JOB INSECURITY, JOB SATISFACTION AND WORK LOCUS OF CONTROL OF EMPLOYEES IN A GOVERNMENT ORGANISATION

Margie Labuschagne, HONS. B.A.

Mini-dissertation submitted in partial fulfilment of the requirements for the Degree Magister Artium in Industrial Psychology in the School of Behavioural Sciences at the North-West University (Vaal Triangle Campus).

Study leader: Ms J. Bosman
Assistant study leader: Prof J.H. Buitendach
Vanderbijlpark
May 2005
REMARKS

The reader is reminded of the following:

The references, as well as the editorial style as prescribed by the Publication Manual (4th edition) of the American Psychological Association (APA), were followed in this mini-dissertation. This practice is in line with the policy of the Industrial Psychology Programme of the North-West University.

This mini-dissertation is submitted in the form of a research article.
ACKNOWLEDGEMENTS

I wish to express my gratitude toward various individuals, who supported me throughout the completion of this mini-dissertation:

- First and foremost, to our Heavenly Father for blessing me with the ability to complete this study.
- Ms Jacqueline Bosman for her superior guidance, time and effort. Thank you also to Professor Joey Buitendach for her guidance.
- The employees and management of the participating organisation, for their effort in the completion of the questionnaires.
- My family, my parents Donald and Ria Labuschagne who raised me to be strong and independent and to always believe in myself and my sister Martie Ferreira, for their love and unselfish assistance.
- Dr J.C Huebsch for the professional editing of my work.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Tables</td>
<td>iv</td>
</tr>
<tr>
<td>Summary</td>
<td>v</td>
</tr>
<tr>
<td>Opsomming</td>
<td>vi</td>
</tr>
</tbody>
</table>

## CHAPTER 1: INTRODUCTION
1.1 PROBLEM STATEMENT | p. 1 |
1.2 RESEARCH OBJECTIVES | p. 8 |
  1.2.1 General objective | p. 8 |
  1.2.2 Specific objectives | p. 8 |
1.3 RESEARCH METHOD | p. 9 |
  1.3.1 Research design | p. 9 |
  1.3.2 Study population | p. 9 |
  1.3.3 Measuring instruments | p. 9 |
  1.3.4 Statistical analysis | p. 11 |
1.4 CHAPTER DIVISIONS | p. 13 |
1.5 CHAPTER SUMMARY | p. 13 |

## CHAPTER 2: RESEARCH ARTICLE | p. 14 |

## CHAPTER 3: CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS
3.1 CONCLUSIONS | p. 51 |
  3.1.1 Conclusions regarding specific theoretical objectives | p. 51 |
  3.1.2 Conclusions regarding the specific empirical objectives | p. 53 |
3.2 LIMITATIONS OF THE RESEARCH | p. 54 |
3.3 RECOMMENDATIONS | p. 55 |
  3.3.1 Recommendations for the organisation | p. 55 |
  3.3.2 Recommendations for future research | p. 57 |
3.4 CHAPTER SUMMARY | p. 58 |
REFERENCES | p. 59 |
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 1</td>
<td>Compilation of the study population (N=298)</td>
<td>p. 25</td>
</tr>
<tr>
<td>Table 2</td>
<td>Goodness-of-fit Statistics for the JIS Models</td>
<td>p. 30</td>
</tr>
<tr>
<td>Table 3</td>
<td>Goodness-of-fit Statistics for the MSQ Models</td>
<td>p. 32</td>
</tr>
<tr>
<td>Table 4</td>
<td>Goodness-of-fit Statistics for the WLCS Models</td>
<td>p. 33</td>
</tr>
<tr>
<td>Table 5</td>
<td>Descriptive Statistics, Cronbach Alpha Coefficients and Inter-item Correlation Coefficients of the measuring Instruments for employees working in a government organisation</td>
<td>p. 34</td>
</tr>
<tr>
<td>Table 6</td>
<td>MANOVA – Differences in Job Insecurity levels of demographic groups</td>
<td>p. 35</td>
</tr>
<tr>
<td>Table 7</td>
<td>ANOVA – Differences in Job Insecurity levels of cultural groups</td>
<td>p. 36</td>
</tr>
<tr>
<td>Table 8</td>
<td>MANOVA – Differences in Job Satisfaction levels of demographic groups</td>
<td>p. 36</td>
</tr>
<tr>
<td>Table 9</td>
<td>Correlation Coefficients between the JIS, MSQ and WLCS</td>
<td>p. 37</td>
</tr>
<tr>
<td>Table 10</td>
<td>Regression Analysis – Cognitive Job Insecurity and Work Locus of Control: Job Satisfaction</td>
<td>p. 40</td>
</tr>
</tbody>
</table>
SUMMARY

Title: Job insecurity, job satisfaction and work locus of control of employees in a government organisation.

Key words: Job insecurity, job satisfaction, work locus of control, government organisation

Tremendous pressure is placed on organisations to improve their performance and to become increasingly competitive. In order to survive in a highly competitive economy, organisations are undergoing major restructuring and can no longer guarantee employees with lifetime employment, leading to job insecurity.

The primary objectives of this research were to investigate the relationship between job insecurity and job satisfaction of employees ($N = 298$) in a government organisation, as well as to determine whether work locus of control mediates the relationship between job insecurity and job satisfaction. A cross-sectional survey design was used. Constructs were measured by means of the Job Insecurity Survey (JIS), the Minnesota Satisfaction Questionnaire (MSQ), the Work Locus of Control Scale (WLCS) and a biographical questionnaire. Results indicated that a practically significant relationship exists between job insecurity and job satisfaction. It was further found that external locus of control is associated with high levels of job insecurity and lower levels of job satisfaction. Regression analyses confirmed the partially mediating effect of work locus of control on the relationship between cognitive job insecurity and job satisfaction. Conclusions and recommendations were made.
OPSOMMING

Titel: Werksonsekerheid, werkstevredenheid en werk-lokus van beheer van werknemers in 'n staatsorganisasie.

Sleutelwoorde: Werksonsekerheid, werkstevredenheid, werk-lokus van beheer, staatsorganisasie

Geweldige druk word op organisasies geplaas om hul prestatie te verbeter en meer kompeterend te wees. Ten einde te oorleef in 'n kompeterende ekonomie ondergaan organisasies grootskaalse herstrukturering en kan nie meer langer vir werknemers lewenslange dienstname waarborg nie, wat aanleiding gee tot werksonsekerheid.

Die primêre doelwit met hierdie studie was om die verhouding tussen werksonsekerheid en werkstevredenheid van werknemers \( N = 298 \) binne 'n staatsinstansie te ondersoek. Daar is verder ook gepoog om te bepaal of lokus van beheer 'n mediërende invloed op hierdie verhouding het. Tydens die studie is daar gebruik gemaak van 'n Dwarssneeopname-ontwerp. Konstrukte is gemeet deur gebruik te maak van die "Job Insecurity Survey" (JIS), die "Minnesota Satisfaction Questionnaire" (MSQ), die "Work Locus of Control Scale" (WLCS) en 'n biografiese vraelys. Resultate het getoon dat daar 'n prakties betekenisvolle verhouding tussen werknemers en werkstevredenheid bestaan. Verder het dit ook daarop gedui dat eksterne werk-lokus van beheer verband hou met hoë vlakke van werksonsekerheid en lae vlakke van werkstevredenheid. Regressie analises het die gedeeltelike mediërende invloed van werk-lokus van beheer op die verhouding tussen kognitiewe werksonsekerheid en werkstevredenheid bevestig. Gevolgtrekkings en aanbevelings is gemaak.

vi
CHAPTER 1

INTRODUCTION

This mini-dissertation covers the relationship between job insecurity and job satisfaction of employees in a government organisation, and also determines whether work locus of control mediates this relationship. In Chapter 1, the problem statement is discussed, and research objectives and research methods are defined. Chapter divisions are also laid out.

1.1 PROBLEM STATEMENT

Throughout South Africa there has been a growth in non-permanent employment contracts. Smithson and Lewis (2000) are of the opinion that while the increase in flexible working arrangements is often thought to be associated with worker choice, the drive for the increased use of non-permanent contracts has come from management. It is further stated that most employees with a temporary or fixed term contract would prefer a permanent one. Burke (1998) adds to this by stating that the perception of increased insecurity could be a function of unemployment and temporary contracts becoming more evenly spread across all industries and occupations. The reason for this phenomenon continuously increasing in South Africa, could be ascribed to the taxing and strenuous labour laws or an unprecedented increase in economical uncertainties. Nevertheless, the fact that this could be a major cause for job insecurity in South Africa should not be omitted.

Apart from the changing nature and effects of employment contracts, pressure is also placed on organisations to improve their performance and to become increasingly competitive. Profitability becomes the main focus point, as sources of cost-saving are determined. According to Marais and Schepers (1996), such sources include economies of scale, technology, access to raw materials and
salaries and wages, the latter usually being the largest immediate source of cost-savings. Organisations implement "downsizing", "right-sizing" or restructuring, or all three simultaneously, in an attempt to survive in difficult economic conditions. This almost inevitably implies the rationalising of jobs (Marais & Schepers, 1996).

According to De Witte (1997, 1999), the subject of job insecurity relates to people in their work context, who fear they may lose their jobs and become unemployed. Growing emphasis on more flexible employment contracts may also intensify feelings of job insecurity (De Witte, 1997, 1999). Recent research (Mauno & Kinnunen, 2000), demonstrates that agreement has not yet been reached on the definition of job insecurity. Job insecurity has normally been defined in different ways (De Witte, 1997, 1999; Mauno & Kinnunen, 2000). Van Vuuren (1990) defines job insecurity as the concern felt by a person in respect of the continued existence of his/her job. She specifically stresses three components. Job insecurity is first of all a subjective experience or perception. It also refers to uncertainty about the future. Lastly, doubts concerning the continuation of the job as such are central to job insecurity. Job insecurity consistently presents itself as a stressor (De Witte, 1999; Van Vuuren, 1990). According to the global view, job insecurity is viewed as the threat of job loss or job uncertainty (Drenth & Sergeant, 1990; Probst, 2000)

Within the framework of the multidimensional view of job insecurity, the concept refers not only to the degree of uncertainty an employee experiences about his or her job continuity, but also about the permanence of certain dimensions of the job, such as promotional opportunities (Borg & Elizur, 1992; Rosenblatt & Ruvio, 1996; Ruvio & Rosenblatt, 1999). Ruvio and Rosenblatt (1999) conclude that job insecurity is not a question of merely keeping one’s job, but that it encompasses various features and aspects of the entire job.

The Job Insecurity Survey (JIS) (De Witte, 2000) summarises both the cognitive and affective dimensions of job insecurity as distinguished by Borg and Elizur
For the purpose of this study this global, two-dimensional perspective of job insecurity will be adopted. The cognitive dimension relates to the perceived likelihood of job loss, as experienced by an employee. The affective dimension again revolves around the fear of job loss.

De Witte (1999) is of the opinion that for respondents in the region of 30 to 50 years, the fear of job loss is more upsetting than their younger counterparts. He is of the opinion that a possible reason for this could be that younger employees have less financial responsibilities and better prospects of finding a job. Contrary to these findings Manski and Straub (2000) found in their research that expectations of job loss decrease with age. They also found that job insecurity tends to decrease with schooling. Schaufeli (1992) elaborates that the threat of job loss should be less problematic for the more highly educated, as such occupational groups possess more resources to counteract the adverse consequences of unemployment.

Manski and Straub (2000) found considerable differences between job insecurity of different race groups, with the job loss concern among the black group being almost double that of the white group. Although limited South African research exists in this regard, it could be expected that within the South African context, with current legislation such as the Employment Equity Act, job insecurity might be considerably higher among white employees. Yousef (1998) found that satisfaction with job security tended to increase in correspondence with tenure. Most organisations follow the "last in first out" policy, hence it is postulated that increased tenure will be associated with decreased levels of job insecurity (Bosman, Buitendach & Rothmann, 2005).

The person-environment fit theory of stress, as well as the affective events theory of stress, could be considered and assessed when studying the antecedents and consequences of job insecurity. Probst (2002) states that definitions of job insecurity based on the person-environment fit theory of stress emphasises the
match between the person and environment characteristics, and that stress value depends on the perceived imbalance between an individual's perceptions of the demands made by the environment and the individual's perceived ability and motivation to cope with those demands. Based on this definition, Probst (2002) declares that job insecurity is perceived by an employee as a change or precursor to change demanding adaptation, which may be difficult to meet and to cope with. Probst (2002) explains that from an affective events theory perspective, work environment features and events are subject to cognitive appraisal of whether and to what extent such work events and features will aid or obstruct the attainment of goals. If such a goal obstruction is identified and there is a perceived imbalance between the environmental demands and the employee's ability to cope with those demands, based on aspects such as dispositions and available resources, stress inevitably results. Probst (2002) states that, for this reason, when stress exists, work attitudes and affective reactions are expected to be negative.

Job insecurity holds important negative consequences at individual and organisational levels, consequently leading to increased organisational withdrawal, increasingly reported health conditions, increased psychological distress and lowered organisational commitment (Probst, 2002). Yousef (1998) adds that job insecurity has been linked to numerous important outcomes, including employee health, psychological well-being, turnover, job satisfaction and organisational commitment. The relationship between job insecurity and job satisfaction is also demonstrated in the research of Ashford, Lee and Bobko (1989), who found a significantly lower level of job satisfaction among employees who felt insecure. Heany, Israel and House (1994), as well as Probst and Brubaker (2001), found that job insecurity is associated with decreased levels of extrinsic and intrinsic job satisfaction. In a South African study, Heymans (2002) found that cognitive job insecurity is associated with decreased levels of intrinsic and extrinsic job satisfaction.
According to Rothmann and Agathagelou (2000), job satisfaction is a complex variable and is influenced by situational factors of the job environment, as well as dispositional characteristics of an individual.

Hirschfeld (2000) explains that job satisfaction relates to the extent to which people like their jobs. Job satisfaction can be described as an affective or emotional reaction to the job, resulting from the incumbent's comparison of actual outcomes with the required outcomes (Hirschfeld, 2000; Locke, 1976). Weiss, Dawis, England and Lofquist (1967) explain that employees seek to achieve and maintain correspondence with their environment. Correspondence with the environment can be described in terms of the individual fulfilling the requirements of the environment, and the environment fulfilling the requirements of the individual. Job satisfaction thus relates to individuals' perceptions and evaluations of their jobs, while these perceptions are influenced by unique circumstances such as needs, values and expectations. People will, therefore, evaluate their jobs on the basis of factors which they regard as being important to them (Sempane, Rieger & Roodt, 2002).

Limited research exists regarding differences in job satisfaction levels of demographic groups. In South Africa, Buitendach and Rothmann (2004) found differences in job satisfaction levels for different cultural groups and for persons with different levels of qualifications. The Black employees were found to experience lower levels of intrinsic job satisfaction as compared to the White employees. It was also found that the more highly qualified employees experienced higher levels of job satisfaction than employees with lower levels of education.

Job satisfaction has been found to have a positive correlation with life satisfaction (Judge, Boudreau & Bretz, 1994), organisational commitment (Fletcher & Williams, 1996), and job performance (Babin & Boles, 1996). Pretorius and
Rothmann (2001) found a negative correlation between job satisfaction and external work locus of control.

Spector (1988) defines work locus of control as the generalised expectancy that rewards, reinforcements or outcomes in life are controlled either by one’s own actions (internal) or by other forces (external). According to Rotter (1966) the internal pole of this continuum refers to the individual’s belief that outcomes are the result of internal attributes, whereas the external pole pertains to the individual’s belief that outcomes are unrelated to behaviour. Spector (1982) found that work locus of control is related to effort, performance, motivation, satisfaction, perception of the job and compliance with authority, while it acts as a moderator in the relationship between incentives and motivation on the one hand and satisfaction and turnover on the other hand.

Franz (1980) found that internal control was associated with years of formal schooling. Furnham (1998) found a significant correlation between high status professions and an internal locus of control. In a South African study, Elbert (2002) found that employees falling within the semi-professional category were more prone toward an internal work locus of control than employees falling within the skilled category, who leaned more toward an external locus of control. Participants with post-matric qualifications were also more prone toward an internal locus of control than participants with Grade 10 and 11 levels of education, who, in turn, leaned toward and external locus of control.

Social learning theorists (Bandura, 1986; Rotter, 1982) are of the opinion that behaviour is the result of interaction between the characteristics of the individual and characteristics of the situation. Such interaction presents the opportunity for self-development, but within the established boundaries. Work locus of control is therefore not highly constrained, but has the potential to change as a result of environmental aspects, which is, for example, demonstrated in the research of Becker and Krzystofiak (as cited in Furnham, 1998) who found that labour market
discrimination can have a strong impact on locus of control. For this reason, it is expected that job insecurity will be associated with an external locus of control (given the feelings of lack of control over one's employment future). This, in turn, will be associated with a decreased level of job satisfaction, given that previous research, has linked increased job insecurity with decreased job satisfaction (Heany, Israel & House, 1994; Heymans, 2002; Probst & Brubaker, 2001), as well as external locus of control with decreased job satisfaction (Pretorius & Rothmann, 2001). Work locus of control is thus expected to play a mediating role in the relationship between job insecurity and job satisfaction.

The South African labour market is becoming increasingly aware of the increasing flexibility of jobs, and the increase in non-standard forms of working such as outsourcing and independent contracting, eliminating the security that the traditional indefinite period contract offered. Apart from this, South African employees are also faced with an ever-shrinking labour market, making the prospect of unemployment a potential reality for almost all South Africans. Together with the economic implications held by globalisation, the South African labour market has to deal with changes at a political level and government placing more pressure and emphasis on the implementation of concepts such as employment equity. It is clear that job security, although desired by most it is not to be expected. These issues are not exclusive to certain groups of people or organisations and also relate to employees working in a government organisation, where this research will be conducted. The management of this government organisation report that they are concerned regarding the general well-being of the workforce, stating that they are faced with unusually high levels of absenteeism and staff turnover. The employees of this particular government organisation are reported to be to be generally insecure regarding their occupational futures, many not knowing how their desired occupational futures fit in with their potential career paths within the organisation.
On the basis of the above-mentioned problem statement, the following research questions are formulated:

- How is job insecurity, job satisfaction and work locus of control and the relationship between these constructs conceptualised in literature?
- Do demographic groups differ in their levels of job insecurity, job satisfaction and work locus of control?
- What is the relationship between job insecurity and job satisfaction of employees in a government organisation?
- Does work locus of control mediate the relationship between job insecurity and job satisfaction in a government organisation?

1.2 RESEARCH OBJECTIVES

1.2.1 General objectives

The objective of this research, is to determine the relationship between job insecurity and job satisfaction of employees in a government organisation and to determine whether work locus of control mediates this relationship.

1.2.2 Specific objectives

The specific research objectives are to:

- conceptualise job insecurity, job satisfaction and work locus of control and the relationship between these constructs from the literature;
- determine whether the levels of job insecurity, job satisfaction and work locus of control differ between demographic groups,
- determine the relationship between job insecurity and job satisfaction of employees in a government organisation; and
- determine whether work locus of control mediates the relationship between job insecurity and job satisfaction of employees in a government organisation.
1.3 RESEARCH METHOD

The research method consists of two parts, a literature review and an empirical investigation.

1.3.1 Research design
A cross-sectional survey design will be used. This design (Shaughnessy & Zechmeister, 1997) can also be used to evaluate interrelationships among variables within a population. According to Shaughnessy and Zechmeister (1997), this design is ideal to describe and predict functions associated with correlative research. The survey technique of data collecting, gathers information from the target population primarily by means of questionnaires.

1.3.2 Study population
The entire population of ±500 employees working in the government organisation in Gauteng, will be targeted in this research. The population includes workers from all levels, i.e. ranging from semi-skilled to professional levels.

1.3.3 Measuring instruments
The following instruments will be used in this study:

- The Job Insecurity Survey (De Witte, 2000).
- The Work Locus of Control Scale (Spector, 1988).

The Job Insecurity Survey (JIS) (De Witte, 2000) will be used as a measure of job insecurity. This eleven-item questionnaire relating to job insecurity will be used in order to measure the perceived job insecurity of participants. The eleven items of the JIS summarise both the cognitive and affective dimensions of job insecurity and are arranged along a 5-point scale, with one (1) being "strongly disagree" and five (5) representing strong agreement. An example of a question
relating to cognitive job insecurity would be, "I am sure I can keep my job", whereas an example of a question relating to affective job insecurity would be, "I am worried about keeping my job". The items of the JIS, measuring global job insecurity, are reported to have a Cronbach alpha coefficient of 0.92 and both scales (cognitive and affective) were shown to be highly reliable, with the six items measuring cognitive job insecurity, displaying a Cronbach alpha coefficient of 0.90; and the five items of the affective job insecurity having a Cronbach alpha coefficient of 0.85 (De Witte, 2000). According to De Witte (2000), the content of these two scales do not overlap, but nevertheless they show a high underlying correlation (r=0.76; p<0.0001). In South Africa, Heymans (2002) obtained an alpha coefficient of 0.81 for the JIS, while Elbert (2002) obtained an alpha coefficient of 0.84.

The Minnesota Satisfaction Questionnaire (MSQ) (shortened version) (Weiss, Dawis, England & Lofquist, 1967) indicates how satisfied or dissatisfied respondents are with their jobs by asking respondents to rate themselves on 20 questions, using a five-point scale (1 = very dissatisfied to 5 = very satisfied). The MSQ short form measures intrinsic job satisfaction, using items such as “The chance to do things that don’t go against my conscience” and extrinsic job satisfaction using items like: “The chance to be ‘somebody’ in the community” Hirschfeld (2000) found, that a two-factor model (intrinsic and extrinsic job satisfaction) is superior to a one-factor model (total job satisfaction). Alpha coefficients were found to range from 0.87 to 0.95, which supports the internal consistency of the scale (Lam, Baum & Pine, 1998; Hirschfeld, 2000). Buitendach and Rothmann (2004) obtained a reliability coefficient of 0.82 for the extrinsic job satisfaction scale and 0.79 for the intrinsic job satisfaction scale.

The Work Locus of Control Scale (WLCS) (Spector, 1988), consisting of 16 items will be used to measure the participants’ work locus of control. An item relating to an external work locus of control would for example be, “Getting the job you want is mostly a matter of luck”, whereas an item relating to an internal work
locus of control would for example be, "If employees are unhappy with decision made by their boss, they should do something about it". According to the findings obtained by Spector (1988), Cronbach alpha coefficients for this questionnaire, vary between 0,75 and 0,85, while evidence exists for the construct validity of the WLCS (Spector, 1988). The research of Rothmann and Van Rensburg (2001) provided an alpha coefficient of 0,70.

1.3.4 Statistical analysis
The SPSS program (SPSS 2003) will be used to carry out the statistical analysis. Cronbach alpha coefficients (α) and inter-item correlations coefficients will be used in order to determine the validity and reliability of the measuring instruments, while descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) will be used to analyse data. The Pearson Product Moment Correlation Coefficient will be determined so as to indicate the extent to which one variable is related to another and the Spearman correlation coefficient, in cases where the distribution of scores are skew. Effect sizes will be used in order to determine the practical significance of relationships between variables. The level of statistical significance is set at $p < 0.01$. Steyn (2002) criticises the sole use of statistical significance testing and recommends that effect sizes be established to determine the importance of a statistically significant relationship. While reporting of effect sizes are encouraged by the American Psychological Association (APA) in their Publication Manual (APA, 1994), most of these measures are seldom found in published reports (Kirk, 1996; Steyn, 2002). Therefore, effect sizes will be computed to assess the practical significance of relationships in this study. A cut-off point of 0,30, which represents a medium effect (Cohen, 1998; Steyn, 2002), is set for the practical significance of correlation coefficients.

Structural equation modelling (SEM) methods, as implemented by AMOS (Arbuckle, 1997), will be used to test factorial models of the JIS, MSQ and
WLCS. SEM is a statistical method that follows a hypothesis-testing approach to the analysis of a structural theory bearing on some phenomenon (Byrne, 2001).

Hypothesised relationships will be tested empirically with the sample data for the government organisation. The $\chi^2$ statistic and several other goodness-of-fit indices, which sum up the degree of correspondence between the inferred (hypothesised) and observed covariance matrices, will be used. If used in isolation, the $\chi^2$ statistic can lead to certain limitations. Researchers have addressed the $\chi^2$ limitations by developing goodness-of-fit indexes that take a more pragmatic approach to the evaluation process. One of the first fit statistics to address this problem, was the $\chi^2$/degrees of freedom ratio (CMIN/DF) (Wheaton, Muthén, Alwin & Summers, 1977), which is the minimum discrepancy per degree of freedom. These criteria, also referred to as "subjective" or "practical" indices of fit, are frequently used as additions to the $\chi^2$ statistic.

The Goodness-of-Fit Index (GFI) indicates the relative amount of the variances/covariances in the sample predicted by the estimates of the population. The Adjusted Goodness-of-Fit Index (AGFI), which is a measure of the relative amount of variance accounted for by the model, corrected for the degrees of freedom in the model relative to the number of variables, will also be used. The Normed Fit Index (NFI) is used to assess a global model fit. The NFI, which is normed to fall on a 0 to 1 continuum, is considered to represent the point at which the model under evaluation falls on a scale running from a null model to perfect fit. The Comparative Fit Index (CFI) also compares the hypothesised and independent models, but takes cognizance of sample size. The Tucker-Lewis Index (TLI) is a relative measure of covariation, explained by the model, which is specifically developed to assess factor models (Tucker & Lewis, 1973).

As suggested by Browne and Cudeck (1993), the Root Mean Square Error of Approximation (RMSEA), which estimates the overall amount of error in the
hypothesised model-data fit relative to the estimated parameters of the model,
and the 90% confidence interval of the RMSEA, will be used.

Regression analyses were carried out to determine the percentage variance in
the dependent variable that is predicted by the independent variables. A
correlation can be better understood by determining $R^2$ (Cohen, 1988). The
square of the correlation coefficient, indicates the proportion of variance in any
two variables, which is predicted by the variance in the other.

1.4 CHAPTER DIVISIONS

Chapter 1 comprises of an introduction to the research study. The problem
statement briefly outlines the constructs and reasons for this study. Research
objectives detail the general and specific objectives of the study. Finally
research methods are discussed. Chapter 2 deals mainly with the statistical
analysis of the empirical results of this study. The aim of the study is stated, after
which the method is explained in depth. Further, data analysis is presented, after
which the results are discussed. This chapter concludes with a discussion of
limitations and recommendations suggested. Chapter 3 deals with the
conclusion to this study. Research limitations and recommendations are also
stated.

1.5 CHAPTER SUMMARY

In this chapter an introduction to the research study was given. The problem
statement briefly outlined the constructs and reasons for the study. Research
objectives were given and the chapter was concluded by discussing the research
methods.
JOB INSECURITY, JOB SATISFACTION AND WORK LOCUS OF CONTROL OF EMPLOYEES IN A GOVERNMENT ORGANISATION

M. Labuschagne  
J. Bosman  
J. H. Buitendach

ABSTRACT

The primary objectives of this research was to investigate the relationship between job insecurity and job satisfaction of employees (N = 298) in a government organisation, as well as to determine whether work locus of control mediates the relationship between job insecurity and job satisfaction. A cross-sectional survey design was used. Constructs were measured by means of the Job Insecurity Survey (JIS), the Minnesota Satisfaction Questionnaire (MSQ) (shortened version), the Work Locus of Control Scale (WLCS) and a biographical questionnaire. Results indicated that a negative relationship exists between job insecurity and job satisfaction. It was further found that external work locus of control is associated with high levels of job insecurity and lower levels of job satisfaction. Regression analyses confirmed the partially mediating effect of work locus of control on the relationship between cognitive job insecurity and job satisfaction.

OPSOMMING

Die hoofdoelwit met hierdie studie was om die verhouding tussen werksonsekerheid en werkstevredenheid van werknemers (N = 298) binne 'n staatsinstansie te ondersoek. Daar is verder ook gepoog om te bepaal of werk lokus van beheer 'n medierende invloed op hierdie verhouding het. Tydens die studie is daar gebruik gemaak van 'n korrelasie-opname. Konstrukte is gemaat deur gebruik te maak van die "Job Insecurity Survey" (JIS), die "Minnesota Satisfaction Questionnaire" (MSQ) (verkorte weergawe), die "Work Locus of Control Scale" (WLCS) en 'n biografiese vraelys. Resultate het getoon dat daar wel negatiewe 'n verhouding tussen werksonsekerheid en werkstevredenheid is. Verder het dit ook daarop gedui dat eksterne werk-lokus van beheer verband hou met hoë vlakke van werksonsekerheid en lae vlakke van werkstevredenheid. Regressie analyses het die gedeeltelike medierende invloed van werk-lokus van beheer op die verhouding tussen kognitiewe werksonsekerheid en werkstevredenheid bevestig.
Tremendous pressure is being placed on South African organisations to improve their performance and to become increasingly competitive. Profitability becomes the main focus point, as sources of cost saving are determined. Organisations implement "downsizing", right-sizing" or restructuring, or all three simultaneously, in an attempt to survive in difficult economic conditions. This almost inevitably implies the rationalising of jobs (Marais & Schepers, 1996). According to Marais and Schepers (1996) such sources include economies of scale, technology, access to raw materials and salaries and wages, the latter usually being the largest immediate collective source of cost saving.

Apart from the pressure being placed on organisations to become more competitive, throughout South Africa there has been a growth in non-permanent employment contracts. Smithson and Lewis (2000) are of the opinion that while the increase in flexible working arrangements is often thought to be associated with worker choice, the drive for the increased use of non-permanent contracts, has come from management. It is further stated that most employees with a temporary or fixed term contract, would prefer a permanent one. Burke (1998) adds to this, by stating that the perception of increased insecurity could be a function of unemployment and temporary contracts becoming more evenly spread across all industries and occupations. The reason for this phenomenon continuously increasing in South Africa, could be ascribed to the taxing and strenuous labour laws or an unprecedented increase in economical uncertainties. Nevertheless, the fact that this could be a major cause for job insecurity in South Africa should not be omitted.

Recent research (Mauno & Kinnunen, 2000) demonstrates that agreement has not yet been reached on the definition of job insecurity. Job insecurity has usually been defined in different ways (De Witte, 1997, 1999; Mauno & Kinnunen, 2000). Van Vuuren (1990) defines job insecurity as the concern felt by a person for the continued existence of his/her job. She stresses three components. Job insecurity is first of all a subjective experience or perception. It
also refers to uncertainty about the future. Lastly, doubts concerning the continuation of the job as such are central to job insecurity. Job insecurity consistently presents itself as a stressor (De Witte, 1999: Van Vuuren, 1990). According to the global view, job insecurity is viewed as the threat of job loss or job uncertainty (Drenth & Sergeant, 1990; Probst, 2000). According to De Witte (1997, 1999) the subject of job insecurity relates to people in their work context who fear they may lose their jobs and become unemployed. Growing emphasis on more flexible employment contracts may also intensify feelings of job insecurity (De Witte, 1997, 1999).

Researchers, who have adopted the multidimensional definition of job insecurity, argue that job insecurity refers not only to the degree of uncertainty, but also to the continuity of certain dimensions, such as opportunities for promotion (Ashford, Lee & Bobko, 1989). Ruvio and Rosenblatt (1998) add to this by stating that job insecurity is not a question of merely keeping one's job, but that it encompasses various features and aspects of the entire job.

The Job Insecurity Survey (JIS) (De Witte, 2000) summarises both the cognitive and affective dimensions of job insecurity as distinguished by Borg and Elizur (1992). For the purpose of this study this global perspective of job insecurity will be adopted. The cognitive dimension relates to the perceived likelihood of job loss, as experienced by an employee. The affective dimension again revolves around the fear of job loss.

De Witte (1999) is of the opinion that for respondents in the region of 30 to 50 years, the fear of job loss is more upsetting than their younger counterparts, as younger employees have less financial responsibilities and better prospects of finding a job. Contrary to these findings Manski and Straub (2000) found in their research that expectations of job loss decrease with age. They also found that job insecurity tends to decrease with schooling Schaufeli (1992) is of the opinion that the threat of job loss should be less problematic for the more highly
those demands, based on aspects such as dispositions and available resources, stress inevitably results. Probst (2002) states that, for this reason, when stress exists, work attitudes, for example job satisfaction and affective reactions are expected to be negative.

The relationship between job insecurity and job satisfaction is demonstrated in the research of Ashford, Lee and Bobko (1989), who found a significantly lower level of job satisfaction among employees who felt insecure. Heany, Israel and House (1994), as well as Probst and Brubaker (2001), found that job insecurity is associated with decreased levels of extrinsic and intrinsic job satisfaction. Heymans (2002), in a South African study, found that cognitive job insecurity is related to decreased levels of intrinsic and extrinsic job satisfaction. According to Yousef (1998) job insecurity has been linked to numerous important outcomes including employee health, psychological well-being, turnover, job satisfaction and organisational commitment.

According to Rothmann and Agathagelou (2000) job satisfaction is a complex variable and is influenced by situational factors of the job environment, as well as dispositional characteristics of an individual. Job satisfaction can be described as an affective or emotional reaction to the job, resulting from the incumbent’s comparison of actual outcomes with the required outcomes (Hirschfeld, 2000; Locke, 1976). Hirschfeld (2000) explains that job satisfaction relates to the extent to which people like their jobs. Weiss, Dawis, England and Lofquist (1967) explain that employees seek to achieve and maintain correspondence with their environment. Correspondence with the environment can be described in terms of the individual fulfilling of the requirements of the environment, and the environment fulfilling the requirements of the individual. Job satisfaction thus relates to individuals’ perceptions and evaluations of their jobs, while these perceptions are influenced by unique circumstances such as needs, values and expectations. People will therefore evaluate their jobs on the basis of factors, which they regard as being important to them (Sempa, Rieger & Roodt, 2002).
educated, as such occupational groups possess more resources to counteract the adverse consequences of unemployment.

Manski and Straub (2000) found considerable differences between job insecurity of different race groups, with the job loss concern among the black group being almost double that of the white group. Although limited South African research exists in this regard, it could be expected that within the South African context, with current legislation such as the Employment Equity Act, job insecurity might be considerably higher among white employees. Yousef (1998) found that satisfaction with job security tended to increase commensurate with tenure. As noted by Bosman, Buitendach and Rothmann (2005), given the "last in first out" policy followed by many organisations, increased tenure is expected to be associated with decreased job insecurity.

Probst (2002) states that definitions of job insecurity based on the person-environment fit theory of stress emphasises the match between the person and environment characteristics, and that stress value depends on the perceived imbalance between an individual's perceptions of the demands made by the environment and the individual's perceived ability and motivation to cope with those demands. Based on this definition, Probst (2002) declares that job insecurity is perceived by an employee as a change or precursor to change demanding adaptation, which may be difficult to meet and to cope with. The inability to cope with potential future unemployment or loss of job features may have significant consequences. Therefore the person-environment fit theory of stress, as well as the affective events theory of stress, can be considered when studying the antecedents and consequences of job insecurity. Probst (2002) explains that from an affective events theory perspective, work environment features and events are subject to cognitive appraisal of whether and to what extent such work events and features will aid or obstruct the attainment of goals. If such a goal obstruction is identified and there is a perceived imbalance between the environmental demands and the employee's ability to cope with
those demands, based on aspects such as dispositions and available resources, stress inevitably results. Probst (2002) states that, for this reason, when stress exists, work attitudes, for example job satisfaction and affective reactions are expected to be negative.

The relationship between job insecurity and job satisfaction is demonstrated in the research of Ashford, Lee and Bobko (1989), who found a significantly lower level of job satisfaction among employees who felt insecure. Heany, Israel and House (1994), as well as Probst and Brubaker (2001), found that job insecurity is associated with decreased levels of extrinsic and intrinsic job satisfaction. Heymans (2002), in a South African study, found that cognitive job insecurity is related to decreased levels of intrinsic and extrinsic job satisfaction. According to Yousef (1998) job insecurity has been linked to numerous important outcomes including employee health, psychological well-being, turnover, job satisfaction and organisational commitment.

According to Rothmann and Agathagelou (2000) job satisfaction is a complex variable and is influenced by situational factors of the job environment, as well as dispositional characteristics of an individual. Job satisfaction can be described as an affective or emotional reaction to the job, resulting from the incumbent's comparison of actual outcomes with the required outcomes (Hirschfeld, 2000; Locke, 1976;). Hirschfeld (2000) explains that job satisfaction relates to the extent to which people like their jobs. Weiss, Dawis, England and Lofquist (1967) explain that employees seek to achieve and maintain correspondence with their environment. Correspondence with the environment can be described in terms of the individual fulfilling of the requirements of the environment, and the environment fulfilling the requirements of the individual. Job satisfaction thus relates to individuals' perceptions and evaluations of their jobs, while these perceptions are influenced by unique circumstances such as needs, values and expectations. People will therefore evaluate their jobs on the basis of factors, which they regard as being important to them (Sempane, Rieger & Roodt, 2002).
According to Locke (1976; p. 1023) common aspects of job satisfaction include “work, pay, promotions, recognition, benefits, working conditions, supervision, co-workers, company and management”. Research (Hirschfeld, 2000; Spector, 1997) has shown that the different aspects of job satisfaction can be arranged according to two dimensions, being intrinsic and extrinsic job satisfaction. Extrinsic satisfaction refers to satisfaction with aspects such as pay, working conditions and co-workers, whereas intrinsic satisfaction refers to aspects such as variety and autonomy.

As noted by Oshagbemi (2003), limited research exists regarding differences in job satisfaction levels of demographic groups. In South Africa, Buitendach and Rothmann (2004) found that Black employees experienced lower levels of intrinsic job satisfaction than White employees, as well as that employees with higher qualifications, experienced higher levels of job satisfaction than employees with limited qualifications.

Job satisfaction has been found to have a positive correlation with life satisfaction (Judge, Boudreau & Bretz, 1994), organisational commitment (Fletcher & Williams, 1996), and job performance (Babin & Boles, 1996). Pretorius and Rothmann (2001) found a negative correlation between job satisfaction and external work locus of control.

Spector (1988) defines work locus of control as the generalised expectancy that rewards, reinforcements or outcomes in life, are controlled either by one’s own actions (internal) or by other forces (external). According to Rotter (1966), the internal pole of this continuum refers to the individual’s belief that outcomes are the result of internal attributes, whereas the external pole pertains to the individual’s belief that outcomes are unrelated to behaviour.

Spector (1982) found that work locus of control is related to effort, performance, motivation, satisfaction, perception of the job, and compliance with authority,
while it acts as a moderator in the relationship between incentives and motivation on the one hand and satisfaction and turnover on the other hand.

Social learning theorists (Bandura, 1986; Rotter, 1982) are of the opinion that behaviour is the result of interaction between the characteristics of the individual and characteristics of the situation. Such interaction presents the opportunity for self-development, but within the established boundaries. According to Rotter (1966), human behaviour can be clarified in terms of the suggestion that behaviour is largely determined by environmental influences, that genetic factors only play a minor role in determining behaviour and that behaviour can be explained in terms of classical and instrumental conditioning, observation and experiential learning, symbolic processes (for example, expectations of job loss) and self-regulating processes (for example, planning).

Work locus of control is therefore not static, but has the potential to change as a result of environmental aspects, which is, for example, demonstrated in the research of Becker and Krzystofaik (as cited in Furnham, 1998) who found that labour market discrimination can have a strong impact on locus of control. Therefore, internal work locus of control can be stimulated in an organisational setting, by reinforcing behaviour in such a manner that employees can see a direct link between their behaviour and the consequences thereof. For this reason, it is expected that job insecurity will be associated with an external locus of control (given the feelings of lack of control over one's employment future). This, in turn, will be associated with a decreased level of job satisfaction, given that previous research, has linked increased job insecurity with decreased job satisfaction (Heany, Israel & House, 1994; Heymans, 2002; Probst & Brubaker, 2001), as well as external locus of control with decreased job satisfaction (Pretorius & Rothmann, 2001). Spector (1986) also found that high levels of perceived control were associated with increased job satisfaction. Work locus of control is thus expected to play a mediating role in the relationship between job insecurity and job satisfaction.
In her study, Elbert (2002) found that employees falling within the semi-professional category were more prone toward an internal work locus of control than employees falling within the skilled category, in other words internal locus of control was associated with increased skills level. Participants with post-matric qualifications were also more prone toward an internal locus of control than participants with Grade 10 and 11 levels of education. Franz (1980) also found that internal control was associated with years of formal schooling. Furnham (1998) found a significant correlation between high status professions and an internal locus of control.

The South African labour market is ever more becoming aware of the increasing flexibility of jobs, and the increase in non-standard forms of working such as outsourcing and independent contracting, eliminating the security that the traditional indefinite period contract offered. Apart from this, South African employees are also faced with an ever-shrinking labour market, making the prospect of unemployment a potential reality for almost all South Africans. Together with the economic implications held by globalisation, the South African labour market is also faced with changes at a political level, with Employment Equity and Black Economic Empowerment, government placing more pressure and emphasis on the implementation of these concepts. It is clear that job security, although desired by most, is not to be expected. These issues are not exclusive to certain groups of people or organisations and also relate to employees working in a government organisation, where this research was conducted. Management of this government organisation report that they are concerned regarding the general well-being of the workforce, stating that they are faced with unusually high levels of absenteeism and staff turnover. The employees of this particular government organisation are reported to be generally insecure regarding their occupational futures, many not even knowing how their desired occupational futures fit in with their potential career paths within the organisation.
Research hypotheses related to the present study are formulated as follows:

H1: A practically significant negative relationship exists between job insecurity and job satisfaction.

H2: Work locus of control mediates the relationship between job insecurity and job satisfaction.

H3: Significant differences exist between job insecurity levels of demographic groups.

H4: Significant differences exist between job satisfaction levels of demographic groups.

H5: Significant differences exist between the work locus of control of demographic groups.

AIM OF THE STUDY

The objective of this research is to determine the relationship between job insecurity and job satisfaction of employees in a government organisation and to determine whether work locus of control mediates this relationship.

METHOD

Research design

A cross-sectional survey design will be used. This design (Shaughnessy & Zechmeister, 1997) can also be used to evaluate interrelationships among variables within a population. According to Shaughnessy and Zechmeister (1997), this design is also ideal to describe and predict functions associated with correlative research.
The survey technique of data collecting, gathers information from the target population primarily by means of questionnaires.

Sample

The entire population of 500 employees working in the government organisation in Gauteng was targeted in this research, although a response rate of only 298 participants was obtained. Participants consisted of employees from all educational levels, the lowest literacy levels deemed sufficient enough to allow for the accurate completion of the questionnaires. The biographical characteristics of the study population are detailed in Table 1.
From the compilation of the study population, it is apparent, that the majority of participants are Black (62.3%). Gender is more equally distributed, with 48.8% consisting of males and 47.5% of females. The predominant section of the population falls within the age range of 25-35 years (35.4%), with 23.2% between the ages of 36 and 45. The majority of the study population have qualifications between St 8 and 10, while 25.9% have at least a diploma. In
respect of service years, the bulk of the population under study, range between 2 and 5 years service (24.9%).

Measuring Instruments

The following standardised measuring instruments were used in the empirical study:

- The Job Insecurity Survey (JIS) (De Witte, 2000) was used as a measure of job insecurity. This eleven-item questionnaire relating to job insecurity was used in order to measure the perceived job insecurity of participants. The eleven items of the JIS summarise both the cognitive and affective dimensions of job insecurity and are arranged along a 5-point scale, with one (1) being "strongly disagree" and five (5) representing strong agreement. An example of a question relating to cognitive job insecurity would be, "I am sure I can keep my job", whereas an example of a question relating to affective job insecurity would be, "I am worried about keeping my job". The items of the JIS, measuring global job insecurity are reported to have a Cronbach alpha coefficient of 0.92 and both scales (cognitive and affective) were shown to be highly reliable, with the six items measuring cognitive job insecurity, displaying a Cronbach alpha coefficient of 0.90; and the five items of the affective job insecurity having a Cronbach alpha coefficient of 0.85 (De Witte, 2000). According to De Witte (2000) the content of these two scales do not overlap, but nevertheless, they show a high underlying correlation (r=0.76; p<0.0001). Heymans (2002) obtained an alpha coefficient of 0.81 for the JIS, while Elbert (2002) obtained an alpha coefficient of 0.84.

- The Minnesota Satisfaction Questionnaire (MSQ) (shortened version) (Weiss, Dawis, England & Lofquist, 1967) indicates how satisfied or dissatisfied respondents are with their jobs by asking respondents to rate themselves on 20 questions, using a five-point scale (1 = very dissatisfied
to 5 = very satisfied). The MSQ short form measures intrinsic job satisfaction, using items such as “The chance to do things that don’t go against my conscience” and extrinsic job satisfaction using items like: “The chance to be ‘somebody’ in the community” Hirschfeld (2000) found, that a two-factor model (intrinsic and extrinsic job satisfaction) is superior to a one-factor model (total job satisfaction). Alpha coefficients were found to range from 0,87 to 0,95, which supports the internal consistency of the scale (Lam, Baum & Pine, 1998; Hirschfeld, 2000). Buitendach and Rothmann (2004) obtained a reliability coefficient of 0,82 for the extrinsic job satisfaction scale and 0,79 for the intrinsic job satisfaction scale.

- The Work Locus of Control Scale (WLCS) (Spector, 1988), consisting of 16 items will be used to measure the participants' work locus of control. An item relating to an external work locus of control would for example be, "Getting the job you want is mostly a matter of luck", whereas an item relating to an internal work locus of control would for example be, "If employees are unhappy with decision made by their boss, they should do something about it". According to the findings obtained by Spector (1988), Cronbach alpha coefficients for this questionnaire, vary between 0,75 and 0,85, while evidence exists for the construct validity of the WLCS (Spector, 1988). The research of Rothmann and Van Rensburg (2001) provided an alpha coefficient of 0,70.

DATA ANALYSIS

The SPSS program (SPSS, 2003) was used to carry out the statistical analysis. Cronbach alpha coefficients and inter-item correlations coefficients was used in order to determine the validity and reliability of the measuring instruments while descriptive statistics (e.g. means, standard deviations, skewness and kurtosis) were used to analyse data. The Pearson Product Moment Correlation Coefficient was determined so as to indicate the extent to which one variable is
related to another. Effect sizes were used to determine the practical significance of relationships between variables.

Structural equation modelling (SEM) methods, as implemented by AMOS (Arbuckle, 1997) were used to test the factorial models for the JIS, MSQ and WLCS. SEM is a statistical method that follows a hypothesis-testing approach to the analysis of a structural theory bearing on some phenomenon (Byrne, 2001). In essence, the researcher imposes the structure of the hypothesised model on the sample data, thereafter testing how well the observed data fit the restricted structure.

Hypothesised relationships were tested empirically for goodness of fit with the sample data. The $\chi^2$ statistic and several other goodness-of-fit indices, which sum up the degree of correspondence between the inferred (hypothesised) and observed covariance matrices was used. If used in isolation, the $\chi^2$ statistic can lead to certain limitations, given its sensitivity to sample size. Researchers have addressed the $\chi^2$ limitations by developing goodness-of-fit indexes that take a more pragmatic approach to the evaluation process. One of the first fit statistics to address this problem was the $\chi^2$/degrees of freedom ratio ($\text{CMIN}/\text{DF}$) (Wheaton, Muthén, Alwin & Summers, 1977), which is the minimum discrepancy per degree of freedom. These criteria, also referred to as “subjective” or “practical” indices of fit, are frequently used as additions to the $\chi^2$ statistic.

The Goodness of Fit Index (GFI) indicates the relative amount of the variances/co-variances in the sample predicted by the estimates of the population. The Adjusted Goodness-of-Fit Index (AGFI), which is a measure of the relative amount of variance accounted for by the model, corrected for the degrees of freedom in the model relative to the number of variables, was also used. The AGFI differs from the GFI in that the AGFI adjusts for the number of degrees of freedom in the specified model, thus also addressing the issue of parsimony by incorporating a penalty for the inclusion of additional parameters.
The GFI and AGFI are both classified as absolute indexes of fit because the basically compare the hypothesised model with no model at all (Hu & Bentler, 1995). Both these indexes range from 0 to 1, with values close to 1 (i.e. exceeding 0.90) being considered as indicative of good fit.

The next set of goodness-of-fit statistics can be classified as incremental or comparative indexes of fit. The Normed Fit Index (NFI) is used to assess a global model fit. The NFI, which similarly to the CFI and TLI, is normed to fall on a 0 to 1 continuum, is considered to represent the point at which the model under evaluation falls on a scale running from a null model to perfect fit. The Comparative Fit Index (CFI) also compares the hypothesised and independent models, but takes cognizance of sample size. Although both the NFI and CFI are included in AMOS output, it has been suggested that the CFI should be the index of choice (Bentler, 1990). The Tucker-Lewis Index (TLI) is a relative measure of covariation, explained by the model, which is specifically developed to assess factor models (Tucker & Lewis, 1973). Although a value larger than 0.90 was originally considered representative of a well-fitting model, a revised cut-off value close to 0.95 has been advised (Hu & Bentler, 1999).

As suggested by Browne and Cudeck (1993), the Root Mean Square Error of Approximation (RMSEA), which estimates the overall amount of error in the hypothesised model-data fit relative to the estimated parameters of the model, and the 90% confidence interval of the RMSEA, was used. The RMSEA essentially asks how well the model, with unknown but optimally chosen parameters, would fit the population covariance matrix if it were available. Values less than 0.05 represent good fit, and values as high as 0.08 represent reasonable errors of approximation in the population (Browne & Cudeck, 1993).

Regression analyses were carried out to determine the percentage variance in the dependent variable that is predicted by the independent variables. A correlation can be better understood by determining $R^2$ (Cohen, 1988). The
square of the correlation coefficient, indicates the proportion of variance in any two variables, which is predicted by the variance in the other.

RESULTS

Structural equation modelling (SEM) methods were used to test factorial models for the JIS, MSQ and WLC. Data analyses proceeded as follows: An overview of model fit was done by looking at the overall $\chi^2$ value, together with its degrees of freedom and probability value. Global assessments of model fit were based on several goodness-of-fit statistics (GFI, AGFI, NFI, TLI, CFI, and RMSEA). Secondly, based on findings of an ill-fitting initially hypothesised model, analyses proceeded in an exploratory mode. Possible misspecifications as suggested by the so-called modification indices were looked for, and eventually a revised, re-specified model was fitted to the data.

Hypothesised model of job insecurity

The full hypothesised 2-factor model, as well as a 1-factor model, consisting of all 11 items of the JIS, was tested. Table 2 presents fit statistics for the test of the various models.

Table 2

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$</th>
<th>$\chi^2$/df</th>
<th>GFI</th>
<th>AGFI</th>
<th>NFI</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1 (1-factor)</td>
<td>79.67</td>
<td>1.74</td>
<td>0.95</td>
<td>0.93</td>
<td>0.90</td>
<td>0.94</td>
<td>0.95</td>
<td>0.05</td>
</tr>
<tr>
<td>Model 1 (2-factor)</td>
<td>74.81</td>
<td>1.74</td>
<td>0.95</td>
<td>0.93</td>
<td>0.90</td>
<td>0.94</td>
<td>0.95</td>
<td>0.05</td>
</tr>
<tr>
<td>Model 2 (2-factor)</td>
<td>42.21</td>
<td>1.31</td>
<td>0.97</td>
<td>0.95</td>
<td>0.94</td>
<td>0.98</td>
<td>0.99</td>
<td>0.03</td>
</tr>
</tbody>
</table>
Confirmatory factor analyses

First, a unidimensional model, which assumes that all 11 items of the JIS load on one single factor, was tested. Table 2 provides a summary of the fit statistics for the hypothesised one-factor model. This model revealed relatively good overall fit. The $\chi^2 = 79.67$ (df = 44; $p < 0.00$), was however statistically significant. The other fit indices indicated relatively good fit between the model and the data.

Subsequently a two-factor model was tested. The statistically significant $\chi^2 = 74.81$ (df = 43; $p < 0.00$) and fit indices revealed a relatively good overall fit of the originally hypothesised JIS model (Model 1).

Exploratory factor analyses

To pinpoint possible areas of misfit, modification indexes were examined. Modification indexes (MI) demonstrated misspecification associated with the pairing of items 1 and 3 (MI = 10.14) and items 1 and 8 (MI = 9.06). Upon inspecting the regression weights, it was noted that item 2 delivered an estimate of -0.05 and consequently this item was deleted. Model 2 was re-specified with item 2 deleted and allowing the errors of items 1 and 3 and items 1 and 8 to correlate. A lower statistically significant $\chi^2 = 42.21$ (df = 32; $p < 0.00$) and fit indices revealed a good overall fit of the hypothesised JIS model (Model 2).

The structural equation modelling results provided above indicate that good fit was obtained for both the one-factor JIS model and the two-factor JIS model. However, the fit of the two-factor model was marginally better than that of the one-factor model.
The full hypothesised 2-factor model, as well as a 1-factor model, consisting of all 20 items of the MSQ was tested. Table 3 presents fit statistics for the test of the various models.

Table 3

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$</th>
<th>$\chi^2$/df</th>
<th>GFI</th>
<th>AGFI</th>
<th>NFI</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1 (1-factor)</td>
<td>524.57</td>
<td>3.09</td>
<td>0.83</td>
<td>0.79</td>
<td>0.70</td>
<td>0.73</td>
<td>0.77</td>
<td>0.08</td>
</tr>
<tr>
<td>Model 1 (2-factor)</td>
<td>477.630</td>
<td>2.83</td>
<td>0.85</td>
<td>0.82</td>
<td>0.80</td>
<td>0.83</td>
<td>0.80</td>
<td>0.08</td>
</tr>
<tr>
<td>Model 2 (2-factor)</td>
<td>314.008</td>
<td>2.34</td>
<td>0.86</td>
<td>0.87</td>
<td>0.83</td>
<td>0.88</td>
<td>0.85</td>
<td>0.07</td>
</tr>
<tr>
<td>Model 3 (2-factor)</td>
<td>208.400</td>
<td>2.06</td>
<td>0.92</td>
<td>0.89</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td>0.06</td>
</tr>
<tr>
<td>Model 4 (2-factor)</td>
<td>198.304</td>
<td>1.98</td>
<td>0.93</td>
<td>0.90</td>
<td>0.92</td>
<td>0.93</td>
<td>0.94</td>
<td>0.06</td>
</tr>
</tbody>
</table>

Confirmatory analyses

The statistically significant $\chi^2 = 477.630$ (df = 169; $p < 0.00$) and fit indices revealed a poor overall fit of the originally hypothesised 2-factor model MSQ model (Model 1), although the 1-factor model resulted in an even poorer fit.

Exploratory Analyses

To pinpoint possible areas of misfit, modification indexes (MI) were examined. Looking at the regression weights, items 15 and 20 demonstrated comparatively low values. The standardised residual covariances confirmed the problematic nature of these items, with a loading higher than 2.85, and it was decided to re-specify the model with these items deleted, resulting in Model 2.

A lower but nonetheless still statistically significant $\chi^2 = 314.008$ (df = 134; $p < 0.00$) and fit indices revealed an improved, although insufficient fit of the hypothesised MSQ model (Model 2). With exception of the GFI and RMSEA values, the remainder of the indexes remained low. Modification indexes were
examined again. Looking at the regression weights, items 8 and 12 demonstrated low values, with standardised residual covariances loading higher than 2.85. Model 3 was respecified with these items deleted, as well as with the errors of items 5 and 6, and 6 and 11 allowed to correlate, due to the comparatively high covariance associated with these errors. RMSEA, GFI, CFI and TLI indicated marginal fit, with the remainder of the indexes being deficient. Looking at covariances, items 7 and 13 demonstrated comparatively high covariance. Model 4 was respecified with these items correlated, with all indexes demonstrating acceptable fit.

Hypothesised model of work locus of control

The full hypothesised 2-factor model consisting of all 16 items of the WLCS was tested. Table 4 presents fit statistics for the test of the various models.

Table 4
Goodness-of-fit Statistics for the WLCS Models

<table>
<thead>
<tr>
<th>Model</th>
<th>(\chi^2)</th>
<th>(\chi^2/df)</th>
<th>GFI</th>
<th>AGFI</th>
<th>NFI</th>
<th>TLI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1 (1-factor)</td>
<td>673.790</td>
<td>6.48</td>
<td>0.70</td>
<td>0.61</td>
<td>0.40</td>
<td>0.34</td>
<td>0.40</td>
<td>0.14</td>
</tr>
<tr>
<td>Model 2 (2-factor)</td>
<td>360.175</td>
<td>2.91</td>
<td>0.86</td>
<td>0.84</td>
<td>0.73</td>
<td>0.77</td>
<td>0.80</td>
<td>0.08</td>
</tr>
</tbody>
</table>

Confirmatory analyses

The statistically significant \(\chi^2 = 300.175\) (df = 103; p < 0.00) and fit indices revealed a poor overall fit of the originally hypothesised 2-factor MSQ model (Model 1), although the 1-factor model resulted in an even poorer fit.

Exploratory Analyses

To pinpoint possible areas of misfit, modification indexes (MI) were examined. Looking at the regression weights, items 11, 14, 15 loaded on the external locus
of control factor, whereas items 6 and 13 loaded on the internal locus of control factor. It was decided to re-specify the model with these items deleted, as well as with items 10 and 8, 12 and 5 and 1 and 2 correlated due to the comparatively high covariance associated with these errors, resulting in Model 2. Model 2 indicates substantially improved fit of data to theory, with all indexes indicating good fit.

Descriptive statistics, Cronbach alpha coefficients and the inter-item correlation coefficients of the JIS, MSQ, and WLCS for employees (N = 298) working in a government organisation, are reported in Table 5.

Table 5
Descriptive Statistics, Cronbach Alpha Coefficients and Inter-Item Correlation Coefficients of the Measuring Instruments for employees working in a government organisation

<table>
<thead>
<tr>
<th>Test and subscales</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Inter-item r</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td>JIS – Total</td>
<td>298</td>
<td>2.68</td>
<td>0.70</td>
<td>-0.15</td>
<td>0.10</td>
<td>0.25</td>
<td>0.70</td>
</tr>
<tr>
<td>JIS – Affective</td>
<td>298</td>
<td>2.78</td>
<td>0.82</td>
<td>0.00</td>
<td>0.24</td>
<td>0.35</td>
<td>0.73</td>
</tr>
<tr>
<td>JIS – Cognitive</td>
<td>298</td>
<td>2.58</td>
<td>0.79</td>
<td>0.05</td>
<td>-0.40</td>
<td>0.32</td>
<td>0.70</td>
</tr>
<tr>
<td>MSQ – Total</td>
<td>298</td>
<td>3.21</td>
<td>0.62</td>
<td>-0.15</td>
<td>1.23</td>
<td>0.24</td>
<td>0.64</td>
</tr>
<tr>
<td>MSQ – Intrinsic</td>
<td>298</td>
<td>3.33</td>
<td>0.69</td>
<td>-0.10</td>
<td>0.55</td>
<td>0.29</td>
<td>0.78</td>
</tr>
<tr>
<td>MSQ – Extrinsic</td>
<td>298</td>
<td>3.04</td>
<td>0.77</td>
<td>-0.43</td>
<td>0.44</td>
<td>0.33</td>
<td>0.74</td>
</tr>
<tr>
<td>WLCS</td>
<td>298</td>
<td>3.19</td>
<td>0.75</td>
<td>-0.52</td>
<td>0.17</td>
<td>0.16</td>
<td>0.68</td>
</tr>
</tbody>
</table>

Table 5 shows that acceptable Cronbach alpha coefficients were obtained on all the measuring instruments, as well as their subscales (Nunnally & Bernstein, 1994). The WLCS fell slightly below the 0.70 level. All of the inter-item correlation coefficients were acceptable (Clark & Watson, 1995). Scores on all the dimensions seem to be distributed normally (skewness and kurtosis were smaller than one), except for the MSQ total scale, which measured at the 1.23 level, but is still considered acceptable. The study population appears to experience slightly higher levels of affective job insecurity compared to their
levels of cognitive job insecurity, as well as higher levels of intrinsic as compared to extrinsic job satisfaction.

A low count (less than ±3) on the WLCS indicates an inclination towards an internal locus of control, whereas a high score (more than ±4) indicates an inclination toward external locus of control. The sample population being at 3.19, indicates that in general, employees in this organisation do not lean strongly towards an internal or external work locus of control.

Next, MANOVA and ANOVA analyses follows in order to determine the relationship between scores on the JIS and various demographic characteristics, such as culture, age, qualifications and tenure, the results of which are reported in Table 6.

Table 6
MANOVA – Differences in Job Insecurity levels of Demographic Groups

<table>
<thead>
<tr>
<th>Variable</th>
<th>Value</th>
<th>F</th>
<th>Df</th>
<th>Den Df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture</td>
<td>0.94</td>
<td>4.20</td>
<td>4</td>
<td>530</td>
<td>0.00*</td>
</tr>
<tr>
<td>Age</td>
<td>0.95</td>
<td>1.66</td>
<td>8</td>
<td>506</td>
<td>0.11</td>
</tr>
<tr>
<td>Qualifications</td>
<td>0.96</td>
<td>1.98</td>
<td>6</td>
<td>568</td>
<td>0.06</td>
</tr>
<tr>
<td>Tenure</td>
<td>0.95</td>
<td>1.93</td>
<td>8</td>
<td>546</td>
<td>0.05</td>
</tr>
</tbody>
</table>

*Statistically significant difference: p < 0.01

In an analysis of Wilk’s Lambda values (p<0.01), statistically significant differences were obtained for culture, but not for qualifications, tenure, and age. The relationship between job insecurity and culture was further analysed so as to determine the practical significance, using ANOVA, followed by Tukey HSD tests.

The ANOVA of differences in job insecurity of the different cultural groups are reported in Table 7.
Table 7
ANOVA – Differences in Job Insecurity Levels of Cultural Groups

<table>
<thead>
<tr>
<th></th>
<th>Black</th>
<th>White</th>
<th>Other</th>
<th>p</th>
<th>Root MSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>JIS Affective</td>
<td>2.69</td>
<td>3.07</td>
<td>2.85</td>
<td>0.00*</td>
<td>0.81</td>
</tr>
<tr>
<td>JIS Cognitive</td>
<td>2.55a</td>
<td>2.99c</td>
<td>2.67</td>
<td>0.00*</td>
<td>0.72</td>
</tr>
</tbody>
</table>

* Statistically significant difference: p < 0.01;
a Practically significant differences from type (in row) where b (medium effect, d ≥ 0.5) or c (large effect, d ≥ 0.8) are indicated.

Table 7 demonstrates that statistically significant differences were obtained between the cognitive and affective job insecurity scores of the various culture groups. Practically significant differences were obtained between the cognitive job insecurity scores of the White and Black cultural groups, where the White participants obtained a higher mean cognitive job insecurity score as compared to the Black participants.

Next, MANOVA analyses followed in order to determine the relationship between scores on the MSQ and various demographic characteristics, such as culture, age, qualifications and tenure, the results of which are reported in Table 8.

Table 8
MANOVA – Differences in Job Satisfaction levels of Demographic Groups

<table>
<thead>
<tr>
<th>Variable</th>
<th>Value</th>
<th>F</th>
<th>Df</th>
<th>Den Df</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture</td>
<td>0.97</td>
<td>0.55</td>
<td>12</td>
<td>643.20</td>
<td>0.88</td>
</tr>
<tr>
<td>Age</td>
<td>0.99</td>
<td>0.40</td>
<td>6</td>
<td>510</td>
<td>0.88</td>
</tr>
<tr>
<td>Qualifications</td>
<td>0.95</td>
<td>1.46</td>
<td>9</td>
<td>862.13</td>
<td>0.15</td>
</tr>
<tr>
<td>Tenure</td>
<td>0.94</td>
<td>1.38</td>
<td>12</td>
<td>6.90</td>
<td>0.16</td>
</tr>
</tbody>
</table>

*Statistically significant difference: p < 0.01

In an analysis of Wilk's Lambda values (p<0.01), no statistically significant differences were obtained for any of the biographical dimensions.
No significant differences were obtained between the work locus of control scores of participants from different cultures, of different ages and with different qualifications and levels of tenure.

The correlation coefficients between the JIS, MSQ and WLCS for employees working in a government organisation, are reported in Table 9.

Table 9

<table>
<thead>
<tr>
<th>JIC</th>
<th>JIA</th>
<th>JIT</th>
<th>MSQ I</th>
<th>MSQ E</th>
<th>MSQ T</th>
<th>WLCS</th>
</tr>
</thead>
<tbody>
<tr>
<td>JIC</td>
<td>0.63**</td>
<td>0.85**</td>
<td>-0.39**</td>
<td>-0.24*</td>
<td>-0.36*</td>
<td>0.36**</td>
</tr>
<tr>
<td>JIA</td>
<td>0.92**</td>
<td>-0.22*</td>
<td>-0.20*</td>
<td>-0.24*</td>
<td>0.32**</td>
<td></td>
</tr>
<tr>
<td>JIT</td>
<td>-0.32**</td>
<td>-0.24*</td>
<td>-0.32**</td>
<td>0.37**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSQ I</td>
<td>0.46**</td>
<td>0.88**</td>
<td>-0.37**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSQ E</td>
<td>0.82+++</td>
<td>-0.27*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSQ T</td>
<td>-0.36**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WLCS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Statistically significant $p \leq 0.01$

** Correlation is practically significant $r \geq 0.30$ (medium effect)

+++ Correlation is practically significant $r \geq 0.50$ (large effect)

Table 9 demonstrates that practically significant negative correlations of medium effect were obtained between total job insecurity and total job satisfaction. Practically significant positive correlations of medium effect were obtained between work locus of control and job insecurity, as well as both its subscales. Practically significant negative correlations of medium effect were obtained between work locus of control and total job satisfaction, as well as the intrinsic job satisfaction subscale.

The practically significant negative correlations of medium effect obtained between total job insecurity and total job satisfaction, indicate that within the study population, an employee with high levels of job insecurity will have lower levels of job satisfaction and vice a versa. These findings correlate with the research done by Lee and Bobko (1989), who found a significantly lower level of job satisfaction among employees who felt insecure, as well as with the research
of Heany, Israel and House (1994), and Probst and Brubaker (2001), who found that job insecurity leads to low levels of extrinsic and intrinsic job satisfaction.

The practically significant positive correlations of medium effect obtained between work locus of control and job insecurity, suggest that high levels of job insecurity are associated with external work locus of control. Therefore, according to this study, low levels of job insecurity will be associated with internal locus of control. This does not correspond with the findings of Elbert (2002) who did not find a relationship between job insecurity and work locus of control.

The practically significant negative correlations of medium effect obtained between work locus of control and total job satisfaction, suggest that high levels of job satisfaction are associated with internal work locus of control in employees. Therefore, lower levels of job satisfaction are related to external work locus of control. Individuals with internal locus of control will have higher levels of job satisfaction, because they believe that their work situation could be determined by their own behaviour. Garson and Stanwyck (1997), as well as Judge et al. (1998) found that a positive relationship between work locus of control and job satisfaction exists, i.e. higher levels of internal work locus of control is associated with higher levels of job satisfaction.

Next, a series of multiple regression analyses were performed to test whether job insecurity predicted job satisfaction and to test whether work locus of control mediates the relationship between job insecurity and job satisfaction. Baron and Kenny (1986) recommend three steps in order to test for mediation. According to these authors, beta coefficients of different regression equations must be compared. Firstly, the mediator should be predicted by the independent variable. Secondly, the dependent variable should be predicted by the mediator and the independent variable and lastly, the dependent variable should be regressed on the independent variable, controlling for the mediator. If all steps prove significant, perfect mediation holds when, controlling for the mediator, the
independent variable does not predict the dependent variable. Regression analyses with cognitive and affective job insecurity as independent variables (not reported here) showed that cognitive job insecurity emerged as the only statistically significant predictor when both were entered into the analyses. To prevent multicollinearity, it was decided to use only cognitive job insecurity (and not affective job insecurity) in the analyses.

The possible mediating role of work locus of control in the relationship between job insecurity and job satisfaction was tested (Refer to Table 10). Firstly, regression analyses with cognitive job insecurity as independent variable and work locus of control as dependent variable (not shown in Table 10) showed statistically significant F-values ($F = 40,10, p < 0,0001$). These results lend support to the first criterion set by Baron and Kenny (1986). Secondly, a regression analysis with job insecurity as independent variable and job satisfaction as dependent variable resulted in a statistically significant F-value ($F = 43,66, p < 0,0001$). Regression analyses with job satisfaction as dependent variable and work locus of control as predictor, also showed statistically significant results ($F = 47,87, p < 0,0001$). These results provide support for the second criterion of Baron and Kenny (1986) and lastly, in order to test adherence to the third criterion, job satisfaction was regressed on cognitive job insecurity, controlling for the work locus of control, the results of which are provided in Table 10.
Table 10
Regression Analysis – Cognitive Job Insecurity and Work Locus of Control: Job Satisfaction.

ANALYSIS OF VARIANCE

Model 1: Cognitive job insecurity

\[ R^2: 0.37 \]

<table>
<thead>
<tr>
<th>Source of variation</th>
<th>df</th>
<th>Sum of squares</th>
<th>Mean Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1</td>
<td>15.22</td>
<td>15.22</td>
</tr>
<tr>
<td>Residual</td>
<td>265</td>
<td>94.18</td>
<td>0.36</td>
</tr>
</tbody>
</table>

\[ F = 42.82 \quad p = 0.000 \]

Model 2: Cognitive job insecurity and work locus of control

\[ R^2: 0.47 \]

<table>
<thead>
<tr>
<th>Source of variation</th>
<th>df</th>
<th>Sum of squares</th>
<th>Mean Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>2</td>
<td>23.66</td>
<td>11.83</td>
</tr>
<tr>
<td>Residual</td>
<td>264</td>
<td>85.74</td>
<td>0.33</td>
</tr>
</tbody>
</table>

\[ F = 11.93 \quad p = 0.000 \]

VARIABLES IN THE EQUATION

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLES</th>
<th>B</th>
<th>SEB</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive job insecurity</td>
<td>-0.32</td>
<td>0.05</td>
<td>0.37</td>
<td>-6.54</td>
<td>0.000</td>
</tr>
<tr>
<td>Cognitive job insecurity</td>
<td>-0.23</td>
<td>0.05</td>
<td>-0.27</td>
<td>-4.58</td>
<td>0.000</td>
</tr>
<tr>
<td>Work locus of control</td>
<td>-0.24</td>
<td>0.05</td>
<td>-0.30</td>
<td>-5.10</td>
<td>0.000</td>
</tr>
</tbody>
</table>

From Table 10, it is evident that although the regression coefficient of cognitive job insecurity remains statistically significant upon inclusion of work locus of control, the standardised regression coefficient (beta) of cognitive job insecurity decreases when controlling for work locus of control. Based upon Baron and Kenny's (1986) third criterion, which states that perfect mediation would be applicable when the independent variable does not predict the dependent variable when controlling for the mediator, perfect mediation does not apply in this case. However, given the reduction in the standardised regression coefficient (beta) of cognitive job insecurity upon inclusion of work locus of control, it does appear as though proof does exist for a partially mediating effect of work locus of control.
control on the relationship between cognitive job insecurity and job satisfaction. Cognitive job insecurity predicted 14% of the variance in job satisfaction, which increased to 22% when combined with work locus of control.

DISCUSSION

The aim of the study was to investigate the relationship between job insecurity and job satisfaction, and to determine whether work locus of control mediates the relationship between job insecurity and job satisfaction.

Structural equation modelling results confirmed the two-dimensional structure of the JIS, although deletion of Item 2 and allowing Items 1 and 3, as well as 1 and 8 to correlate, resulted in a better fit. The deletion of Item 2 ("There is only a small chance that I will become unemployed") is not consistent with previous research (De Witte, 2000). A possible reason for the problematic nature of Item 2 may be the ambiguous nature of the sentence construction. Reformulation of this item may be required in future studies using the JIS. Regarding the MSQ poor fit was initially obtained. Deletion of items 8, 12, 15, and 20 resulted in better fit, as well as allowing items 5 and 6, 6 and 11, and 13 and 7 to correlate. Once again, the deletion of Items 8 ("The way my job provides for steady employment"), 12 ("The company policies are put into practice"), 15 ("The freedom to use my own judgement") and 20 ("The feeling of accomplishment I get from my job"), are not consistent with previous research. Regarding the WLCS, items 6 ("Making money is primarily a matter of good fortune"), 11 ("Promotions are given to employees who perform well on their jobs"), 13 ("It takes a lot of luck to be an outstanding employee on most jobs"), 14 ("People who perform their jobs well generally get rewarded for it"), and 15 ("Most employees have more influence on their supervisors than they think they do") loaded on the wrong factor, and deletion of these items resulted in good fit. The errors of items 8 and 10, 5 and 12 and 1 and 2 were allowed to correlate.
Both job insecurity scales presented with adequate internal consistency. Inter-item correlations of the job insecurity scale and both its subscales were adequate. The total MSQ and both its subscales presented with good inter-item correlations and internal consistency. The WLCS presented with a reliability coefficient slightly below the 0.70 cut-off point, but with an acceptable inter-item correlation average.

Pearson product moment correlation coefficients indicated that increased job insecurity is associated with lower levels of job satisfaction, thus providing support for the first hypothesis, which states that a practically significant negative correlation exists between job insecurity and job satisfaction. This concurs with the research done by Lee and Bobko (1989).

Job insecurity and both the cognitive and affective subscales demonstrated an association with external locus of control. Higher levels of total job satisfaction, as well as intrinsic job satisfaction showed an association with internal locus of control, which corresponds with the findings of Pretorius & Rothmann, 2001 and Salter (1999). Regression analyses confirmed the partially mediating effect of work locus of control on the relationship between cognitive job insecurity and job satisfaction, thus lending only partial support to the second hypothesis. Employees who experience cognitive job insecurity tend to experience lower levels of job satisfaction, but they also experience a more external work locus of control, which contributes to decreased job satisfaction.

Regarding job insecurity scores, it was found that White participants experience higher levels of cognitive job insecurity than the Black participants, thus upholding the third hypothesis, which states that differences exist in the job insecurity levels of different demographic groups. It was stated that it was expected that those employees least advantaged by Employment Equity legislation would experience higher levels of job insecurity than those who benefit from the new dispensation. This is particularly relevant in the context of this
research, as it is noted that the white participants represent 19% of the total population, implying that Employment Equity is actively enforced within the organisation. No significant differences were found between the job satisfaction and work locus of control scores of the various demographic groups. This does not support the fourth and fifth hypotheses, which are accordingly rejected.

LIMITATIONS AND RECOMMENDATIONS

The deletion of item from the JIS, MSQ and WLCS for reasons of model-fit improvement resulted in the sacrifice of model parsimony, i.e. relationships have been eliminated, which could be viewed as erosion in the meaning of the job insecurity construct. The correlated errors present another dilemma in this study. Generally, the specification of correlated error terms for purposes of model fit improvement is not an acceptable practice. According to Aish and Jöreskog (1990), correlated error terms in measurement models are representative of systematic, rather than random, measurement error in item responses and may derive from characteristics unique to either the items or respondents, for example yea-/nay saying, social desirability or a high degree of overlap in item content). In the opinions of Bentler and Chou (1987) specification of a model that forces error parameters to be uncorrelated is rarely appropriate with "real" data. For this reason, correlated errors were allowed in this study. More research is required regarding the validity of the JIS, MSQ and WLCS in a South African context.

Stratified random sampling could have been a more appropriate sampling method, as a gross imbalance concerning the cultural groups occurred, i.e. 185 Black participants compared to only 56 White respondents. A further limitation of this study was the use of self report measures, which increases the likelihood that at least part of the shared variances between measures could be attributed to method variance (Schaufeli, Enzmann & Girautt, 1993). In respect of research design, future studies should focus on longitudinal designs where inferences in terms of cause and effect can be made. A further restriction of this study could
have been that use was made of only one government organisation. Results within this organisation could differ from another, as a result of organisational culture.
REFERENCES


CHAPTER 3

CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS

Chapter 3 presents a discussion on the results of the research. In this chapter conclusions regarding the literature study and the results of the empirical research will be made. Shortcomings of the research will be discussed, and recommendations for organisations and future research will be provided.

3.1 CONCLUSIONS

Conclusions regarding the specific theoretical objectives and the results of the empirical research, will be made.

3.1.1 Conclusions regarding the specific theoretical objectives

In line with the first specific objective stated in chapter 1, job insecurity, job satisfaction and work locus of control, as well as the relationship between these constructs, were conceptualised from literature.

Job insecurity was conceptualised from literature as being the concern felt by a person for the continued existence of his/her job. Job insecurity is first of all a subjective experience or perception. It also refers to uncertainty about future. Lastly, doubts concerning the continuation of the job as such are central to job insecurity. Within the framework of the multidimensional view of job insecurity, the concept refers not only to the degree of uncertainty an employee feels about his or her job continuity, but also about the permanence of certain dimensions of the job. For the purpose of this study this global, two-dimensional perspective of job insecurity was adopted. The cognitive dimension relates to the perceived likelihood of job loss, as experienced by an employee. The affective dimension again revolves around the fear of job loss. A literature review further indicated
that there is a relationship between job insecurity and job satisfaction, as employees who feel insecure have significantly lower levels of job satisfaction (Lee & Bobko, 1989).

**Job satisfaction** is a complex variable and is influenced by situational factors of the job environment, as well as dispositional characteristics of an individual. Simply stated, job satisfaction relates to the extent to which people like their jobs. Job satisfaction can further be described as an affective or emotional reaction to the job, resulting from the incumbent's comparison of actual outcomes with the required outcomes. Job satisfaction thus, has to do with individuals' perceptions and evaluations of their jobs, and these perceptions are influenced by unique circumstances such as needs, values and expectations.

**Work locus of control** was defined as the generalised expectancy that rewards, reinforcements or outcomes in life are controlled either by one's own actions (internal) or by other forces (external). The internal pole of this continuum refers to the individual's belief, that outcomes are the result of internal attributes, whereas the external pole pertains to the individual's belief that outcomes are unrelated to behaviour. Garson and Stanwyck (1997), as well as Judge et al. (1998), found that a positive relationship exists between work locus of control and job satisfaction. According to Bandura (1986) and Rotter (1982) behaviour is the result of interaction between the characteristics of the situation and characteristics of the individual. Such interaction presents the opportunity for self-development, but within the recognized boundaries. Work locus of control is therefore not highly constrained, but has the potential to change as a result of environmental aspects, which is, for example, demonstrated in the research of Becker and Krzystofiat (as cited in Furnham, 1998) who found that labour market discrimination can have a strong impact on locus of control. For this reason, it was expected that job insecurity will be associated with an external locus of control (given the feelings of lack of control over one's employment future). External locus of control, in turn, was expected to be associated with decreased
job satisfaction, given that previous research linked increased job insecurity with decreased job satisfaction (Heany, Israel & House, 1994; Heymans, 2002; Probst & Brubaker, 2001), as well as external locus of control with decreased job satisfaction (Pretorius & Rothmann, 2001). Work locus of control was thus expected to play a mediating role in the relationship between job insecurity and job satisfaction.

3.1.2 Conclusions regarding the specific empirical objectives

Statistical analyses confirmed the internal consistency of the three measuring instruments employed. However, one item of the JIS was removed, and the errors of three items were correlated in order to obtain improved fit. Regarding the MSQ poor fit was initially obtained and deletion of four items and allowing five items to correlate resulted in improved fit. Regarding the WLCS, five items were deleted and the errors of six items were allowed to correlate so as to obtain better fit.

The second specific objective was to determine the levels of job insecurity, job satisfaction and work locus of control of employees in a government organisation. The study population experienced slightly higher levels of affective job insecurity compared to their levels of cognitive job insecurity, as well as higher levels of intrinsic as compared to extrinsic job satisfaction. Lastly, it was found that the research group did not lean strongly toward an external or internal locus of control, implying that they do not tend to view the outcomes of their behaviour as being beyond their control, or being the result of internal attributes.

The third specific objective was to determine the relationship between job insecurity and job satisfaction of employees in a government organisation. A practically significant negative relationship was found to exist between job insecurity and job satisfaction, lending support to hypothesis 1. Job insecurity
(affective and cognitive) was found to hold 14% predictive value toward job satisfaction.

In this research a practically significant negative correlation was found between work locus of control and job insecurity, implying that low levels of job insecurity are associated with internal locus of control. This concurs with the research done by Lee and Bobko (1989). A practically significant correlation was also found between work locus of control and job satisfaction, which correlates with research done by Garson and Stanwyck (1997), as well as Judge et al. (1998).

The final specific objective was to determine whether work locus of control mediates the relationship of job insecurity and job satisfaction. Regression analyses confirmed the partially mediating effect of work locus of control on the relationship between cognitive job insecurity and job satisfaction, suggesting that although a direct relationship exists between job insecurity and job satisfaction, increased job insecurity is also associated with an external locus of control, which in turn is associated with decreased job satisfaction.

3.2 LIMITATIONS OF THE RESEARCH

The following limitations can be identified in this study.

- Only one company was used in this research, which raises the possibility of a specific organisational culture influencing responses.

- 185 participants were Black compared to only 56 White participants, making it impossible to test for cultural equivalence of measuring instruments, which is important in a South African context.
- A limitation of this study could have been the use of self report measures, which increases the likelihood that at least part of the shared variances between measures can be attributed to method variance (Schaufeli, Enzmann & Girault, 1993).

- In respect of research design, future studies should focus on longitudinal designs where inferences in terms of cause and effect could be made.

- The Job Insecurity Survey could be considered as insufficient in that it focuses only on the prospects of losing one's job and disregards other sources of job insecurity as proposed by the multi-dimensional view of job insecurity. Reward distribution, loss of promotional prospects, pay, autonomy, recognition and poor communication are all possible sources for job insecurity.

- The deletion of item from the JIS, MSQ and WLCS for reasons of model-fit improvement resulted in the sacrifice of model parsimony, i.e. relationships have been eliminated, which could be viewed as erosion in the meaning of the constructs measured in this research.

3.3 RECOMMENDATIONS

Recommendations are made with regard to the applicable organisation, as well as with regard to future research.

3.3.1 Recommendations for the organisation

While the level of job insecurity experienced by the employees in this organisation is not problematic, some job insecurity does exist and may need to be managed. Appelbaum and Donia (2000) stress the importance of communication in developing trust and empowerment within employees. This
trust will ensure that employees concentrate on their work and be continuously productive. Kanter (1994) recommends that companies need to switch incentives from careers, status and promotion, to personal reputation, teamwork and challenging assignments, finding ways of making work challenging and involving so it becomes a source of loyalty, which translates into a new kind of security. Holm and Hovland (1999) further propose making use of career counsellors as a mechanism for assisting job insecure employees.

Although job satisfaction levels in this research should not be seen as cumbersome, it is however important to note that optimum job satisfaction will be only to the benefit of the company’s well-being, as high levels of job satisfaction have been found to have a positive correlation with life satisfaction (Judge et al. 1994), organisational commitment (Fletcher & Williams, 1996), and job performance (Babin & Boles, 1996). Bavendam (2000) is of the opinion that employees will be more satisfied when they have challenging opportunities at work; which includes chances to participate in interesting projects or jobs with a satisfying degree of challenge and opportunities for increased responsibility. He further stresses the importance of work standards in promoting job satisfaction by stating that employers should develop meaningful measures of quality and celebrate achievements in quality. Bavendam (2000) also mentions that employees are more satisfied when they have adequate freedom and authority to do their jobs. Employees should be allowed to have input on decisions that will affect them. Another method of increasing job satisfaction, is for employers to establish genuine growth paths for all employees as opposed to making use of performance reviews, which are empty rituals, more embarrassing than uplifting and motivating.

The research group did not lean strongly towards an internal or external work locus of control, although it was found that cognitive job insecurity contributes toward external work locus of control, which in turn is related to decreased job satisfaction. The organisation might find it worthwhile to invest in stimulating an
internal locus of control amongst its employees. A person with an internal locus of control sees a direct cause and consequence relationship between his behaviour and the consequences thereof. By reinforcing behaviour in such a manner, employees can see a direct link between their behaviour and the consequences thereof, an internal locus of control can be stimulated. Additionally, given the findings of this research, by stimulating an internal locus of control, the negative influence of job insecurity on job satisfaction can be reduced.

3.3.2 Recommendations for further research

The relationship between job insecurity and other variables, as well as work-related outcomes, must be researched. Research on job insecurity and other variables, must also take place within a wide range of organisations. It is recommended that larger samples, which will provide increased confidence that results would be consistent across similar groups, be used. Practical significance should be determined in addition to statistical significance and adequate statistical techniques (e.g. structural equation modelling) should be used. It is recommended that a more powerful sampling method be used and that longitudinal designs be employed, so as to enable causal inferences. Making use of stratified random sampling rather than a cross sectional design, will eliminate inequalities as found in this study.

A more comprehensive, multidimensional measure of job insecurity must be applied, where aspects such as loss of promotional prospects, pay and recognition are also taken into consideration.

By conducting research regarding the validity and reliability of the JIS, MSQ and WLCS in a variety of occupational groups, norms for occupational groups, professions, organisations and industries can be developed. Such groups can then also be compared and occupations that are most at risk can be identified.
Future studies should focus on the bias and equivalence of the various measuring instruments for different cultural and language groups.

Further research is required into ways in which job insecurity can be effectively managed in organisations, particularly given the impact it has been found to have on work locus of control and job satisfaction.

3.4 CHAPTER SUMMARY

In this chapter conclusions regarding the theoretical and empirical objectives were made. The limitations of the research were pointed out and recommendations were made for the organisation in which the study took place, as well as for future research. All theoretical and empirical objectives formulated for this research, have been attained.
REFERENCES


