



Perceived Job Insecurity and Psychological Distress: The Moderating Role of Work Values

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The changing nature of work these days has brought about issues of psychological well-being of employees affected by organizational change. The present study investigated the moderating effect of work values on the relationship between perceived job insecurity and psychological distress among 202 junior employees of selected public and private organizations in Ghana. Results showed that there is a positive relationship between perceived job insecurity and psychological distress whereas work values moderate this relationship. This implied that employees who value extrinsic aspects of work were highly distressed when job insecurity is also perceived to be high. Results were discussed with reference to the frameworks of psychological contract and latent deprivation theories as well as reviewed literature. The practical implication of the finding is that in times of organizational change, managers or change agents should manage negative feelings associated with the uncertainty of future continuance of one's job and invest in human resource management practices that increase extrinsic values which could ultimately lead to employee psychological well-being.

Keywords: Job insecurity, psychological distress, extrinsic work values, intrinsic work values, psychological contract theory, latent deprivation theory

JEL: A13, I19, J65

Organizational downsizing or decline has become a frequent phenomenon in recent decades due to changes in the world economy. Organizational restructuring regarded as a strategic human resource practice can result in negative consequence of non-adjustment and adverse environmental circumstances for employees. According to Naswall, Hellgren and Sverke (2005), the changing nature of work these days has brought the issue of insecure working conditions to the forefront. Fatimah *et al*, (2012)

indicate that the nature of work is changing at a faster pace even for those who are employed or have survived organizational change. Job insecurity is conceptualized as the unpredictability and lack of control of the future continuance of one's job or employment. According to Hellgren and Sverke (2003), job insecurity is a perceived threat of job loss and the worries or fears associated to losing the job or job features. In other words, job insecurity is based on the individual's perceptions and interpretations of the work environment which explains which attitudes and behaviors employees develop; thereby influencing organizational effectiveness.

Current research on job insecurity perception has been focused on exploring consequences on individuals and organizations as well as potential factors that can limit its consequences. Prominent among the consequences studied were its links to reduced psychological well-being (Caroli and Godard, 2013; De Witte *et al.*, 2010), job satisfaction (Bockerman, Ilmakunnas and Johansson, 2011), reduced trust in employer (Arnold and Staffelbach, 2011), increased turnover intentions (Cheng and Chan, 2008; De Cuyper, De Witte and Elst, 2011), and performance (Cheng and Chan, 2008). Job insecurity was also found to relate negatively with aspects of non-work-related well-being such as life satisfaction and happiness (De Witte, 2005; De Witte, *et al.*, 2012) and problematic social behaviors such as workplace bullying (Baillien and De Witte, 2009; Baillien, De Cuyper, and De Witte, 2009). Other researchers explored individual characteristics such as personality traits (De Witte, Einarsen, and Notelaers, 2010; Greenhalgh and Rosenblatt, 2010), job status (De Cuyper and De Witte, 2009), employability (De Cuyper and De Witte, 2011; Fatimah *et al.*, 2012), job dependency, powerlessness and control (De Witte *et al.*, 2012) and social support (Clark, 2005) as influencing the consequences of job insecurity. From these findings, it is established that certain factors reduce or increase the effects of job insecurity for some employees. This implies that people differ in perception of job insecurity and its detrimental reactions to the individual and the organization.

Though the consequences of perceived job insecurity on the individual could be more salient,

previous studies were concerned more with its organizational outcomes and neglected the well-being of the individual employee. Meanwhile, it is the human capital which is the most valuable asset to the organization. It is therefore apposite to explore psychological distress of the employee during periods of increased job insecurity perception. Psychological distress is conceptualized as a negative emotional condition that is unpleasant, frustrating, irritable, worrisome and anxious resulting from inability to mitigate potential harm or threat (Ridner, 2004). Theoretical work on the consequences of stress for well-being is fundamental to research on job insecurity and health measured through psychological distress. A central proposition of stress research is that anticipation of a stressful event represents an equally important, or even greater, source of anxiety than the actual event itself (Lazarus and Folkman, 1984).

Furthermore, in a bid to offer better explanations as to how perceived job insecurity is linked to psychological distress, we need to explore intervening variables that can strengthen or weaken the relationship. In this instance, we need to identify variables that will reduce the relationship between perceived job insecurity and psychological distress.

In particular, work values are critical in understanding job insecurity because they influence how the insecurity situation is interpreted and hence the reaction. Work values are personal values that are related to attitudes and behavior at work. According to Ucanok (2009), work values are enduring beliefs about work which guide actions, attitudes and judgment

in work context. Our personal values are reflected in work values we hold depending on the content of the work (content-oriented values) and context of work (context-oriented values). Employees who are content-oriented are intrinsically motivated, achievement oriented, hardworking, strive to reach apex of career and seek challenges, have higher education and occupy senior positions, and are high on organizational commitment. In contrast, employees who focus on the context of work are extrinsically motivated and are concerned with high salary, job security, pleasant physical working environment and other fringe benefits, social status and comfort. McCauley *et al*, (1997) describe them as individuals who view their work as a job and are engaged in their work only for the material benefits they receive from it. These individuals perceive work to be nothing more than a means to a financial end. As a personal value, work values can be relatively constant even during crises periods and could influence the individual consequences of job insecurity perception. The dearth of empirical studies in this regard makes the understanding of job insecurity and its associated variables shallow in the industrial and organizational psychology literature. This is because periods of insecurity would severely affect employees with particular work values. Work values and job insecurity perception are again critical factors that might influence employee psychological health and organizational effectiveness in general.

Therefore, the main aim of the study was to unravel underlying theoretical concepts that have high predictive and explanatory ability of job

insecurity perception and psychological distress. Specific objectives were to investigate the relationship between perceived job insecurity and psychological well-being as well as the moderating role of work values in this relationship.

LITERATURE REVIEW

Employees' reaction to job insecurity perception is explained by the psychological contract theory (Rousseau, 1995). Thus, the negative outcomes associated with perceived job insecurity are conceptualized to be as a result of breach of the psychological contract. This study theorized that the extent to which people are aggrieved by breach of the contract resulting in perception or actual loss of the job or significant features of the job, is moderated by the extent of loss of the key things they value in the work they do during the period. Jahoda's (1982) Latent Deprivation theory emphasizes the specific set of values associated with the work context or the reason for such values especially, when they are deprived of those values. In other words, people who perceive losing important work/job and the things it offers will be impelled to show certain work outcomes and become psychologically distressed.

Perceived Job Insecurity and Psychological Distress

Job insecurity (perceived) generally generates stress reactions. These stress reactions propel the individual to engage in activities to either cope with the situation or remain helpless. Indeed, the experiences of uncertainty concerning future employment are likely to have severe

consequences for an employee's overall life situation, in as much as economic and other highly valued aspects of life will be perceived as threatened. Individual's need for income, social contacts, opportunities for personal development and a more structured life which employment provides, are threatened in an insecure employment situation. The reasoning is that individuals who experience a threat to these vital features (economic, social and personal aspects) of life, and are uncertain as to how to protect them will be frustrated and experience distress (De Witte *et al.*, 2012). Previous studies have found a positive relation between perceived job insecurity and psychological distress. Caroli and Godard (2013) estimated the causal effect of job insecurity on health in a sample of 22 European countries. Using cross-country data from the 2010 European Working Conditions Survey, they showed that job insecurity deteriorates almost all health outcomes such as self-rated health, being sick in the past 12 months, suffering from headaches or eyestrain, depression and anxiety. Burgard, Kalousova and Seefeldt (2012) examined the association between perceived job insecurity and health with the Michigan Recession and Recovery Study. They used 442 respondents who perceived their jobs to be insecure and 443 who reported to be in a secure job condition and used logistic regression to compare their health. Compared to secure workers, insecure workers were significantly more likely to report major or minor depression and to report anxiety even after controlling for their less advantaged socio-demographic characteristics, poorer prior health, and higher likelihood of recent unemployment.

This outcome is suggestive of further mental health consequences for employees who though employed but are in unstable work environment. Studies of this kind are needed in not only Ghana but other sub-Saharan African countries where turbulent economic conditions create fears of job loss for the already employed.

Fatimah *et al.* (2012) investigated the moderating effects of employment security on job security and job satisfaction and well-being among workers in the banking and manufacturing sectors who were most affected by the 2008 economic downturn. They randomly selected 600 workers and administered a set of questionnaire comprising of Employment Security Scale, Job Security Scale, Job Satisfaction Scale and Well-Being Scale. Their results using multiple regression analysis showed that employment security did not moderate the relationship between job security and job satisfaction and well-being of workers. However, job security had a direct relationship with job satisfaction and well-being of workers. Thus, result from this study implied that it was not the employment security that worried the workers but the security of their job that impacted on their job satisfaction and well-being. De Witte and colleagues (2012) also explored the mediating role of frustration of psychological needs in the relationship between job insecurity and work-related well-being. Based on the Self-Determination Theory, frustration of the psychological needs for autonomy, belongingness and competence was expected to explain the associations between job insecurity and emotional exhaustion and vigor. Data from a sample of 3185 Flemish employees confirmed

that frustration of the three needs mediated the association between job insecurity and health outcomes. These studies suggest that job insecurity is related to impaired work-related well-being, because it frustrates employees' psychological needs. Their study contributes to growing body of research on the theoretical explanations of the negative consequences of job insecurity for employees' work-related well-being.

In sum, these studies make a strong explanation for the association between perceived job insecurity and psychological distress. The main explanation is that when employees are made to perceive high job insecurity, their psychological well-being is reduced. Though organizations in Ghana could also be affected by the complexities of perceived job insecurity and its related consequences on individual employees, these findings and explanations lack ecological validity to the current context of the study. With most of the studies reviewed above conducted in Western cultures, the findings and explanations might not be applicable in the Ghanaian socio-cultural context. This situation raises the research question: Does perceived job insecurity increase psychological distress of employees in the Ghanaian organizational context? Based on the theoretical and empirical evidence from the literature reviewed, it is hypothesized that:

H₁: There will be a significant positive relationship between job insecurity perception and psychological distress.

Moderating Role of Work Values

Following from the recommendations of Greenhalgh and Rosenblatt (1984) that future researchers unravel more powerful conceptual models that offer high predictive and explanatory ability of job insecurity, we explore work values as accounting for the relationship between perceived job insecurity and psychological distress. We argue that work values are very critical to this relationship as they are personal beliefs or values that shape employees' attitudes and behaviors and often remain relatively constant during crises periods.

Generally, a value is an internalized standard criterion for guiding one's action, for developing and maintaining attitudes, for justifying one's own and others' actions and attitudes, for morally judging self and others and for comparing oneself and others. Values have also been conceptualized as cognitive representations of universal needs (Schwartz, 1992), as enduring states of a proper social behavior (Ball-Rokeach and Rokeach, 1989), as trans-situational criteria or as goals ordered by importance as guiding principles in life (Burgess *et al.*, 2001). Work values are goals, results, or characteristics that can be found in a job (Meaning of Working, International Research Team, 1987). Arciniega and Gonzalez (2005) consider work values as cognitive representations of universal needs that are expressed through trans-situational goals in the work setting and ordered by importance. Differences in work values will influence how the changes in the psychological contract are interpreted and likely to affect employees. Periods of job insecurity in particular would severely affect individual employees with certain

work values. According to Selmer and Waldstrom (2007), work values are relevant individual characteristics since it is difficult to disentangle values from motivational behavior.

Studies that tend to expand practical and theoretical issues on work values imply that as employees value extrinsic needs of work, they are more likely to suffer from job insecurity and its related reactions because the state of being insecure implies not being able to attain and retain those needs of work. Extrinsic work values focus on the consequences or outcomes of work—the tangible rewards such as income, advancement opportunities, and status that are external to the individual, so that perceived job insecurity relates to a perceived seizure or deprivation of those rewards or needs (Schwartz, 1992). Specifically, the job insecurity situation offers no guarantee for securing those rewards, and this may lead employees to experience increased psychological distress.

In conclusion, there are theoretical and empirical basis to consider and formally test work values as a potential moderator in the relationship between perceived job insecurity and psychological distress. Despite the theoretical and empirical significance of work values and its potential contribution to the understanding of job insecurity and psychological distress, to date, no study to the researchers' knowledge has contributed to our understanding of how work values moderates the relationship between perceived job insecurity and psychological distress. This raises the research question: Does work values influence the relationship between perceived job insecurity and psychological

distress in the Ghanaian Organizational context? It was therefore hypothesized that:

H₂: Work values moderate the relationship between perceived job insecurity and psychological distress.

The conceptual framework is presented in Figure 1.

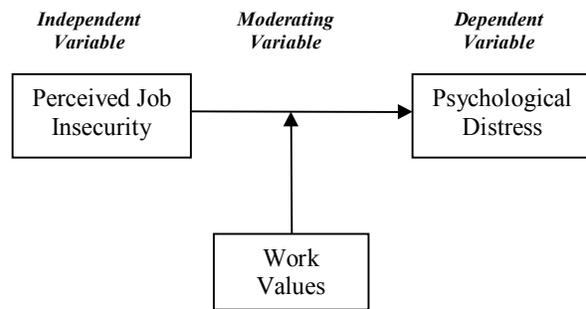


Figure 1. A Conceptual Model showing Hypothesized Relationships amongst Independent, Moderating and Dependent Variable

METHODOLOGY

Study Design

A quantitative cross-sectional survey and predictive correlational design were employed for the study. A cross-sectional survey method was chosen because respondents from the various organizations sampled were not only from different organizations but also comprised employees with varying academic backgrounds, marital status, tenure, age, and sex. The study was predictive correlational in nature as it sought to investigate the predictive relationship between perceived job insecurity and psychological distress. Multiple regression analysis was used to test the extent of this predicted relationship and the moderating role of work values on the relationship between perceived job insecurity and psychological distress.

Sampling and Procedure

A two-stage sampling procedure was adopted in the study. The first stage involved selection of organizations while the second stage involved selection of participants. Non-probability sampling strategies were employed involving purposively selecting organizations where job insecurity was a salient issue to employees as a result of existing and emerging organizational changes in order to facilitate the testing of the variables in the study. With this type of sampling, the researcher was able to get the opinions of the target population that are relevant to the purpose of the present study. However, the selection of participants for the study was done using convenience sampling method. This method ensured that participants who were interested in the study and willing to be involved were selected. As a result, a multinational telecommunication company, two insurance companies and a revenue authority were the selected organizations. In accordance with the guidelines regarding organizational research, permission was officially obtained from the Human Resource department of these organizations. Questionnaires were administered manually with the assistance of research volunteers. Instructions were clearly given, as well as, the purpose of the research. Each questionnaire was accompanied by an envelope into which participants were instructed to place completed questionnaires and seal. This ensured confidentiality since no other person opened the sealed envelopes except the researcher. A total of 250 questionnaires were administered and a response rate of 80.8 percent, i.e. 202 cases

were successfully screened and included in the final analysis.

Sample

The sample consisted of 124 males (61.4%) and 78 females (38.6%). The male dominance in the sampling may be a reflection of the gender ratio in the Ghanaian working population. The 2010 population census estimated only 8 percent of women to be in formal sector employment with women specifically representing 39 percent in public/civil service. Age of respondents ranged from 25 to 69 years ($M=36.40$; $SD= 9.37$ years). Educational level ranged from primary/secondary level to degree level with more respondents having gained a tertiary education; earning professional certificates or degrees (76.5%). Majority of the respondents were married (72.5%) whilst the remaining 27.5 percent were unmarried or widowed. Number of dependents was found to be in the ratio 4:1; thus 1 respondent to 4 dependents. Job tenure of respondents ranged from 2 to 32 years ($M=13.82$; $SD=9.09$ years).

Instruments

Work Values were measured by sampling 10 work-related criteria measuring the dimensions of extrinsic and intrinsic work values based on Wang's (1996) two major realms of terminal and instrumental dimension-measuring inventory for work values. These dimensions are akin to intrinsic and extrinsic needs of work. In contrast to previous researchers who measured these dimensions as a categorical variable, for quantitative advantage of measuring variables in testing theories rather than developing one, the researchers adapted Wang's (1996) criteria and

quantified the items on a 7-point Likert scale. The *alpha* reliability score was .71, which is acceptable (Nunnally, 1978) and did not differ from psychometric properties reported by a previous research (Ho, 2006). Data for the present study was normally distributed showing skewness value of .05 and a kurtosis value of $-.52$ which are within the acceptable values of ± 1 (Fidell and Tabacknick, 2007). All 10 work-related values were factor loaded using principal components analysis (PCA). Varimax rotation revealed the presence of simple structure with two components showing a number of strong loadings, and all variables loading substantially on only one component. The factor solution explained a total of 58.8 percent of the variance with Component 1 (extrinsic work values) explaining 34.7 percent. Job security, earning income, less stress on the job, opportunity for advancement or promotion, good relationships with superiors and co-workers and good physical working condition strongly loaded on extrinsic work values whiles work variety, participation in decision making, interesting job and work autonomy strongly loaded on intrinsic work values (see Table 1, Appendix-I). This analysis supported evidence of the intrinsic-extrinsic work values dimensions in the current setting. Also, the Cronbach's *alpha* of these dimensions were very reliable (extrinsic work values = .84, intrinsic work values = .74). Respondents were asked to indicate on level of agreement which job criteria they considered to be ideal for their current jobs and were made to indicate the extent to which they agree or disagree with the criteria as related to their ideal job or work. Possible scores ranged

from 7 to 70 with higher scores indicating extrinsic work values.

Though there are existing scales measuring perceived job insecurity in the literature, twelve (12) items were adapted from some previous job insecurity studies (Goslinga and Sverke, 2003; Hellgren and Sverke, 2003; Storseth, 2006; Storseth, 2007). This is because no one particular existing scale measured job insecurity perception comprising of cognitive and affective as well as qualitative and quantitative components. This was done to ensure the suitability of the scale to the present population as well as increase their reliability and validity in the Ghanaian context. Principal component analysis (see Table 2, Appendix-II) indicated insecurity and security dimensions of the scale but security items were reverse scored so that high scores indicate high perceived job insecurity. The entire scale had *alpha* reliability score of .64 but the dimensions had higher *alpha* scores (insecurity = .88, security = .68). The data was normally distributed showing skewness value of .28 and a kurtosis value of $-.81$. All items were scored on 7-point Likert scale hence total scores ranged from 12 to 84.

The 12-item version of the General Health Questionnaire (GHQ-12; Goldberg, 1979, cited in De Witte *et al.*, 2010) was adopted to assess psychological distress. This is a test developed for detection of non-psychiatric disorders, and has previously been used in job insecurity research (De Witte *et al.*, 2010). The GHQ-12 was also indicated to be useful in work setting; yielding *alpha* equals to .89. It covers levels of

self-confidence and ability to enjoy oneself even in the midst of the uncertainty and uncontrollability associated with job insecurity. On a Likert type scale format, it is anchored with response alternatives depending on the item from 1 (better than usual or not at all or more so than usual) to 4 (much less than usual or much more than usual). The *alpha* reliability score for the scale was .70 and data was normally distributed showing skewness value of .47 and a kurtosis value of -.52. Factor analysis showed the data was valid in the present population with distress items contributing 28.6 percent and well-being items explaining 19.8 percent of the item variance (see Table 3, Appendix-III). Their reliability coefficients were also acceptable (distress= .72 and well-being=.60). Well-being items were reverse scored, thus possible total

The demographic information also enabled the researcher to give a vivid description of the sample used. Dummy variables were computed for gender, educational level and marital status to mean, 0 for *male* and 1 for *female*, 0 for *secondary education* and 1 for *tertiary education* and then 0 for *married* and 1 for *not married* respectively. Age, tenure and number of dependents were measured in numeric.

RESULTS

Analyses were conducted with the aid of SPSS. Preliminary analyses were conducted in order to ascertain the descriptive statistics, reliability coefficients and correlation matrix for key study variables. These indices ensured the data met the assumptions for use of parametric statistical test such as regression analysis.

Variable	<i>M</i>	<i>SD</i>	1	2	3	4	5
1. Age	36.38	9.37					
2. Tenure	13.82	9.09	.10				
3. Work Values	43.72	7.89	.21**	.02	(.71)		
4. Perceived Job Insecurity	43.04	9.37	.06	.24**	.20**	(.64)	
5. Psychological Distress	24.57	6.62	.17*	.02	.18*	.36**	(.89)

n = 202

**p* < .05

***p* < .01

Table 4. Descriptive Statistics, Reliabilities and Correlation Matrix

scores which ranged from 12 to 48 meant that higher scores reflect higher psychological distress.

Demographic factors such as gender, age, academic qualification, marital status, number of dependents and tenure with the organization were also explored. These variables are noted control variables whose influence could offer alternative explanations in the direction of the perceived job insecurity-psychological well-being relationship.

Hypotheses Testing

Stepwise linear regression was conducted to explore the relationship between perceived job insecurity and psychological distress. Results of the analysis were presented in Table 5.

Results from Table 5 show that control variables significantly predicted psychological distress, R square equals .09 [F (6, 183) = 4.13, *p* = .001]. Nonetheless, holding their effects constant, perceived job insecurity significantly

predicted psychological distress over and above the control variables, R square change equals to .11 [F (1, 182)=27.15, $p < .001$]. Thus, the unique contribution of perceived job insecurity

Predictors	Psychological Distress		
	B	R ²	ΔR ²
Step 1			
Control variables ^a		.13	
Step 2			
Perceived Job Insecurity	.37***	.23	.11***

n = 202; ^a Control variables (Gender, educational level, marital status, age, number of children/dependents, tenure)
*** $p < .001$

Table 5. Results of Regression Analyses for Perceived Job Insecurity

was significant, explaining about 23 percent of the variance in psychological distress. This confirms the first hypothesis which stated that ‘*there will be a significant positive relationship between job insecurity perception and psychological distress*’; implying that when employees perceive job insecurity to be high, they are likely to be highly distressed.

Hypothesis 2 predicted that work values would moderate between perceived job insecurity and psychological distress. This hypothesis was tested using the stepwise regression as proposed by Baron and Kenny (1986). To reduce the effect of extraneous variables that were found to be related to the dependent variable, control variables were entered in the first step, the independent and moderator variables in step two, and in step three, their interaction term. First of all, perceived job insecurity (PJI) was related to psychological distress ($r = .24$, $p < .01$) and work values (WV) were also related positively to psychological distress ($r = .18$, $p < .05$). These results met the assumption for conducting

moderation analysis. Secondly, PJI, WV and psychological distress (PD) scores were centered by subtracting their mean from all values so the mean is zero. The next step was to create the interaction term by multiplying the centered PJI and the centered WV (PJI×WV). The centered PD was then regressed on centered control variables, PJI & WV and their interaction term. The results are presented in Table 6.

Predictors	Psychological Distress		
	B	R ²	ΔR ²
Moderator analysis			
Step 1			
Control variables ^a		.09	
Step 2			
Perceived Job Insecurity	.34***		
Work Values	.09	.24	.12***
Step 3			
Perceived Job Insecurity× Work values	.14***	.26	.02***

n = 202; ^a Control variables (Gender, educational level, marital status, age, number of children/dependents, tenure)
*** $p < .001$

Table 6. Results of Moderator Regression Analyses for Psychological Distress as a Function of Job Insecurity Perception and Work Values

As predicted, the interaction term between perceived job insecurity and psychological distress was statistically significant. A complete moderation occurred as the effect of perceived job insecurity on psychological distress reduced with the addition of the moderator, work values. Moderating effect explained 26 percent of variance in psychological distress. It predicted significantly over and above control variables, perceived job insecurity and work values, R square change equals to .02, [F (1, 180)=5.06, $p = .03$] Therefore, the hypothesis that ‘*work values would moderate the relationship between*

perceived job insecurity and psychological distress was supported. This means that the more employees value extrinsic needs of work, the more they are likely to perceive job insecurity and become psychologically distressed. Inversely, the more work values tend to be intrinsic, the less the perception of job insecurity and its associated psychological distress.

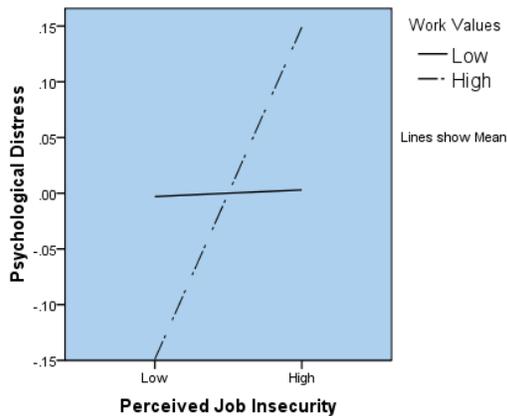


Figure 2. Interaction between Perceived Job Insecurity and Work Values Predicting Psychological Distress

From Figure 2, the form of interaction supports the moderating hypothesis that the psychological distress for employees reporting increasing work values (thus extrinsic work values) rapidly and positively increases as perceived job insecurity increases. Simply put, perceived job insecurity–psychological distress relationship was strongest when employees reported higher levels of work values than when they reported lower levels of work values (intrinsic work values).

DISCUSSION

The moderating effect of work values on the perceived job insecurity–psychological distress relationship indicates that employees with increasing work values measured as extrinsic

values perceived high job insecurity and therefore experienced its negative reaction of psychological distress. To explore the results further, respondents were made to rank the 10 work values and it was reported that extrinsic work values of job security, income/pay, opportunities for advancement and good physical working conditions happened to be most highly preferred. This means that compared to studies elsewhere (e.g. New Zealand, US, UK and Germany), how interesting and challenging a job is mattered less to junior employees in Ghana. Pay and job security mattered most than the other factors as these were consistently ranked highest by respondents. The participants for this study were junior staff employees whose level of insecurity perception may be high according to the literature on risk factors for job insecurity (Naswall, Hellgren and Sverke, 2002). For instance, it was found that highly qualified workers were found on the average to place more emphasis on self-growth, self-realization and self-esteem than less qualified ones (Ho, 2006). The present employees may be described as being in less optimal jobs whose economic or non-economic resources (such as social support) as well as psychological attributes (such as resilient personality characteristics) may be inadequate to curtail the negative consequences of stress induced by the perception of job insecurity. This further culminates in their reported increased psychological distress. This is in line with the fact that extrinsic work values focus on the consequences or outcomes of work like the tangible rewards (income, advancement opportunities, and status) which are external to

the individual. This implied that perceived job insecurity relates to a perceived seizure or deprivation of those rewards or needs, thereby creating feelings of psychological distress within the individual.

Relatedly, the incidence of increasing psychological distress as a function of perceived job insecurity is the negative impact of the perceived threat of job loss on the family and other dependents, considering the extended family system in Ghana. This is in line with Probst and Lawler's (2006) finding that although individualist and collectivist cultures report generally equivalent outcomes under conditions of perceived job insecurity, collectivists reacted more negatively to the announcement of organizational transition, exhibited more negative job attitudes, and reported higher job-related stress levels when their perceived job security was low compared to their more individualist counterparts. Threat of loss of the job means an end in income to not only the employee but other extended family dependents. Even the thought of other people getting to know of one's job loss could be traumatizing; let alone not being able to fend for one's family. The latent deprivation theory also documents needs which can be satisfied by employment, such as earning an income, having social contacts outside the family, being able to structure one's time and to develop individually and socially. Therefore, losing the job would mean losing these needs which are similar to the elements of extrinsic work values (De Witte *et al.*, 2012). It implies that the relative importance attached to these needs affects the perception that the needs would be

lost in the future and the latter greatly influences the general as well as psychological well-being.

CONCLUSION

The outcomes of the present study are of relevance to human resource management practice and policy and to theory advancement. Organizations are continuously challenged with increased competition, technological advancement and organizational restructuring to meet up with increased uncertainty engulfing organizations worldwide. This means that organizations are becoming organic rather than mechanic, adapting to changing trends. There is therefore a paradigm shift from 'organizations that learn' to 'learning organizations'. It implies that the use of the human resource in getting work done is fast becoming a pervasive reality in organizations and as such there is a need to understand individual dynamics regarding the intrinsic and extrinsic values of work in order to effectively motivate, thereby getting the best out of employees. This work has paved the way for a new research into job insecurity in Ghana.

CONTRIBUTIONS

The present study contributes to knowledge base and fills research gaps in the organizational and management literature as well as offers practical implications for workplace planning and policy.

The study investigated the moderating effect of work values on the relation between the perceived job insecurity-psychological distress relationships. It adds to the limited knowledge base about the moderating role of work values between job insecurity perception and individual outcomes. This study is therefore a starting point

for future researchers from which they can develop this model within other fields of human endeavor. The study is also useful to practitioners in the service oriented industries as the sample of the study may lend credence to the fact that issues of employment security are of greater concern to employees in the service industries. In addition, these results were obtained in the Ghanaian culture, a culture that is classified as collective as opposed to the individualist culture of the West where major previous studies on job insecurity had been conducted. It is worthwhile to produce indigenous research agenda on these variables in the present setting.

IMPLICATIONS

The outcome of this study provides potentially valuable information for managers in terms of understanding what relationships exist between work values and psychological distress especially in organizations facing job instability. It is essential that managers become aware of the role of work values of their employees so as to improve the factors that perpetuate a reorientation towards those values that promote organizational effectiveness. This means a need to understand, inspire and affect the thinking of employees and subsequently generate positive work values in order to reduce the negative reactions of perceived job insecurity. Also, in times of job instability, the uncertainty and uncontrollability that often characterize the situation should be reduced by providing adequate information. Employees should be made to feel less tensed in order to curtail the worries that accompany the situation resulting in psychological distress.

LIMITATIONS

The instruments used may not measure all known work values, subjective job insecurity and psychological distress that an individual may possess at the particular period of the study. The information gathered through self-report may also leave participants to their own personal interpretation and this could have inflated the results or otherwise, thus, the relationships established may be due to common method variance. Though data handling was confidential, the fact that volunteers within the same organizations facilitated the data collection process may have biased the responses. Thus, they may have selected to distribute the questionnaires to staff that are close with them, as well as, those who appeared interested in filling and returning the questionnaires. Accessibility to each and every respondent was difficult because the researchers were not granted the opportunity as it would have interrupted normal work. Another limitation of the study is the proportion of variance in the outcome variable explained by the predictor variables. Although significant, these figures were below 50% suggesting that other variables not included in this study could greatly influence psychological distress.

FUTURE RESEARCH DIRECTIONS

Based on the limitations of this study, the following areas of investigation are recommended for future research in academia and practice. The study used a cross-sectional survey design. Future research should consider alternative methods such as longitudinal study by measuring

latent variables at various stages. This is needed in order to validate findings over time and to shed clarity on the direction of causality and temporal sequence of the relationships. Multi-rater data collection procedures may also be employed in future research. A cross-cultural research comparison would also be worthwhile in order to determine if the current findings can be replicated in other populations and to investigate possible cultural differences. The findings may also have limited generalizability, hence future studies could use this same approach to replicate these results in other types of organizations or institutions whether urban, rural or mixed; private or public; and/or including different professions; such as teachers, nurses, doctors, in Ghana so as to increase validity of findings. The study indicated that several other factors might have affected the relationship among variables. Therefore, additional variables should be evaluated in future research. Until more is known about the moderators of perceived job insecurity–reactions relationships, designing intervention studies to correctly attribute causality and to determine how management can reduce psychological distress among employees remain tentative. It is also recommended that future researchers explore qualitatively what constitutes work values as this may be setting dependent.

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Appendix-I

Items	Factors		C ¹
	Extrinsic work values	Intrinsic work values	
Job security	.854		0.780
Earning income	.806		0.656
Stress on the job	.756		0.575
Opportunity for Advancement, upgrading or promotion	.735		0.570
Good relationships with superiors and co-workers	.712		0.509
Good physical working condition	.640		0.415
Task/work variety		.875	0.765
Participation in decision making		.841	0.733
Interesting work		.746	0.558
Work/task autonomy		.547	0.320
% of variance explained	34.72	24.08	58.81

Factor loadings < .3 are suppressed.

C¹ = Community Coefficient

Table 1. Factor loadings based on a principal components analysis for 10 items from the adapted work values scale (n = 202)

Items	Factors		C ¹
	Job insecurity	Job security	
I am worried about having to leave my job before I would like to.	.955		0.896
I am concerned about the possibility of being laid off.	.856		0.833
I feel uneasy about losing my job in the near future.	.784		0.880
Reductions in conditions of service are frequently discussed.	.827		0.822
I am confident that this organization will continue to need me my services even in times of lay offs		.302	0.887
There are rumors concerning changes, such as cuts in overtime, pay and labor in this organization	.510		0.864
My future career opportunities for advancement in this organization are favorable.		.463	0.906
My job performance history will protect me from losing my job in this organization		.583	0.567
In my opinion, I will have a job in this organization for as long as I want it		.542	0.426
I have enough power in this organization to control events that might affect my job		.587	0.664
In this organization, I can prevent negative things from affecting my work situation		.451	0.795
I understand this organization well enough to be able to control things that affect me		.865	0.854
% of variance explained	30.84	20.20	51.04

Factor loadings < .3 are suppressed.
C¹ = Communalilty Coefficient

Table 2. Factor loadings based on a principal components analysis for 12 items from the adapted perceived job insecurity scale (n = 202)

Items	Factors		C ¹
	Distress	Well-being	
Have you been able to concentrate on whatever you are doing?		.435	0.785
Lost much sleep over worries?	.872		0.814
Felt that you were playing a useful part in things?		.899	0.828
Felt capable of making decisions about things?		.385	0.686
Felt constantly under stress?	.718		0.819
Felt you couldn't overcome your difficulties?	.626		0.753
Been able to enjoy your normal day-to-day activities?		-.348	0.467
Been able to face up to problems?	.065		0.646
Been feeling reasonably happy, all things considered?		.663	0.692
Been feeling unhappy or depressed?	.789		0.673
Been losing confidence in yourself?	.815		0.742
Been thinking of yourself as a worthless person?	.758		0.730
% of variance explained	28.60	19.80	48.40

Factor loadings < .3 are suppressed.

C¹ = Communality Coefficient

Table 3. Factor loadings based on a principal components analysis for 12 items from the General Health Questionnaire- GHQ-12 (n = 202)