

Mediating Effect of Work-family Conflict on the Relationship between Job Insecurity and Employee Well-being

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ABSTRACT Job insecurity has received a considerable amount of research attention in recent years. The purpose of the present paper is to examine the mediating role of work-family conflict on the relationship between job insecurity and employee well-being and investigate gender differences in these relationships. The researchers focus on the cognitive component of employee well-being, and measure the concept by job satisfaction and life satisfaction. Using a sample of 283 employees (145 males and 138 females) from 15 companies in Guangzhou, the paper investigates that work-family conflict partially mediated the relationship between job insecurity and job satisfaction as well as that between job insecurity and life satisfaction. Further, a multi-group analysis indicated that the path coefficients significantly differed between female and male employees in main land China.

INTRODUCTION

Having faced unpredictable economic situation and severe competition environment, employers have great difficulties in providing high levels of job security to their employees in the worldwide scale (Wang Hongchun et al. 2014; Loi et al. 2011). Thus, job insecurity has become a near universal organizational phenomenon and has attracted increasing attention in academic field (Keim et al. 2014). Although, previous researchers have indicated that job insecurity is associated with poor well-being, far less is known about the mechanisms involved. On the basis of psychological contract theory or from the perspective of frustration of psychological needs, De Cuyper and De Witte (2006) or Vander Elst et al. (2012) have investigated how job insecurity is associated with well-being directly and indirectly. What other potential mediating processes exist?

According to the work-family imbalance perspective, work and family are considered as greedy institutions that compete for individuals' time and energy (Matthews et al. 2014). Perceptions of job insecurity may influence individuals to increase their work effort, even at the

expense of reducing time and energy on family issues, as a means to avoid losing their job and convince management that they are valuable to the organization (Richter et al. 2010). In this situation, several key questions arise. Does job insecurity indeed interfere with the balance of work and family? Does employees' uncertainty about the future of their job spill over to and have negative consequences for other life spheres? Does work-family conflict might be a mediator on the impact of job insecurity on employee well-being? Does the impact of job insecurity on workers differ according to their gender?

Literature Review

Job Insecurity and Employee Well-being

Job insecurity refers to 'an employee's perception of fundamental and involuntary change concerning the future existence of his or her present job in the employing organization' (Loi et al. 2012: 361). The cognitive component of employee well-being, which is a cognitive evaluation of the satisfaction with one's life (Diener 2000; Busseri and Sadava 2013), including job satisfaction (that is satisfaction with work) and life satisfaction (that is satisfaction with life outside work). Many studies have demonstrated that job insecurity is negatively associated with employee well-being. Hellgren and Sverke (2003) confirmed the relationship between job insecurity and impaired well-being by longitudinal questionnaire data. De Cuyper et al. (2008) or Wang Haijiang et al. (2014) also found a nega-

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tive relationship between job insecurity and employees' well-being, based on samples of respondents from Belgian or Chinese organizations, respectively. In a meta-analytic review of 133 studies from 1980 to 2006, Cheng and Chan (2008) found that job insecurity was negatively related to job satisfaction ($r = -.43$). Using a representative sample of Finnish employees, De Cuyper et al. (2010) found that job insecurity was negatively related to well-being among permanent but not temporary employees. Specifically, quantitative job insecurity related negatively to job satisfaction, and qualitative job insecurity related negatively to self-rated health status.

Job Insecurity, Work-family Conflict and Employee Well-being

Work-family conflict is 'a form of interrole conflict in which the general demands of, time devoted to, and strain created by the job interfere with performing family-related responsibilities' (Netemeyer et al. 1996: 401). A growing body of research suggested that employees perceiving job insecurity may bring the work-related stress into the family role and have little time to perform family-related responsibilities, resulting in strain-based and time-based work-family conflict (Richter et al. 2010). Voydanoff (2004) suggested that job insecurity was a potential predictor of work-family conflict for it threatened the economic well-being and stability of the family. In line with this, Batt and Valcour (2003) found that job security was related to lower level of work-family conflict. In addition, previous researches have shown that work-family conflict is associated with lowered job satisfaction, impaired family and marriage satisfaction, as well as lowered life satisfaction (Adams et al. 1996; Kinnunen and Mauno 1998; Allen et al. 2000; Richter et al. 2010). For example, using a sample of Italian nurses working in public hospitals and private clinics, Filomena and Marcello (2013) found that time- and strain-based conflicts were negatively associated with job satisfaction. As mentioned above, work-family conflict might be a mechanism that mediates association between job insecurity and employee well-being.

Gender Differences

According to role identity theory, men typically conform to their socially prescribed role as 'breadwinners' (Gaunt and Benjamin 2007), while

women primarily identify themselves with a variety of roles beyond the work sphere, such as being a mother, wife or friend (Van der Meer 2014). Thus, males as a group react to and cope with job insecurity differently from females (Rosenblatt et al. 1999). Several studies have taken gender into consideration when it comes to relations among job insecurity, work-family conflict, and employee well-being. De Witte (1999) found that job insecurity was unrelated to well-being among women. Rosenblatt et al. (1999) reported that the negative effect of job insecurity on female employees' work attitudes was stronger than on male employees' attitudes. Concerning the relationship between job security and work-family conflict, Batt and Valcour (2003) found a negative relation among both men and women, while Kinnunen and Mauno (1998) found this relation only significant among women but not among men. Based on longitudinal data from Swedish teachers, Richter et al. (2010) found that there was no relation between job insecurity and work-family conflict among women. Although there are mixed findings with respect to gender, it is obvious that they all acknowledge the existence of gender differences to some extent.

Objectives

The present paper is the primary attempt to answer the above four questions arising from the work-family imbalance perspective. There are two objectives. The first one is to examine the mediating role of work-family conflict on the relationship between job insecurity and employee well-being. The second objective is to investigate gender differences in the relationships among job insecurity, work-family conflict and employee well-being.

Thus, this paper contributes to the literature in two ways. On the one hand, it is the first to explore the mediating mechanism based on work-family imbalance perspective. Besides, the present research answers the call from scholars who address distinctive differences between the two major sub-populations of males and females instead of looking at workers population as a whole.

METHODOLOGY

Sample

Employees were drawn from 15 companies in Guangzhou, a major city of the People's Re-

public of China (PRC). These companies were sampled from various sectors, including education, energy, technology, electronics, telecom and real estate. With the assistance of the human resource departments of these companies, the questionnaires were distributed to 360 employees. Employees who participated in this research could get 10 RMB or gift equal to this value. The cover page of the questionnaire assured the respondents of their anonymity and the voluntary nature of the study. At last, 283 completed and usable questionnaires were returned, for response rate of 78.6%.

Of these respondents, 51.2% were male employees and 48.8% were female employees. 58.0% of the respondents were younger than 30 years of age, 40.3% were between 30 and 50 years, and 1.8% were older than 50 years. In terms of marital status, 43.1% of the respondents were single, 50.9% were married, and 6.0% were divorced or widowed. In terms of education, 21.9% of the respondents were graduated from senior high school or below, 25.1% held junior college degrees, 44.9% held Bachelor degrees, and 8.1% held Postgraduate degrees. Besides, the respondents had been working in the current company for different years as following: 15.9% for less than 1 year, 27.2% for 1 to 3 years, 14.8% for 3 to 5 years, 13.8% for 5 to 7 years, and 28.3% for more than 7 years.

Measures

Multi-item scales were used to ensure adequate measurement of each study variable. Excluding the demographic variables, all questionnaire items were measured on a 5-point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*). To ensure equivalence of the measures in the Chinese and the English versions, all the scales were translated into Mandarin and back-translated into English.

Perception of job insecurity was assessed with a 5-item scale developed by Kraimer et al. (2005). The items were "I will be able to keep my present job as long as I wish" and "I am secure in my job". The researchers reverse-coded all five items to measure job insecurity. The scale has good reliability and validity in Chinese populations (for example Loi et al. 2011, 2012). In the present research, the scale was internally consistent and had a Cronbach alpha coefficient of .92.

Work-family conflict was assessed with a 5-item scale developed by Netemeyer et al. (1996).

The items were "The demands of my work interfere with my home and family life" and "My job produces strain that makes it difficult to fulfill family duties". The scale has good reliability and validity in Chinese populations (for example Wang Peng et al. 2010). In the research, the scale was internally consistent and had a Cronbach alpha coefficient of .93.

Job satisfaction was assessed with a 3-item scale developed by Hackman and Oldham (1980) and Price (1997). The items were "Generally speaking, I am very satisfied with this job" and "I find enjoyment in my job". In the research, the Cronbach alpha coefficient for the job satisfaction scale was .78.

Life satisfaction was assessed with a 6-item scale developed by Guest (2002), which contained satisfaction with health, finances, friends, family and life in general. The items were "I am very satisfied with my health" and "Generally speaking, I am very satisfied with my life". In the research, the Cronbach alpha coefficient for the life satisfaction scale was .90.

Analysis Strategy

The researchers examined the hypothesized predictions with structural equation modeling using AMOS version 17.0. In the first step, the researchers analyzed the factor structure of the key variables in the model to establish discriminant validity. As the measurement model was accepted, the researchers then tested the hypothesized structural model using the maximum likelihood estimation. In the research, the following four indices were used to assess model adequacy: chi-square statistics, Tucker-Lewis index (TLI), comparative fit index (CFI) and root-mean-square error of approximation (RMSEA). RMSEA of .08 or less indicates adequate fit and TLI and CFI can range from zero to 1.00, with values closer to 1.00 are indicative of good fit.

RESULTS

Confirmatory Factor Analyses

The results of the confirmatory factor analysis revealed that the hypothesized four-factor model (job insecurity, work-family conflict, job satisfaction and life satisfaction) fitted the data well ($\chi^2(146, N=283)=225.894, p<.001, \chi^2/df=1.547, CFI=.978, TLI=.974, \text{ and } RMSEA=.044$). The

Table 1: Descriptive statistics and correlations of key variables

Variables	M	SD	1	2	3	4
1. Job insecurity	1.373	.727	1			
2. Work-family conflict	2.293	.903	.242**	1		
3. Job satisfaction	3.575	.667	-.351**	-.263**	1	
4. Life satisfaction	3.932	.659	-.512**	-.474**	.595**	1

Note: * $p < .05$, ** $p < .01$.

standardized path estimates of the manifest indicators were all statistically significant, ranging between .65 and .95. Means, standard deviations and correlations are presented in Table 1. As can be observed that all the four factors from the measurement model were significantly correlated ($p < .01$). Job insecurity was positively correlated with work-family conflict ($\beta = .242$) and negatively correlated with job satisfaction ($\beta = -.351$) and life satisfaction ($\beta = -.512$). Work-family conflict was negatively correlated with job satisfaction ($\beta = -.263$) and life satisfaction ($\beta = -.474$).

Structural Model

The researchers compared competing models to examine mediation effects: fully mediated structural model and partially mediated structural model. In testing the fully mediated model, the researchers only specified paths from job insecurity to work-family conflict and from work-family conflict to job satisfaction and life satisfaction. The hypothesized structural model (Model A) had an acceptable fit, $\chi^2(149, N=283) = 388.888$, $p < .001$, $\chi^2/df = 2.610$, CFI = .934, TLI = .925, and RMSEA = .076. All the direct paths were significant and conformed to the researchers' expectation. Then the researchers added a path from job insecurity to job satisfaction and retested the model (Model B). The fit statistics

of Model B was: $\chi^2(148, N=283) = 363.428$, $p < .001$, $\chi^2/df = 2.456$, CFI = .941, TLI = .932, and RMSEA = .072, which showed acceptable fit. When Model A and Model B were compared, the significant Chi-square difference, $\chi^2/diff(1) = 25.460$, $p < .001$, as well as the smaller Akaike information criterion (AIC), AIC = 470.888 and 447.428 respectively for Model A and Model B, indicated that the fit of Model B was better. The researchers also tested the partially mediated structural model (Model C) in which added the path from job insecurity to life satisfaction on the basis of Model B. The fit of the model C was adequate as indicated by the various fit indices, $\chi^2(147, N=283) = 296.760$, $p < .001$, $\chi^2/df = 2.019$, CFI = .959, TLI = .952, and RMSEA = .060. Results of the chi-square difference test suggested that Model C had a better fit compared with Model B, $\chi^2/diff(1) = 66.667$, $p < .001$. The AIC of Model C (AIC = 382.760) was also smaller than that of Model B. So the researchers accepted model C as the final model (see Fig. 1). Moreover, the results of the bootstrap test (a bootstrap sample of 2000 was specified) revealed that the indirect effects of job insecurity on job satisfaction and life satisfaction through work-family conflict (estimated effect sizes = -.054 and -.105, respectively) were indeed significant.

Finally, the researchers used multi-group analysis to identify whether the path coefficients significantly differed between males and females.

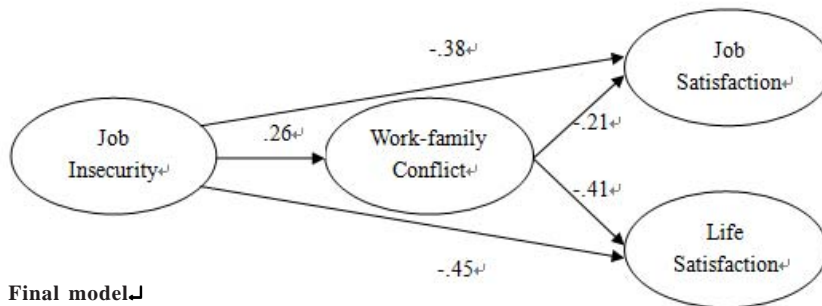


Fig. 1. Final model

Note: All path coefficients are significant at $p < .01$.

The researchers compared the two models to examine the gender differences, in which one allowed the structural paths to vary across sexes and the other constrained the structural paths across sexes to be equal. All the other paths (that is factor loadings, error variances and structure covariances) were constrained to be equal. The significant Chi-square differences between the two models, $\chi^2_{diff}(5) = 11.255, p < .05$, suggested that the final model was found to differ by gender. The path from work-family conflict to job satisfaction was significant in male sample but non-significant in female sample. The researchers also calculated the critical ratios of differences (CRD). CRD greater than 1.96 indicates that there is a significant difference between the two parameter estimates at $p < .05$. The structural path from job insecurity to life satisfaction was identified to be significantly different between male and female participants, $CRD = -2.076, p < .05$. The path coefficient for male was $-.38$ and the coefficient for female was $-.53$, indicating that female employees perceiving equal job insecurity were more likely to show lower life satisfaction than male employees.

DISCUSSION

The current research was designed to examine the important role of work-family conflict between job insecurity and employee well-being in a sample of Chinese employees. As the researchers expected, job insecurity was negatively related to employee well-being, which implied that employees experiencing higher job insecurity tended to report lower job satisfaction and life satisfaction. These results were consistent with recent studies that found job security was predictive of employee well-being (Böckerman et al. 2011), and job insecurity could significantly decrease job satisfaction (Cheng and Chan 2008), life satisfaction (De Cuyper et al. 2008) and well-being (Wang Haijiang et al. 2014; Vander Elst et al. 2012).

The most important finding of the research was that work-family conflict acted as a mediator of the relationship between job insecurity and employee well-being. Namely, the perception of job insecurity could bring work-family conflict, and in turn lead to negative feelings such as decreased job satisfaction and life satisfaction. This was in accordance with studies that reported the positive relation between job

insecurity and work-family conflict (Voydanoff 2004; Batt and Valcour 2003) and the negative relation between work-family conflict and employee well-being (Filomena and Marcello 2013). However, it was noteworthy that work-family conflict partially mediated the association between job insecurity and job satisfaction as well as that between job insecurity and life satisfaction. The partially mediated effects indicated that in addition to work-family conflict, some other factors (for example perceived lack of control) may also mediate the effect of job insecurity on employee well-being, which needs further exploration in future.

In addition, multi-group analysis showed that the path coefficients significantly differed between male and female employees in mainland China. There were two main differences. One difference was that work-family conflict affected both males' job satisfaction and life satisfaction, but only affected females' life satisfaction in China. In other words, work-family conflict was unrelated to job satisfaction among Chinese women. This finding contradicted the previous research of Wiersma and Van den Berg (1991) which found a significant relationship between work-home role conflict and job satisfaction among women but not among men. The other difference was that the absolute value of path coefficient from job insecurity to life satisfaction for female was stronger than for male. This result was inconsistent with the research of De Witte (1999) which found that job insecurity was unrelated to well-being among women. Although our results considering gender differed from previous Western findings, they conformed to other research findings of gender socialization conducted in China and also supported the traditional gender-role ideology in Chinese context (Wang Peng et al. 2010).

Thus, the contradiction of the researchers' results and Western findings could be attributed to the culture differences between China and Western countries. Differing from importance of gender equality in Western individualistic culture, the traditional concept of "patriarchism" and "fatherhood" still function in the context of Chinese culture, which makes men and women identify self-concepts differently based on traditional gender roles (Wang Peng et al. 2010). Specifically, Chinese women still experience less emotional investment in the work role and devote much more time and effort in life outside

work. In this situation, women less care about job satisfaction and more care about life satisfaction compared with men, so the negative effect of job insecurity on life satisfaction is stronger for female than for male in China. Moreover, as China is a highly masculine society (Wang Peng et al. 2010), it's commonly believed that a woman is respected and regarded as successful mainly for her contribution to life outside work other than work itself. Once women feel the serious threat of work-family conflict to their life beyond the work sphere, perhaps they have to give up their expectations of job and change the focus of life to other aspects instead of to work, which makes job satisfaction unimportant and meaningless to them. This may be a possible explanation of why work-family conflict has no relation to job satisfaction in Chinese female employees. Of course, the above explanations of contradictive results considering gender from culture aspects need further exploration in different samples including Western samples.

CONCLUSION

In a nutshell, the present research illustrates how work-family conflict play an important role in the relationship between job insecurity and employee well-being. More specifically, work-family conflict partially mediated the relationship between job insecurity and job satisfaction as well as that between job insecurity and life satisfaction. Gender differences were also found by multi-group analysis. The path coefficients of the final model differed primarily between male and female employees in mainland China.

RECOMMENDATIONS

The researchers' results remind firms in such settings that view employees as a competitive resource to care for employees' perceptions of job security. China is undergoing a fast economic transition accompanied by rapid social changes simultaneously, bringing organizational changes such as downsizing and mergers. In this situation, more and more people worry about their job security and also show low level of job and life satisfaction, so managers should try their best to avoid layoffs of employees if possible. Besides, as a subjective and perceptual variable, job insecurity differing from actual job loss could

more likely emerge in seemingly unthreatened job situations, so managers should pay attention to employees' perceptions of job insecurity in daily administration. In addition, as reducing work-family conflict is important for improvement of employee well-being, managers should introduce some human resource policies and practices to help employees to balance work and family, such as adopting family friendly policies and affording flexible work time. These policies and practices aiming to help employees well fulfill their family roles, not only benefit female employees in traditional concept, but also do well to male employees, for work-family conflict is an antecedent variable to predict men's satisfaction with job.

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