

RESEARCH ARTICLE

The job insecurity-performance relationship in Germany and China: the buffering effect of uncertainty avoidance

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Abstract

Job insecurity is related to many negative outcomes, including reduced performance. The present research aimed to investigate two different types of job insecurity (quantitative and qualitative) in relation to job performance in two cultural contexts (Germany and China). Moreover, uncertainty avoidance (UAI) has been suggested as a buffer in these relationships, yet UAI has only been tested on a country-level. Therefore, the present study investigated individual-level UAI as a buffer in the relationship between quantitative and qualitative job insecurity and performance. We sampled 374 German and 197 Chinese employees. Results from the German context suggest that quantitative and qualitative job insecurity are both problematic and may negatively impact performance. Furthermore, uncertainty avoidance acted as a buffer in these relationships. However, there was no negative effect of job insecurity for Chinese employees. Thus, whether job insecurity has a negative influence on job performance appears to depend on cultural context.

Keywords

Job insecurity, uncertainty avoidance, job performance

Rezumat

Insecuritatea locului de muncă este legată de o serie de fenomene organizaționale negative, inclusiv cu declinul performanței profesionale. Cercetarea de față urmărește investigarea relației dintre două tipuri diferite de nesiguranță a locului de muncă (cantitativă și calitativă) și performanța profesională, în două contexte culturale (Germania și China). Mai mult decât atât, evitarea incertitudinii (UAI) a fost investigată ca variabilă mediator, ipoteză confirmată la nivel de țară. Prin urmare, prezentul studiu investighează variabila evitarea incertitudinii ca mediator între insecuritatea cantitativă și calitativă a locului de muncă și performanța. Lotul cercetării cuprinde 374 de angajați și Germania și 197 de angajați din China. Rezultatele din cadrul lotului german sugerează că ambele forme de insecuritate (cantitativă și calitativă) ale locului de muncă sunt problematice și pot avea un impact negativ asupra performanței. În plus, evitarea incertitudinii a acționat ca mediator în aceste relații. Cu toate acestea, pentru angajați chinezi nu s-a evidențiat nici un efect negativ al insecurității locului de muncă. Astfel, efectul insecurității locului de muncă asupra performanței profesionale pare să depindă de context cultural.

Cuvinte cheie

insecuritatea locului de muncă, evitarea incertitudinii, performanță profesională

The authors would like to thank Yi Q. Wang, Yong Lan Cai, Gerda and Kurt Henze and Beate M. Roll for their support with data collection.

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Résumé

L'insécurité de l'emploi est liée à de nombreux résultats négatifs, dont la réduction de la performance. La présente recherche a pour but d'enquêter sur deux différents types d'insécurité de l'emploi (quantitative et qualitative) en relation avec les performances de travail dans deux contextes culturels (Allemagne et Chine). De plus, l'indice évitement-incertitude a été suggéré comme un amortisseur dans ces relations bien qu'il n'est seulement été testé à un niveau national. Cependant, la présente étude enquête sur l'indice évitement-incertitude à un niveau individuel comme un amortisseur dans les relations entre l'insécurité de l'emploi quantitative et qualitative et la performance. Nous avons échantillonné 374 allemands et 197 employés chinois. Les résultats dans le contexte allemand suggèrent que la quantité et la qualité de l'insécurité de l'emploi sont toutes les deux problématiques et peuvent influencer négativement l'impact de la performance. Par ailleurs, l'indice évitement-incertitude a agi comme un amortisseur dans les relations. Cependant, il n'y avait pas d'effet négatif de l'insécurité de l'emploi pour les employés chinois. Ainsi, même si l'insécurité de l'emploi a des influences négatives sur les performances au travail, elle semble dépendre du contexte culturel.

Mots-clés

L'insécurité d'emploi, l'évitement de l'incertitude, la performance professionnelle

Introduction

Today's economy is characterized by rapid transformations and large scale structural changes (De Witte, Vander Elst, & De Cuyper, 2015). Since the 1980s automation, organizations' mergers, downsizing and privatization resulted in massive job losses and an increase in temporary employment. In late 2007 the economic crisis hit the world in what would become the deepest global recession since World War II (Gallie, 2013). For employees, all these economic developments gave rise to job insecurity (De Witte, De Cuyper, Vander Elst, Vanbelle, & Niesen, 2012).

Job insecurity – characterized as a person's "concern about the future performance of the job" (Van Vuuren & Klandermans, 1990, p. 133) – has been linked to numerous negative performance and health outcomes for employees, which may also negatively impact organizations as a whole (Sverke, Hellgren, & Näswall, 2002; Wong, Wong, Ngo, & Lui, 2005). Due to its energy draining nature (Jordan, Ashkanasy, & Hartel, 2002), job insecurity has been linked to negative effects like burnout, reduced work engagement and mental as well as physical well-being, and lower job satisfaction (e.g., Nahrgang, Morgeson, & Hofman, 2011; Probst, 2008).

Research on job insecurity has mostly focused on *quantitative* job insecurity (Hellgren, Sverke, & Isaksson, 1999). Employees experiencing quantitative job insecurity are afraid of losing their job as a whole. On the other hand, employees experiencing *qualitative* job insecurity are

concerned about losing valued aspects of their jobs, such as wage, location or working hours. Since the early research on job insecurity, there has been an ongoing debate about which type of job insecurity is more problematic (De Witte et al., 2015). Some researchers argue that quantitative job insecurity is more problematic, because there is more to lose (e.g., Greenhalgh & Roseblatt, 1984). Other researchers argue that both types of job insecurity are problematic, since both types cause perceptions of psychological contract breach (e.g., De Cuyper & De Witte, 2008). Research findings on the different influences of quantitative and qualitative job insecurity have been mixed (De Witte et al., 2015). Some studies reported differences in the strength of the relationships of the two different types of job insecurity and certain outcome variables like job satisfaction and psychological well-being (e.g., Handaja & De Witte, 2007; Hellgren et al., 1999; Roskies & Louis-Guerin, 1990). However, an encompassing study including a wide range of outcome variables found that almost all outcome variables were related to both quantitative and qualitative job insecurity in the same way (De Witte et al., 2010). Overall, qualitative job insecurity has been investigated less frequently than quantitative job insecurity (Hellgren et al., 1999). Thus, the first goal of the present research is to expand research comparing the two types of job insecurity in their relationship with general job performance.

Being determined by the economic situation, job insecurity can oftentimes not be avoided. Hence, research has looked into

variables that can potentially buffer the negative effects of job insecurity on outcome variables. The cross-cultural study by Debus, Probst, König and Kleinmann (2012) suggested that country-level uncertainty avoidance (UAI) can buffer negative outcomes of job insecurity. UAI refers to the level of stress and anxiety experienced by individuals in response to uncertain situations (Hofstede, 1980; 2001). The study by Debus and colleagues (2012) focused on UAI on a country-level. Researchers like Hofstede (1980) have called for a separate interpretation of individual-level versus country-level data. However, other researchers found that the structures at individual- and country-levels were more similar than previously stated (e.g., Fischer & Poortinga, 2012; Fischer, Vauclair, Fontaine, & Schwartz, 2010). Thus, the present research addresses the question whether individual-level UAI, like country-level UAI (Debus et al., 2012), acts as a buffer on the negative influence of job insecurity as well.

Researchers frequently point out the need to examine psychological constructs and relationships within different cultural contexts (e.g., Dong, 2009; Mao & Palvia, 2006). Therefore, we examined the buffering effect of individual-level UAI on the relationship between quantitative and qualitative job insecurity and performance in the Western country of Germany and the Eastern country of China. Thereby, we have followed a call by Ahlstrom (2012) for more research in non-Western samples. To summarize, the present study aims to examine the following:

1. *The association between qualitative as well as quantitative job insecurity and performance in the two countries of Germany and China.*
2. *The buffering effect of individual-level UAI on those relationships.*

Quantitative vs. qualitative job insecurity

Nowadays organizations face competitive environments fostering employment flexibility and triggering employees' increased perception of job insecurity (Loi,

Ngo, Zhang, & Lau, 2011). The concept of job insecurity implies uncertainty about the future and extensive research has documented the negative consequences of job insecurity on employees' well-being and health (for an overview see De Witte, 1999; De Witte et al., 2015, Sverke et al., 2002). The perception of job insecurity is *subjective*. *Objectively* the same situation can be interpreted differently by various employees (Klandermans & Van Vuuren, 1999). However, employees' subjective evaluation of their own chances of losing their jobs correlates well with the objective likelihood for job loss (e.g., Sverke & Hellgren, 2002). Low skilled workers, those with a temporary employment contract or employees in certain sectors facing a higher probability of being dismissed, perceive higher job insecurity, hence reflecting their objective situation. Thus, it seems that subjectively perceived job insecurity reflects the objective labor market situation.

Job insecurity can be distinguished into *quantitative* and *qualitative* job insecurity. *Quantitative* job insecurity refers to whether employees feel they will be able to keep their jobs, while *qualitative* job insecurity is concerned with being afraid of losing valued job characteristics or benefits (Hellgren et al., 1999). The question that has been evoked was which type of job insecurity is more problematic (De Witte et al., 2015). The early researchers on job insecurity, Greenhalgh and Rosenblatt (1984), suggested that quantitative job insecurity would be more problematic, because the employee loses "more": there is a risk of losing the entire job as compared to valued job aspects. More recently researchers (De Cuyper & De Witte, 2008) suggested that the key factor is the perception of psychological contract breach. The phenomenon of psychological contract breach refers to employees' perception that employers should provide them with secure jobs in return for their loyalty and work efforts. If employers fail to provide security, the psychological contract has been "breached". De Cuyper and De Witte (2008) suggest that both quantitative and qualitative job insecurity cause the perception of psychological contract breach and therefore both types have an equal influence

relationship between job insecurity and well-being. Alternatively, the strength of the relationship could depend on the outcome type (Hellgren et al., 1999).

Research findings on the different influences of quantitative and qualitative job insecurity have been mixed (De Witte et al., 2015). Hellgren et al. (1999) found quantitative job insecurity to predict health and well-being, while qualitative job insecurity predicted job satisfaction and turnover intention. Roskies and Louis-Guerin (1990) found a stronger relationship for qualitative job insecurity and job satisfaction than for quantitative job insecurity and job satisfaction. To further investigate the difference between quantitative and qualitative job insecurity, Handaja and De Witte (2007) used a more differentiated measure and found results supporting Roskies and Louis-Guerin's (1990) findings. Finally, researchers undertook a study to compare the two different types of job insecurity to a wide range of outcomes (De Witte et al., 2010). Results did not show clear differences between the influences of quantitative and qualitative job insecurity. The authors concluded that both types seem to be problematic for health and well-being. The present research aims to provide further evidence for De Witte et al.'s (2010) findings by including both quantitative and qualitative job insecurity in the present study. In line with their findings, we expect to find both types of job insecurity to be problematic for the employee.

Job insecurity's influence on job performance

Two major adverse impacts of job insecurity are usually distinguished: the influence of job insecurity on well-being and the impact of job insecurity on work attitudes and behavior, including performance outcomes (Wong et al., 2005). Sverke and colleagues (2002) and Cheng and Chan (2008) conducted meta-analyses on the influences of job insecurity. They consistently found a negative influence of job insecurity on job satisfaction, mental well-being and physical health. The effect of job insecurity on job performance is much less clear. Researchers argue that job insecurity has

a negative effect on behavioral outcomes, such as job performance, because job insecurity induces undesirable stress (e.g., Armstrong-Stassen, 1993; LePine, Podsakoff, & LePine, 2005). One way for employees to cope with stressors like job insecurity is behavioral withdrawal from the negative situation (Lazarus & Folkman, 1984). A manifestation of behavioral withdrawal can be reduced in-role performance (e.g., Armstrong-Stassen, 1994; King, 2000). According to Greenhalgh and Rosenblatt (1984), "workers react to job insecurity, and their reactions have consequences for organizational effectiveness" (p.438). Therefore, job insecurity as an undesirable stressor should have a negative effect on employee behaviors, including job performance (Staufenbiel & König, 2010).

However, research has produced mixed results regarding the job insecurity-performance relationship (Brockner, Grover, Reed, & Dewitt, 1992; Probst, Stewart, Gruys, & Tierney, 2007). The meta-analysis conducted by Sverke and colleagues (2002) did not find a significant relationship between job insecurity and performance, whereas Cheng and Chan (2008) found that employees perceiving job insecurity show lower levels of performance. Researchers suggest that the varying effect sizes might be due to the presence of moderator variables (Debus et al., 2012; Cheng & Chan, 2008; Sverke et al., 2002). One such moderator, according to research, could be UAI (Hofstede & Hofstede, 2001; Staufenbiel & König, 2010).

Moderation by uncertainty avoidance

UAI can be a country- or individual-level characteristic (Debus et al., 2012; Isyaku, 2014). Ambiguity about the future gives rise to anxiety and different societies have developed different ways to deal with this anxiety. Societies have to deal with the question of whether to try to control the future or just allow it to happen. Hence, country-level UAI reflects the extent to which societies experience ambiguous situations as threatening (Debus et al., 2012). When country-level UAI is high, societies tend to have established beliefs and institutions in an

effort to avoid uncertainty. Thus, there are societal manifestations to deal with country-level UAI.

Regarding individual-level UAI, it reflects the extent to which individuals try to avoid ambiguity about the future. Individuals high on UAI prefer their lives to be secure and structured (Staufenbiel & König, 2010). For those individuals, job insecurity poses a higher threat than for people low on UAI. Individuals high on UAI develop structures, procedures, rules and regulations to deal with their uncertainty and to provide them with some predictability what happens in case of job loss (Isyaku, 2014). Thus, when faced with job insecurity, individuals high on UAI would have a clearer idea regarding how they are protected if they lose their jobs.

It is important to point out that an alternative argumentation might be that individuals high on UAI faced with job insecurity will experience more negative effects, because uncertainty is their biggest fear. However, this would mean that individuals have adopted a poor coping style by avoiding the situation (Van Vuuren, Klandermans, Jacobson, & Hartley, 1991). Individuals high on UAI in the sense of Hofstede (2008) have structured their lives in an effort to make uncertain situations like being faced with job insecurity more predictable (House et al., 2004). Hence, they have found a way to deal with their perception of threat by preparing themselves to have a clearer idea of how to act in an uncertain situation.

Staufenbiel and König (2010) suggested UAI as a potential buffer in the job insecurity-performance relationship and called for further research. In 2012 Debus and colleagues examined the buffering effect of country-level UAI on the negative influence of job insecurity on job attitudes. The present study has hence followed Staufenbiel and König's (2010) call and examined the buffering effect of UAI on the job insecurity-performance relationship. Apart from examining performance instead of job attitudes, the present research investigates UAI on an individual level. Therefore, we examined the following hypothesis:

Hypothesis: The negative relationship between employees' quantitative and qualitative job insecurity and job performance will be buffered by individual-level UAI. Employees high on individual-level UAI will have less negative influence of job insecurity on their job performance than employees low on individual-level UAI.

Method

Participants and procedure

Data were collected from 374 employees in Germany and 205 employees in China using convenience sampling between June and September 2012. From the Chinese sample, eight participants had to be excluded due to missing data, reducing the final Chinese sample to 197 participants. Employees were sampled from multiple companies to represent a wide variety of sectors and organizations in order to enhance generalizability.

German employees had the option to complete a self-administered questionnaire or an online questionnaire programmed in Google Docs' survey creation option. Chinese employees all completed self-administered questionnaires. Survey instructions initially informed employees about the voluntary nature of participation, response anonymity and confidentiality.

The questionnaires were back-and-forth translated by German and Chinese native speakers following the procedures outlined by Brislin (1980). If validated scales existed, these scales were included. In the German sample, a total of 65.1% were female, with an average age of 39 years ($SD = 12.3$, ranging from 18-70 years). The majority of 76.8% had permanent contracts, above lowest formal qualification (43.9 percent) and 63.5% were employed full-time. In the Chinese sample, 62.1% were male and the average age was 36 years ($SD = 9.8$, ranging from 22-61 years). 54.1% of the Chinese participants had permanent contracts. The large majority of 95.5% was employed full-time and reported an education level of higher secondary qualification (91.3 percent). The German and Chinese samples were heterogeneous with participants working in various industries, the most common ones being general service

industry, retail/sales service, social/health services and the educational sector.

Measures

All items were measured on adapted 6-point response scales in an effort to keep response scales constant and reduce subsequent clustering of responses at the mid-point (Krosnick, Narayan, & Smith, 1996).

Quantitative job insecurity was measured with the four-item Job Insecurity Scale (JIS) developed by De Witte (2000), e.g. "Chances are, I will soon lose my job." Responses were given on a scale ranging from 1 ("Strongly disagree") to 6 ("Strongly agree"). These items have been successfully used within different employment contexts and across different countries (e.g., De Witte & Näswall, 2003; Vander Elst, De Witte, & De Cuyper, 2014).

Qualitative job insecurity was measured with a four-item scale (developed by De Witte and De Cuyper), tapping into similar aspects as the items of De Witte and colleagues (2010). An example item was "I think my job will change for the worse." The response scale ranged from 1 ("Strongly disagree") to 6 ("Strongly agree").

Job performance was measured with five items constructed by Siu (2003), asking participants to self-report their in-role performance in terms of "work quantity", "work quality", "attendance", "professional knowledge", and "relationships with colleagues". Responses were given on a 6-point Likert scale ranging from 1 ("Very poor") to 6 ("Very good").

Individual-level uncertainty avoidance was assessed with four items adapted from the Values Survey Module 2008 (VSM 08) by Hofstede, Hofstede, Minkov and Vinken (2008). The first item was, "How often do you feel nervous or tense?" (Question no. m16 in the VSM 08). This item was rated on a 6-point Likert scale ranging from 1 ("Never") to 6 ("Always"). The second item was, "All in all, how would you describe your state of health these days?" (Question no. m20 in the VSM 08), which was rated on a 6-point Likert scale ranging from 1 ("Very bad") to 6 ("Very good"). The third item, "One can be a good manager without having a precise answer to

every question that a subordinate may raise about his or her work" (Question no. m24 in the VSM 08), was rated on a scale from 1 ("Strongly disagree") to 6 ("Strongly agree"). The fourth item, "A company's or organization's rules should not be broken - not even when the employee thinks breaking the rule would be in the organization's best interest" (Question no. m27 in the VSM 08), was rated on the same 6-point scale as the previous item.

The items reflect an index assessing UAI as a function of stress and nervousness, as well as rules orientation. For example, question number m27 in the VSM08 reflects individuals' rule orientation by asking participants to indicate whether it is unacceptable to break rules even if it is in the organization's best interest (Rapp, Bernardi, & Bosco, 2010). In the VSM08 Hofstede provides a formula for calculating the UAI dimension:

$$UAI = 40 (m20 - m16) + 25 (m24 - m27) + C(ua).$$

M20 stands for the score of question no. m20 and likewise m16, m24, and m27 stand for the respective scores of these items (for details see Hofstede, 2001). C(ua) is a constant that can be added by the researcher in order to shift the values as desired. The index normally has values between 0 (weak UAI) and 100 (strong UAI). The constant does not change the result. Thus, in the present research a constant of zero [C(ua) = 0] was chosen, as shifting the values did not provide any benefit. In contrast to using the mean scores of each item to calculate an overall score for the country, we used each individual score to determine each individual's overall score for UAI. Hofstede (1980, Hofstede & Hofstede, 2001) only provided country-level structures, however, subsequent researchers have used Hofstede's scores at individual, group and country-levels (see Kirkman, Lowe, & Gibson, 2006, for a review).

Demographic information and control variables

Based on past research on job insecurity and UAI (Debus et al., 2012; Hellgren & Sverke, 2003; Kinnunen, Mauno, Nätti, & Happonen, 1999) we included age, gender, contract type (1 = *permanent*, 2 = *non-permanent*), and

employment type (1 = *full-time*, 2 = *part-time*) as control variables. Regarding demographic variables, we included level of education (1 = *no formal qualification*, 2 = *lowest formal qualification*, 3 = *above lowest formal qualification*, 4 = *higher secondary qualification*, 5 = *University degree*) and asked to participants to report their occupational position.

Data analyses

Hayes’ (2012) PROCESS macro (model 1) was used to test for moderation. PROCESS runs a series of ordinary least squares regressions. The centered product term represents the interaction of quantitative/qualitative job insecurity × UAI as a predictor of job performance as outcome. UAI was examined as a moderator in the German and Chinese dataset separately to establish whether the hypothesized relationships could be confirmed. Moderation

analyses including the control variables did not change the results and hence the presented results do not include control variables. Obtained interaction effects were interpreted by using simple slopes analyses in PROCESS. The simple slopes of the effect of quantitative/qualitative job insecurity on job performance were examined for high UAI (i.e., 1 SD above the mean of UAI as moderator), mean UAI and low UAI (i.e. 1 SD below the mean of UAI as moderator).

Results

Table 1 shows means, standard deviations, scale reliabilities and zero-order product moment correlations for the study variables. In order to test our hypothesis that the relationship between quantitative and qualitative job insecurity and job performance would be moderated by UAI, we performed moderation analyses in the PROCESS macro.

Table 1. Means, standard deviations, Cronbach’s alphas and correlation matrices for the German (N = 374) and Chinese (N = 197) samples

	German		Chinese		1	2	3	4
	Mean	SD	Mean	SD				
1. Quantitative job insecurity	2.51	1.23	3.29	1.31	.89/.91	.55**	-.37**	-.25**
2. Qualitative job insecurity	2.98	1.19	3.28	1.20	.70**	.87/.90	-.33**	-.33**
3. Job performance	4.99	.58	4.96	.67	-.05	-.04	.80/.76	.32**
4. Individual-level UAI	48.46	80.66	59.29	71.82	-.18*	-.20**	.19**	--

Note. *p<.05; **p<.01. UAI refers to uncertainty avoidance. The upper triangle is the German sample correlation matrix, the lower triangle is the Chinese sample correlation matrix. Cronbach alphas are on the diagonal. Cronbach’s alpha is not available for individual-level UAI due to the nature of the scale

Results within the German context

In line with previous research (e.g., Staufenbiel & König, 2010), in the German sample job insecurity was negatively related to job performance (quantitative job insecurity: $r = -.37, p < .01$; qualitative job insecurity: $r = -.33, p < .01$). The first analysis examined UAI as a moderator in the relationship between job insecurity and job performance. *Figure 1*

displays the PROCESS results, highlighting UAI as a moderator in the relationship between both quantitative and qualitative job insecurity with job performance in the German dataset. Results for *quantitative* job insecurity as independent variable show a significant interaction effect (see *Figure 1*) indicating that the relationship between quantitative job insecurity and job performance is moderated by individual-level UAI for German employees.

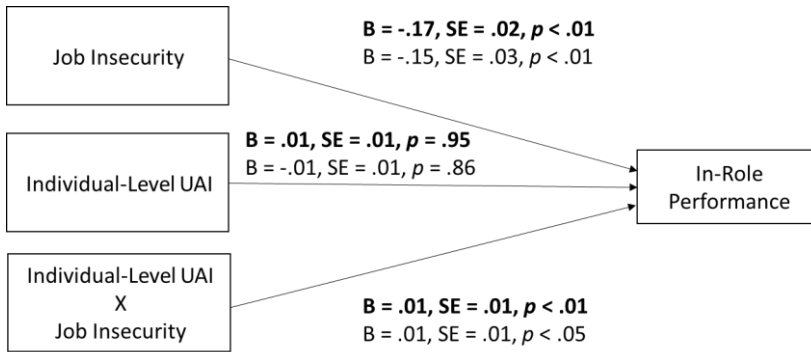


Figure 1. Results of individual-level UAI as moderator in the relationship between job insecurity and job performance among German employees. Bold numbers show results for quantitative job insecurity, while non-bold numbers show results for qualitative job insecurity.

Simple slopes analysis showed that when individual-level UAI is low, there is a significant negative relationship between quantitative job insecurity and job performance, $b = -0.200$, 95% CI [-0.258, -0.140], $t = -6.66$, $p < .01$. The same significant negative relationships between quantitative job insecurity and job performance could be found at the mean value of individual-level UAI, $b = -0.138$, 95% CI [-0.182, -0.094], $t = -6.13$, $p < .01$, and at high levels of individual-level UAI, $b = -0.077$, 95% CI [-0.145, -0.009], $t = -2.22$, $p < .05$. Figure 2 depicts the plotted interaction effects. The graph supports

the results from the simple slopes analysis: at low, mean and high levels of individual-level UAI there are significant negative relationships between quantitative job insecurity and job performance. In addition, Figure 2 shows that low individual-level UAI had the steepest slope, while for individuals high on individual-level UAI the slope was less steep. Thus, for individuals with high UAI the relationship between quantitative job insecurity and job performance was the weakest, which is in line with our hypothesis that individual-level UAI acts as a buffer.

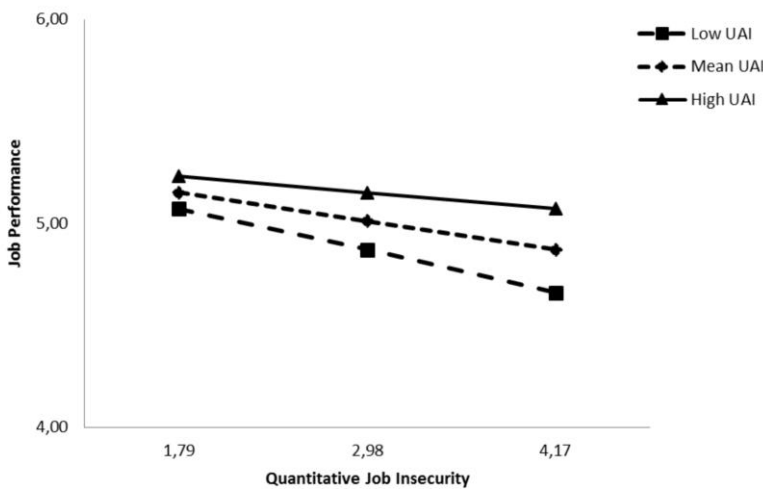


Figure 2. Interaction effects of quantitative job insecurity and individual-level UAI on job performance in the German sample.

For *qualitative* job insecurity, results supported our hypothesis that individual-level UAI moderates the relationship between qualitative job insecurity and job performance in the German sample (see Figure 1). Simple slopes analysis revealed a significant negative relationship between qualitative job insecurity and job performance at low levels of individual-level UAI, $b = -0.17$, 95% CI [-0.237, -0.105], $t = -5.07$, $p < .01$. At the mean value of individual-level UAI, the same significant negative relationship between qualitative job insecurity and job performance could be found, $b = -0.118$, 95% CI [-0.166, -0.070], $t = -4.85$, $p < .01$. At high levels of individual-level UAI the relationship between qualitative job insecurity and job performance was marginally non-significant, $b = -0.066$, 95% CI [-0.134, -0.0093], $t = -1.88$, $p = .06$.

Figure 3 depicts the plotted interaction effects, which shows similar patterns for qualitative job insecurity as compared to quantitative job insecurity in the moderated relationship with job performance. High individual-level UAI shows a trend towards a negative relationship between quantitative job insecurity and job performance, but it is not significant. Similar to the results for quantitative job insecurity, Figure 3 shows that employees who reported the lowest individual-level UAI showed the strongest relationship between qualitative job insecurity and job performance, while the relationship was buffered for individuals high on individual-level UAI. Thus, our hypothesis has been confirmed for both quantitative job insecurity and qualitative job insecurity in the German sample.

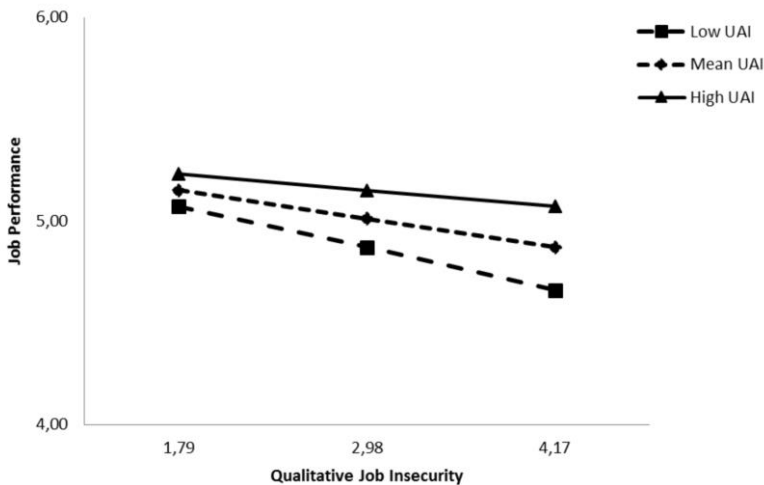


Figure 3. Interaction effects of *qualitative* job insecurity and individual-level UAI on job performance in the German sample.

Results within the Chinese context

Next, we examined UAI as a moderator in the relationship between quantitative and qualitative job insecurity and job performance among Chinese employees. In contrast to the German sample, job insecurity was not negatively related to job performance (quantitative job insecurity: $r = -.05$, $p = n.s.$; qualitative job insecurity: $r = -.04$, $p = n.s.$).

Similarly, results show a non-significant interaction effect for quantitative job insecurity, $b = -0.001$, 95% CI [-0.002, 0.001], $t = -0.735$, $p = .463$. In addition, results were non-significant for qualitative job insecurity, $b = -0.001$, 95% CI [-0.001, 0.001], $t = -0.119$, $p = .906$.

In sum, the findings suggest that German employees tend to show reduced performance when they experience job insecurity. Results

show that performance was reduced in case of both quantitative and qualitative job insecurity. Furthermore, UAI acted as a moderator in the relationship between both quantitative and qualitative job insecurity and job performance for German employees. However, Chinese employees did not show reduced performance in response to neither quantitative nor qualitative job insecurity. Moreover, UAI did not have a buffering effect on the job insecurity-performance relationship for Chinese employees.

Discussion

The aims of the present research were (a) to examine the association between quantitative and qualitative job insecurity and performance in two cultural contexts and b) to analyze individual-level UAI as a buffer on those relationships. Within the German context, both quantitative and qualitative job insecurity were negatively related to performance. Moreover, individual-level UAI indeed acted as a buffer on those relationships. German employees experiencing either quantitative or qualitative job insecurity showed reduced performance. Thus, it appears that for German employees job insecurity might have induced undesirable stress (e.g., Armstrong-Stassen, 1993; LePine et al., 2005), and in order to cope with this stress employees may have shown behavioral withdrawal from the negative situation in form of reduced job performance (Lazarus & Folkman, 1984). Furthermore, employees low on uncertainty avoidance showed the most negative influence of both types of job insecurity on performance. In line with Debus et al. (2012), this finding suggests that employees high on uncertainty avoidance may have developed better strategies to deal with the stressful and uncertain situation of experiencing job insecurity.

In contrast, in the Chinese sample, neither quantitative nor qualitative job insecurity negatively influenced performance. Likewise, individual-level UAI did not act as a buffer in the relationship. The first potential explanation, as suggested by Sverke and colleagues (2002), is that there simply is no relationship between job insecurity and performance, in this case within the Chinese context. The second potential explanation why

Chinese employees did not show reduced performance in response to job insecurity might be that job insecurity does not lead to reduced performance in certain organizational contexts. In China, employment policies differ remarkably between the organizational context of state-owned enterprises (SOEs) versus joint-ventures (JVs) (Wong, Wong, Ngo, & Lui, 2003). Employees of SOEs have previously enjoyed lifetime tenure, but since the 1990s the government initiated reforms of SOEs, allowing managers to rationalize the workforce and dismiss employees (Cheng & Li, 2002; Wong et al., 2005). However, dismissal procedures tend to be long and complex (Cheng & Li, 2002). Even after their dismissal, employees might still receive a portion of their previous salary, housing, medical insurance and pension schemes. Employees can even demand a transfer to another location instead of being dismissed (Mok, Wong, & Lee, 2002). Despite all this, employees are still motivated to perform well, because it gives them more leverage when they have to negotiate the terms of their dismissal (Wong et al., 2005). Thus, the organizational context of SOEs might motivate employees to maintain their current level of job performance or even to increase it.

Employees in JVs are often employed on contractual basis, meaning organizations have the right to dismiss employees based on business needs and employees' performance (Chow, Fung, & Ngo, 1999). Therefore, job insecurity tends to be high in JVs, but at the same time severance pay for dismissal is often predetermined in the contract. Therefore, the organizational context of JVs reduces employees' opportunity to bargain about their dismissal arrangements, which might be a demotivating factor, as maintaining their level of job performance would have less impact on positive consequences compared to the organizational context of SOEs. This potential explanation has been examined by Wong and colleagues (2003), who compared the influence of job insecurity on organizational citizenship behavior in JVs compared to SOEs. Indeed, their findings provided support for the notion that effects of job insecurity depend on organizational context, specifically SOEs and JVs. In sum, various conflicting rationales might at play depending on

organizational contexts, possibly resulting in a non-significant relationship, as found in the present study.

The finding that German employees, in contrast, did show reduced job performance in response to job insecurity might be due to the different labor market regulations for organizational contexts within Germany as compared to China. In Germany, if employees are dismissed for operational reasons or business needs, they have the right to a severance payment, unless the organization employs less than 10 people (OECD Germany, 2013). Overall, these regulations mean that employees can either expect a severance pay in case they are being laid off or not, but regulations leave them with little room for negotiations, which is why German employees might not perceive a reward for maintaining their job performance.

The third potential explanation for the different result in terms of the job insecurity-performance link between Germany and China could be the difference in sample characteristics, specifically gender and level of education. The self-reported level of education among participants was higher in China than Germany and the majority of participants in the German sample was female, while the majority of participants in the Chinese sample was male. The samples were similar in terms of participants' age and the majority in both countries had permanent employment contracts as well as full-time employment. In their meta-analysis, Cheng and Chan (2008) did not find gender differences in employees' experience of job insecurity. However, education level is related to employability (Johnson & Troppe, 1992), which conveys employees' experience of control and has been shown to reduce the negative effects of job insecurity (Silla, De Cuyper, Gracia, Peiro, & De Witte, 2009). Since the majority of Chinese employees in the present study reported a higher level of education than German employees, perceived employability might have buffered the effect of job insecurity on performance and thus contributed to the present finding that job

insecurity was not related to performance among Chinese employees.

A fourth alternative explanation concerns Hofstede's measure of UAI. Hofstede's cultural dimensions and provided measures are widely used in cross-cultural research (Flynn & Saladin, 2006). However, recently a study challenged the validity of Hofstede's measure for the dimension of UAI (Schmitz & Weber, 2014)¹. Specifically, the researchers asked groups of students with a background in behavioral sciences to match the items of Hofstede's original questionnaire as used in the famous study on IBM employees (Sadler & Hofstede, 1972) to the respective cultural dimensions. Regarding the UAI dimension, only 30.4% in one group of participants and 26% in another group considered the items as reflectors of UAI. Moreover, the researchers did not find Hofstede's items to be indicators of UAI in four different samples and were thus unable to find evidence for the scale's validity. However, it is important to note that Schmitz and Weber only focused on the original items of the IBM study, which have since been revised by Hofstede multiple times. The present research used the measure for the UAI dimension as proposed by Hofstede in the VSM 08. Though the present research has used a more recent measure of the UAI dimension by Hofstede and though these measures are widely accepted (Flynn & Saladin, 2006), a potential influence of the measures on the present results should not be ignored.

Previous research on the differential influences of quantitative and qualitative job insecurity on various outcomes variables produced mixed results (e.g., Handaja & De Witte, 2007; Hellgren et al., 1999; Roskies & Louis-Guerin, 1990). However, a major study by De Witte et al. (2010) did not show clear differences between quantitative and qualitative job insecurity, suggesting that both types of job insecurity are problematic. The present study produced similar results for quantitative and qualitative job insecurity as well, expanding upon these previous studies by directly comparing the influence of the two

¹ The study by Schmitz and Weber (2014) was carried out after the present study and could therefore not be considered for the present research.

different kinds of job insecurity on self-reported job performance. Therefore, this research supports the conclusion that it is not only the fear of losing the job as a whole (quantitative job insecurity) that may impact employees, but also the fear of losing valued job aspects (qualitative job insecurity).

Limitation and recommendation for future research

The following limitations of the present research should be acknowledged. First, one limitation of relying on survey data is common method bias. This limitation was addressed by including different response scales. Furthermore, though using a single method might inflate associations between concepts, it has been suggested that single method still provides valuable results (Spector, 2006). Second, we only focused on employees and not the general population of Germany and China. Thus, our results might only apply to working people and not to the general population in both countries. Third, the present study did not distinguish between JVs and SOEs in China. Therefore, no conclusions can be drawn regarding their potentially differential effects on the outcomes. For future research it is highly recommendable to distinguish between organizational contexts like JVs and SOEs, to further investigate how job insecurity impacts performance in different organizational contexts. Fourth, though widely used, Hofstede's measure of UAI has been challenged for its validity (Schmitz & Weber, 2014). Therefore, it is recommendable to use other measures in addition to Hofstede in future research or further examine Hofstede's UAI scale to establish whether the construct means the same in different countries. Fifth, the present study focused on a buffer of the job insecurity-job performance relationship. There might well be variables that exacerbate this relationship. As suggested by Debus et al. (2012), a country's unemployment rate might have such an exacerbating effect on the outcomes of job insecurity. High unemployment rates might influence the strength of individuals' negative perception of job insecurity. Furthermore, future research should examine more buffers on the

relationship between job insecurity and health/performance, such as employability, as it would be beneficial in order to develop interventions to help employees deal with job insecurity (De Witte et al., 2015).

In conclusion, we investigated whether similar results can be obtained for quantitative job insecurity and qualitative job insecurity in the relationship between job insecurity and performance. Indeed, our results show similar patterns for both types of job insecurity. In the German sample, both types had a negative influence on performance. Regarding Chinese employees, neither quantitative nor qualitative job insecurity had a negative impact on performance. Furthermore, our results support a buffering effect of UAI on the negative effects of job insecurity on job performance. However, it appears that whether or not job insecurity has a negative influence on job performance depends on different contexts.

Received 17 June 2015

Revision received 1 September 2015

Accepted 18 October 2015

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