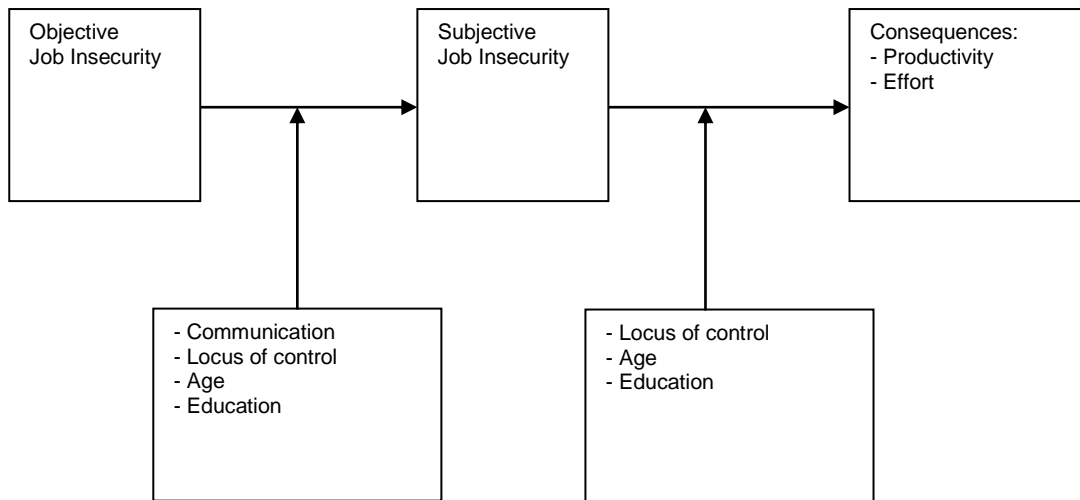


Figure 1 Graphical presentation of the expectations in this research

3 Research methodology

3.1 Procedure

To test the hypotheses, a questionnaire was developed which contained 56 multiple choice questions about subjective job insecurity, organizational communication, locus of control, age, education, effort and performance. Participants came from five different departments within the UMCG: UMC staff, Security, Oral surgery, Surgery and Sector A. All these departments were affected by the reorganization. In three departments downsizing had already taken place and in the two remaining departments it was very close but in the end downsizing was not necessary anymore.

The HR managers responsible for the participating departments were asked questions about the objective job insecurity, as they have data to calculate the objective job insecurity. Participants were asked to fill in the questionnaire by a digital link, which they received by email.

3.2 Sample

440 employees working in the five different participating departments were invited to participate in the questionnaire. 148 employees actually filled in the digital questionnaire which made a response rate of 33,4 %. Of the 148 respondents 27 participants did not fill in the questionnaire totally, so only 121 questionnaires could be used. 64,5 % was filled in by the UMC staff, 23,1 % by Oral surgery and the rest (12,3 %) by the remaining departments. The questionnaire was filled in by 71 women (58,7 %) and 50 men (41,3 %). The age of the participants ranged from 23 to 59 years with an average age of 40 years. Participants in this sample had an educational level

between VMBO and WO. 69,4 % of the sample has a bachelor degree or master degree. 22,3 % has a MBO degree and 8,2 % of the participants only finished high school.

3.3 Measurement instrument

Objective job insecurity: To measure objective job insecurity I asked the managers of the participating departments how many employees were made redundant. I made a calculation of the percentage of redundant employees against the total number of employees in the participating departments.

Subjective job insecurity: I have used the questionnaire of Johnson (1984) to measure subjective job insecurity. This Work Opinion Questionnaire (WOQ) consists of 35 items, wherefrom 7 items were relevant for my research. Examples of the items in the scale are 'The thought of getting fired really scares me' and 'I am worried about the possibility of being fired'. The items were measured on a six-point Likert type scale ranging from 1 'fully disagree' to 6 'fully agree'. Two reversed items had to be recoded before the Cronbach's alpha could be calculated. The items of the scale had an internal consistency of 0.65 (Cronbach's alpha), which is not really high. Deleting the 2 recoded items that focused on job security instead of job insecurity increased the Cronbach's alpha to 0.78.

Organizational communication: The four item scale of Veldhoven and Meijman (1994) was used to measure how the individual participants perceive organizational communication. The scale was developed in Dutch and the English translation of the items is for example 'Are you sufficiently informed on what is going on in the

organization' and 'Is the way of decision making in your organization clear to you'. The items were measured on a four-point Likert type scale ranging from 1 'never' to 4 'always'. The Cronbach's alpha of the scale was 0.80 and deleting 1 question 'Is it clear to whom you should go within the organization for any problems?' increased the Cronbach's alpha to 0.81.

Locus of control: The Work Locus of Control scale of Spector (1988) was used to measure locus of control. The scale consists of 16 items from which 10 items, relevant for this research, were selected. Examples of the items are 'A job is what you make of it' and 'Getting the job you want is mostly a matter of luck'. After deleting 'If employees are unhappy with a decision made by their boss, they should do something about it' the Cronbach's alpha changed from 0.57 to 0.63. The items were measured on a six-point Likert type scale ranging from 1 'fully disagree' to 6 'fully agree'.

Effort: For measuring effort at the individual level I have used the Work Effort scale of Cooman (2009). The scale consisted of 10 items, like 'I always exert equally hard during the execution of my job' and 'I really do my best to achieve the objectives of the organization'. The items were measured on a six-point Likert type scale ranging from 1 'fully disagree' to 7 'fully agree'. The Cronbach's alpha of the scale was 0.89 so no questions were deleted.

Performance: For measuring performance at the individual level, I have used the questionnaire of Somech (2006). This questionnaire focuses on team performance, therefore the wording was changed from team- to individual performance. The questionnaire consists of 6 performance items wherefrom 2 reversed items needed to be recoded before the internal consistency could be calculated. The recoded items are 'In my estimation, I neglect aspects of the job it is obligated to perform' and 'In my estimation, I fail to perform essential duties'. After recoding the 2 items the internal consistency was 0.83 but deleting one item increased the Cronbach's alpha up to 0.85.

Age: The age of the participants was asked in the questionnaire. The participants could answer the question in years.

Educational level: The educational level of the participating employees was measured by asking what the highest completed education of the employee was. The question could be answered by means of a five points scale (1.VMBO, 2.Havo, 3.MBO, 4.HBO and 5.WO).

3.4 Data analyses

To test my hypotheses, a regression analysis was conducted. The first part of the conceptual model, the relationship between objective job insecurity and subjective job insecurity, was analyzed by means of a multilevel regression analysis because the objective job insecurity was measured at the departmental level.

The second part of the conceptual model, the relationship between subjective job insecurity and its consequences towards effort and performance was analyzed by means of hierarchical multiple regression analysis. The regression analysis consists of 3 steps. The first step in the regression analysis is to standardize the independent variable and moderators. The second step is to calculate the interaction term, which is done by multiplying the standardized independent variable with the standardized moderator. The third step is to enter the standardized variables from step 1 and the interaction effect of step 2 in the analysis.

4 Results

4.1 Descriptives

In Table 1, the means, standard deviations, and correlations between the variables are shown. I expected a positive relation between objective job insecurity and subjective job insecurity but because the objective job insecurity differs per department there was no correlation model performed.

I expected no relationship between subjective job insecurity and effort and performance because the literature was not unanimous about it.

The table shows that subjective job insecurity has a positive relation with effort ($r = 0.09$) and performance ($r = 0.04$) but both relations are not significant.

Significant correlations are: the positive relation between effort and performance ($r = 0.51$, $p < 0.01$) and the negative relation between the educational level and subjective job insecurity ($r = -0.37$, $p < 0.01$).

4.2 Regression analysis

The first hypothesis expected a positive relation between objective- and subjective job insecurity. Employees in departments where more objective job insecurity is present would feel more subjective job insecurity. The results of the analysis showed that the relation is not significant, and, therefore, the results do not support hypothesis 1. Even though the relation is not significant, it shows as expected a positive relation between objective- and subjective job insecurity ($b = 0.42$, $p > 0.05$).

Hypothesis 2A expected that high organizational communication had a negative moderating effect on the positive relation between objective- and subjective job insecurity. Table 2 shows that this moderating effect is not significant which means that hypothesis 2A is not supported. Table 2 shows that the expected negative moderating effect of organizational communication is not negative but positive ($b = 0.20$, $p > 0.05$).

Variable	D			1	2	4		
1. Age	0.49	.91	6					
2. Educational level	.98	.11		.06	-			
3. Subjective Job Insecurity	.61	.33	0	13	.37**	-		
4. Effort	4.07	.68	2	02	.05	09		
5. Performance	7.20	.40	4	.00	.03	04	51**	.
6. Locus of Control	8.07	.58	7	.10	10	01	12	12

* correlation is significant at the 0.05 level (2-tailed)

**correlation is significant at the 0.01 level (2-tailed)

Table 1 Descriptives and correlation of the variables of the second part of the conceptual model

Hypothesis 2B expected that an internal locus of control had a negative moderating effect on the positive relation between objective- and subjective job insecurity. The results of the analysis showed that the moderating effect is not significant and therefore does not support hypothesis 2B. However, Table 2 showed that the weight was indeed in the expected direction ($b = -.13$, $p > 0.05$).

Steps	Variables	Subjective Job Insecurity		
		1.	2.	3.
1.	Objective job insecurity		.44	.46
2.	Communication		-.15	.30
	Locus of control		.31	-.15
	Age		.35	.36
	Education		-	-
			1.43	1.44
3.	Objective job insecurity x Communication			.20
	Objective job insecurity x Locus			-.13
	Objective job insecurity x Age			.69
	Objective job insecurity x Education			.11

* $p < 0.05$

** $p < 0.01$

*** $p < 0.001$

Table 2 Results of the multi level regression analysis for the relationship between objective job insecurity and subjective job insecurity and age, education, locus of control and communication

Hypothesis 2C expected that age had a positive moderating effect on the positive relation between objective- and subjective job insecurity. The regression analysis shows that this moderating effect is not significant. Even though the analysis does not support hypothesis 2C, the weight is in the expected direction ($b = 0.69$, $p > 0.05$).

Hypothesis 2D expected that educational level had a negative moderating effect on the positive relation between objective- and subjective job insecurity (i.e. this

relationship would be stronger for lower educated and weaker for higher educated employees). The results of the analysis showed that the moderating effect is not significant and therefore does not support hypothesis 2D. The weight was also in the opposite direction ($b = 0.11$, $p > 0.05$).

The regression analyses for testing hypotheses 3A to 3C consists of three steps: in the first step only the independent variable (subjective job insecurity) is included, in the second step the moderators are included and the third step includes the interaction effect between the independent variable and the moderator.

Hypothesis 3A expected no direct relation between subjective job insecurity and effort/performance but with an external locus of control the relation would become negative and with an internal locus of control positive. The weight is not significant and therefore is the hypothesis not supported. The results of the regression analysis showed a non-significant negative moderating effect towards effort ($b = -.20$, $p > 0.05$) and performance ($b = -.28$, $p > 0.05$).

Hypothesis 3B expected no direct relation between subjective job insecurity and effort/performance, but with older employees the relation was expected to become negative and with younger employees positive. Both relations are not significant, which means that the results do not support the hypothesis (effort $b = -.01$, $p > 0.05$ and performance $b = .07$, $p > 0.05$).

Hypothesis 3C expected no direct relation between subjective job insecurity and effort/performance, but with lower educated employees the relation was expected to become negative and with higher educated employees positive. Table 3 and 4 show that the moderating effect of education is not significant and therefore does not support hypothesis 3C. However, the weights are in the expected direction for effort ($b = .21$, $p > 0.05$) and performance ($b = .37$, $p > 0.05$).

Steps	Variables	Effort		
		1.	2.	3.
1.	Subjective job Insecurity	.41	.33	.32
2.	Age		.09	.22
	Education		-.12	-.21
	Locus of control		.60	.61
3.	Subjective job insecurity x Age			-.01
	Subjective job insecurity x Education			.21
	Subjective job insecurity x Locus			-.21

* p < 0.05

** p < 0.01

*** p < 0.001

Table 3 Results of the hierarchical regression analysis for the relationship between subjective job insecurity and effort and age, education and locus of control

Steps	Variables	Performance		
		1.	2.	3.
1	Subjective job Insecurity	.89	.05	-.01
2	Age		.12	-.30
	Education		-.08	-.17
	Locus of control		.28	.29
3	Subjective job insecurity x Age			.07
	Subjective job insecurity x Education			.37
	Subjective job insecurity x Locus			-.28

* p < 0.05

** p < 0.01

*** p < 0.001

Table 4 Results of the hierarchical regression analysis for the relationship between subjective job insecurity and performance and age, education and locus of control

5 Discussion

The research model that I have tested in this study consisted of two parts. The first part was about objective job insecurity and its relation with subjective job insecurity. It was expected that this relation was positive but findings showed no significant relation. I also expected that high organizational communication, educational level and an internal locus of control would have a negative moderating effect on the positive relation between objective- and subjective job insecurity and that age would have a positive moderating effect on the positive relation between objective- and subjective job insecurity. The findings did not support these hypotheses.

The second part involved the relation between subjective job insecurity and effort/performance. I expected neither a positive nor a negative relation between subjective job insecurity and effort/performance. The relation between subjective job insecurity and effort/performance was expected to become negative in the case of an external locus of control, higher age and a lower educational level. The relation between subjective job insecurity and effort/performance was expected to become positive for high internal locus of control, younger employees and higher educated employees. These expected moderating effects were not significant and therefore not supported by the data.

There could be different reasons why my hypotheses were not supported. For hypotheses 2C, 2D, 3B and 3C a reason may be that the moderators did not have a normal distribution. These hypotheses had age or educational level as a moderator. Age and educational level did not have a normal or a low distribution, 68% of the employees is older than 40 years and 70% of the employees has a bachelor (38 employees) or master (50 employees) degree (option 6 or 7 in the questionnaire) which means that only 30% had a

lower educational level. With low variance it is simply difficult to find significant relationships between variables.

Another reason why the hypotheses were not supported could be the percentage of objective job insecurity within the UMCG which was actually rather low. The UMCG planned the reorganization and informed the employees that they could become redundant but in the end, when I conducted my study, not many employees were actually made redundant (UMC staff = 5.3%, Security = 0.0%, Oral Surgery = 0.83%, Surgery = 0.0 and Sector A = 0.82%). The variance in objective job insecurity was rather low and, again, with low variance it is difficult to find significant relationships (Moore & McCabe, 2005).

The multi level nature of my research made it even more difficult to get support for the hypotheses. The multi level regression analysis was used to test the first part of my conceptual model which investigated the positive relation between objective- and subjective job insecurity and the moderating effects of organizational communication, locus of control, age and educational level. Objective job insecurity was measured at the departmental level and it is less likely to find significant relationships in which higher level variables are involved (hypotheses 1 to -2D).

Next to the methodological reasons, there is also an intrinsic reason that could explain why the hypotheses were not supported. It is possible that some factors that could have influenced the expected relations are excluded in this research. Some examples are: motivation, openness for change, need for security, work orientation and conservatism (Chawla & Kelloway, 2004; Greenhalgh & Rosenblatt, 1984). These factors can, next to the four chosen moderators, influence the relation between subjective job insecurity and effort and performance. The factors are also directly related towards organizational

communication, locus of control, age and education. For example, older employees are less motivated (Kooij, de Lange, Jansen & Dikkers, 2008), locus of control can be predicted by the presence or absence of a high level of need for security (Riipinen, 1994) and lower educated employees find need for security more important than higher educated employees (de Bustillo & de Pedraza, 2010). These aspects can influence the moderators and the relationship between the dependent and independent variable and therefore possibly make a hypothesis supported.

5.1 Limitations

This research has some limitations. The first one is the number of participating departments. For this research five departments within the UMCG participated. While the first part of the conceptual model needs to be analysed per department, the number of participating departments needs to be large enough. For low N it is difficult to find significant relationships.

Another limitation of this research is the chosen moderators. In collaboration with the UMCG the four moderators were selected: organizational communication, locus of control, age and education. Literature also states that those four moderators are important for the relationship between objective- and subjective job insecurity and the effect of subjective job insecurity on effort and performance. Research (Greenhalgh & Rosenblatt, 1984) has shown that there are other possible relevant moderators that can influence these relationships. For future research it is possible to study other moderators and see if those moderators influence these relationships. Some examples of possible relevant moderators are: need for security, conservatism and work orientation (Greenhalgh & Rosenblatt, 1984). As mentioned in the beginning of this section, objective job insecurity and a large N needs to be present to get a significant outcome.

This is needed for the currently used moderators in this research, as well as for the possible relevant moderators. The last limitation is the use of the locus of control scale and subjective job insecurity scale. The locus of control scale had a low Cronbach's alpha that could not be increased by deleting items. The scale that was used for subjective job insecurity focused not only on job insecurity but also on job security, even though the latter was not actually dealt with in my research. This measurement scale was important for my research because it was the dependent variable in the first part of the conceptual model and the independent variable of the second part of the conceptual model. Both measurement scales have their shortcomings and for further research it would be recommended to search for more appropriate measurement scales for these two variables.

5.2 Practical implications

None of the hypotheses of this study were supported which made the results somewhat disappointing. As stated in the beginning of this discussion, a possible explanation for these non-findings can be the actual level of objective job insecurity in the participating departments. This level was rather low. Although the level of objective job insecurity was rather low in this study, which is positive, it is likely that objective- and subjective job insecurity will increase substantially during the upcoming reorganization of 2011. Possible advice towards the UMCG would be that it may be wise to repeat this study in due time. Past research has shown that the variables I included are relevant for understanding the implications of objective job insecurity. Therefore, from a management perspective it is important to consider these variables, together with the variables mentioned in the limitations section, when developing redundancy.

6 References

- Ashford, S.J., Lee, C., Bobko, P. 1989. Content, Causes, and Consequences of Job Insecurity: A Theory-Based Measure and Substantive test. *Academy of Management Journal*, 32(4): 803-829
- Burchell, B., Lapido, D., Wilkinson, F. 2002. *Job insecurity and work intensification*. London: Routledge
- Chawla, A., Kelloway, E.K. 2004. Predicting openness and commitment to change. *The Leadership and Organization Development Journal*, 25(6): 485-498
- Davy, J.A., Kinicki, A.J., Scheck, C.L. 1997. A test of job security's direct and mediated effects on withdrawal cognitions. *Journal of Organizational Behavior*, 18, 323-349
- De Bustillo, R.M., De Pedraza, P. 2010. Determinants of job insecurity in five European countries. *European Journal of Industrial Relations*, 16(1): 5-20
- De Cooman, R., De Gieter, S., Pepermans, R., Jegers, M., Van Acker, F. 2009. Development and Validation of the Work Effort Scale. *European Journal of Psychological Assessment*, 25(4): 266-273
- De Witte, H., Näswall, K. 2003. 'Objective' vs 'Subjective' Job Insecurity: Consequences of Temporary Work for Job Satisfaction and Organizational Commitment in Four European Countries. *Economic and Industrial Democracy*, 24(2): 149-188
- Erlinghagen, M. 2008. Self Perceived Job Insecurity and Social Context: A multi Level Analysis of 17 European Countries. *European Sociological Review*, 24(2): 183-197
- Galup, S., Saunders, C., Nelson, R.E., Gerveny, R. 1997. The use of temporary staff and managers in an local government environment. *Communication Research*, 26(6): 698-730
- Grant, A. 2008. Does intrinsic motivation fuel the prosocial fire? Motivational synergy in predicting persistence, performance, and productivity. *Journal of Applied Psychology*, 93: 48-58
- Greenhalgh, L. 1982. Maintaining organizational-effectiveness during organizational retrenchment. *Journal of Applied Behavioral Science*, 18(2): 155-170
- Greenhalgh, L., Rosenblatt, Z. 1984. Job Insecurity: Towards Conceptual Clarity. *Academy of Management Review*, 9(2): 438-448
- Johnson, C.D., Messe, L.A., Crano, W.D. 1984. Predicting job performance of low income workers: The Work Opinion Questionnaire. *Personnel Psychology*, 37: 291-299
- Jordan, P.J., Ashkanasy, N.M., Hartel, C.E.J. 2002. Emotional Intelligence as a Moderator of Emotional and Behavioral Reactions to Job Insecurity. *Academy of Management Review*, 27(3): 361-372
- Klandermans, B., van Vuuren, T. 1999. Job Insecurity: Introduction. *European Journal of Work and Organizational Psychology*, 8(2): 145-153
- König, C.J., Debus, M.E., Häusler, S., Lendenmann, N., Kleinmann, M. 2010. Examining occupational self efficacy, work locus of control and communication as moderators of the job insecurity-job performance relationship. *Economic and Industrial Democracy*, 31(2): 231-247

Kooij, D., de Lange, A., Jansen, P., Dijkers, J. 2008. Older workers' motivation to continue to work: five meanings of age. *Journal of Management Psychology*, 23(4): 364-394

Kramer, M.W. 1999. Motivation to Reduce Uncertainty: A Reconceptualization of Uncertainty Reduction Theory. *Management Communication Quarterly*, 13: 305

Kramer, M.W., Dougherty, D.S., Pierce, T.A. 2004. Managing uncertainty during a corporate acquisition: A longitudinal study of communication during an airline acquisition. *Human Communication Research*, 30(1): 71-101

Laine, M., van der Heijden, B.I.J.M., Wichström, G., Hasselhorn, H.M., Tackenberg, P. 2009. Job Insecurity and intent to leave the nursing profession in Europe. *International Journal of Human Resource Management*, 20(2): 420-438

Mauno, S., Leskinen, E., Kinnunen, A. 2001. Multi-wave, multi-variable models of job insecurity: applying different scales in studying the stability of job insecurity. *Journal of Organizational Behaviour*, 22: 919-937

Mauno, S., Kinnunen, U. 2002. Perceived job insecurity among dual-earner couples: Do its antecedents vary according to gender, economic sector and the measure used? *Journal for Occupational and Organizational Psychology*, 75: 295-315

Moore, S.D., McCabe, P.G. 2005. Introduction to the practice of statistics (5th ed.) New York: W.H. Freeman and Company

Näswall, K., De Witte, H. 2003. Who feels insecure in Europe? Predicting job insecurity from background variables. *Economic and Industrial Democracy*, 24: 189

Riipinen, M. 1994. Extrinsic occupational needs and the relationship between need for achievement and locus of control. *Journal of Psychology*, 128(5): 577

Somech, A. (2006). The effects of leadership style and team process on performance and innovation in functionally heterogeneous teams. *Journal of Management*, 32, 132-157

Vander Elst, T., Baillien, E., De Cuyper, N., De Witte, H. 2010. The role of organizational communication and participation in reducing job insecurity and its negative association with work related well-being. *Economic and Industrial Democracy*, 31(2): 249-264

Warr, P., Fay, D. 2001. Age and Personal initiative at Work. *European Journal of Work & Organizational Psychology*, 10(3): 343

Appendix1 Questionnaire

Vragenlijst UMCG

Doel

Het doel van mijn afstudeerscriptie is het in kaart brengen van aspecten die de beleving van arbeidsmobiliteit in onzekere tijden beïnvloeden. Vanwege de bezuinigingen vanuit Den Haag en de recessie moet het UMCG ook bezuinigen en dit brengt een bepaalde onzekerheid met zich mee. Ik ga onderzoeken welke factoren van invloed zijn op de beleving van medewerkers en welke dynamiek dit geeft op de wijze waarop zij hun functie uitoefenen. De vragenlijst wordt toegestuurd naar alle medewerkers van de UMC staf en een aantal andere organisatie onderdelen. Er is dus geen relatie met de recente bezuinigingen.

De vragenlijst bestaat uit 56 multiple choice vragen en een aantal open vragen. Bij de multiple choice vragen kan uit 6 mogelijkheden gekozen worden.

Privacy

De vragenlijst kan digitaal worden ingevuld via de link die is meegezonden met deze mail. De invultijd bedraagt ongeveer 10 minuten en geheimhouding en privacy zullen uiteraard worden gewaarborgd. De vragenlijst zal worden teruggestuurd naar mijzelf, waarbij ik uw persoonlijke gegevens zal loskoppelen van de antwoorden. Zo is niet meer te achterhalen welke antwoorden u gegeven heeft. Mocht u deze vragenlijst niet digitaal willen invullen dan kunt u hem ook uitprinten en anoniem schriftelijk terugsturen naar het secretariaat UMC-staf P&O, LB 10.

1 = Geheel oneens 2= tamelijk oneens 3= enigszins mee oneens 4= enigszins mee eens 5 = tamelijk eens 6 = geheel eens

Wat is uw geslacht?	Man	Vrouw						
Wat is uw leeftijd?		Jaar						
Wat is uw hoogst voltooide opleiding?	LO	VMBO	HAVO	VWO	MBO	HBO	WO	
Op welke afdeling bent u werkzaam?								

Een baan is wat je er zelf van maakt	1	2	3	4	5	6
Bij de meeste banen kunnen werknemers bereiken wat ze voor ogen hebben	1	2	3	4	5	6
Als werknemers ongelukkig zijn met de keuzes van hun werkgever dan moeten zij daar zelf wat aan veranderen	1	2	3	4	5	6
De baan krijgen die je graag wilt hebben, heeft te maken met geluk	1	2	3	4	5	6
De meeste mensen kunnen hun werk goed doen als ze hun best ervoor doen	1	2	3	4	5	6
Promotie is meestal een kwestie van geluk	1	2	3	4	5	6
Promotie wordt gegeven aan werknemers die goed presteren in hun functie	1	2	3	4	5	6
Om een goede werknemer te zijn, heb je veel geluk nodig	1	2	3	4	5	6
<i>Werknemers die goed presteren, worden hiervoor beloond</i>	1	2	3	4	5	6
De meeste werknemers hebben meer invloed op hun leidinggevende dan ze denken	1	2	3	4	5	6
Ik zet me altijd hard in tijdens het uitvoeren van mijn werk	1	2	3	4	5	6
Ik steek veel energie in mijn taken	1	2	3	4	5	6
Ik doe erg mijn best in mijn baan	1	2	3	4	5	6
Ik denk dat ik een harde werker ben	1	2	3	4	5	6
Ik doe erg mijn best om de doelen van de organisatie te bereiken	1	2	3	4	5	6
Ik ben betrouwbaar in het uitvoeren van mijn taken	1	2	3	4	5	6
Ik doe mijn best om te doen wat men van mij verwacht	1	2	3	4	5	6
Als ik aan een opdracht begin, maak ik hem af	1	2	3	4	5	6
Ik doe erg mijn best om mijn werkzaamheden af te krijgen ondanks mogelijke moeilijkheden	1	2	3	4	5	6
Ik geef niet snel op als iets niet lukt	1	2	3	4	5	6
Ik mag mijn leidinggevende als persoon	1	2	3	4	5	6
Mijn directe leidinggevende is het soort persoon dat men graag als vriend heeft	1	2	3	4	5	6
Het is erg leuk om met mijn directe leidinggevende te werken.	1	2	3	4	5	6
Mijn directe leidinggevende zal me verdedigen als ik door anderen wordt aangevallen	1	2	3	4	5	6
Ik schaam me als ik boventallig word	1	2	3	4	5	6
Ik doe werkzaamheden voor mijn directe leidinggevende die verder gaan dan in mijn functieomschrijving zijn opgenomen	1	2	3	4	5	6
Ik ben onder de indruk van de kennis die mijn directe leidinggevende heeft van zijn/haar taken	1	2	3	4	5	6
Ik bewonder de professionele vaardigheden van mijn directe leidinggevende	1	2	3	4	5	6
Naar mijn idee, volbreng ik de toegewezen taken naar behoren	1	2	3	4	5	6
Naar mijn idee, voldoe ik aan de toegewezen verantwoordelijkheden	1	2	3	4	5	6
Naar mijn idee, volbreng ik de taken zoals ze formeel verwacht worden	1	2	3	4	5	6
Naar mijn idee, voldoe ik aan de formele prestatie criteria	1	2	3	4	5	6
Naar mijn idee, verzuim ik bepaalde aspecten van mijn functie die verplicht zijn uit te voeren	1	2	3	4	5	6
Naar mijn idee, verzuim ik bepaalde essentiële taken te volbrengen	1	2	3	4	5	6

Het idee dat ik boventallig kan worden, beangstigt me	1	2	3	4	5	6
Ik ben ongerust over de mogelijkheid dat ik boventallig kan worden	1	2	3	4	5	6
Ik ben zo bezorgd om mijn baan, dat ik er alles voor over heb om hem te behouden	1	2	3	4	5	6
Als ik mijn werk naar tevredenheid doe, loop ik niet de kans boventallig te worden	1	2	3	4	5	6
Als ik boventallig word, denk ik niet dat ik weet hoe ik dit aan andere mensen moet vertellen	1	2	3	4	5	6
Hard werken voorkomt dat ik boventallig word	1	2	3	4	5	6
Waarom bent u gemotiveerd om uw werk te doen?						
Omdat ik ervan geniet	1	2	3	4	5	6
Omdat ik het werk aantrekkelijk vind	1	2	3	4	5	6
Omdat ik het werk leuk vind	1	2	3	4	5	6
Omdat ik geniet van het werk zelf	1	2	3	4	5	6
Omdat ik het belangrijk vind dat ik door middel van mijn werk anderen kan helpen	1	2	3	4	5	6
Omdat ik een positieve impact wil hebben op andere mensen	1	2	3	4	5	6
Omdat ik anderen wil helpen door middel van mijn werk	1	2	3	4	5	6
Omdat ik ervoor wil zorgen dat andere mensen profiteren van mijn werk	1	2	3	4	5	6

1= Nooit 2= Soms 3= vaak 4= altijd

Hoort u voldoende over de gang van zaken in het bedrijf (*)	1	2	3	4
Wordt u van de belangrijke dingen in het bedrijf goed op de hoogte gehouden (*)	1	2	3	4
Is de manier waarop de besluitvorming loopt in uw bedrijf duidelijk (*)	1	2	3	4
Is het duidelijk bij wie u binnen de organisatie moet zijn voor welke problemen (*) (* SKB vragenlijst services)	1	2	3	4

Een mooie bijkomstigheid van mijn afstudeeronderzoek is dat het UMCG u om een reactie kan vragen over de recente reorganisatie en personeel's reductie. Dit onderdeel zal gebruikt worden voor evaluatie en eventuele verbeteringen. Hieronder kunt u reageren op de vragen: Wat ging goed volgens u? Wat ging er mis? En wat kon er beter?

Hartelijk bedankt voor het invullen van mijn vragenlijst.

Mocht u hem dus niet digitaal willen versturen dan kunt u hem uitprinten en anoniem opsturen naar het Secretariaat UMC staf P&O, LB 10.