

Predictors and Consequences of Job Insecurity: Comparison of Slovakia and Estonia

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Abstract

Job insecurity is a significant current social issue in many European countries. Slovakia and Estonia significantly differ in the prevalence of job insecurity. The main aim of the present study was to compare Slovakia and Estonia in regard to job insecurity by looking at socio-demographic, job and organisational predictors and individual and social consequences based on ESS round five data. The secondary aim was to examine relationships between job insecurity and its predictors as well as job insecurity and its consequences. The analysis covered employed people with unlimited or limited contracts, working 40-50 hours per week, within the age range of 20-60. The results suggested significant differences in the predictors of job insecurity for Slovakia and Estonia. However, the individual, social and economic consequences of job insecurity were similar for both countries. This study contributes to an enhanced understanding of job insecurity predictors and consequences in the European region.

Keywords: job insecurity, predictors, consequences, European Social Survey.

Introduction

Due to increased global competition, economic recession and industrial restructuring the threat of job loss is a rising social problem across Europe. Nevertheless, the levels of perceived job insecurity are not equal in all European countries. This diversity in perceived job insecurity might be assigned to various different factors, among which the most important seem to be the unemployment rate, trade union activities, welfare, regulation of the market and the overall state of the economy. However, it is not the ambition of this study to evaluate every single factor that might be causing different levels of threat of job loss, since job insecurity is a complex and complicated phenomenon. Because of its complexity it is only understandable that a rich body of literature has been produced in the last 30 years (De Witte, Cupyer, Handaja, Sverke, Näswall & Hellgren, 2010; Kinnunen & Mauno 1998; Kinnunen, Feldt & Mauno, 2003; Mauno & Kinnunen, 1999). A few studies summarised the findings of the previous theoretical articles (e.g. De Witte, 2005). Based on the results of previous studies, two meta-analyses (Sverke, Hellgren & Näswall, 2002; Cheng & Chan, 2008) were done with a focus on job insecurity consequences. Data from the European Social Survey also contributed to a few publications, most of which were created from ESS R5 and ESS R2 (Meer & Wielers, 2014; Beatson, 2014; Wroe, 2014; Erlinghagen, 2007; Scherer, 2009). In these studies, numerous European countries were compared in different contexts in regard to job insecurity. Nevertheless, there have not been any comparative studies yet that have examined only two countries, more specifically two countries whose levels of perceived job insecurity are remarkably different. Thus, the aim of the present study was to compare Estonia and Slovakia. The hypothesised predictors of job insecurity were categorised

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into three groups: demographic characteristics (age, gender, education), job characteristics (type of job contract, job advancement, employability, replacement), and organisational characteristics (downsizing, changes in economic situation, restrictive changes at the workplace).

Job insecurity

One of the early definitions of job insecurity was formulated by Greenhalgh and Rosenblatt in a groundbreaking article (1984, p. 438) where they described job insecurity as "...perceived powerlessness to maintain desired continuity in threatened job situation." Over the next 30 years, a myriad of definitions was composed, however, they all possess the same main characteristics as summarised by De Witte (2005): subjective perception, uncertainty about the future, unwillingness and powerlessness.

An examination of job insecurity has been approached via two main concepts. A multidimensional concept, developed by Greenhalgh and Rosenblatt (1984), represents a broader understanding of job insecurity. It draws upon the belief that job insecurity is not solely based on a threat to the current job but it also contains the threat to important job characteristics. On the other hand, the global concept, which is more straightforward, represents a perception of job insecurity as a potential threat to the job itself.

In 1999 Hellgren, Sverke and Isaksson (1999) noted that it is important to distinguish between quantitative and qualitative job insecurity, whereas quantitative job insecurity is perceived similarly to the global concept, and qualitative job insecurity is perceived similarly to the multidimensional concept. Thus, qualitative job insecurity takes into account not only the threat of job loss but also the threat of a decrease in the quality of a job, for instance, via worsening job conditions or a reclassification of the position.

Another approach distinguishes cognitive and affective job insecurity. Affective insecurity is perceived as a derivative from the cognitive appraisal of perceived job insecurity (Sverke & Hellgren, 2002). When measuring affective insecurity, items are usually formulated in the following way: "I worry about my job," whereas cognitive items use different wording, for example, "I think I could be dismissed". Furthermore, Pienaar, De Witte, Hellgren and Sverke (2013) stressed the importance of distinguishing between these two types of job insecurity, as they might be associated with different consequences. Results of the study conducted by Huang, Lee, Ashford, Chen and Ren (2010) and Huang, Niu, Lee and Ashford (2012) suggested that affective insecurity is associated with mental strain while cognitive insecurity is more connected to work aspects such as job satisfaction or job commitment.

Based on items available in the European Social Survey (ESS), this study adapted global, quantitative and cognitive approaches to job insecurity. The present study focuses on both the predictors and consequences of perceived job insecurity. The aim is to expand the knowledge about the predictors of job insecurity and, if present, about its consequences as well.

Socio-demographic characteristics as job insecurity predictors

The most common socio-demographic variables examined in the research of job insecurity are age, gender and education. There is no clear association between age and job insecurity. Näswall and De Witte (2003) found a relationship between age and perceived job insecurity. However, the relationship differed in selected countries. A significant positive correlation between job insecurity and age was confirmed for Belgium and Italy, a significant negative correlation for Sweden, and for the Netherlands the correlation was not significant. Munoz de Bustillo and de Pedreza (2010) found out that being younger than 25 reduces the probability of feeling insecure about a job. According to the study by Ito and Brotheridge (2007), age was significantly related to job insecurity in a Canadian sample of civil servants. In their study, Munoz de Bustillo and de Pedreza (2010) concluded that gender is not an explanatory variable for subjective job insecurity in countries like Spain, the Netherlands,

Germany, Belgium and Finland. But they also pointed out that when using a model that includes only demographic variables and type of contract, gender was a significant predictor of job insecurity for employees from Spain, the Netherlands, Germany and Belgium. Other studies concluded that gender (female) is positively associated with higher job insecurity (Ito & Brotheridge, 2007; Låstad, Berntson, Näswall, & Sverke, 2014). Näswall and De Witte (2003) found out that in the Belgian and Italian samples, those with lower levels of education exhibited higher levels of job insecurity. The same conclusion was drawn by Munoz de Bustillo and de Pedreza (2010) for Belgium, Italy and Germany; by Ito and Brotheridge (2007) for the Canadian sample; and by Kirves, De Cuyper, Kinnunen and Nätti (2011) for the Finnish working population.

Job characteristics as job insecurity predictors

The findings that temporary contracts are associated with higher job insecurity perception come from the study by Kirves, De Cuyper, Kinnunen and Nätti (2011). Also the results by Näswall and De Witte (2003) support the hypotheses that contingent work predicted job insecurity in Belgium, Italy, the Netherlands and Sweden. Munoz de Bustillo and de Pedreza (2010) confirmed the same conclusions for samples from Germany, the Netherlands, Spain, Belgium and Finland. Additionally, a study based on the HILDA survey data has reported that being a casual employee or a fixed-term contract worker predicted a higher perception of involuntary job loss (McGuinness & Wooden, 2009).

Employability can be seen as an objective feature of the labour market but also as a feature of subjective self-awareness on the chances of finding a new job. A study by McGuinness & Wooden (2009) has brought results suggesting that over-skilled (overeducated) workers were found to be more likely to experience job insecurity than their well-matched counterparts. Chambel and Fontinha (2009) reported no associations between employability (switching to another employer) and job insecurity.

Organisational characteristics as job insecurity predictors

There are findings by Munoz de Bustillo and de Pedreza (2010) supporting the hypothesis that downsizing predicts the perception of job insecurity. Ito and Brotheridge (2007) concluded in their study that an expectation of future downsizing and organisational change was a significant predictor of job insecurity. Nickell, Jones and Quintini (2002) examined three aspects of job insecurity: threat of unemployment, wage losses when unemployed, and wage losses when employed. They emphasise the financial aspect of job insecurity associated with the job loss or the substantial wage decrease in a continuing job. Restrictive changes at the workplace are often perceived as indicators of job insecurity. Some jobs also turn into nonstandard work arrangements that are less likely to provide job security. Kalleberg, Reskin and Hudson's (2000) findings were consistent with expectations that nonstandard work arrangements were associated with employment insecurity.

Selected consequences of job insecurity

In their differentiation of job insecurity consequences, Sverke et al. (2002) distinguished four major impact spheres: 1) job attitudes: job satisfaction and job involvement; 2) organisational attitudes: organizational commitment and trust; 3) health: physical health and mental health; 4) work related behaviour: performance and turnover. The present study focused on the consequences of job insecurity that are crucial for the overall personal well-being. The focus was specifically aimed at satisfaction with the job, life as a whole and work-life balance.

Changes in job satisfaction have been one of the most studied job attitudes in the job insecurity context. The prevalence of studies that indicated a significant negative association between job insecurity and job satisfaction can be observed in scholarly literature. Cheng and Chan (2007) in their

meta-analysis found a significant negative association between job insecurity and job satisfaction. Likewise, results of studies conducted by Sverke et al. (2002) and Ashford, Lee and Bobko (1989) suggested strong significant negative correlations between job insecurity and job satisfaction. Similarly, Davy, Kinicki and Scheck (1997) suggested that job security has a significant positive relation to job satisfaction.

Another commonly studied consequence of job insecurity on an individual level is life satisfaction, which is a concept very close to personal well-being. Job insecurity is a work related stressor that leads to strain and emotional exhaustion and manifests itself in impaired well-being (De Witte et al., 2010). Sverke et al. (2002) in their study indicated significant negative relations between perceived job insecurity and mental as well as physical health. Furthermore, Huang et al. (2012) suggested that both affective and cognitive job insecurity have negative correlations to psychological well-being. In regards to life satisfaction itself, Lim (1996) indicated that job insecurity is associated with life dissatisfaction. Also, the results of Carr, Elliot and Tranmer (2011) suggested that high job insecurity is associated with a decrease in life satisfaction. Likewise, Green (2011) suggested that the risk of job loss is a direct source of lower life satisfaction.

The consequences of job insecurity do not manifest themselves only on the individual level but also on the social level. This means that the threat of job loss affects not only the person perceiving job insecurity but also their partnerships, family lives, work-family balance and work-life balance. The extent to which people are able to balance their work and personal life depends heavily on work and family characteristics. Job insecurity is considered to be a work-related stressor and as such can have a detrimental effect on work-life balance. This relationship has been mostly studied in the context of work intensification, because employees in a job threatening situation seem to accept work intensification without resistance. It is important to note that whether or not the situation is interpreted as insecure depends on an employee's subjective perception. Moreover, in her presentation Yu (2014) reported about findings, which suggested that perceived job insecurity had the second largest effect on work-life balance. Specifically, employees with high job security were 9% more likely to indicate work-life balance satisfaction.

The threat of job loss has a negative impact on an individual's emotional well-being, which manifests itself in impaired social functioning. In the context of the work-family spillover effect, it can be assumed that individuals who perceive higher job insecurity will be tenser, and therefore more predisposed to conflict behaviour. Larson, Wilson and Beley (1994) indicated that job insecurity was significantly related to lower marital adjustment and more marital and family problems. The results for wives suggested that job insecurity was significantly related to lower marital adjustment, poorer family communication, poorer family problem solving and more marital/family problems. The results of the study conducted by Fox and Chancey (1998) suggested that both financial pressures and a spouse's perceived job insecurity were associated with decreased satisfaction with marriage and a higher prevalence of marital trouble – even with physical and verbal aggression.

Hypotheses

In this section, 15 theoretically driven hypotheses based on the extant literature review are shown. Hypotheses were divided into four categories: hypotheses for socio-demographic predictors, hypotheses for job characteristic predictors, hypotheses for organisational predictors and, finally, hypotheses for consequences. Hypotheses for socio-demographic predictors of job insecurity:

H_P1: Younger employees are more likely to perceive job insecurity

H_P2: Women are more likely to perceive job insecurity

H_P3: Employees with fewer years of completed education are more likely perceive job insecurity

Hypotheses for job characteristic predictors of job insecurity:

H_P4: Employees with limited contracts are more likely to perceive job insecurity

H_P5: Employees with worse opportunities for advancement are more likely to perceive job insecurity

H_P6: Employees who can hardly find a similar or better job are more likely to perceive job insecurity

H_P7: Employees who are easier to replace are more likely to perceive job insecurity

Hypotheses for organisational predictors of job insecurity:

H_P8: Employees in an organisation with a decreased number of employees are more likely to perceive job insecurity

H_P9: Employees in an organisation with greater financial difficulty are more likely to perceive job insecurity

H_P10: Employees who had to take less interesting work are more likely to perceive job insecurity

H_P11: Employees who had to take a reduction in pay are more likely to perceive job insecurity

H_P12: Employees who had to work shorter hours are more likely to perceive job insecurity

Hypotheses for consequences of job insecurity:

H_C1: Employees with higher job insecurity perceive higher dissatisfaction with life as a whole

H_C2: Employees with higher job insecurity perceive higher dissatisfaction with work - life balance

H_C3: Employees with higher job insecurity perceive higher dissatisfaction with main job

Method

Our empirical data draws upon the fifth round (R5) of the European Social Survey (ESS) from 2010 and includes two countries: Estonia and Slovakia (ESS R5, 2010). All analyses were conducted after design weights were applied as recommended by the Weighting European Social Survey Data manual (Ganninger, 2013). The sample was restricted to people with unlimited or limited employment contracts, working 40-50 hours per week, between the ages of 20 and 60. All analyses were conducted separately for Estonian and Slovak samples. The selected Estonian sample consisted of 547 participants, from which 48.1% were men and 51.9% were women. The selected Slovak sample comprised of 530 respondents from which 45.0% were men and 55.0% were women.

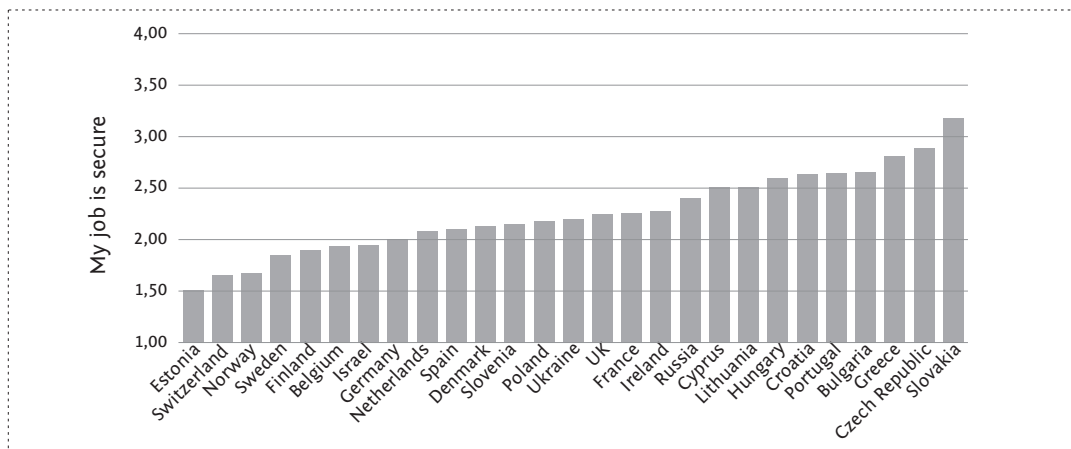


Figure 1: Average values of perceived job insecurity across Europe (*My job is secure* (1–very true; 4–not at all true))

Source: authors' compilation based on ESS 2010 data

Job insecurity is the main dependent variable in present study (item G32: 'My job is secure', the scale range after reverse coding: 1 – very true; 4 – not at all true). The goal of the present study was to focus on job insecurity, therefore, it was necessary to adjust the item by reverse coding – the higher the score, the higher the job insecurity and vice versa (for all reversed coding details see Appendix 1). Estonia and Slovakia represent two countries that differ the most in perceived job insecurity (Figure 1), despite of some other similarities. Job insecurity was significantly higher in Slovakia (3.18) than in Estonia (1.51). A t-test of two independent samples indicated significant differences in perceived job insecurity between Estonia and Slovakia. At the same time, some other macro level indicators were considered when choosing Slovakia and Estonia for comparison as well. Despite the differences reported in job insecurity perception, both countries showed similarities in high unemployment rates: 16.7% in Estonia and 14.5% in Slovakia (Eurostat, 2010) and in annual wages: €10.744 in Estonia and €10.895 in Slovakia (OECD Stats, 2010).

Three simple linear regressions were conducted where job insecurity represented an independent variable and the chosen consequences represented dependent variables. Predictors were divided into three groups: socio-demographic, job and organisational predictors. The data was analysed with IBM SPSS using descriptive statistic, correlations, simple linear regressions and logistic regression. When conducting logistic regression, in the first step all three independent socio-demographic variables were entered (Model I). Subsequently, in the second step all four job characteristics variables were added into the analyses (Model II), and finally all organisational variables were added into the logistic regression (Model III). This approach enabled us to test whether models significantly improve when adding predictors.

Results

Significant positive correlations between job insecurity and type of contract, possibility of advancement, effortless replacement, less interesting work, and shorter working hours as predictors were observed for both Estonia and Slovakia (Tables 1 and 2). However, in terms of predictors there are also significant positive correlations between job insecurity and reduction in pay. Furthermore, for socio-demographic predictors in Slovakia a significant negative correlation between job insecurity and years of education can be noticed. In terms of consequences, there are significant positive correlations between job insecurity and job dissatisfaction and work-life balance dissatisfaction for both Estonia and Slovakia. Moreover, in case of Estonia there is also a significant positive correlation between job insecurity and dissatisfaction with life as a whole.

As can be seen in Table 3, Homer & Lemeshow tests of goodness-of-fit suggest that all three models show a good fit with the data in Estonia. Furthermore, Nagelkerke R² has an increasing tendency by adding predictors. The highest increase of 10% is observed between Model I and Model II. Comparing -2 Log likelihood (-2LL) coefficients of each model indicates that added variables significantly improved the models. Specifically, when comparing -2LL of the Model I to -2LL of the Model II, a decrease of 48.46 can be observed. By calculating the p-value, it can be concluded that adding job characteristic predictors to Model I significantly improved the Model II, $\chi^2(4, N = 547) = 48.46, p < 0.001$. Also adding organisational predictors to Model II led to a significant improvement of Model III, $\chi^2(5, N = 547) = 32.52, p < 0.001$.

The unique contribution of each predictor, in the context of the other predictors, was assessed in Model III. As Table 3 shows, only four predictors were significant, one being a socio-demographic predictor (age) and other three being job characteristic predictors (employability, replacement and advancement). With a one-point increase on a 10-point scale that measures the employability of the person, the odds of perceiving job insecurity increases by a multiplicative factor of 1.21. In other words, moving up by one point increases the odds of perceived job insecurity by 21%. The same

Table 1: Descriptive statistics and correlations of all variables in the study for Estonia

Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1 Insecurity	0.11	0.32	1															
2 Gender	0.52	0.5	-0.03	1														
3 Age	41.46	10.52	-0.05	0.14**	1													
4 Years of full-time education completed	13.56	3.01	-0.02	0.12**	-0.09*	1												
5 Type of contract	0.08	0.27	0.12**	-0.13**	-0.02	-0.12**	1											
6 Employability	7.04	2.59	0.08	0.11*	0.25**	-0.14**	-0.02	1										
7 Advancement	2.58	0.99	0.15**	-0.04	0.13**	-0.10*	0.06	0.14**	1									
8 Replacement	5.21	2.69	0.14**	0.09*	0.03	-0.17**	0.12**	0.05	0.15**	1								
9 Less interesting work	0.31	0.46	0.09*	-0.14**	-0.15**	-0.07	0.04	-0.01	0.06	0.04	1							
10 Reduction in pay	0.56	0.5	0.03	-0.01	-0.02	-0.11**	-0.01	0.07	0.11*	0.10*	0.15**	1						
11 Work shorter hours	0.21	0.41	0.12**	-0.03	-0.01	-0.07	0.05	-0.01	0.08	0.04	0.23**	0.32**	1					
12 Financial difficulty in the organization	2.98	0.73	0.08	0.05	-0.04	0.07	-0.02	-0.03	0.06	-0.05	0.12**	0.25**	0.16**	1				
13 Number of people employed in the organization	2.55	0.93	0.05	0.07	0.07	-0.01	-0.06	0.01	0.13**	0.06	0.07	0.19**	0.14**	0.39**	1			
14 How satisfied are you in your main job	3.95	1.86	0.20**	-0.08	0	-0.12**	0.14**	0.00	0.31**	0.04	0.21**	0.14**	0.13**	0.13**	0.04	1		
15 Satisfied with balance between time on job and time on other aspects	5.00	2.08	0.09*	0.03	0.02	-0.02	-0.01	0.01	0.11*	0.02	0.12**	0.12**	0.06	0.11**	0.07	0.51**	1	
16 How satisfied with life as a whole	4.35	2.13	0.09*	0.02	0.12**	-0.27**	0.06	0.15**	0.26**	0.12**	0.17**	0.14**	0.12**	0.03	0.09*	0.38**	0.26**	1

Note: insecurity (0 more security, 1 less security), gender (0 – male, 1 – female), type of contract (0 – unlimited, 1 – limited), less interesting work (0 – no, 1 – yes), reduction in pay (0 – no, 1 – yes), shorter hours (0 – no, 1 – yes)

Source: ESS Round 5 – European Social Survey Round 5 Data (2010). Data file edition 3.2. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data

Table 2: Descriptive statistics and correlations of all variables in the study for Slovakia

Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1 Insecurity	0.74	0.44	1															
2 Gender	0.55	0.5	0	1														
3 Age	42.66	10.31	0.04	0	1													
4 Years of full-time education completed	13.5	2.8	-0.11*	0.03	-0.05	1												
5 Type of contract	0.09	0.28	0.13**	0.02	-0.15**	-0.03	1											
6 Employability	6.96	2.32	0.10*	0.07	0.19**	-0.08	0.09	1										
7 Advancement	3.36	0.93	0.29**	0.17**	0.22**	-0.16**	0.02	0.22**	1									
8 Replacement	6.39	2.29	0.18**	0.07	0.05	-0.14**	0.01	0.12*	0.29**	1								
9 Less interesting work	0.19	0.39	0.12*	-0.01	-0.11*	-0.10*	0.06	0.03	0.20**	0.11*	1							
10 Reduction in pay	0.24	0.43	0.13**	-0.08	-0.05	-0.02	0.04	0.03	0.04	-0.03	0.33**	1						
11 Work shorter hours	0.09	0.29	0.12*	-0.07	-0.02	-0.20**	0.09*	0.08	0.01	0.14**	0.28**	0.27**	1					
12 Financial difficulty in the organization	2.57	0.92	0.15**	-0.10*	0.12*	0.10*	0.07	0.09	0.11*	-0.02	0.07	0.27**	0.11*	1				
13 Number of people employed in the organization	2.42	0.78	0.15**	-0.03	0.08	0.05	0.05	0.06	0.10*	-0.02	0.07	0.27**	0.14**	0.44**	1			
14 How satisfied are you in your main job	4.23	1.84	0.25**	0.11*	0.00	-0.02	0.03	-0.03	0.19**	0.13**	0.25**	0.23**	0.12**	0.17**	0.18**	1		
15 Satisfied with balance between time on job and time on other aspects	5.04	1.81	0.12**	0.07	0.00	-0.01	-0.06	0.03	0.14**	0.02	0.21**	0.19**	0.12*	0.13**	0.19**	0.59**	1	
16 How satisfied with life as a whole	4.3	2.07	0.08	-0.10*	0.14**	-0.08	-0.05	0.06	0.03	-0.01	0.10*	0.18**	0.12**	0.19**	0.13**	0.27**	0.20**	1

Note: insecurity (0 more security, 1 less security), gender (0 – male, 1 – female), type of contract (0 – unlimited, 1 = limited), less interesting work (0 – no, 1 – yes), reduction in pay (0 – no, 1 – yes), shorter hours (0 – no, 1 – yes)

Source: ESS Round 5 – European Social Survey Round 5 Data (2010). Data file edition 3.2. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data

Table 3: The results of logistic regression for Estonia

	Model I					Model II					Model III				
	B	S.E.	Wald	sig.	OR	B	S.E.	Wald	sig.	OR	B	S.E.	Wald	sig.	OR
Gender	0.15	0.28	0.28	.594	1.16	0.12	0.31	0.15	.699	1.13	0.19	0.33	0.32	.569	1.21
Age	-0.01	0.01	1.21	.271	0.99	-0.4	0.01	6.06	.014	0.96	-0.04	0.02	5.28	.022	0.96
Year of full education	-0.04	0.05	0.55	.459	0.97	0.02	0.05	0.21	.650	1.02	0.02	0.05	0.22	.641	1.02
Contract						-0.69	0.44	2.47	.116	0.50	-0.78	0.47	2.71	.100	0.46
Employability						0.14	0.06	4.69	.030	1.14	0.19	0.07	8.05	.005	1.21
Replacement						0.12	0.06	4.03	.045	1.12	0.14	0.06	5.51	.019	1.15
Advancement						0.41	0.14	8.16	.004	1.51	0.39	0.15	6.52	.011	1.48
Less interesting work											-0.27	0.33	0.66	.418	0.76
Reduction in pay											0.49	0.35	1.99	.159	1.63
Work shorter hours											-0.60	0.37	2.64	.104	0.55
Financial difficulty in the organization											0.33	0.24	1.81	.178	1.39
Number of people employed in the organization											-0.07	0.18	0.13	.719	0.94
-2LL	377.66					329.20					296.68				
	$\chi^2 = 2.26$, df = 3 , sig. = 0.521					$\chi^2 = 27.99$, df = 7 , sig. = 0.000					$\chi^2 = 37.98$, df = 12 , sig. = 0.000				
Nagelkerke R ²	0.01					0.11					0.15				
Hosmer & Lemeshow test	p = 0.721					p = 0.902					p = 0.731				

Source: ESS Round 5 – European Social Survey Round 5 Data (2010). Data file edition 3.2. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data

Table 4: The results of logistic regression for Slovakia

	Model I					Model II					Model III				
	B	S.E.	Wald	sig.	OR	B	S.E.	Wald	sig.	OR	B	S.E.	Wald	sig.	OR
Gender	0.06	0.21	0.08	.773	1.06	0.49	0.25	3.86	.050	1.63	0.47	0.27	3.04	.081	1.60
Age	0.01	0.01	0.26	.608	1.01	0.00	0.01	0.01	.936	1.00	0.00	0.01	0.09	.760	1.00
Year of full education	-0.08	0.04	4.12	.042	0.93	-0.06	0.04	1.84	.175	0.94	-0.02	0.05	0.23	.633	0.98
Contract						-1.24	0.57	4.69	.030	0.29	-0.99	0.60	2.76	.096	0.37
Employability						0.07	0.06	1.38	.241	1.07	0.04	0.06	0.56	.455	1.04
Replacement						0.19	0.06	11.37	.001	1.21	0.17	0.06	7.28	.007	1.18
Advancement						0.71	0.15	22.05	.000	2.02	0.76	0.17	19.15	.000	2.13
Less interesting work											-0.17	0.41	0.18	.672	0.84
Reduction in pay											-0.66	0.39	2.93	.087	0.52
Work shorter hours											-0.75	0.66	1.29	.256	0.47
Financial difficulty in the organization											0.06	0.16	0.13	.723	1.06
Number of people employed in the organization											0.42	0.20	4.26	.039	1.52
-2LL	530.88					419.97					366.75				
	$\chi^2 = 4.68$, df = 3 , sig. = 0.197					$\chi^2 = 62.42$, df = 7 , sig. = 0.000					$\chi^2 = 69.06$, df = 12 , sig. = 0.000				
Nagelkerke R2	0.02					0.20					0.24				
Hosmer & Lemeshow test	p = 0.884					p = 0.062					p = 0.92				

Source: ESS Round 5 – European Social Survey Round 5 Data (2010). Data file edition 3.2. Norwegian Social Science Data Services, Norway – Data Archive and distributor of ESS data

Table 5: Overview of hypotheses confirmation/rejection for Estonia and Slovakia

	EE	SK
Socio-demographic hypotheses		
Younger employees are more likely to perceive job insecurity	YES	NO
Women are more likely to perceive job insecurity	NO	NO
People with less years of education are more likely perceive job insecurity	NO	NO
Job characteristics hypotheses		
People employed on limited contract are more likely to perceive job insecurity	NO	NO
Employees with worse opportunities for advancement more likely to perceive job insecurity	YES	YES
Employees who can hardly find similar or better job are more likely to perceive job insecurity easier to get similar job lower the job insecurity	YES	NO
Employees who are easier to replace are more likely to perceive job insecurity	YES	YES
Organizational characteristics hypotheses		
People employed in the organization with decreased number of employees are more likely to perceive job insecurity	NO	YES
People employed in the organization with bigger financial difficulty are more likely to perceive job insecurity	NO	NO
Employees who had to take less interesting work are more likely to perceive job insecurity	NO	NO
Employees who had to take reduction in pay are more likely to perceive job insecurity	NO	NO
Employees who had to work shorten hours are more likely to perceive job insecurity	NO	NO

Note: EE – Estonia, SK – Slovakia

Source: authors' compilation

Table 6: The results of linear regression for Estonia

Predictor	Standardized Beta	t	R2	F	sig.	Consequences
Job insecurity	0.13	3.50	0.02	9.28	0.002	Life satisfaction
	0.24	5.59	0.06	31.21	0.000	Job satisfaction
	0.09	2.26	0.01	5.08	0.025	Work-life balance

Source: authors' compilation based on ESS 2010 data

Table 7: The results of linear regression for Slovakia

Predictor	Standardized Beta	t	R2	F	sig.	Consequences
Job insecurity	0.09	2.10	0,01	4,05	0.045	Life satisfaction
	0.29	6.66	0,09	44,29	0.000	Job satisfaction
	0.13	2.93	0,08	8,6	0.004	Work-life balance

Source: authors' compilation based on ESS 2010 data

is applicable for the predictor of replacement. Moving up by one point, the scale of replacement increases the odds of feeling insecure by 15%. Also, with a one point increase on a 5-point scale that measures opportunities for advancement, the odds of feeling insecure increase by a multiplicative factor of 1.48 (48% more likely). However, in regard to age, for each additional year employees are less likely to feel insecure (by 4%).

Likewise in the case of Slovakia (Table 4), Homer & Lemeshow tests of goodness-of-fit suggest that all three models are a good fit with the data. Nagelkerke R2 is increasing by adding additional predictors, with the highest increase of 18% between Model I and Model II. A decrease in -2Log

likelihood coefficient suggests that models are significantly improving by adding predictors. More specifically, adding job characteristic predictors to Model I significantly improved Model II, χ^2 (4, $N = 530$) = 110.89, $p < 0.001$. Also, by adding organisational predictors to Model II, Model III improved significantly χ^2 (5, $N = 530$) = 53.22, $p < 0.001$.

The unique contribution of each predictor, in the context of the other predictors, was assessed on Model III. As Table 4 shows, only three predictors were significant, two being job characteristic predictors (replacement, advancement) and one being an organisational predictor. Results indicate that advancement is the predictor of highest significance ($p = 0.000$) in Slovakia. A one point increase on a 5-point scale measuring good advancement possibilities is associated with the increase in odds of perceived job insecurity by a multiplicative factor of 2.13. Meaning that the worse the possibilities for advancement are (possibilities are deteriorating by a one point increase), the more likely the employee is to feel insecure – in this case by 113%. Furthermore, results suggest that a one point increase on a 10-point scale of the replacement is associated with the odds of perceived job insecurity increasing by a multiplicative factor of 1.18 (18%). And, lastly, reducing the number of people employed in the organisation (one point up the scale) increases odds of feeling insecure by 51%.

As can be seen, Estonia and Slovakia were overlapping in only two predictors, which were both part of the job characteristic variables: advancement and replacement. To sum up the results for the formulated hypotheses regarding predictors, the findings are presented separately for Estonia and Slovakia in Table 5 for better transparency.

Job insecurity was also a significant predictor of several satisfaction items: job satisfaction, life satisfaction, work-life satisfaction for both Slovakia and Estonia (Tables 6 and 7) and explained 2% per cent of variance of life satisfaction, 6% of variance of job satisfaction and 1% of variance of work-life balance in Estonia. Furthermore, job insecurity explained 1% per cent of variance in life satisfaction, 9% of variance in job satisfaction and 8% of variance in work-life balance in Slovakia. Variances explained by job insecurity are quite low, however, it is understandable because of the complexity of measured consequences. It can be concluded that all three hypotheses H_C1 – H_C3 have been supported by our results.

Discussion and conclusion

The aim of the present study was two-fold. First, to compare Slovakia and Estonia in terms of the socio-demographic, job and organisational predictors and individual and social consequences of job insecurity based on ESS R5 data. Second, to examine the relationships between job insecurity and its predictors as well as job insecurity and its consequences. It should be borne in mind that the ambition of this study was not to analyse differences in perceived job insecurity in Estonia and Slovakia in its whole complexity, but rather to focus on a comparison of these two countries in terms of job and organisational predictors and the socio-psychological impact of job insecurity on individuals.

As hypothesised, younger employees experienced more job insecurity, which is in line with the findings of Näswall and De Witte (2003), who reported a negative association between age and job insecurity in Sweden. However, this result was confirmed for Estonia only. The hypothesis about gender and education being associated with job insecurity was not supported. There was no significant relationship between gender and job insecurity in either of the examined countries. An association between job insecurity and education was confirmed by a significant negative correlation analysis only in Slovakia. To sum up, there was just one socio-demographic variable (age) predicting perceived job insecurity and that was true for Estonia only.

Findings about the selected job characteristics as predictors of job insecurity showed some differences between Estonia and Slovakia. First, the unlimited contract turned out to be significantly associated with a higher level of job insecurity in both countries, but regression analyses did not

confirm the types of contracts as a significant predictor of job insecurity neither for Estonia nor for Slovakia. Second, the findings of correlation and regression analyses supported the hypothesis that lower or restricted opportunities for advancement were associated with higher job insecurity in both countries. Third, a significant association between job insecurity and less opportunities for employment as hypothesised in H_{P6} was found in Estonia only. Fourth, easy replacement of employees was found to be significantly related to higher job insecurity. Both types of analysis (correlation and logistic regression) in both countries confirmed this finding.

By analysing organisational characteristics and their relations to job insecurity, we found support for just one of our five hypotheses. In line with hypothesis 8, correlation and regression analysis results confirmed the association between a decreasing number of employees in an organisation and a higher level of job insecurity in Slovakia. This corresponds with the results of previous research, which revealed that downsizing contributes to the perception of job insecurity (Ito & Brotheridge, 2007; Brockner, Grover, Reed, & DeWitte, 1992). It was also found that financial difficulties in an organisation were to a significant degree positively associated with higher job insecurity in Slovakia. This finding was not confirmed by regression analysis, so hypothesis 9 was not supported. There was also a significant positive correlation between a higher level of job insecurity and having a less interesting job in both countries. However, regression analysis did not show the employees' experience with a less interesting job to be a significant predictor of job insecurity, meaning no support for hypothesis 10. The encountered reduction in pay and working for shorter hours significantly correlated with job insecurity in Slovakia only. Regression analysis results did not support our hypotheses 11 and 12. To conclude, the most complex logistic regression model confirmed three significant predictors of job insecurity: easy job replacement, low opportunities for advancement (as job characteristics) and downsizing (as an organisational characteristic) in Slovakia. Model III for Estonia revealed four significant predictors of job insecurity: younger age (as a socio-demographic predictor), easy job replacement, low opportunities for advancement and difficult employability (as job characteristics).

The following discussion will deal with individual consequences of job insecurity. It was hypothesised that people with higher job insecurity perceive higher dissatisfaction with their main job. Our results suggested that in both Estonia and Slovakia job insecurity was significantly positively associated with higher levels of job dissatisfaction. Moreover, linear regression analysis confirmed that job insecurity is a significant predictor of job satisfaction. The formulated hypothesis (H_{C3}) was thus supported. Furthermore, it can be noticed that job dissatisfaction was the most significant consequence of job insecurity in both countries. In Estonia, job insecurity explained 6% of the variance in job satisfaction, whereas in Slovakia job insecurity explained up to 9% of this variance. These results are not surprising since a majority of studies conducted to date confirmed that job insecurity is a significant predictor of job satisfaction (Emberland & Rundmo, 2009; Sverke et al., 2002; Cheng & Chan, 2007; Ashford et al., 1989; Davy et al., 1997). The second consequence examined was life satisfaction. The results suggested that job insecurity is to a significant extent positively associated with a lack of life satisfaction. For both Estonia and Slovakia, job insecurity was a significant predictor of perceived life satisfaction. In other words, the higher the job insecurity, the higher dissatisfaction with life as a whole. These results are congruent with previous research results (Lim, 1996; Carr et al., 2001; Green, 2011). However, it is important to note that job insecurity explained a slightly larger proportion of the variance of life satisfaction in Estonia (2%) than in Slovakia (1%). Finally, it was hypothesised that people with higher job insecurity perceive higher dissatisfaction with work-life balance. The results indicated that job insecurity was positively related to a lack of work-life balance in both countries. Furthermore, linear regression confirmed that job insecurity is a significant predictor of work-life balance; however, its predictive strength differed in Estonia and Slovakia. More specifically, perceived job insecurity explained a bigger proportion of variance of work-life balance in Slovakia (8%) than in Estonia (1%). Our findings are congruent with previous research (Yu, 2014), which also confirmed that job insecurity has a negative impact on work-life balance.

There are several limitations to the present study, which require consideration. First of all, despite the fact that job insecurity is a very complex socio-economic phenomenon, this study focused solely on variables that were somewhat related to the individual and his/her job situation. Hence, the present study did not take into consideration a broader economic and political context of job insecurity. Second, the study was compiled using only items available in ESS R5, which limited the amount of predictors and consequences.

Despite the limitations, the main contribution of this study to the job insecurity research lies in the comparison of two European countries, Estonia and Slovakia, which have a significantly different perception of job insecurity. Moreover, to our knowledge there are no findings regarding job insecurity based on the comparison of these two countries. Additionally, some predictors that are not often examined in the context of job insecurity were included in the analyses: advancement and replacement. However, the question remains: what is behind such a considerable difference in perceived job insecurity between Estonia and Slovakia? ESS R5 data revealed that Slovakia and Estonia displayed opposite levels of perceived job insecurity. Slovak employees reported the highest job insecurity level within the 27 ESS participating countries, while on the contrary Estonian respondents indicated the lowest level of perceived job insecurity. There are some indices on the macro-economic level that could also play a significant role in job insecurity perception. The World Bank (2010) and OECD (2015) statistics show that Slovakia and Estonia differed in the following indicators: employment rate and household savings with higher percentages for Estonia (that might possibly lead to lower job insecurity perception) and in household consumption (OECD, 2010) with higher expenditures in Slovakia (that might possibly cause higher job insecurity perception). Our findings suggest that job characteristics might possibly explain this tremendous difference in perception of job insecurity. Specifically, job characteristics evaluation had a stronger effect on job insecurity perception in Slovakia. That leads to a presumption that from the socio-psychological point of view some culturally specific values could explain this considerable difference in the perception of job insecurity. Findings based on the ESS R5 data show that respondents in Slovakia and Estonia differ in human values orientations; more specifically, Slovaks scored higher on the dimension of Conservation and Estonians on the dimension of Openness to change (Kentoš, 2012).

This study will hopefully stimulate further research investigating other types of predictors and consequences of job insecurity. In the future, we would like to continue with job insecurity research and we would appreciate cooperation with researchers from other countries, in order to promote a deeper understanding of the phenomenon of job insecurity in a cross-country perspective.

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Appendix 1: Coding of variables

If the coding of the item was reversed there will be mark (R) by the item and scale will be presented with reverse coding:

- Insecurity – G32(R) My job is secure (1 – very true, 4 – not at all true)

Socio-demographic variables:

- Gender – F2 Code sex (0 – male, 1 – female)
- Age – F3 In what year were you born?
- Total years of education – F16 About how many years of education have you completed, full-time or part-time?

Job characteristics variables:

- Type of contract – F23 Do/did you have a work contract of (0 – unlimited, 1 – limited)
- Advancement – G36 My opportunities for advancement are good (1 – agree strongly, 5 – disagree strongly)
- Employability – G40(R) How difficult or easy would it be for you to get a similar or better job with another employer if you had to leave your current job? (00 – extremely easy, 10 – extremely difficult)
- Replacement – G41 In your opinion, how difficult or easy would it be for your employer to replace you if you left? (00 – extremely difficult, 10 – extremely easy)

Organisational variables:

- Financial difficulty – G62(R) During the last three years, would you say that the organisation for which you work has experienced... (1 – no financial difficulty, 4 – a great deal of financial difficulty)
- Number of employees – G63(R) And during the last three years, would you say that the number of people employed at the organisation for which you work has (1 – increased a lot, 5 – decreased a lot)
- Less interesting work – G58(R) had to do less interesting work? (no – 0, yes – 1)
- Reduction in pay – G59(R) had to take a reduction in pay? (no – 0, yes – 1)
- Shorter hours – G60(R) had to work shorter hours? (no – 0, yes – 1)

Consequences variables:

- Life as a whole – B24(R) All things considered, how satisfied are you with your life as a whole nowadays? (00 – extremely satisfied, 10 – extremely dissatisfied)
- Main job – G53(R) How satisfied are you in your main job? (00 – extremely satisfied, 10 – extremely dissatisfied)
- Work-life balance – G54(R) And how satisfied are you with the balance between the time you spend on your paid work and the time you spend on other aspects of your life? (00 – extremely satisfied, 10 – extremely dissatisfied)