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# Understanding Job Insecurity: Factors that Lead to Employee Burnout

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| ARTICLE INFO   | ABSTRACT  |
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| Received: 17 September 2024 Received in revised: 27 December 2024 Accepted: 27 December 2024 Published: 31 december 2024 Open Access | The purpose of this study was to test and analyze the influence of the factors of job insecurity on employee burnout. This study uses a quantitative approach, data obtained using questionnaire techniques. Respondents in this study amounted to 180 workers in the tobacco processing industry hand rolled clove cigarettes in one of the districts in East Java. Research. The analysis test used SEM PLS 4.0. The results of the analysis test in this study can be seen that the factors of job insecurity have a significant effect on employee burnout. |
| •  | Keywords: Job Insecurity, Employee Burnout  |

## 1. Introduction

The tobacco processing industry in one of the districts in East Java currently occupies the second position with a percentage of 17.16% of the total large and medium manufacturing industries. With a labor absorption of 45%. The tobacco processing industry that absorbs a lot of labor is the tobacco processing industry that focuses on SKT (Hand-Rolled Clove Cigarettes) products, especially the absorption of women's labor who work in the tobacco processing industry for hand-rolled cigarettes as cigarette rollers. (Disperindag,2023)

The hand-rolled clove cigarettes cigarette industry not only absorbs a lot of labor, but also has a double impact on the local economy around the hand-rolled clove cigarettes cigarette industry, for example, food stalls, grocery stores, public transportation to pick up workers. But behind it all is the job insecurity faced by hand-rolled clove cigarettes workers, the job insecurity of hand-rolled clove cigarettes workers is an interesting issue to pay attention to. Workers in the hand-rolled clove cigarettes industry often work in unstable and insecure conditions, which can have a major effect on the overall welfare of hand-rolled clove cigarettes workers. This insecurity concerns several aspects, such as income uncertainty, lack of social protection and health risks faced by hand-rolled clove cigarettes workers.

Female workers in hand-rolled clove cigarettes cigarette factories are prone to lung problems. Tobacco dust in the cutting and production process can disturb health. Hand-rolled clove cigarettes workers get paid on a piece-rate system, workers are able to produce 3000-4000 cigarettes with a wage of approximately IDR 22,000 per thousand cigarettes (ANTARA.,2022), with a contract work system (TCSC Indonesia,2021). Previous studies in various sectors, the growth of job insecurity felt by workers can exacerbate health complaints, especially mental health, it can lead to withdrawal behavior from work and conflict between work and family (Griep et al., 2021).

(Jiang & Lavaysse, 2018) provide further support that job insecurity can hinder workers' well-being and lead to undesirable attitudes and work. Based on research job insecurity is associated with job burnout. (Chen & Eyoun, 2021). In recent years, there has been a significant increase in the study of workplace safety (Saeed et al., 2023). This increasing trend is based on the finding that happy employees are more productive employees (Miller, 2016). Occupational health and wellness has also been adopted by the United Nations as a sustainable development goal (UN, 2015).

At the individual level, perceived job insecurity adversely affects employees' physical health and well-being, while at the organizational level it results in reduced work engagement and poor work behaviors (Richter et al., 2014). Previous researchers agree that perceived job insecurity must be reduced and ultimately prevented for the betterment of individual employees and organizational health.

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In the 21st century, job insecurity is considered a nuisance as previous research has shown that job insecurity impacts health, well-being and job burnout (Sjöberg, 2018),

Job insecurity can be perceived as a threat of loss of resources such as income, and other benefits derived from a job. Individuals who have limited resources and lack the ability to obtain additional resources to cope with uncertainty due to job insecurity tend to experience chronic stress or job burnout (Hobfoll, 2018). Furthermore, job insecurity felt by individuals is a form of demand to maintain their jobs, which leads to the exhaustion of physical and psychological resources. As a result, job insecurity can increase job burnout which will ultimately affect employee well-being, work engagement and performance (Darvishmotevali&Ali, 2020).

Research on the impact of job insecurity on job burnout is important because job insecurity can have a significant impact on employee well-being and productivity. Job insecurity caused by the threat of dismissal, unclear employment contracts, or structural changes in the organization, can increase job stress and anxiety that will be faced and felt by employees. Prolonged anxiety and stress can lead to job burnout which not only reduces motivation and performance, but can also affect physical and mental health. By understanding the relationship between job insecurity and job burnout, organizations can design more effective policies to reduce the negative effects of job insecurity, improve well-being, and ultimately increase efficiency and productivity in the workplace. This research is also important for policy makers and human resource managers in creating a more stable and supportive work environment, thereby reducing job insecurity and burnout.

## 2. Literature Review

## 2.1 Job Insecurity

Job insecurity is considered a common trigger that has unfavorable consequences for employees (Y. Cheng et al., 2005). Job insecurity is defined as the perceived risk of losing one's current job. It reflects the current job situation, not a person's entire career (Hans, 2005). Then (Vander Elst et al., 2016) describes job insecurity as a subjective experience of feeling the risk of potential job loss. Perceived job insecurity can have an impact on reducing job satisfaction, work involvement and trust in the organization, increasing organizational stress, and increasing turnover intention (Karatepe et al., 2020).

The Conservation of Resources Theory or COR Theory proposed by (Hobfoll, 2002) explains the negative impact of job insecurity. From the COR theory perspective, job security is also a resource because it guarantees access to other resources such as salary to meet economic needs (Sjöberg, 2018). According to COR theory, when a valuable resource is in danger of being lost, it causes anxiety and stress. People become stressed when they fail to invest resources that are important for their goals. (Hobfoll.,1989)

With COR theory in mind, we can conclude that the possible or actual loss of a job presents a threat to valuable resources or resources that will in turn lead to compromised well-being. Potential job loss will elicit a stress reaction, i.e. less engagement in work which will eventually lead to a spiral of loss. Consistent with COR theory it can be argued that the possibility or actual of job loss will present a threat to resources or valuable resources. Employees will collectively start looking for another job during working hours, instead of concentrating on their current job. Likewise, when employees feel threatened by job loss, employees will invest less energy in their current job to prevent further loss of resources (T. Cheng et al., 2012).

In addition to COR theory, there is also the Job Demand Resources theory which explains that job demands erode a person's resources and mentality, causing a process of health disorders, resulting in adverse responses, such as fatigue which can lead to undesirable performance. Job demands and job resources include psychological, physical, organizational, or social aspects of work. However, job resources are essential in meeting employees' psychological needs, and are useful in achieving occupational goals, promoting personal growth and development, and reducing the psychological and physiological costs caused by job demands. (Bakker & de Vries, 2021). Therefore job burnout is often experienced by individuals who face high job demands such as job insecurity, role conflict, workload, time pressure and hostile work environment and poor resources. Job demands require sustained mental, emotional and physical effort which can be exhausting for employees.

## 2.2 Job Burnout

Job burnout is the result of prolonged chronic stress, which has become a global phenomenon affecting workers in various fields of work. (Maslach, 2003). Job burnout is characterized by three key elements: emotional exhaustion (loss of energy and feelings of resource depletion), depersonalization (detachment from work, treating others as objects or with impersonal responses), and reduced personal achievement (feelings of incompetence, inadequacy and unproductivity).

As described in COR theory and JD-R theory, scarce resources and high job demands predict burnout. On the other hand, the opposite concept to burnout is boreout, characterized by boredom, limited growth opportunities, and the perception that the work is meaningless (Stock, 2015). Boreout results from persistently low job demands, such as unchallenging work, as well as repetitive and stand-

ardized work practices, resulting in decreased motivation and job dissatisfaction. (Abubakar et al., 2022).

Every invindu may have high goals and expectations for their chosen profession. When these expectations are not realized, burnout will occur. The main cause of burnout is job characteristics that cause employees to be unable to achieve their goals and expectations. In this situation, employees become pessimistic and may exhibit antisocial behavior. In this case, the results obtained or not obtained from employees as a result of their work activities can form burnout behavior. (Avtgis et al., 2007)

The literature explains that environmental or organizational factors associated with burnout include excessive workload, role ambiguity, role conflict, work environment, and management support. In addition to these variables, employees' alienation from their organization and their positive psychological capital may be effective in reducing burnout levels. While the burnout level of employees who are alienated from their organization will increase. (Brewer & Shapard, 2004).

### 3. Research Methods

This research is an explanatory research with a positivist research approach or quantitative approach. Quantitative research is a method for testing certain theories by examining the relationship between variables. These variables are usually measured with research instruments so that data consisting of numbers can be analyzed based on statistical procedures (Sugiono, 2019).

This study was conducted on the workers of the hand clove cigarette tobacco processing industry in one of the districts in East Java. The population and sample in this study amounted to 180 people who worked in the hand clove cigarette tobacco processing industry. This study uses partial regression analysis (Partial Least Square) / PLS to test the hypotheses in this study. Each hypothesis will be analyzed using Smart PLS 4.0 software to test the relationship between variables.

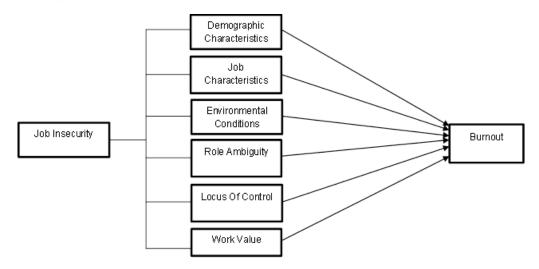
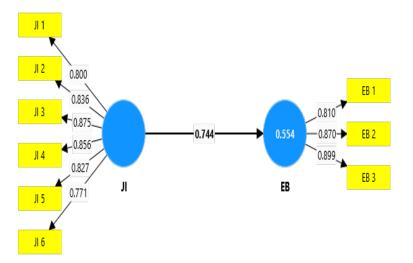


Figure 1. Theoretical Framework

## 4. Result and Discussion



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0.000 0.554 0.000 0.000 0.000 0.000 J EB 0.000

Figure 2. PLS-SEM Algorithm Result

Figure 3. Bootstrapping Result

## 4.1 R-Square (R2)

Table 1. R-Square

|                     | R-Square | R-Square Adjusted |  |
|---------------------|----------|-------------------|--|
| Employee<br>Burnout | 0.554    | 0.552             |  |

Source: Primary Data Processed 2024

The R - Square value is 0.554, which means that for the employee burnout construct, it means that job insecurity is strongly able to explain the variance in employee burnout by 55.4% ...

## 4.2 F-Square

Table 2. F-Square

|                | Employee Burnout | Job Insecurity |
|----------------|------------------|----------------|
| Employee       |                  |                |
| Burnout        |                  |                |
| Job Insecurity | 1.243            |                |

Source: Primary Data Processed 2024

The job insecurity variable on employee burnout has a value of 1.243, so the large effect of the job insecurity variable on employee burnout.

## 4.3 Outer Loading

Table 3. Outer Loadings

|                      | Job Insecurity | Employee Burnout |
|----------------------|----------------|------------------|
| Demographic Charac-  | 0.800          |                  |
| teristic             |                |                  |
| Job Characteristic   | 0.836          |                  |
| Environmental Condi- | 0.875          |                  |
| tions                |                |                  |
| Role Ambiguity       | 0.856          |                  |
| Locus Of Control     | 0.827          |                  |
| Work Value           | 0.771          |                  |
| emotional exhaustion |                | 0.810            |
| depersonalization    |                | 0.870            |
| reduced personal     |                | 0.899            |
| achievement          |                |                  |

Source: Primary Data Processed 2024

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## 4.4 Outer Loading (Measurement Model)

Tabel 4. Outer Loading (Measurement Model)

|                      | Original Sample | Sample Mean | Standard Devia-<br>tion | T-Statistics | P values |
|----------------------|-----------------|-------------|-------------------------|--------------|----------|
| EB1 <del>◀ E</del> B | 0.810           | 0.809       | 0.026                   | 31.364       | 0.000    |
| EB2 <b>←</b> EB      | 0.870           | 0.870       | 0.018                   | 48.701       | 0.000    |
| EB3 <del>◀ E</del> B | 0.899           | 0.898       | 0.013                   | 66.711       | 0.000    |
| JI1 <del>↓ J</del> I | 0.800           | 0.799       | 0.028                   | 28.605       | 0.000    |
| JI2 <del>∢J</del> I  | 0.836           | 0.836       | 0.022                   | 38.856       | 0.000    |
| JI3 <b>↓</b> JI      | 0.875           | 0.874       | 0.017                   | 50.331       | 0.000    |
| JI4 <b>↓</b> JI      | 0.856           | 0.856       | 0.019                   | 45.021       | 0.000    |
| الد <b>→</b> JI5     | 0.827           | 0.826       | 0.025                   | 33.046       | 0.000    |
| للب≱ JI6             | 0.771           | 0.770       | 0.029                   | 26.624       | 0.000    |

Source: Primary Data Processed 2024

Based on tables 3 and 4, it can be concluded that the outer loading value has met the criteria for convergent validity and can be declared valid.

## 4.5 Construct Validity & Reliability

Table 5. Construct Validity & Reliability

|                  | Cronbach's Alpha | Composite<br>Reliability<br>(rho_a) | Composite<br>Reliability<br>(rho_c) | Average Variance<br>Extracted (AVE) |
|------------------|------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Employee Burnout | 0.823            | 0.826                               | 0.895                               | 0.740                               |
| Job Insecurity   | 0.908            | 0.911                               | 0.929                               | 0.686                               |

Source: Primary Data Processed 2024

Based on table 5, it shows that all constructs have met the criteria for Cronbach alpha and composite reliability with a value of more than 0.6 so it can be concluded that all constructs have good reliability

## 4.6 Path Coefficient

Table 6. Path Coefficient

|                | Original Sample | Sample<br>Mean | Standard<br>Deviation | T<br>statistic | P-Value |
|----------------|-----------------|----------------|-----------------------|----------------|---------|
| JI <b>→</b> EB | 0.744           | 0.746          | 0.024                 | 31.181         | 0.000   |

Source: Primary Data Processed 2024

## The Effect of Job Insecurity on Employee Burnout

From the research results obtained that job insecurity has a significant effect on employee burnout. This is evidenced by the correlation value of 0.744, the T Statistic value of 31.181> 1.96 and the P value of 0.000 <0.05, meaning that job insecurity has a significant effect on employee burnout.

The results of this study are in line with research conducted by (Chong et al., 2024) which states that job insecurity experienced by employees cannot be avoided which will ultimately lead to employee burnout.

Employees inevitably have to work in the midst of job insecurity because if employees are deliberately absent or work not in accordance with the company's desired output, employees will risk losing resources, namely losing their jobs. This will eventually drain the energy and emotions of employees which will eventually trigger employee burnout. When employees fear the possibility of job loss or major changes in the company, they tend to experience high levels of stress and anxiety. The job insecurity that employees feel can increase their emotional and mental burden, which in turn will worsen their state of job burnout. The constant feeling of job insecurity encourages employees to keep trying to prove themselves in uncertain situations. The result of this uncertainty is detrimental to employees' mental and physical health, lowering productivity levels.

## 5. Conclusion

The results of the research conducted show that job insecurity has a significant effect on employee burnout. Factors of job insecurity have been shown to increase employee burnout. The results

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of this study indicate that factors of job insecurity contribute greatly to increasing emotional and physical workload, which ultimately leads to employee burnout. Factors of job insecurity felt by employees will tend to experience employee burnout faster than employees who feel safe at work.

This research is expected to be an input for companies to overcome the negative impact of job insecurity. Companies need to implement policies to increase employee job security, such as certainty of employment contracts, more open communication about company conditions. By reducing the factors that can affect job insecurity, companies can reduce the risk of employee burnout and employee work productivity can be achieved according to company goals.

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