

Research on the Influence Mechanism of Job Insecurity on Employee Well-being: A Moderated Mediation Model

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Abstract: In China, under the influence of the fierce competition environment, employees are increasingly aware of the sense of job insecurity, and they are worried and nervous about the continuity of work. Such feelings will affect the work and life of employees and have a close connection with their well-being. This paper will take job insecurity as the independent variable, social identity as the mediating effect, and organizational commitment as the moderating effect, to explore the impact of job insecurity on employee well-being. The results showed that job insecurity had a significant negative impact on employee well-being, and social identity played a mediating role between them. Organizational commitment moderated the indirect effect of job insecurity on employee well-being through social identity. The findings of this study are conducive to further understanding the mediating mechanism and boundary conditions of employee well-being, and enlightening organizations to take appropriate measures to improve employee well-being.

Keywords: Job insecurity; Employee well-being; Social identity; Organizational commitment

1. Introduction

In the context of continuous social and economic development, organizational environments are undergoing profound changes, accompanied by significant changes in the work environment for employees. Organizations, in order to develop, have to impose higher demands on talents and even eliminate some employees considered backward, disregarding employees' basic rights. The increasing number of job seekers and the optimization of organizational structures have intensified competition among employees. Furthermore, some organizations, ignoring labor laws, have harmed employees' interests, forcing them to pay more attention to the overall situation of their work in the future. Consequently, employees' work and personal lives are inevitably strongly influenced, leading to a growing sense of insecurity about work and overall future development. Job insecurity has gradually become a common psychological phenomenon among the working population, and while there is increasing research both domestically and internationally, further research and exploration in the field of job insecurity are still needed.

2. Hypothesis

2.1. Job Insecurity and Employee Happiness

Job insecurity manifests as employees' worries about losing their jobs, causing them to lose their sense of belonging in the organization. It triggers negative emotions in employees and gradually depletes their limited resources, ultimately leading to psychological resource depletion (Zhang, 2014) ^[1].

Hypothesis 1: Job insecurity has a negative impact on employee happiness.

2.2. Social identity as a Mediating Variable

Social identity theory suggests that individuals strive to seek and maintain positive social identities. However, when social identity is threatened, individuals experience psychological discomfort. If they

perceive deviation from the group representative, their sense of belonging to the group weakens, further perceiving a threat to their identity as employees (Haslam, 2011) ^[2]. Consequently, they experience feelings of disappointment and negative emotions, resulting in a lower level of happiness in organizational life.

Hypothesis 2: Job insecurity has a negative impact on social identity.

Hypothesis 3: Social identity has a positive impact on employee happiness.

Hypothesis 4: Social identity mediates the relationship between job insecurity and employee happiness.

2.3. Organizational Commitment as a Moderating Variable

This study introduces organizational commitment as a moderating variable in the relationship between job insecurity and employee happiness. Organizational commitment refers to employees' emotional attachment to the organization, their perception of the risks and costs associated with leaving the organization, and their sense of obligation to stay (Meyer & Allen, 1993) ^[3]. Zhong (2007) found that positive psychological capital has a positive impact on employees' work performance and organizational commitment^[4]. Some scholars (Ling, Zhang, & Fang) analyzed organizational commitment, suggesting that factors such as leadership, colleagues, salary, promotion system, organizational support, education level, and length of service significantly influence it ^[5]. It is evident that the level of organizational commitment affects the strength of the relationship between job insecurity and employee happiness.

Hypothesis 5: Organizational commitment moderates the relationship between job insecurity and social identity. The higher the level of organizational commitment, the greater the negative impact of job insecurity on social identity, and vice versa.

Considering the above hypotheses, this study proposes a moderated mediation hypothesis: the indirect relationship between job insecurity and employee happiness through social identity is influenced by employees' level of organizational commitment. Compared to employees with low organizational commitment, those with high organizational commitment are more fearful of losing their identity as employed individuals, resulting in more negative emotions and lower happiness in the face of job insecurity.

Hypothesis 6: Organizational commitment moderates the mediating role of social identity in the relationship between job insecurity and employee happiness: the higher the level of organizational commitment, the stronger the mediating role of social identity in the relationship between job insecurity and employee happiness, and vice versa.

3. Data Collection and Validity Testing

3.1. Data Collection and Sample Selection

3.1.1. Data Collection and Sample Selection

Data samples were obtained through questionnaire surveys conducted online. A total of 257 respondents were surveyed, and finally, 213 valid questionnaires were collected (with a response rate of 82.88%).

3.1.2. Descriptive Statistics

Descriptive statistical analysis was performed on demographic variables of the respondents, as shown in Table 1.

From Table 1, it can be observed that the demographic variables are analyzed reasonably. The gender ratio is relatively balanced, with a slight majority of females. The age distribution is diverse, predominantly leaning towards younger age groups. The education level is moderately distributed, with a majority holding bachelor's degrees. The distribution of respondents' workplace nature is also relatively balanced. The distribution of years of work experience is suitable overall. The data collection quality is good, indicating a reasonable sample for subsequent data analysis.

Table 1: Descriptive Statistics Results

Variable	Category	Sample Count	Percentage (%)
Gender	Male	97	45.50%
	Female	116	54.50%
Age	Under 20 years old	8	3.80%
	21-30 years old	94	44.10%
	31-40 years old	68	31.90%
	41-50 years old	38	17.80%
	Above 50 years old	5	2.30%
Education	High school and below	15	7.00%
	Associate degree	46	21.60%
	Bachelor's degree	144	67.60%
	Master's degree	7	3.30%
	Doctorate and above	1	0.50%
Years of Work	1 year or less	63	29.60%
	1 year or more but less than 3 years	46	21.60%
	3 years or more but less than 5 years	39	18.30%
	5 years or more but less than 10 years	35	16.40%
	10 years or more	30	14.10%
Nature of Workplace	State-owned and state-controlled	31	14.60%
	Private and privately controlled	96	45.10%
	Foreign-funded and foreign-controlled	10	4.70%
	National government agencies and institutions	27	12.70%
	Other	49	23.00%

3.2. Correlation Analysis and Hypothesis Testing

3.2.1. Correlation Analysis

Before hypothesis testing, we conducted correlation analysis to assess the rationality of the hypotheses. Using SPSS 23.0 software, we analyzed the relationships among the variables: job insecurity, employee happiness, social identity, and organizational commitment. Table 2 reports the correlations among these variables, along with their means and standard deviations.

Table 2: Correlation Analysis Results

Variable	1	2	3	4	5	6	7	8	9
1. Gender	1								
2. Age	-0.141*	1							
3. Education	0.077	-0.273**	1						
4. Years of Work	-0.194**	0.571**	-0.298**	1					
5. Nature of Workplace	0.263**	-0.199**	0.081	-0.208**	1				
6. Job Insecurity	-0.196**	0.220**	0.010	0.215**	-0.250**	1			
7. Employee Happiness	0.005	-0.058	0.013	-0.069	-0.025	-0.350**	1		
8. Social Identity	-0.027	0.039	0.029	0.008	-0.031	-0.262**	0.678**	1	
9. Organizational Commitment	-0.110	0.155*	0.011	0.097	-0.050	0.208**	-0.199**	0.204**	1
Mean:	1.540	2.710	2.690	2.640	2.850	4.400	3.732	3.970	4.485
Standard Deviation:	0.499	0.885	0.673	1.416	1.437	1.541	1.620	1.400	1.636

**,*Significant at $p < 0.01, p < 0.05$

According to Table 2, it is evident that in terms of gender distribution, the number of females surpasses half of the sample, with females and males constituting 54.50% and 45.50% of the total sample, respectively. Overall, the gender ratio appears to be relatively balanced. Regarding age distribution, the majority falls within the 21-30 age range, with 94 individuals, accounting for 44.10% of the total. The next largest group consists of respondents aged 31-40, with 68 individuals, accounting for 31.90% of the total. The proportion of individuals aged 41-50 is 17.80%, while those aged below 20 and above 50 are relatively few, accounting for 3.80% and 2.30%, respectively. Overall, this indicates a predominantly young age distribution. In terms of years of work experience, over a quarter have less than 1 year of experience, totaling 63 individuals and accounting for 29.60%. However, respondents are distributed across various tenure intervals, with a majority having relatively short tenure in their current positions. Those with 1 to 3 years of experience account for 21.60%, while those with over 3 but less than 5 years and those with over 5 but less than 10 years of experience account for 18.30% and 16.40%, respectively.

Employees with 10 years or more of experience account for 14.10%. Regarding educational background, the majority hold a bachelor's degree, with 144 individuals, accounting for 67.60%. This is followed by individuals with associate degrees and high school or below education, accounting for 21.60% and 7.00%, respectively. In terms of the distribution of enterprise nature, the highest proportion is in private enterprises and private holding companies, with 96 individuals, accounting for 45.1%. State administrative organs, public institutions, and foreign-funded enterprises have relatively low proportions, accounting for 12.70% and 4.70%, respectively.

Based on the significant correlations observed among the research variables in Table 2, it's reasonable to proceed with regression analysis to further examine the relationships between these variables.

3.2.2. Mediation Analysis

Based on the preceding steps, it is evident that the variables job insecurity, employee happiness, social identity, and organizational commitment are significantly related. To obtain more precise research results, a detailed analysis was conducted using hierarchical regression analysis on the sample data with SPSS 23.0 to clarify their specific relationships. The detailed data analysis results are presented in Table 3.

Table 3: Mediation Regression Analysis

Mediation Regression Variables	Employee Happiness			Social Identity		
	Model1	Model2	Model3	Model4	Model5	Model6
Gender	0.001	-0.045	0.014	-0.009	-0.020	-0.058
Age	-0.035	0.017	-0.071	-0.043	0.053	0.095
Education	-0.011	0.029	-0.039	-0.018	0.041	0.073
Work Experience	-0.061	-0.019	-0.049	-0.029	-0.018	0.016
Company Nature	-0.044	-0.113	-0.029	-0.064	-0.022	-0.078
Job Insecurity		-0.387**		-0.187**		-0.318**
Social Identity			0.681**	0.629**		
R^2	0.007	0.139	0.469	0.497	0.004	0.093
$Adj-R^2$	-0.017	0.114	0.454	0.480	-0.020	0.067
F	0.300	5.524	30.377	28.970	0.177	3.530

**,* Significant at $p < 0.01, p < 0.05$

In Table 3, Model 1 has employee happiness as the dependent variable and control variables as independent variables. Model 2 adds the job insecurity variable to Model 1, showing that job insecurity has a significant negative effect on employee happiness ($\beta = -0.387, p < 0.01$), thus supporting Hypothesis 1.

Model 3 introduces the social identity variable into Model 1, indicating a significant positive effect of social identity on employee happiness ($\beta = 0.681, p < 0.01$), supporting Hypothesis 3.

Model 5 examines the relationship between control variables and social identity, while Model 6 adds the job insecurity variable as an independent variable. The results show that job insecurity also has a significant negative effect on social identity ($\beta = -0.318, p < 0.01$), supporting Hypothesis 2.

In Model 4, both job insecurity and social identity variables are simultaneously added as independent variables to analyze their relationship, considering the mediation variable in this model. The data indicate that job insecurity negatively affects employee happiness ($\beta = -0.187, p < 0.01$), and social identity has a significant positive effect on employee happiness ($\beta = 0.629, p < 0.01$). These findings empirically confirm that social identity partially mediates the relationship between job insecurity and employee happiness, thus supporting Hypothesis 4.

To ensure the credibility of the research results, the mediation effect of social identity was further validated using the Bootstrap method, as shown in Table 4.

Table 4: Mediation Effect Analysis

Effect	Value	Standard Error	Lower Limit	Upper Limit	Relative Effect
Total Effect	-0.407	0.085	-0.568	-0.233	
Direct Effect	-0.196	0.058	-0.311	-0.081	48.16%
Mediation Effect	-0.210	0.051	-0.309	-0.112	51.60%

Setting the resampling sample to 5000 times, the data conclusion shows that the indirect effect of social identity on employee happiness through job insecurity is within a 95% confidence interval (LLCI = -0.309, ULCI = -0.112), excluding zero, indicating that the indirect effect is significant, thus supporting hypothesis 4 once again.

After testing and comparing with two methods, the analysis conclusions are consistent, ultimately confirming the validity of hypothesis 4.

3.2.3. Moderation Test

To examine the moderating effect of organizational commitment on the relationship between job insecurity and social identity, this study used a hierarchical moderation regression method for testing (refer to Table 5 for the moderation effect results).

Table 5: Moderation Regression Analysis

Variable	Social Identity			
	Model1	Model2	Model3	Model4
Gender	-0.020	-0.058	-0.039	-0.065
Age	0.053	0.095	0.062	0.059
Education	0.041	0.073	0.062	0.062
Work Experience	-0.018	0.016	0.019	0.003
Company Nature	-0.022	-0.078	-0.087	-0.053
Job Insecurity		-0.318**	-0.364**	-0.365**
Social Identity			0.259**	0.264**
Job Insecurity×Social Identity				-0.204**
<i>R</i> ²	0.004	0.093	0.156	0.196
<i>Adj- R</i> ²	-0.020	0.067	0.127	0.164
<i>F</i>	0.177	3.530	5.408	6.204

**,* Significant at $p < 0.01, p < 0.05$

From Table 5, it can be observed that job insecurity has a significant negative effect on social identity ($\beta = -0.318, p < 0.01$). As indicated by Model 3, both job insecurity and organizational commitment have significant effects on social identity ($\beta = -0.364, p < 0.01$; $\beta = 0.259, p < 0.01$). Further examination from Model 4 reveals that the interaction term between job insecurity and organizational commitment significantly moderates social identity ($\beta = -0.204, p < 0.01$). Therefore, it can be concluded that organizational commitment significantly moderates the relationship between job insecurity and social identity.

3.2.4. Moderated Mediation Analysis

Hypothesis 6 proposes a moderated mediation model. The test of this hypothesis follows the recommended steps for moderated mediation analysis by Wen Zhonglin (2014)^[6] as shown in Table 6.

Table 6: Moderation Mediation Regression Analysis

Variable	Social Identity		
	Model1	Model 2	Model3
Gender	0.001	-0.096	-0.053
Age	-0.035	0.030	-0.010
Education	-0.011	0.036	-0.006
Work Experience	-0.061	-0.046	-0.048
Company Nature	-0.044	-0.054	-0.018
Job Insecurity		-0.365**	-0.120*
Social Identity			0.671**
Organizational Commitment		-0.131*	-0.308**
Job Insecurity×Organizational Commitment		-0.329**	-0.193**
<i>R</i> ²	0.007	0.261	0.623
<i>Adj- R</i> ²	-0.017	0.232	0.606
<i>F</i>	0.300	8.988	37.249

**,* Significant at $p < 0.01, p < 0.05$

In Table 6, from Model 2, it is evident that in the regression of job insecurity, organizational commitment, and their interaction on employee happiness, the interaction coefficient is significant ($\beta = -0.329, p < 0.01$). Furthermore, as indicated in Model 4 in Table 5, the regression of job insecurity, organizational commitment, and their interaction on social identity reveals a significant interaction coefficient ($\beta = -0.204, p < 0.01$). Additionally, from Model 3 in Table 5, it is observed that the regression of job insecurity, organizational commitment, social identity, job insecurity, and organizational commitment's interaction on employee happiness also shows significant interaction coefficients ($\beta = -0.193, p < 0.01$), and the coefficient for social identity is also significant ($\beta = 0.671, p < 0.01$), confirming

the validation of Hypothesis 6.

In summary, the results of whether the hypotheses are validated are presented in Table 7 as follows:

Table 7: Summary of Research Hypotheses Results

Hypothesis	Hypothesis Content	Supported?
Hypothesis 1	Job insecurity has a negative impact on employee happiness.	Supported
Hypothesis 2	Job insecurity has a negative impact on social identity.	Supported
Hypothesis 3	Social identity has a positive impact on employee happiness.	Supported
Hypothesis 4	Social identity mediates the relationship between job insecurity and employee happiness.	Supported
Hypothesis 5	Organizational commitment moderates the relationship between job insecurity and social identity: The higher the level of organizational commitment, the stronger the negative impact of job insecurity on social identity, and vice versa.	Supported
Hypothesis 6	Social identity moderates the mediating effect between job insecurity and employee happiness, which is moderated by organizational commitment: The higher the level of organizational commitment, the stronger the mediating effect of social identity on the relationship between job insecurity and employee happiness, and vice versa.	Supported

4. Conclusion and Outlook

4.1. Conclusion

Through literature review, questionnaire surveys, and data analysis, this study draws the following conclusions:

Firstly, job insecurity significantly diminishes employee happiness. Previous studies have shown that job insecurity brings numerous negative impacts to employees, which aligns with the findings of this study.

Secondly, job insecurity has a negative impact on social identity, and it can negatively affect employee happiness through the partial mediating effect of social identity. Job insecurity makes employees focus on their current employment situation and fear losing their social identity as employees, which adversely affects their happiness.

Thirdly, employees with a high level of organizational commitment tend to place more emphasis on their work and are more concerned about their social identity as employees. This leads to increased anxiety about job loss and ultimately affects employee happiness. Conversely, employees with low organizational commitment may not feel as threatened by the prospect of losing their current job, resulting in a less pronounced impact on their happiness.

4.2. Management Recommendations

In today's highly competitive job market, exploring job insecurity is crucial, and the empirical findings of this study have significant implications for organizational management practices.

Firstly, especially in modern organizations with high turnover rates, organizations should identify the underlying causes of job insecurity. Building a distinctive organizational culture, strengthening the bond between the organization and employees, and focusing more on employee needs can help reduce job insecurity.

Secondly, organizations should pay attention to employees' social identity in their management processes. Conducting regular activities to boost employee morale, such as welfare activities and periodic employee training to enhance their skills and reduce worries about job loss, as well as implementing long-term employee benefit mechanisms and employee care plans, can strengthen the role of social identity and enhance employee happiness.

Lastly, organizational commitment serves as a mediator between job insecurity and employee happiness. When employees have a high level of organizational commitment, there is a contrast between

organizational commitment and job insecurity, leading to increased anxiety about job loss and a decrease in employee happiness. Therefore, even when employees have a high level of organizational commitment, organizations should not ignore the adverse effects of job insecurity on employees.

Overall, addressing job insecurity and nurturing a positive organizational culture are essential for enhancing employee happiness and well-being.

4.3. Limitations and Future Outlook

4.3.1. Limitations

This study analyzed four variables: job insecurity, employee well-being, social identity, and organizational commitment. Although the research conclusions are validated through mature and objective methods, there are still some limitations influenced by other factors.

The items in the scale of this study are relatively direct and require an understanding of employees' deep-seated feelings. Respondents may hide their true feelings when filling out the questionnaire, which could affect the conclusions. Additionally, the measurement scales used in this study were developed by foreign scholars without sufficient modification and adaptation. Moreover, it has been some time since the scales were developed, so the applicability of the scales may introduce some bias into the research.

There are limitations on obtaining sample quantities due to objective factors such as time, geographical location, and cost. A small sample size may interfere with data analysis, and its general applicability cannot be guaranteed. Furthermore, the sources of the samples are relatively concentrated, with uneven distribution among regions. The distribution of age, work experience, and educational level is relatively homogeneous, making the sample sources somewhat homogeneous, which may also affect the research process. It is necessary to overcome the limitations of resource conditions, pay attention to the quantity and distribution of the population when collecting survey questionnaires, and increase the sample size using random scientific methods to improve the objectivity and persuasiveness of the research results.

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