

THE IMPACT OF JOB INSECURITY ON EMPLOYEE ATTITUDES AND BEHAVIORS IN THE BANKING SECTOR OF GHANA.

NAME: Joseph Arthur.

Abstract

The banking sector in Ghana has undergone some restructuring over the past several years, which has resulted in some employees losing their jobs. With the folding up of seven indigenous banks into Consolidated Bank Ghana Limited and amalgamation of others, many employees in the banking sector are not certain of their desired continuity in their organizations. It is against this background that this study sought to examine the effect of job insecurity on employees' work attitude and behavior and how organizational support and psychological contract breach affect these relationships. Specifically, the study assessed the influence of perceived job insecurity on turnover intentions and counterproductive work behaviors. It also investigated the mediating role of psychological contract breach and the moderation effect of perceived organizational support on the direct relationships established earlier. Using the simple random sampling technique, 480 respondents were selected from Consolidated Bank Ghana Limited (CBG) for the study. The exploratory factor analysis, confirmatory factor analysis and partial least squares structural equation modeling (PLS-SEM) were employed for data analysis. The results showed that job insecurity is positively related to turnover intentions; negatively related to counterproductive work behavior; but not related to psychological contract breach. Psychological contract breach is positively related to both turnover intentions and counterproductive work behavior. Since job insecurity is not related to psychological contract breach, the possible mediating effect of psychological contract breach on the relationships between job insecurity and turnover intentions, and the relationship between job insecurity and counterproductive work behavior were unsupported. Finally, perceived organizational support was found to weaken the (positive) relationship between job insecurity and turnover intentions but strengthens the negative relationship between job insecurity and counterproductive work behavior. Job insecurity should, thus, not always be seen to have negative effects on organizations by management as it can be used to improve performance and commitment to the organization.

Keywords: Job insecurity, counterproductive work behavior, turnover intention, psychological contract breach, perceived organizational support.