

# Job Insecurity and Organizational Commitment

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*Abstract: This article deals with the relationship between job insecurity and organizational commitment. Our analysis includes both 'subjective' and 'objective' measures of job insecurity and it also distinguishes between a cognitive and affective component of the subjective dimension. As to organizational commitment, we make a distinction between value commitment and readiness to remain with the employing organization. The empirical basis for the analysis is survey data collected in Sweden in 2010-2011. Some of the outcomes are just as expected: perceived risk of losing one's job is associated with lower value commitment and less willingness to stay with the organization, while the opposite pattern appears for satisfaction with job security. Other results are more noteworthy: increases in unemployment, temporary employment contracts and worry about losing one's job are linked to higher value commitment. Being anxious about job loss is also positively related to willingness to stay. These results indicate that insecurity can make people more appreciative of their current work and workplace.*

*Keywords: subjective/objective job insecurity, cognitive/affective job insecurity, organizational commitment, value commitment, willingness to stay with an organization*

*Resumen: Este artículo versa sobre la relación entre inseguridad laboral y compromiso organizativo. El análisis contempla medidas tanto subjetivas como objetivas para hacer frente a la inseguridad laboral y distingue entre los componentes cognitivo y afectivo de la dimensión subjetiva. Por lo que al compromiso organizativo se refiere, se distingue entre el compromiso de valor y la disposición a mantener la organización laboral. Las bases empíricas del análisis corresponden a datos de encuestas realizadas*

*en Suecia entre los años 2010 y 2011. Algunos de los resultados reflejan lo esperado: el riesgo que percibimos de perder nuestro empleo se asocia con un menor compromiso de valor, así como con una inclinación inferior a permanecer en la empresa, mientras que el comportamiento opuesto surge de la satisfacción con la seguridad laboral. Otros resultados son más destacables: el aumento de las cifras de desempleo, de contratos de empleo temporal y del miedo a perder un trabajo se vinculan con un mayor compromiso de valor. La ansiedad que produce el miedo a perder un empleo se traduce en el deseo de mantenerlo. Los resultados indican asimismo que la inseguridad puede contribuir a que la gente valore más su empleo y su lugar de trabajo.*

*Palabras clave: inseguridad laboral subjetiva/objetiva, inseguridad laboral cognitiva/afectiva, compromiso organizativo, compromiso de valor, deseo de permanecer en una empresa.*

The overriding question raised in the present article is whether job insecurity is associated with organizational commitment – that is, employees' engagement in and loyalty to the organization they work for – and, if so, to what extent. This issue has been dealt with in several previous studies, but the results are partly divergent, which makes further research warranted. One reason for the inconsistent results is that researchers use varying definitions or indicators of both job insecurity and organizational commitment. Our approach is to rely on some of the typical measures, but also to include factors and distinctions that are less commonly used in existing studies. The analysis covers both 'objective' and 'subjective' dimensions of job insecurity. As to the subjective dimension we distinguish between a cognitive and an affective component. We agree with Guo-Hua Huang *et alii* (2010: 22, 35) that researchers have often ignored this distinction (although there are some exceptions). Moreover, we include a cognitive measure of whether employees find it easy to get another job. This is not a measure of job (in)security but of people's possibilities in the external labour market. As the empirical basis for the article, we use survey data collected in Sweden in 2010-2011, which provide information on 2023 employees.

## Key concepts

The central concepts in our study are job insecurity and organizational commitment both of which have been given more or less different meanings in various studies. An essential distinction that needs to be made with respect to job insecurity is between the 'objective' and 'subjective' dimension (Sverke, Hellgren and Näswall, 2006: 4–8). Temporary employment and temporary agency work are typical examples of objective indicators (e.g., Gallie *et alii*, 1998: 242–247; De Witte and Näswall, 2003; De Cuyper, Notelaers and De Witte, 2009). It is also possible to compare whole workplaces in terms of job insecurity (e.g., Büssing, 1999) and yet another objective indicator is the level of unemployment in society or changes in unemployment (Gallie *et alii*, 1998: Ch.5).

Subjective job insecurity is a matter of perceptions and interpretations of reality (Sverke *et alii*, 2002: 243). There are obviously individual variations in perceptions; individuals may be more or less pessimistic and more or less realistic in their concerns about the job and feelings may impact on their assessments. Whereas some worry a great deal even when the actual threat of job loss is not that great, others stay calm even in the face of the closure of the workplace (cf. Klandermans and van Vuuren, 1999: 147). The subjective concept thus involves both a cognitive and an affective dimension; the two may be interconnected but are analytically different from one another (e.g., Anderson and Pontusson, 2007;

Berglund, Furåker and Vulkan, 2014; Borg and Elizur, 1992; Huang *et alii*, 2010; Sverke *et alii*, 2004: 42). The cognitive component refers to how people assess the likelihood that they will be laid off, while the affective component is about their feelings.

In spite of the analytical difference between the cognitive and the affective aspect of job insecurity, many researchers – in their empirical work – mix items referring to the two dimensions (e.g., Bosman, Buitendach and Laba, 2005; De Cuyper, Notelaers and De Witte, 2009; De Witte and Näswall, 2003; Hellgren, Sverke and Isaksson, 1999; Sverke *et alii*, 2004: Ch. 4). There may be a sound rationale for this, because – as pointed out above – people’s assessments of the likelihood of being laid off may be affected by their feelings. We, however, are interested in studying whether the two dimensions are related to organizational commitment in different ways and it is therefore important to keep them apart.

One reason why people in insecure jobs do not worry about their situation could be that their chances of finding another job are perceived as good. This phenomenon is sometimes referred to as employment security which is a key concept in the discussion on flexicurity. It stands for the possibilities of staying employed but not necessarily with the same employer (Bredgaard, Larsen and Madsen, 2005: 23; Leschke, Schmid and Griga, 2007: 340). Job security is said to signify ‘the continuation of the same job’, whereas employment security is taken to mean that work is available somewhere else in the labour market (Gazier, 2007: 102). Another label used for approximately the same phenomenon is ‘employability’ (e.g., Berntson, 2008; De Cuyper *et alii*, 2008; De Cuyper, Notelaers and De Witte, 2009). Previous research shows that employment security involves a reduction in worry of losing one’s job (Berglund, Furåker and Vulkan, 2014). Employment security thus emerges as a coping mechanism in a situation with job insecurity (De Cuyper *et alii*, 2008); it can be an escape from the negative consequences of dismissals. It might also be seen as a kind of functional alternative to objective job security.

Organizational commitment is often conceptualized as entailing three dimensions. The first of these means that people should have ‘a strong belief in and acceptance of the organization’s goals and values’; the second implies that they should be willing ‘to exert considerable effort on behalf of the organization’; and the third that they should have ‘a definite desire to maintain organizational membership’ (Porter *et alii*, 1974: 604). Some modifications of this definition appear in the literature: for example, in the classification developed by Natalie Allen and John Meyer (1990; see also Meyer and Allen, 1991, 1997; Meyer *et alii*, 2002). Their first subcategory is affective commitment, which is based

on the assumption that emotional ties are important; people are committed to the organization because they like it and identify with it. A second subcategory, continuance commitment, focuses on the instrumental motives which may be involved. The idea is that people remain with an organization as long as they have something to gain from it. Exiting is associated with costs and existing alternatives may not be sufficiently attractive to pay off. For example, if employees have developed company-specific skills, they have an incentive to stay with that company, as these skills may not be transferable. The third category is normative commitment. It covers feelings of obligation to the organization, which may have to do with tradition as well as with personal ties with workmates and management.

Altogether, organizational commitment implies a tie between employees and their organization. When this link is strong, the likelihood that an individual will leave is relatively low. However, as Allen and Meyer (1990:3) have pointed out, the nature of the link can be of different kinds: 'Employees with strong affective commitment remain in the organization because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to do so.'

Yet another classification is found in the work by Duncan Gallie *et alii* (1998: 237–239). Using six questions from the so-called Organizational Commitment Questionnaire (OCQ) (Mowday, Porter and Steers, 1982), they identified effort, flexibility and value commitment. One of the OCQ items refers to people's readiness to work harder than necessary to help the organization succeed and this is the basis for singling out effort commitment. The second category is relevant when employees 'express a willingness to be flexible to the point of some personal sacrifice' (Gallie *et alii*, 1998: 238). It is called flexibility commitment and is empirically built on employees' declarations that they would take almost any job to keep working for the organization and that they would turn down a better-paid job offer. Finally, value commitment implies identification with the organization and its values.

Our analysis is based on the same OCQ items as used in the study by Gallie and co-workers, although with slightly different wordings, partly due to the fact that the statements are translated into Swedish. Another difference is that we work with only two categories of organizational commitment. One of the main reasons for this is that a principal component analysis of our data distinguishes just two factors. The first of these will be referred to as value commitment. It includes both the value and the effort items, as they turned out to be quite strongly correlated with one another. The second factor is a matter of readiness

to remain with the employing organization. It coincides with the Gallie team's category flexibility commitment, but we prefer to use another label in order to emphasize people's willingness to keep working for the organization. As it is different from Allen and Meyer's concept of continuance commitment – which is a matter of people's need to stay – we simply label it willingness to stay.

## **Possible links between the factors: Theory and previous studies**

A considerable body of research focuses on how job insecurity is related to organizational commitment. In a brief overview that summarized many of the previous studies, Sverke, Hellgren and Näswall (2002: 245) concluded that organizational commitment had most often 'been found to have a moderate negative association with job insecurity'. In some cases, however, the association was strong while at others it was not significant at all.

A crucial question in this respect is how job insecurity and organizational commitment are defined and measured. As we have seen above, there are different solutions in the literature. In their comparison of four countries – Belgium, Italy, the Netherlands and Sweden – Hans De Witte and Katharina Näswall (2003) included both an 'objective' and a 'subjective' dimension of job insecurity. The objective dimension refers to the type of employment contract: that is, whether it is permanent or temporary. Subjective job insecurity is treated as covering both a cognitive and an affective dimension. This implies that employees who perceive a considerable risk of being laid off and those who fear job loss react similarly. Organizational commitment is measured by a number of items taken from Meyer and Allen's study (1997). It is characterized as 'affective commitment'.

According to De Witte and Näswall (2003: 151-153) there are three theoretical perspectives that could make us believe that temporary employment contracts should be associated with lower organizational commitment: deprivation theory, psychological contract theory and job stress theory. The first of these assumes that temporary employees tend to experience social exclusion. They may feel deprived and are therefore less committed to their organization. The psychological contract theory starts out from the assumption that employers and employees have mutual expectations of each other. When temporary employees feel that the employer does not offer permanent jobs although this might be possible, it is likely that they hold back engagement and loyalty. In other words, they restore a perceived imbalance by being less dedicated to the organization. Finally, job stress theory holds that negative employment characteristics such as temporary contracts lead

to strain, which may also affect organizational commitment negatively. In other words, all three theories point in the same direction.

De Witte and Näswall (2003) found a clearly negative relationship between subjective job insecurity and affective organizational commitment in Belgium, Italy and the Netherlands, whereas the result in Sweden was only weakly significant. One possible explanation for the latter outcome might be that the Swedish data were collected in two organizations involved in restructuring. Hence the results generally seem to be in line with the authors' hypothesis: subjective job insecurity is associated with a lower level of affective organizational commitment. However, the hypothesis that temporary employment contracts are linked to lower organizational commitment could not be confirmed in any of the four countries. In some of these even the opposite is reported: when the perception of job insecurity was taken into account, temporary employees scored higher on organizational commitment than those in permanent jobs (De Witte and Näswall, 2003: 175). This indicates that the main factor is subjective job insecurity; when it was kept under control, temporary workers in some of the countries showed a higher level of affective commitment.

On the basis of British data from 1992, Gallie and coauthors (1998: 242–247) dealt with the association between various insecurity factors and flexibility, value and effort commitment. The insecurity factors included overall changes in the size of the workplace, other organizational changes affecting people's immediate work situation, fear of unreasonable dismissal and type of employment contract. Separate regressions were run for the social sector (basically public services) and the commercial (market-driven) sector. It turned out that an overall decrease in the number of employees was associated with lower flexibility and value commitment in the social sector and lower value commitment in the commercial sector. Other changes affecting people's work were less important. As far as the issue of the role of fear of unreasonable dismissal, social sector employees had a higher score on flexibility and effort commitment. It is suggested that these somewhat unexpected results 'might be interpreted through selective attention: those who are insecure are more aware of the value of their job and so feel more committed' (Gallie *et alii*, 1998: 245).

As to type of employment contract, the authors make a distinction between three categories: short-term temporary jobs, fixed-term jobs lasting 1-3 years and permanent jobs. Because temporary workers and contract workers generally had a lower level of satisfaction with job security, it might seem reasonable that they would also have a lower level of organizational commitment, but the results were partly unexpected. Having a short-term temporary job was not associated with a significant effect on any of the three dimensions of organizational commitment. The same also

held for social sector workers on contracts of 1-3 years, whereas commercial sector workers on this kind of contract showed less value and effort commitment.

In yet another step of the analysis, Gallie *et alii* (1998: 246-247) looked at the impact of satisfaction with job security on the three forms of organizational commitment. This factor turned out to be most important of all, but then only in the commercial sector. It was associated with both higher flexibility commitment and higher value commitment, whereas no effect could be detected on effort commitment. However, it should be taken into account that workers who are particularly committed may be given a higher degree of security by the employer.

Using Belgian data from 2005, Nele De Cuyper, Guy Notelaers and Hans De Witte (2009) compared the affective organizational commitment of workers on fixed-term contracts, temporary agency workers and permanent workers. They also brought in a measure of subjective job insecurity, including both cognitive and affective aspects, and an item on employability. Among permanent workers and temporary agency workers job insecurity was negatively correlated with affective organizational commitment, but there was no such link among employees on fixed-term contracts. For employability, a negative correlation with affective commitment was found among fixed-term workers and temporary agency workers. For permanent employees there was no significant relationship between the two variables.

Moreover, most research shows that job insecurity 'may make the employee less inclined to remain with the organization', although varying measures of job insecurity and turnover intentions are used (Sverke, Hellgren and Näswall, 2006: 13; see also, e.g., Ameen *et alii*, 1995; Cheng and Chan, 2008; Davy, Kinicki and Scheck, 1997; Hellgren, Sverke and Isaksson, 1999; Rosenblatt, Talmud and Ruvio, 1999; Sverke and Hellgren, 2001; Sverke, Hellgren and Näswall, 2002: 246). A meta-analysis of 47 previous studies demonstrated that levels of unemployment have an impact on the relationship between satisfaction and turnover (Carsten and Spector, 1987). The results could then be summarized as follows: 'When jobs are plentiful, satisfaction may become more salient and more central in turnover decisions. When jobs are scarce, other considerations come into play, such as salary level, security and future prospects' (Carsten and Spector, 1987: 378).

## Specification of research questions

The studies mentioned present rather inconclusive evidence on the association between job insecurity and organizational commitment. One of the main reasons for this is that definitions and measures of the two phenomena are often quite

different. Our approach is to include both the objective and subjective aspects of job insecurity and subdivide the subjective dimension into its cognitive and affective components. We also consider two dimensions of organizational commitment: value commitment and willingness to remain with the organization. We will use the same analysis to examine how the dimensions of job insecurity are linked to the two aspects of organizational commitment. Which relationships are to be expected?

We focus on various factors of objective job insecurity. The first of these is the general labour market situation as described by regional (county) unemployment levels and by changes in these levels. When unemployment is high or increasing, people may be more insecure or increasingly insecure in their job and their chances of finding work with another employer may be smaller or diminishing. This is more or less independent of a person's current job, but is nevertheless an important security factor (e.g., Berglund, Furåker and Vulkan, 2014). Two different assumptions can be made as to how the labour market situation links up with workers' attitudes to their employing organization. First, because it affects subjective job insecurity, it can be expected – according to the studies referred to above – to have a negative impact on value commitment and willingness to stay. Second, increasing unemployment figures may increase the relative worth of an individual's existing job. The opposite hypothesis is, therefore, that a worsening labour market situation is related to increased value commitment and willingness to stay.

Another indicator of objective job insecurity is the type of employment contract. The results of previous research make it relatively difficult to foresee the outcome for workers on different kinds of contract. Our data allow to distinguish between permanent and temporary employees. On the one hand, temporary jobs may violate the psychological or implicit employment contract between the employer and the employee, which would lead to a negative effect on value commitment. On the other hand, there may be counteracting factors. For example, 'those on short-term contracts have less access to many of the practices and policies which are applied to longer-term employees' and once 'these policies and practices are equalized, those on short-term contracts can be as committed as permanent staff' (Gallie *et alii*, 1998: 245). In other words, it is not the employment contract per se that matters, but rather the conditions that go with it. Yet another aspect is that the risk of a job loss does not have to be perceived as related to fixed-term contracts, but instead to external developments – economic downturn and increasing unemployment (cf. Gallie *et alii*, 1998: 246). In this case we may even expect organizational commitment to increase. We should

also be aware that people on temporary job contracts are not always dissatisfied with their situation. The reason for this may be that they have other plans once the employment period is over; they may, for example, intend to retire or start an education. It is also possible that temporaries want to show the employer that they are strongly committed in order to increase their chances of getting a permanent contract (van Vuuren *et alii*, 1991: Ch. 5).

Cognitive job insecurity involves employees assessing their possibilities of retaining their job. As this is often mixed up with affective components in research on organizational commitment, we do not have much idea about what to expect. One study that does give some guidance, however, is by Huang *et alii* (2010), which shows a negative association between the cognitive dimension (the affective component is treated as a mediating factor) and an overall indicator of organizational commitment. If employees perceive that their job is at risk, they may believe that the implicit employment contract has been breached. This may make them less engaged in and loyal to the organization and less willing to stay. Accordingly we assume that cognitive job insecurity will be negatively associated with both value commitment and willingness to stay in the organization.

A second cognitive aspect related to job insecurity is the option of finding another job in the labour market. As pointed out above, this is related to the labour market situation; in good times there are plenty of vacancies and in bad times there are few. Our hypothesis is that if workers are optimistic about their possibilities of finding something else in the labour market, they are less willing to stay. We prefer not to make any prediction about the relationship with value commitment. In the study by De Cuyper, Notelaers and De Witte (2009), 'employability' was negatively associated with affective commitment in workers on fixed-term contracts and temporary agency workers, but there was no such association in permanent workers.

Affective job insecurity is about emotional reactions to a given situation. Although the affective component may correlate with the cognitive, we believe that they should be treated as two separate dimensions (cf. Anderson and Pontusson, 2007; Berglund, Furåker and Vulkan, 2014; Huang *et alii*, 2010). One affective aspect is satisfaction with job security. As shown in previous research (Gallie *et alii*, 1998: 246-247), this kind of satisfaction is a most important factor in the market-driven sector behind both value and flexibility commitment. We do not apply this division into sectors, but we hypothesize that being satisfied with one's job security makes people more committed in terms of values and more willing to stay with the employing organization.

We also include another affective dimension in our analyses: namely, worry about losing one's job. In this connection, one of the most interesting outcomes in Gallie and co-workers' study (1998: 244-245) is that being anxious about (unreasonable) dismissal may be associated with higher commitment. In contrast to our expectations concerning cognitive job insecurity, this suggests that fear of job loss may bring employees closer to the employing organization. It is even possible that strong commitment makes people worry more about losing their job. The results on the cognitive and the affective aspects, hence, run in different directions.

## Data, variables and methods

The data in this article mainly consist of answers to a survey carried out in Sweden 2010 and 2011. We randomly sampled the employees participating in the regular labour force surveys (LFS), handled by Statistics Sweden. LFS respondents are interviewed by telephone and the selected individuals were asked if they would be willing to answer a questionnaire on security with respect to job, employment and income. A number of LFS variables could thus be added to the dataset, which provided us with a lot of background information on the respondents. After the two steps in the operation of the survey, the response rate for the sample ended up at 54 percent. We use data for 2023 employees 16-64 years of age.

Our dependent variables refer to six items that aim to measure organizational commitment. As mentioned, these items are in practice the same as those used by Gallie *et alii*, (1998: 237-238). Respondents were asked to respond to certain statements by saying whether they reflected very well, rather well, neither well nor badly, rather badly, or very badly their own opinion. To create consistent scales the answers to some of the statements had to be inverted. A principal component analysis divided the responses into two factors, which we label value commitment and willingness to stay. The first category includes the following items: (a) 'I am prepared to work extra hard to help my workplace/organization to be successful'; (b) 'My values and those of the organization are very different'; (c) 'I feel very little loyalty to the organization I work for'; and (d) 'I am proud of the organization I work for'. Willingness to stay is based on two statements: (a) 'I would turn down another job with higher pay to stay in my current workplace'; (b) 'I would take almost any job to remain in my current workplace'. Cronbach's alpha is 0.73 for the index on value commitment. It is, however, only 0.52 for the scale on willingness to stay, but we nevertheless believe that it can be used. In the study by Gallie *et alii* (1998: 239, n.4), the coefficient for basically the same two items was 0.55.

The principal independent variables entail the following: (a) unemployment rate at county level; (b) change (since the year before) in unemployment rate at county level; (c) type of employment contract (temporary/permanent); (d) perceived risk of being laid off in the next 12 months (very large, rather large, neither large nor small, rather small and very small); (e) perceived possibilities of finding another, at least equally good job with some other employer (very large, rather large, neither large nor small, rather small and very small); (f) satisfaction with job security (very satisfied, rather satisfied, neither satisfied nor dissatisfied, rather dissatisfied, and very dissatisfied; and (g) worry about losing job (a great deal, to some extent, a little and not at all). The data on unemployment – variables (a) and (b) – are annual LFS averages, variable (c) is derived from the LFS information linked to our survey, whereas the remaining measures are based on our own questionnaire.

We also include a large number of control variables, inspired by the results from previous research (e.g., Gallie *et alii*, 1998: 242; Huang *et alii*, 2010; Mathieu and Zajac, 1990; Meyer *et alii*, 2002). Age, sex and education are of course among these. Several more or less objective employment and work characteristics are also taken into account: socioeconomic category, weekly working hours, workplace size, employment sector, monthly salary and tenure. Finally we consider respondents' assessments of their control over work, social support at the workplace and overall job satisfaction.

Work control is a variable built on five questions (Cronbach's alpha for the index is 0.81) which capture the extent to which respondents can influence the content of their work, the order in which they perform their duties, their work rate, their working methods and their working hours. Social support is also gauged by an index (Cronbach's alpha = 0.74). In this case, four questions measure whether respondents usually get help from their workmates and their immediate supervisor when they have difficulties at work and whether they are usually appreciated by their workmates and their immediate supervisor for the work they perform. Overall job satisfaction is based on a simple question of the same kind as the one regarding satisfaction with job security.

Table 1 gives some information on the main dependent and independent variables. To begin with, it displays the two measures of organizational commitment. The lowest score on the scale on value commitment is 4 points and the highest is 20 points. Most of the respondents score relatively high; only about 6 percent get 10 points or lower, almost half get 16 points or more and the mean is 15.0. The willingness-to-stay scale contains only two variables and accordingly runs from 2 to 10 points. In this respect, respondents generally score

lower. About half get no more than 4 points and a mere 17 percent get 7 points or more. The average is 4.6.

**Table 1. Measures of organizational commitment and job and employment (in)security. Means, standard deviations, percentages and numbers**

	Mean (SD)	n
Value commitment	15.0 (3.0)	1868
Willingness to stay	4.6 (1.8)	1734
Unemployment rate (county level)	8.4 (1.0)	2023
Change in unemployment (county level)	0.0 (0.6)	2023
	%	
Type of employment contract		
Permanent	10.0	202
Temporary	90.0	1821
Total	100	2023
Perceived risk of being laid off in the next 12 months		
Very large	2.5	48
Rather large	2.9	56
Neither large nor small	9.9	189
Rather small	20.7	396
Very small	63.9	1222
Total	100	1911
Perceived possibilities of finding another equally good job		
Very large	7.7	140
Rather large	28.5	540
Neither large nor small	27.1	513
Rather small	22.4	425
Very small	14.6	277
Total	100	1895
Satisfaction with job security		
Very satisfied	25.2	507
Rather satisfied	44.7	899
Neither satisfied not dissatisfied	20.0	402
Rather dissatisfied	6.0	121
Very dissatisfied	4.1	82
Total	100	2011
Worry about losing job		
A great deal	3.2	62
To some extent	5.9	115
A little	17.3	339
Not at all	73.7	1448
Total	100	1964

The variable on unemployment (rate at county level) varies from 6.6 percent to 10.8 percent. Almost one third of the respondents fall in the range from 7.2 to 8.4 percent and the latter figure is also the mean value. The variable change

in unemployment (still at county level) since the year before runs from -2.3 percentage points to 1.8. Almost half of the respondents are found in the range from -0.2 to 0.2 percentage points. Average change amounts to 0.03 percent (0.0 in the table).

Table 1 also provides information about the type of employment contract among respondents. A total of 10 percent had fixed-term contracts and 90 percent were on open-ended contracts. The proportion of individuals in temporary jobs is thus lower than in the national statistics, where the annual average for temporary employees (aged 16-64 years) in 2010 was 15.8 percent (SCB). In other words, the incidence of this kind of objective job insecurity is somewhat underestimated in our empirical material.

Very few of the people surveyed perceived a real risk of being laid off in the coming 12 months. Just over five percent thought that this danger was very or rather large. As to the variable on the perceived possibilities of finding another equally good job, the proportion of optimists (those who considered these possibilities very or rather large) exceeds 36 percent and the proportion of pessimists (those at the other end of the scale) is about the same. Given the outcome on perceived risk of being laid off in the next 12 months, it is not surprising that most respondents (about 70 percent) were very or rather satisfied with the job security they had. Although only a few (about 9 percent) reported more than a little worry about losing their job, this proportion is larger than the proportion of people who believed this would be likely to occur in the coming year.

The main statistical method applied in the analyses is OLS regressions. We introduce the independent variables successively in four different models. The first of these contains the measures of objective job insecurity and the second adds the variables indicating cognitive job insecurity and employment security. Model 3 takes a further step by including affective aspects of job insecurity, and Model 4 is made up of all the controls. By using different models, it is possible to study how the co-variation between different variables affects their associations with organizational commitment. Although mediation is not the focus of this study, it is still important to examine the changes in estimates between models for the interpretation of the data (Aneshensel, 2002).

## Results

We now turn to the regression analyses of the two organizational commitment indices. Table 2 highlights the outcomes on value commitment in four steps. Model 1 contains only the independent variables based on national LFS data about unemployment level and unemployment change and the LFS information regarding the type of employment contract in our survey. The only variable that comes across as significant is annual change in unemployment rates at county level; an increase in these rates is associated with stronger value commitment. We also note that the coefficient for workers on temporary contracts is negative, although statistically non-significant. The main result in Model 1 is, therefore, that rising unemployment seems to tie workers more to their employing organization and this is a result that holds throughout the models in the table.

**Table 2. Factors associated with value commitment.**  
OLS regressions. Unstandardized coefficients

	Model 1	Model 2	Model 3	Model 4
Unemployment on county level (percent)	-0.06	-0.04	-0.03	0.03
Annual change in unemployment on county level (percent)	0.33*	0.29*	0.33*	0.25*
Employment contract (Open-ended=0)				
Fixed-term	-0.43	0.22	0.91**	0.68*
Perceived risk of losing job in 12 months (scale)		-0.62***	-0.33**	-0.21*
Perceived possibilities of finding another job (scale)		0.17*	0.16*	-0.03
Satisfaction with job security (scale)			1.02***	0.46***
Worry about losing job (scale)			0.41**	0.32**
Sex (Male=0)				
Female				0.34*
Age (45-54 years=0)				
16-24				-0.46
25-34				-0.24
35-44				-0.05
55+				0.09
Education (Lower=0)				
Middle-level				0.53**
Higher				0.29
Socioeconomic category (Manual workers=0)				
Managers				1.65***
Professionals				0.87**
Semi-professionals				0.87***
Service workers				0.51*
Tenure (scale)				-0.01+

	Model 1	Model 2	Model 3	Model 4
Sector of employment (Private=0)				
Public				-0.49**
Workplace size (1-10=0)				
11-19				-0.29
20-49				-0.55**
50-99				-0.29
100-499				-0.33
500+				-0.49*
Weekly working hours (35 hours or more=0)				
1-19				-0.36
20-34				-0.36*
Monthly wage (scale)				0.14**
Work control (scale)				0.07**
Social support (scale)				0.18***
Overall job satisfaction (scale)				1.30***
Intercept	15.56***	15.83***	10.77***	4.28***
Adjusted R <sup>2</sup>	0.00	0.04	0.11	0.38
n	1472			

Levels of significance: + p<0.10; \* p< 0.05; \*\* p< 0.01; \*\*\* p< 0.001.

The respondents’ cognitive assessments have been added to Model 2. The role of annual change in unemployment at county level remains about the same, whereas the sign of the coefficient regarding fixed-term employment now becomes positive but is still not significant. Moreover, we find significant results for the two added variables: perceived risk of losing job within 12 months and perceived possibilities of finding another at least equally good job. The first of these is negatively associated with value commitment, while the second is positively associated. However, in the latter case the original relationship is obviously spurious; it loses significance completely in Model 4 when all the control variables are included. In particular, this has to do with the introduction of the socioeconomic category, which, together with education, is an important factor behind perceived possibilities of finding other work (Berglund, Furåker and Vulkan, 2014). In contrast, the variable perceived risk of losing one’s job remains statistically certified in spite of declining coefficients in Models 3 and 4.

Model 3 introduces two further variables: namely, satisfaction with job security and worry about losing one’s job. They represent people’s feelings about their situation and are both positively associated with value commitment. As expected, people who are satisfied with job security are particularly in tune with the employing organization’s values, but it is more interesting that those who fear a job loss also feel the same way. Furthermore, the latter outcome is completely reversed to the one we found for cognitive job insecurity, which has a strong

bivariate correlation with anxiety for losing one's job. Another noteworthy result is that the type of employment contract now emerges as a statistically significant variable. As a consequence of the control for satisfaction with job security, having a fixed-term job turns out to be positively correlated with value commitment.

The final model (4) includes all the control variables. Although the coefficients are lower – and sometimes considerably lower – the results regarding change in unemployment level, type of employment contract, satisfaction with job security and worry about losing one's job are still statistically significant and perceived risk of being laid off is significant but weakly so. The positive coefficient for satisfaction with job security is less than half the size of that in Model 3, which among other things has to do with the inclusion of overall job satisfaction in the regression.

As we can see, several other variables are important: sex, education, socioeconomic category, sector of employment, size of workplace, weekly working hours, monthly salary, work control, social support and general job satisfaction. These results are all largely as we would expect. As far as the size of the workplace is concerned, the reference category (1-10) scores lower than all the others, but the outcome can only partly be confirmed statistically. Tenure has a weak negative association with value commitment and no associations with age can be verified, although coefficients point in the expected direction.

Table 3 shows the same set of regressions as in Table 2 but in relation to willingness to stay. In this case, it is more difficult to identify the important variables. Model 1 does not generate any statistically significant outcomes at all, so we have to turn to Model 2. The perceived risk of losing one's job and perceived possibilities of finding another equally good job are both negatively linked to willingness to stay. A perception that the risk of being laid off is considerable means less enthusiasm to remain in the organization and the same holds when people think they have a good chance of finding something else in the labour market. The associations with these variables, and particularly the latter, are clearly reduced in Model 4.

**Table 3. Factors associated with willingness to stay. OLS regressions.  
Unstandardized coefficients**

	Model 1	Model 2	Model 3	Model 4
Unemployment on county level (percent)	0.07	0.05	0.06	0.01
Annual change in unemployment on county level (percent)	0.01	0.01	0.01	0.08
Employment contract (Open-ended=0) Fixed-term	-0.25	0.01	0.25	-0.09
Perceived risk of losing job in 12 months (scale)		-0.21***	-0.19**	-0.13*
Perceived possibilities of finding another job (scale)		-0.16***	-0.15***	-0.07+
Satisfaction with job security (scale)			0.39***	0.11*
Worry about losing job (scale)			0.37***	0.32***
Sex (Male=0) Female				-0.12
Age (45-54 years=0) 16-24 25-34 35-44 55+				-0.43+ -0.19 -0.13 0.18
Education (Lower=0) Middle-level Higher				0.06 -0.13
Socioeconomic category (Manual workers=0) Managers Professionals Semi-professionals Service workers				-0.22 -0.30 -0.15 0.12
Tenure (scale)				0.01*
Sector of employment (Private=0) Public				-0.11
Workplace size (1-10=0) 11-19 20-49 50-99 100-499 500+				-0.07 -0.21 -0.39* -0.02 -0.12
Weekly working hours (35 hours or more=0) 1-19 20-34				-0.19 -0.03
Monthly wage (scale)				-0.04
Work control (scale)				0.03+
Social support (scale)				0.07***
Overall job satisfaction (scale)				0.73***
Intercept	4.00***	4.90***	2.78***	0.78
Adjusted R <sup>2</sup>	0.00	0.02	0.05	0.22
n	1379			

Levels of significance: + p<0.10; \* p< 0.05; \*\* p< 0.01; \*\*\* p< 0.001.

The introduction in Model 3 of satisfaction with job security and worry about losing one's job does not affect very much the results for perceived risk of being laid off and perceived possibilities of finding another job. Nonetheless, the two new variables are both positively associated with willingness to stay and are distinctly significant. This meets expectations regarding satisfaction with job security, whereas the pattern concerning those few who are worried about losing their job is more notable. On the other hand, it is in line with what we found in Table 2 and it holds in Model 4 as well. People who show value commitment and willingness to stay are obviously often worried about a possible job loss.

Turning to Model 4, we find some changes to the results in Model 3. All significant coefficients are lower, especially for satisfaction with job security, and the effect of perceived possibilities of finding something else in the labour market is now less certain. The control variables generally seem to be less important than for value commitment, but we find significant outcomes for tenure, social support and overall job satisfaction. All three factors appear to make people more willing to stay with the employing organization. There is possibly also a weak impact for work control, whereas the youngest age category stands for the opposite.

## Conclusion

This study has examined associations between job insecurity and organizational commitment. As indicators of job insecurity or security we used a number of different variables, which were both 'objective' and 'subjective'. Three objective variables were included in the analysis: unemployment rates at county level, changes in unemployment at county level since the year before and type of employment contract. Among the subjective measures two items can be characterized as cognitive: perceived risk of losing one's job within 12 months and perceived possibilities of finding at least an equivalent job with some other employer. The subjective dimension also entails two affective items: satisfaction with job security and worry about job loss. With respect to organizational commitment we focused on two aspects: value commitment and willingness to stay with the employing organization.

When other variables were controlled for, one of the insecurity/security variables – unemployment rates at county level – did not correlate with any of the two dimensions of organizational commitment. All other key variables were important in one way or another. Some of the outcomes are just as expected: perceived risk of losing one's job is associated with lower value commitment and less willingness to stay with the organization, while the opposite pattern appears

for satisfaction with job security. It is common to merge cognitive items with affective items, but we can make comparisons with certain previous studies and our results appear to be very much in line with what they have found (e.g., Gallie *et alii*, 1998: 242-247; Huang *et alii*, 2010).

Other results are more noteworthy: increases in unemployment, temporary employment contracts and worry about losing one's job are linked to higher value commitment. Higher unemployment than the year before seems to make a clear difference because people were more likely to be committed to their employing organization. This indicates that increasing unemployment can make people appreciate their current work and workplace more.

The type of employment contract is also an important factor. Workers in temporary jobs reported higher levels of value commitment, but this result emerged only after controlling for satisfaction with job security. When this kind of satisfaction was taken into account, workers on fixed-term contracts were actually more committed than workers on open-ended contracts. The study by De Witte and Näswall (2003: 175) reached similar conclusions. As these authors suggested, the conditions in which temporary employees work should be further investigated (cf. also Gallie *et alii*, 1998: 245). Some may be satisfied with their situation, for example, because they have no intention of getting a permanent job with the employer. On the other hand, workers on temporary contracts may be eager to show their employer that they really want to stay (cf. van Vuuren *et alii*, 1991: 65–78).

Being anxious about a job loss is not only positively related to value commitment but also to willingness to stay. This would not have been revealed if we had merged the cognitive and affective items on job insecurity. Although they used a somewhat different question, Gallie and co-authors (1998: 244-245) reported similar findings. They suggested that this kind of insecurity makes people value their current job more so they become more committed. This seems reasonable, but it may be necessary to rethink the theoretical assumptions even further to explain the outcomes. It should, therefore, be kept in mind that the number of individuals expressing fear about being laid off is quite low. We would like to point out one more thing: those who care very much about their workplace have a reason to fear a job loss. Some individuals who are strongly attached to their employing organization may worry, as they would find it difficult to replace their current position. The explanatory chain can thus be formulated inversely. Besides this, our results underline the importance of making a distinction between the cognitive and affective dimensions of job insecurity.

We would also like to comment on the results regarding perceived good external job prospects – what we call employment security. According to our analysis, this variable is basically unrelated to value commitment. The original association turned out to be spurious when controls were made. However, we found some evidence to weakly suggest that the perception that one's job chances are good was negatively associated with willingness to stay with the organization; the greater the chance people thought they had in the labour market, the less likely it was that they wanted to remain in the organization.

One of the main conclusions of our study is that a situation with rising unemployment rates and increasing job insecurity may have contradictory effects on employees' commitment to their organization. On the one hand, the decreased satisfaction that goes hand in hand with job insecurity is likely to make people less motivated and committed. On the other hand, the fact that people actually have a job means that this job becomes more important and more valued, which can increase their organizational commitment. It is essential for future research to investigate which of these two tendencies will finally become dominant in shaping individuals' attitudes.

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