**IMPACT OF JOB INSECURITY ON INNOVATIVE WORK BEHAVIOR: A STUDY OF INDIAN SERVICE INDUSTRY**

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**ABSTRACT**

The existing research has overlooked the underlying processes and boundary conditions associated with the impact of job insecurity on innovative work behavior. To address this gap, our study integrates the perspectives of job demands-resources and self-determination theories. We propose and test a first-stage moderated mediation model, which identifies intrinsic motivation as a crucial mechanism explaining the negative effect of job insecurity on innovative behavior. Additionally, we examine trait mindfulness as a protective factor that buffers against the detrimental impact of job insecurity on intrinsic motivation and, subsequently, innovative work behavior. To empirically investigate our model, we conducted two separate studies with time-lagged designs. The study involved 138 employees from India service industry. Specifically, we found that intrinsic motivation played a mediating role, mediating the negative relationship between job insecurity and innovative work behavior.

**KEYWORDS**

Job insecurity, Innovative work behaviour, Intrinsic motivation, Work engagement

**INTRODUCTION**

Innovation is important for the organization’s survival and its growth. Increasing global competition has also raised the importance of innovation for organization’s success. The best way for the organizations to excel in innovation is by capitalizing the innovative abilities of all employees and not relying much on the research and development department (De Jong & Den Hartog, 2007). As a result of this, the need for initiative taking employees is also increasing who are not afraid of risks involved as well as uncertainty. Employees can give their best input to the organization by improving their performance and enhancing the innovation in the organization. Innovation means bringing new ideas and employees play a crucial and leading role in developing innovative ideas (Howell & Boies, 2004),The generation of innovative ideas is the part of innovative work behavior of employees. Innovative work behavior involves all such behaviors which are contributing to the innovative process of the organization (De Jong & Den Hartog, 2007). Innovation process involves the generation of new ideas, promotion of these ideas as well the realization of such innovative ideas.

Due to increasing competitiveness as well as advancement in the technology, the organizations are employing various changes in the form of downsizing, restructuring, outsourcing etc. Organizations go for these changes to increase the productivity and to improve the cost structures. But, these changes are resulting in experiences and perceptions of job insecurity among employees. So, during the downsizing and in the post restructuring period, the detrimental effects of these changes, specifically the downsizing, are the negative consequences on the health and safety of the employees.

Also, the organizations expect that the downsizing and restructuring can increase the importance of innovation for organizations. Because of current changes in the market, the researchers are taking interest in innovative work behavior separately but, the relationship between these two is still under-researched. Research has shown that these two do not go along in the organization but innovative work behavior suffers due to job insecurity in the organization. Few studies have shown that job insecurity feeling in employees impairs the innovative work behaviors of theirs (Montani et. Al.,2021; Niesen et.al., 2018). As, there is scant research devoted towards the relationship among innovative work behavior, so, it is difficult to say under what conditions the employees having job insecurity feeling, can show innovative behavior.

The aim of the current study is to investigate the relationship between job insecurity and innovative work behavior. Job insecurity is a job stressor and hence, has significant impact on innovative work behavior. Stressors which are considered as the challenge by employees are positively appraised and relate to the innovative work behavior. But, those stressors which are appraised as the hindrance are negatively related to the employees’ innovative work behavior. Ren and Zhang (2015) have argued that job insecurity is a hindrance stressor. With an aim of identifying the impact of job insecurity on innovative work behavior this study is being done. In this study the researchers have also tried to provide a motivational approach that explain the impact of job insecurity on innovative work behavior.

**LITERATURE REVIEW**

**JOB INSECURITY**

According to Pollert (1988), Job Insecurity is a situation when the employees in the organization lack assurance about their job stability. Many factors can be used to know Job Insecurity like organizational restructuring, newer employer-employee contracts flexibility etc. At the same time, these can be used to describe the sued to describe the workplace protection for secure employment. In the study by Rosenblatt et.al (1996) there are two factors of Job Insecurity that are unionization and association. The results of this research show that there is adverse effect of Job Insecurity on organization commitment, organization support, resistance to change and the performance of employees. Job Insecurity is a threat to employment stability which is nowadays experienced by employees at the workplace. Due to technological, political as well as economic changes, employees feel insecure about their future jobs. Through this research, the author has also categorized the various reactions of employees to Job Insecurity and the features that contribute to each of reaction. The various antecedents to Job Insecurity are national unemployment, technological changes, political changes other changes in the business environment, declining demand and many more. When organizations take various steps to implement such changes, the employees may have the feeling that their job is at risk.

**EMPLOYEE MOTIVATION**

According to Frederick (2002) rewards and recognitions are used by organizations to motivate employees. According to Nohria et. al. (2008), it is a big challenge for the managers to get the best work from the employees. According to a study perceived leadership has no impact on the impact on the motivation of employees. The leadership should get attention to improve the motivation of employees. Performance of the organization depends upon the quality of people. The employee's performance depends on their motivation level and the satisfaction level. Organizations use various measures to increase the Employee Motivation, which is affected by many factors. According to research by Tarigan et.al. (2020), which aims to find the impact of employee competence on the motivation of employees, concluded that the competencies in the employees are not skilled and the employees need to have special competence to improve the motivation.

**INNOVATIVE WORK BEHAIVIOR**

According to the study by Stock (2015), numerous factors can influence an employee's propensity for Innovative Work Behavior, but three crucial ones are conducive work environments, job demands, and significant challenges that require creative solutions. This study focuses on finding out impact of boreout on Innovative Work Behavior. Boreout is a term used to describe a condition of reduced work-related stimulation, a loss of purpose in one's job, feelings of tedium, and a lack of opportunities for professional advancement in the workplace. The study revealed that crisis of means at work and growth crisis negatively affects the Innovative Work Behavior, whereas job boredom has no impact on Innovative Work Behavior.

According to Alkhodary (2016), there exists a substantive and meaningful correlation between employee empowerment, defined as the delegation of authority and autonomy to employees, and Innovative Work Behavior, which refers to the creation and implementation of novel ideas to achieve desired outcomes in the workplace. This means that when organization empowers the employees by competencies and through self-determination, the employees show the Innovative Work Behaviors at workplace. The results of a study revealed that ethical leadership has positive impact on the Innovative Work Behaviors of employees. This empirical investigation further verified that the linkage between ethical leadership, which encompasses leaders who display high moral standards and act in accordance with ethical principles, and Innovative Work Behavior is mediated by three critical factors: self-efficacy, which is an individual's belief in their ability to accomplish tasks successfully, self-impact, which pertains to an individual's perception of the extent to which their actions affect the organization, and self-determination, which refers to an individual's capacity to act in accordance with their volition and values. According to Afsar et al. (2020), Innovative Work Behavior is the one which involves putting forward new ideas as well as the behaviors that are required to develop and implement new ideas. It involves the activities which aim at acknowledgment, expansion, acceptance and execution of ideas.

**JOB INSECURITY AND INTRINSIC MOTIVATION**

According to a study by Shin et al. (2019), which was conducted with objective to find relation among Job Insecurity, Motivation and the performance of employees, Job Insecurity among employees decreases their Intrinsic Motivation which further negatively affects job performance of employees, organizational citizenship behavior as well as the change-oriented organization citizenship behavior. Job Insecurity negatively affects the Intrinsic Motivation and the job happiness of employees. Job satisfaction is positively related to Employee Motivation. Both the job satisfaction and motivation are mediating the relation between the Job Insecurity at workplace and citizenship behaviors. The study by Huang et.al. (2021) has used two terms which are qualitative Job Insecurity and the quantitative Job Insecurity. The quantitative Job Insecurity at workplace has position effect on employee's performance goal. This is the avoidance form of Motivation which is actually result of less psychological safety at workplace whereas qualitative Job Insecurity has negative effect on employee learning goal orientation which is the approach form of motivation.

**JOB INSECURITY AND INNOVATIVE WORK BEHAVIOR**

In a study by Reisel et al. (2010), the authors assess the impact of Job Insecurity on output and creativeness. This research has been conducted on 104 undergraduate students who participated in a lab experiment. The results of this experiment research study shows that productivity of participants increased in the state of high level of Job Insecurity. In the second study on 144 employees, it is found that Job Insecurity leads to low creativity in employees. Also, Job Insecurity leads to low counterproductive work behaviors.

In another research study the author tried to find out the adverse result of Job Insecurity. This study analyzes the effect of Job Insecurity on creativeness of employees. Also self-affirmation intervention is introduced and it is examines that whether self confirmation can deteriorate the negative relationship between Job Insecurity and the creativity. It was found through the analysis that there is a depressing relation among Job Insecurity and the creativity of employees. This harmful relation is not applicable to those employees who have the self- affirmation. This research study emphasizes on the importance of enriching the self affirmation and work affirmation. In a research study by Roll, L. C et al. (2019), the authors tried to check the influence of Job Insecurity on employee's creativity. This study was conducted on 148 Chinese employees. The findings of this study revealed that there is a negative relationship between Job Insecurity and the creativity. This study also shows that Job Insecurity has negative impact on work engagement of employees because of which there is negative impact on the creativity of employees. The implications of the study include that organizations need to adopt effective tactics to suppress the negative impact of Job Insecurity on employees.

A study focused on importance of Job Insecurity in terms of qualitative and quantitative, in predicting the symptoms of employee stress examined that how employees regulatory focus moderate his response to the Job Insecurity. This study was conducted on 210 Chinese employees. The results of this study revealed that qualitative Job Insecurity and quantitative Job Insecurity have different effects on stress and motivation of employees. Employees can use prevention focus to cope with stress and promotion focus to maintain motivation level, when they face qualitative Job Insecurity. According to the study by Montani et al. (2021), Job Insecurity in employees negatively impacts the innovation work behavior of employees. Job Insecurity at workplace affects negatively the Intrinsic Motivation of employees, which is further positively related to Innovative Work Behavior. So, Job Insecurity has indirect depressing impact on Innovative Work Behavior of employees. In a research paper by Fauziawati (2021), the author conducted a study to examine the impact of job insecurity on employees' innovative work behavior, while also exploring the potential mediating role of organizational commitment. The study surveyed 41 employees, and the findings suggest that job insecurity has a negative effect on both organizational commitment and innovative work behavior. Additionally, organizational commitment was found to have a positive relationship with innovative work behavior and was able to partially mediate the relationship between job insecurity and innovative work behavior. In other words, employees who feel more job secure are more likely to have a stronger commitment to their organization and be more innovative in their work.

Nikolova et al. (2022), in their study examine how Job Insecurity impacts the extra role behaviors of employees through the mediating effect of work motivation of employees. Authors have proposed a model which shows that employee's extra role behaviors depends on work motivation as well as the perceived investment in employee development. This research study concluded that employees who reported experiencing high levels of qualitative job insecurity and low levels of intrinsic motivation tend to engage more in extra-role behaviors. However, when these employees were given development opportunities, their intrinsic motivation increased, resulting in decreased engagement in extra-role behaviors. In other words, providing employees with development opportunities can increase their motivation and job satisfaction, reducing the need to engage in extra-role behaviors to compensate for job insecurity. This highlights the importance of providing employees with opportunities for growth and development to enhance their intrinsic motivation and overall job performance.

Quansah et al. (2022) in their study assess the effect of Job Insecurity on the worker's safety citizenship behaviors. This study was conducted on 351 underground mining workers. The results of this study revealed that safety motivation by supervisor actually mediates the relation among supervisor behavior and the citizenship behaviors. However, the study did reveal a positive relationship between psychological contract breach and innovative work behavior. This sheds new light on the relationship between job insecurity and innovative work behavior, suggesting that employees who perceive a breach in their psychological contract with the organization may be more likely to engage in innovative work behavior. These findings highlight the importance of maintaining employees' psychological contracts to foster a positive work environment and promote innovation.

**METHOD**:

We conducted a survey among employees working in various industries in India, including architecture and design, communication and marketing, leisure, and technology. To gather data, the executives of the firms sent an email to their employees on behalf of the researchers, inviting them to participate in the study. The email explained the purpose of the research, assured confidentiality of responses, and provided a hyperlink to the first survey. Participants were asked to complete two separate online surveys, focusing on their job conditions and innovation, during two different time periods. To maintain anonymity, respondents created an anonymous code at Time 1, which was used to match their responses across both time points. Our final sample consisted of 138 employees who provided matched data across both time periods, resulting in an overall response rate of 30.13%. It is worth noting that employees who participated only at Time 1 did not differ significantly from those who also participated at Time 2 concerning their levels of job insecurity.

## **Measures**

*Job insecurity*. Job insecurity was measured using the 4‐item scale developed by Vander Elst, De Witte, and De Cuyper ([2014](#_bookmark79)). Since a French version of the scale was not available when the data for the preset study were collected, this instrument was translated from English to French using the translation and back‐translation pro- cedure recommended by Brislin ([1981](#_bookmark19)). The respondents were asked to indicate the option that best corresponded to their opinion about their job condition on a scale ranging from 1 (*totally disagree*) to 5 (*totally agree*) A sample item is ‘I feel insecure about the future of my job’. The reliability of this scale was 0.70.

*Intrinsic motivation*. To assess intrinsic motivation, we utilized the 3-item subscale derived from the French version of the Multidimensional Work Motivation Scale (Gagné, 2014). Participants were requested to indicate the extent to which each of the three statements aligned with their reasons for investing effort in their current job. They provided ratings on a scale ranging from 1 (not at all) to 5 (completely). An example item from the scale is as follows: "[I put efforts in this job...] because what I do in my work is exciting."The reliability of this scale was 0.84.

*Innovative work behaviour*. Innovative work behaviour was measured with the French translation (Montani et al., [2018](#_bookmark54), Sample 1) of Janssen's ([2000](#_bookmark43)) 9‐item scale, which assesses the frequency with which employees report being involved in the generation (e.g., ‘Creating new ideas for difficult issues’), promotion (e.g., ‘Acquiring approval for innovative ideas’) and realization (e.g., ‘Introduced innovative ideas into the work environment in a systematic way’) of new ideas in the workplace. Responses were rated on a 5‐point scale ranging from 1 (*never*) to 5 (*always*). The reliability of this scale was 0.91.

*Control variables*. Previous studies, such as Hammond et al. (2011), have revealed that certain factors, including age, gender, education, and organizational tenure, are closely linked to innovative work behavior. These findings are in line with the empathizing-systemizing theory proposed by Baron-Cohen et al. (2005), which emphasizes gender differences in creative thinking stemming from distinct cognitive styles observed in males (analytical and systemizing) and females (empathizing). Furthermore, age, educational level, and organizational tenure are considered significant factors according to the componential theory of creativity (Amabile, 1983). These factors represent individuals' domain-specific experiences, knowledge, expertise, and skills, which play a vital role in their ability to generate novel ideas.

**RESULTS**

As in Study 1, we conducted CFA to examine the discriminant validity of the study variables. Again, given the large number of items (31 items) for this analysis compared to the low sample size (*N* = 138), we parcelled the items of the the innovative work behaviour scales by creating three parcels per latent variable (Little et al., [2002](#_bookmark51)). The hypothesized five‐factor model fit the data well (*χ2* [93] = 138.94, CFI = 0.96, RMSEA = 0.06, SRMR = 0.05) and fit the data better than either a four‐factor model combining intrinsic motivation and work engagement (*χ2* [98] = 149.64, CFI = 0.96, RMSEA = 0.06, SRMR = 0.05; Δ*χ2* [4] = 9.7, *p* < 0.05) or a one‐factor model (*χ2* [104] = 989.43, CFI = 0.51, RMSEA = 0.23, SRMR = 0.19; Δ*χ2* [10] = 839.79, *p* < 0.01). These results thus suggest that the study variables are distinguishable.

**DISCUSSION**

Given the increasing prevalence of perceived job insecurity and its detrimental impact on work-related outcomes, it is crucial to develop and test theoretical models that provide insights into how employee effective functioning can be maintained in such conditions. In this study, we aimed to address this issue by examining the mediating processes and boundary conditions associated with the effects of job insecurity on employee innovative behavior. Despite its recognized significance for organizational performance and competitiveness, innovative work behavior has received limited attention in the job insecurity literature (Gong et al., 2009), highlighting the need for further investigation in this area. Consistent with our hypotheses, our findings revealed that job insecurity had an indirect negative impact on employees' innovative work behavior by reducing their intrinsic motivation. Furthermore, we identified a moderating factor: mindfulness. High mindful employees showed a weakened association between job insecurity and reduced intrinsic motivation compared to low mindful employees, suggesting that mindfulness may act as a protective factor in the face of job insecurity. Importantly, our results indicated that job insecurity was a predictor of work engagement in both Study 1 and Study 2. However, contrary to expectations, work engagement did not significantly influence innovative work behavior in either study. These findings highlight the unique and conditional mediating role of intrinsic motivation in the relationship between job insecurity and innovative work behavior, independent of the influence of work engagement.

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