

Research Article

Perceived Job Security and its Effects on Job Performance: Unionized VS. Non-Unionized Organizations

Heydy Jimenez¹, Toni Didona²

Albizu University

Heydy Jimenez, Student, and Toni Didona, Head of the Industrial Organizational Psychology Master's Program at Albizu University.

Correspondence : Heydy Jimenez

IO Psychology Department, Albizu University.

Special thanks to Edla Grisard, Student and Tutor at Albizu University for suggestions to the content of this document.

Abstract: This research examined whether perceived job security positively impacts the effectiveness of job performance among employees of unionized organizations vs employees of non-unionized organizations. Job security's effect on job performance was identified, as well as the difference in the perception of job security among employees from unionized vs non-unionized organizations. The sample consisted of 100 employees from different positions and different organizations, with both union and non-union participation from the Miami International Airport. They were surveyed on a Likert scale questionnaire that had items targeted to measure their perception of job security, and job performance. The evidence yielded results that supported the literature review, and indicated that employees are more susceptible to show better performance in their work place when in the context of the security offered by unionized organizations. The results indicated that the security offered by union participant organizations can be used as a predictor of increased job performance, and to some extent to the employee's behavior within the organization.

Keywords: Job security, job performance, unionized, non-unionized.

Effects of Perceived Job Security on Job Performance:

Unionized VS. Non-Unionized Organizations

The relationship between the security offered by unionized companies and employee's productivity has been a topic of research for years (Batt and Welbourne, 2002). Some of the research show there is still much controversy among policymakers, union advocates, and business in general on the effects of unions in the overall performance of employees. Despite the controversies, correlations have been found between unionized companies an employee's satisfaction, as Berger (1983), showed that unions increase employee's satisfaction by increasing pay values, benefits and other rewards, and this satisfaction in turn increases chances of having a positive attitude towards work and their performance. In contrast with these arguments, Doucouliagos and Laroche (2003), in a meta-analysis and meta-regression analysis reported that there is no positive affiliation among unions and employees output.

Research performed by Ashford and Bobko (1989), addressed questions that intended to determine how the perception of job insecurity has an impact on dedication, job contentment, and job performance. Ashford and Bobko (1989), concluded that perceived insecurity causes reduction in commitment and reduces satisfaction, but it does not have a significant effect on

performance. In contrast with these findings, Rosow and Zager, (1985) had previously observed that job insecurity decreases job performance. (Rosow & Zager, 1985).

Reasonable arguments can be made to support the hypothesis that unions have an effect on employee's job performance. Freeman and Medoff (1984), for instance, discovered that unionized organizations offer an opportunity for worker participation in the provisions and status of employment which at the same time produces improved executive operations and more functional workforce. These findings are not unexpected considering the fact that unionized companies, in contrast with non-union settings, do provide better salaries, increased benefits and rewards, and many times, better trainings and acquisition of skills opportunities, according to data obtained from Current Population Survey (CPS) of the Bureau of Labor Statistics (Hirsch and Macpherson 2003).

Costanza (1988) reports that employees from unionized companies feel more confident when approaching, and challenging management. In response, management respect and more often honor their proposals. According to Costanza (1988), non-union employees do not perceive this sense of security and often are blocked or ignored, that is, their ideas are not taken in consideration and they are not asked to participate in any of the company's decision regarding

employee's opportunities and development.

There are also studies regarding unions and their impact on wages. Increased salaries as well play a significant role in the perception of job security. According to reports made by the Economic Policy Institute on Unions and Labor Standards, Unions have a substantial impact on the compensation and work lives of unionized workers, Walters & Mishel (2012).

The researches listed above present data on union's influence on employee's salaries, benefits and total compensation, and their effects on job security. Therefore, it is important to define the concept of job security.

Job security

The definition of job security is the probability of an employee to keep his/her job. The higher the probability of keeping employment, the higher the job security. On the contrary, job insecurity is defined by Heaney, Israel, and House (1994, p.1431) as "the perception of a potential threat to continuity in his or her current job". Greenhalgh and Rosenblatt (1984), defined job insecurity as the severity of threat, which is the level of threat to continue employed. They developed a five component model of job insecurity construct. One of the components in their research is perceived threat. According to their results, the more an individual feels threat in losing his or her job, the higher the job insecurity. Organizations, government and individuals, are prompt to increase job security by passing laws and establishing programs that increase education and experience. Unions are among the highest influencers that have an impact on job security. Employments with a strong presence of union representation, like government jobs, airlines, and jobs in education, are deemed very secure, in contrast with jobs in the private sector that are believed to offer less security (Greenhalgh & Rosenblatt, 1984).

In an ever growing society, where companies are redefining their concepts to keep up with the technological changes and the demand, it is common to experience job security. In periods of economic growth or expansion, businesses experience more demands and this in turn increases the amount of jobs available, and the probabilities of maintaining the actual employment. In contrast, when businesses experience loss of demand, they are forced to downsize.

Scientific assessments fluctuate concerning other components of job insecurity. Some researches establish a difference between the cognitive probability of losing the job, and the affective experience thereof (Borg, 1992). Others differentiate between the quantitative and qualitative job insecurity (Hellgren, Sverke & Isaksoon, 1999). According to Greenhalgh and Rosenblatt (1984), quantitative data on job insecurity refers to the continuity (or loss) of the job itself, once people are not sure about whether they will be able to retain their actual job. Qualitative data on job insecurity talk about the insecurity concerning the continued presence of appreciated parts of the job such as salary, amount of hours worked, etc. This study concentrated on the quantitative job

insecurity (Greenhalgh & Rosenblatt, 1984).

Another study performed by Heaney, Israel and House (1994) indicated that job insecurity can be considered as a job stressors, and such is predictive of changes over time in both job satisfaction and physical symptoms. According to the results of the research, extended periods of job insecurity decrease job satisfaction and increase physical symptomatology, over and above the effects of job insecurity at any single point in time.

Moreover, decreased performance, and an inclination to leave the job are assumed to be a consequence of job insecurity, as shown by Abramis (1994) who examined job insecurity as a stressor and evaluated the potential effects of stressors on job performance. Also, according to Lazarus and Folkman (1984), like any other stressor, job insecurity is linked to reduce wellbeing, and negative emotions toward the instrument perceived as the cause of the stress. This, according to the results of their investigation, has an impact on the employee's attitude and behavior in relation with the organization.

The perception of job insecurity is therefore associated with performance decrease and an overall reduction in organizational citizenship behaviors (De Witte, 2000). Dissatisfied and less committed employees are less dedicated to the company and its goals, and have a negative effect in its social atmosphere (Greenhalgh & Rosenblatt, 1984).

Another study, a meta-analysis and review of job insecurity and its consequences, performed by Sverke, Hellgren, and Näswall (2002), reviewed that the behavioral consequences of insecurity are detrimental for employee's job attitude, organizational attitudes and health. The analysis suggest that the relationship between job security and employee's performance and behavior may be underestimated on studies that rely on single-item measures wherein respondents are asked to rate the perceived probability of losing their jobs, or express their satisfaction with the perceived job security (Decci, Connell, & Ryan, 1989).

Some research has given attention to the relation between job insecurity and employee's job attitudes (Ashford and Bobko (1989); Grunberg, Moore & Greenberg, 1998; Lim, 1996; & Rubio 1996). The results of these studies indicate that employees who feel insecure about their future employment are usually more dissatisfied with their job, than those who perceive they are more secure. Furthermore, an investigation performed by Staufienbiel & Cornelius (2010), revealed that job insecurity is proposed to have a predominantly harmful effect on performance, turnover intention, and absenteeism, and it is argued that these effects are mediated by (reduced) work attitudes.

A study performed in 2005 with 145 employees, in which the authors inquired about the perception of job security between full-time and temporary employees, discovered that there is a negative perception of security by temporaries, and these perceptions negatively affect their performance, as noted in their supervisor's rating of job performance. Furthermore,

those employees holding full-time positions had a positive perception of security, and positive rating on job performance (Kraimer, Wayne, Liden, Sparrowe and Raymond 2005).

The inconsistency among these results justifies further investigation in this area to clarify the relationship between perceived job security and job performance. The research on the relationship between perceived job security and performance is very extensive. However, the relationship between the difference in the perception of job security and job performance between unionized and non-unionized employees is not as broad. The overall rationale of this investigation was to analyze and expand the research on the relationship between the performance of those employees that feel protected under the umbrella of unionized companies, and those who feel insecure about the stability offered by their non-unionized organizations. The purpose of the research, therefore, was to evaluate if there is a statistical difference in perceived job security between employees from unionized and non-unionized companies.

Methods

Participants

The participants in this study came from a convenient sample of employees from the Miami International Airport. The study was intended to target employees in clerical positions, customer service, ground fleet, airport security, and managerial positions. Descriptive statistics showed that the sample of 100 employees was divided into 55% female, 42% male, and ranged in age from 18 to 54. The unionized group had 44% of the participants and the non-unionized group 54%. For the annual income, 25% reported to be earning between 36,000 and 45,000, and 17% between 46,000 and 55,000 dollars a year. 37% were in the professional level and 18% in managerial positions. The majority of the respondents were Latinos with 63%, 14% were white-non Hispanics and 13% African-American.

Material and procedure

The instrument used in the study was a self-developed survey (Appendix C) that measure individual's attitudes toward unions, how secure they feel in their job, and how they measure their performance. Data was collected by emailing and texting adults over the age of 18. Emails and text messages were sent to individuals that were primarily known by the investigator with a request to follow a link to Survey Monkey where the informed consent and survey were found. In addition, email recipients were asked to forward the link to other professionals in the field who were willing to participate. Additionally, social media like Facebook, LinkedIn, and Google was used as a way of obtaining more participants by placing the link to the informed consent survey on these pages. The responses were anonymous and voluntary. An informed consent was provided (Appendix B) to the participants, however, for confidentiality reasons, participant's signature was not required. Risk with participation was deemed minimal. The questionnaire was provided in English only,

posted by the author in Survey Monkey, and it did not take more than ten minutes to complete.

Measuring Variables

The questions were structured in a Likert-type scale ranging from strongly disagree (1) to strongly agree (5). Ten items were intended to determine demographic information like age, sex, union or non-union participation, and annual income. Four items were employed to try to determine employee's attitude toward Unions. It was important to measure how much job security the employees perceive from their jobs. Seven items were used to measure this variable. To measure the dependent variable, seven items were included that tried to assess how employees perceive their performance. Information from the questionnaire was entered into the SPSS, statistical analysis system under specific variable for each group (unionized group, non-unionized group). Using SPSS for descriptive statistics, normality and homogeneity tests were performed to determine if criteria satisfied or parametric analysis.

The pre-test checklist revealed that normality was satisfied for job security and job performance, homogeneity of variance and number of participants in each group were also satisfied ($\text{sig}(p)=.947$; $N>30$), so t-test was performed to determine the difference of perception of job security between unionized and non-unionized employees. A correlation test was performed to determine the relationship between job security and job performance, and finally a Chi-square was performed to determine the difference in the annual income between the two groups. All the pre-test criteria for these tests were met.

Results and Discussion

In order to measure the difference of perceived job security between employees from unionized and non-unionized organizations, a t-test was performed. The results showed a difference in perception between the two groups at the level of significance of ($p=.024$), indicating that there is a statistically significant difference between the perception of job security between the two groups at a significant level of $p<.05$ (table 1). The means showed a slight difference between the Unionized Group ($\mu=20.59$, $SD=2.714$) and the Non-Unionized Group ($\mu=19.30$, $SD=2.846$) indicating that the Unionized Group perceives job security at a higher score than the Non-Unionized Group.

This result is compatible to the results showed by Constanza (1988), in which the perception of security of non-unionized and unionized employees was measured, and evidence indicated that non-unionized employees do not feel as confident and secure as unionized employees.

A correlation/regression test was used to measure the strength of the relationship between the perception of job security and job performance within the sample. Results indicated a positive correlation of ($r=.270$) between the two variables (table 2). It is a weak correlation, but it is statistically significant at the level of ($p=.007$), indicating that there is a

statistically significant positive correlation between the perception of job security and job performance.

This result means that within this population the perception of job security is associated to job performance, that is, the more the employees feel secure in their jobs, the tendency is to perform better in their jobs, independent if they work for unionized company or not. It seems that employees tend to correlate the feeling of security to their job performance. The results correlate with the findings of Greenhalgh and Rosenblatt (1984), whose research showed a positive correlation between dissatisfaction and decreased performance.

Finally, a Chi-square test was performed to determine the difference in annual income between employees from Unionized Group vs Non-Unionized Group. Results revealed a significance of (p= .707) indicating that there is no statistically significant difference in the amount of annual income between the two groups. It is an interesting finding, even though the income between the two groups is about the same, the perceived job security is not the same for Unionized Group. It seems that income is not a variable that plays an important role on perceived job security

Limitations and Conclusion

The results of this study supported what was predicted on the original hypothesis. There is a statistically significant positive correlation between the perception of job security and job performance. This means that the more secure an employee feels at a job, the better he or she will perform. These findings

Appendix A

Tables

Table 1. Independent Samples Test-Difference in perception of job security between unionized and Non-unionized.

	Levene's Test for Equality of Variances		t-test for Equality of Means		
	F	Sig.	t	df	Sig. (2-tailed)
Equal variances assumed	.004	.947	2.287	96	.024
Equal variances not assumed			2.298	93.610	.024

Table 2. Group Statistics

	UNION/NON- UNION	N	Mean	Std. Deviation	Std. Error Mean
JOB SECURITY	YES	44	20.59	2.714	.409
	NO	54	19.30	2.846	.387

can be useful for predicting individual's performance once the appropriate sense of job security is offered to employees. Also, unionized employees feel more secure than non-unionized employees, but that does not seem to be related to salaries since there is no difference in salaries among the two groups.

The study had several limitations. The instrument used was developed by the researcher and was not previously tested for validity and reliability. This study was conducted with employees from the Miami International Airport, therefore was a convenient sample and therefore generalizations to the broader population cannot be made. The original idea was to place the survey in the airline's Facebook page, but due to lack of time it was not possible to obtain permission from the Airlines, therefore contestants were requested to answer the survey by receiving texts messages from the researcher and other participants. Data collection was hampered with limitations of accessibility and other time restraints.

Although findings could not be generalized, the results of the study could be useful information for organizations. An organization does not need to be unionized to offer job security. A strong benefit package, probability of advancement, employee participation in the provision and status of the employment, and opportunity for personal growth and development may all play a significant role in the employee's perception of job security, and in turn have an impact in their overall performance. Further studies in the subject should be performed.

Table 3. Correlation between Job Security and Job Performance

		JOB SECURITY	JOB PERFORMANCE
JOB SECURITY	Pearson Correlation	1	.270**
	Sig. (2-tailed)		.007
	N	99	99
JOB PERFORMANCE	Pearson Correlation	.270**	1
	Sig. (2-tailed)	.007	
	N	99	99

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4. Chi-Square Tests- Difference between annual income of unionized and Non-unionized

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.779a	6	.707
Likelihood Ratio	3.827	6	.700
N of Valid Cases	98		

Appendix B

Informed Consent

You are being asked to participate in an anonymous survey about (job security and performance) which is being conducted by Heydy Jimenez, a graduate student at Carlos Albizu University (CAU), as part of graduate student research project. This survey is completely anonymous and risks for your participation is deemed minimal. In addition, there are no specific benefits to you for participating. No one, including the researcher, will be able to associate your responses with your identity. The survey should take approximately 10-15 minutes to complete. Your participation is completely voluntary and you may choose to withdraw at any time with no penalty. You must be at least 18 years of age to participate in this study and not a student or employee of CAU. Data collected in this study will be analyzed and the results may be published. The data from this study may be combined with the data from other studies and published as part of another paper. Results will be available to you upon request.

The self-developed survey will try to measure the participant’s attitude towards unions, how secure they feel in their job, and how they measure their performance. Questions regarding the purpose or procedures of the research should be directed to Heydy Jimenez, Heydyj@gmail.com, or 786-473-5959. If you have any questions or concern that cannot be addressed by the primary researcher, you may contact the supervisor for this project, Toni DiDona, PhD at tdidona@albizu.edu. Your continuing clicking the link to complete this survey serves as your voluntary agreement to participate in this research project and your certification that you are 18 years of age or older.

Appendix C

Survey

Demographics

What is your gender?

Male Female

What is your age in years? _____

Which best describes your racial/ethnic identity?

Black/African American__ White/Non-Hispanic__ Hispanic/Latino__ Asian__ Multiracial__ Other _____

How many years of education have you completed? For high school answer 12 years. For Bachelors answer 16. For a doctoral answer 20.

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Which best describes your current job?

Entry Level Professional Managerial Executive Self Employed Retired Unemployed other

How many years of experience do you have in your current field?

What is your annual income?

_____ Thousands per year

Is your company unionized?

Yes No

Are you a member of the Union?

Yes No

Do you work for a Government Agency?

Yes No

PLEASE MARK ONE ANSWER FOR EACH QUESTION	STRONGLY AGREE (5)	AGREE (4)	NEUTRAL (3)	DISAGREE (2)	STRONGLY DISAGREE (1)
Unions ensure that workers are earning a fair living wage.					
Unions offer job security					
The perception of job security positively affects job performance.					
I perceive that I can contradict with my supervisor without feeling the threat of getting in trouble					
I cannot get fired unless there is "just cause".					
I could lose my job at any moment without further explanation?					
I feel proud to tell other people where I work					
My hours, days off, and hourly pay rate can change or be reduced any moment?					
My job offers me a very strong package of benefits					

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My job is where I want to retire.					
My supervisors and managers rate my performance as “Excellent”					
I get employee evaluations at least once a year.					
Within my organization; people are held accountable for achieving goals and meeting expectations?					
I recognize how my performance directly contributes to the general success of the business.					
Doing my job well gives me the sense of personal satisfaction.					
Poor performance is effectively addressed in my organization					
Senior management is held accountable for achieving results					
If I work too hard at my job, I will be criticized by my co-workers, or taken advantage of.					