

A Study of the Impact of Job Security on Employee Motivation and Outcome at Work Place with special reference to Unionized and Non Unionized Organizations in Nagpur

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Abstract:

In an ever growing society, where companies are redefining their concepts to keep up with the technological changes and the demand, it is common to experience job insecurity for the employees at the work place. Job security plays an important role in employee satisfaction leading to enhanced performance at workplace. The paper studies whether perceived job security positively impacts the effectiveness of job performance among employees of unionized organizations vs employees of non-unionized organizations. Job security's effect on job performance was identified, as well as the difference in the perception of job security among employees from unionized vs non-unionized organizations. The sample consisted of employees from different positions and different organizations, with both union and non-union participation. They were surveyed on a Likert scale questionnaire that had items targeted to measure their perception of job security, and job performance. The evidence yielded results that supported the literature review, and indicated that employees are more susceptible to show better performance in their work place when in the context of the security offered by unionized organizations. The results indicated that the security offered by union participant organizations can be used as a predictor of increased job performance, and to some extent to the employee's behavior within the organization.

Keywords: Job security, job performance, unionized, non-unionized.

Introduction

The definition of job security is the probability of an employee to keep his/her job. Higher the probability of keeping employment, the higher the job security. On the contrary, job insecurity is defined by Heaney, Israel, and House (1994, p.1431) as "the perception of a potential threat to continuity in his or her current job". Greenhalgh and Rosenblatt (1984), defined job insecurity as the severity of threat, which is the level of threat to continue employed. They developed a five component model of job insecurity construct. Organizations, government and individuals, are prompt to increase job security by passing laws and establishing programs that increase education and experience. Unions are among the highest influencers that have an impact on job security. Employments with a strong presence of union representation, like government jobs, airlines, and jobs in education, are deemed very secure, in contrast with jobs in the private sector that are believed to offer less security (Greenhalgh & Rosenblatt, 1984). In an ever growing society, where companies are redefining their concepts to keep up with the technological changes and the demand, it is common to experience job security. In periods of economic growth or expansion, businesses experience more demands and this in turn increases the amount of jobs available, and the probabilities of maintaining the actual employment. In contrast, when businesses experience loss of demand, they are forced to downsize. This instils a sense of insecurity among the Employees.

Qualitative data on job insecurity talk about the insecurity concerning the continued presence of appreciated parts of the job such as salary, long working hours, stress level, achieving targets, lot of travelling etc. This study concentrated on the quantitative job insecurity. Another study performed by Heaney, Israel and House (1994) indicated that job insecurity can be considered as job stressors, and such is predictive of changes over time in both job satisfaction and physical symptoms. According to the results of the research, extended periods of job insecurity decrease job satisfaction and increase physical symptomatology, over and above the effects of job insecurity at any single point in time.

Moreover, decreased performance, and an inclination to leave the job are assumed to be a consequence of job insecurity. The results of these studies indicate that employees who feel insecure about their future employment are usually more dissatisfied with their job, than those who perceive they are more secure. Furthermore, an investigation performed by Staufenbiel & Cornelius (2010), revealed that job insecurity is proposed to have a predominantly harmful effect on performance, turnover intention, and absenteeism, and it is argued that these effects are mediated by (reduced) work attitudes.

Objectives of study

- Have an understanding about the features essential for job security
- Studying the impact of job security on organizational commitment and job satisfaction.

Methodology of Study

The study was based on the data collected from both unionized as well as non-unionized employees of the firm. The questions were structured in a Likert-type scale ranging from strongly disagree (1) to strongly agree (5). Ten items were intended to determine demographic information like age, gender, union or non-union participation, and annual income. It was important to measure how much job security the employees perceive from their jobs. Seven items were used to measure this variable. To measure the dependent variable, seven items were included that tried to assess how employees perceive their performance. Information from the questionnaire was entered into the SPSS for statistical analysis.

Analysis and Findings

A study performed to study perception of job security between unionized and non-unionized employees, discovered that there is a negative perception of security by employees, and these perceptions negatively affect their performance, as noted in their supervisor's rating of job performance.

In order to measure the difference of perceived job security between employees from unionized and non-unionized organizations, a t-test was performed. The results showed a difference in perception between the two groups at the level of significance of ($p = .024$), indicating that there is a statistically significant difference between the perception of job security between the two groups at a significant level of $p < .05$. The means showed a slight difference between the Unionized Group ($\mu = 20.59$, $SD = 2.714$) and the Non-Unionized Group ($\mu = 19.30$, $SD = 2.846$) indicating that the Unionized Group perceives job security at a higher score than the Non-Unionized Group.

A correlation/regression test was used to measure the strength of the relationship between the perception of job security and job performance within the sample. Results indicated a positive correlation of ($r = .270$) between the two variables. It is a weak correlation, but it is statistically significant at the level of ($p = .007$), indicating that there is a statistically significant positive correlation between the perception of job security and job performance.

This result means that within this population the perception of job security is associated to job performance, that is, the more the employees feel secure in their jobs, the tendency is to perform better in their jobs, independent if they work for unionized company or not. It seems that employees tend to correlate the feeling of security to their job performance.

Correlation between Job Security and Job Performance

		JOB SECURITY	JOB PERFORMANCE
JOB SECURITY	Pearson Correlation	1	.270
	Sig. (2-tailed)	.99	.007
	N		99
JOB PERFORMANCE	Pearson Correlation	.270	1
	Sig. (2-tailed)	.007	
	N	99	99

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

- There is a statistically significant positive correlation between the perception of job security and job performance. This means that the more secure an employee feels at a job, the better he or she will perform.
- These findings can be useful for predicting individual's performance once the appropriate sense of job security is offered to employees
- Unionized employees feel more secure than nonunionized employees, but that does not seem to be related to salaries since there is no difference in salaries among the two groups.

Conclusion:

The results of this study supported the hypothesis- there is a statistically significant positive correlation between the perception of job security and job performance. This means that the more secure an employee feels at a job, the better he or she will perform. These findings appropriate sense of job security is offered to employees. Also, unionized employees feel more secure than nonunionized employees, but that does not seem to be related to salaries since there is no difference in salaries among the two groups. The employees with more job satisfaction have indicated a higher performance evaluation score. Henceforth, developing a higher level of job satisfaction among the employees of an organization would, in turn help them to enhance their performance also.

Sooner or later, the measures can be adopted for a better performance management system in the organizations and can be incorporated with these specifics for future compliances. The idea behind this study is to give organizations an insight about the significance of job satisfaction with respect to the performance of its employees and how they can be leveraged to obtain the desirable results.

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