

Research Article

Job Insecurity and Work Engagement in Retail Employees at PT.X

Vella Fitrisia Agustina

Fakultas Psikologi, Universitas Tama Jagakarsa
Corresponding Author, Email: fitrisia.a@gmail.com

Abstract

Work engagement As a behavior that can improve productivity and performance in companies, it needs to be studied amidst socioeconomic changes and technological developments that threaten employee job security. This study aims to examine the relationship between job insecurity and work engagement. Data collection to measure work engagement used Utrecht Work Engagement Scale(UWES), To measure job insecurity, the Job Insecurity Scale (JIS) was used. A random sampling technique was used to select 150 subjects working in the retail sector. Data analysis using Spearman's Rank correlation showed a p-value of <0.05 and r-value of -0.162 , indicating a relationship between job insecurity and work engagement among retail employees at PT. X.

Keywords: employees, insecurity, work engagement

INTRODUCTION

Workers or employees spend most of their time in the office and face various competitions in the work environment. Furthermore, external factors and various changes pose challenges for both companies and employees, such as uncertain economic conditions, rapidly changing social conditions, and the threat of jobs being replaced by artificial intelligence in the technology era. Therefore, it is crucial to understand what factors can maintain psychological health and work enthusiasm so that companies can continue to thrive with the support of optimal employee performance.



A healthy company is characterized by increased productivity and performance, which can occur, in part, through employee work engagement. Work engagement has a positive and beneficial impact on both the organization and employees. Low work engagement can negatively impact both employees and the company. For companies, the benefit of high employee work engagement is increased output. Research (Abdulrahman et al., 2022) supports the previous opinion, where companies are encouraged to prioritize work engagement because it brings happiness to the workplace, which in turn increases productivity. Furthermore, other research suggests that low work engagement can lead to counterproductive work behaviors in the workplace. Organizations are expected to provide equal treatment and pay attention to employee retention strategies to foster work engagement (Mvuyana et al., 2024).

Another benefit of work engagement for employees is maintained mental health. Research suggests that employees who are engaged at work maintain their well-being. These findings indicate that work engagement is associated with high levels of life satisfaction and physical health. Therefore, rather than focusing on efforts to reduce work burnout, managers and organizational leaders should implement actions or policies to increase work engagement, as engaging in work they enjoy makes employees happier (Lizano, 2021). Other research findings support previous findings, showing that employees with high work engagement report higher psychological well-being and personal achievement, while those with low work engagement report higher levels of emotional exhaustion and depersonalization, or feelings of alienation in the work environment (Shuck & Reio, 2014).

The loss for a company if work engagement is low is that it will not be adaptive in facing change and will be in a static condition. This occurs because employees lack the desire to innovate or give their best. Research has found that employee persistence will foster creativity in the workplace if supported by work engagement (Gonlepa et al., 2023). Work engagement also stimulates positive employee thinking and actions, which in turn increases innovative behavior at work (Sari et al., 2021).

Furthermore, for companies, having employees with low levels of work engagement will have a negative impact. High turnover rates. This situation is very detrimental to the company's finances because recruitment and training costs will increase, and employee mastery will be low. Frequent employee turnover leads to decreased productivity. This is in line with research stating that employees with low levels of work engagement have an increased intention to look for other jobs, thus decreasing positive behavior in the workplace (Xiong & Wen, 2020). Employee absenteeism will also increase, because disengaged employees tend to be absent from work more frequently. Other research suggests that if aspects of work engagement, especially enthusiasm and dedication, are high, absenteeism will be low. Because employees with low work engagement often experience psychosomatic symptoms, complaints of headaches, stomachaches, or chest pains lead to frequent absences from work (Neuber et al., 2022).

Employees with low work engagement are also prone to stress due to a lack of emotional attachment and a sense of belonging to their work, causing them to feel burdened. Conversely, employees with high work engagement do not view work as

tiring and stressful, but rather as a positive challenge, thus avoiding complaints of stress-related health problems (Bakker, 2011). Therefore, research conducted by Rahmi et al. (2021) suggests that organizations must pay attention to employee stress levels, as high levels of stress can impact work engagement. Employees themselves are expected to be able to manage stress arising from within themselves, such as dissatisfaction, perceptions of excessive work demands, and personal factors that influence work engagement (Padula et al., 2012).

The concept of work engagement was introduced by Kahn (1990), who stated that employees consciously make a decision to fully immerse themselves in a job based on experiences gained in the workplace. Maslach and Leiter (1997) define work engagement as the polar opposite of burnout, while Schaufeli and Bakker (2003) argue that work engagement is a positive psychological state that is persistent and pervasive. Saks (2006) conceptualizes work engagement as two dimensions: involvement in work and involvement in the organization. Swanberg, McKechnie, Ojha, and James (2011) define work engagement as multidimensional, with cognitive, behavioral, and emotional dimensions.

Work engagement is one of the determining factors that determine work results for employees, teams, and organizations. There are three dimensions of work engagement proposed by (Schaufeli et al., 2006): enthusiasm or vigor, dedication or dedication, and absorption or absorption. Vigor is a high level of energy and mental resilience while working, a willingness to exert effort in work, persistence even when facing difficulties. Dedication refers to strong involvement and enthusiasm in work, feeling that the work done is important, inspiring, proud, and challenging. Absorption is full concentration on work, feeling happy and happy in doing work, not remembering time while working or even feeling that time passes quickly while working, and having difficulty detaching oneself from work.

Work engagement Work engagement isn't formed spontaneously but is based on work experiences. Work engagement will be low when employees feel unsafe in their current job, also known as job insecurity. Research conducted (Bosman et al., 2005) shows that if employees feel unsafe in their current job, i.e., high levels of job insecurity, their sense of involvement in the work will decrease, resulting in low work engagement. This condition occurs because employees often feel exhausted and don't fully commit to their work. Furthermore, research during the pandemic shows that The company needs to maintain employees' sense of security in their work, because it has been proven to increase their involvement in their tasks, even though they are working in the Covid-19 pandemic situation (Natalia, 2022).

Job insecurity Job insecurity is a condition in which employees feel threatened regarding the continuity and stability of their current jobs. This threat can arise because their jobs have been replaced by machines or because there are plans for layoffs. Changes in socio-political, economic, and technological situations also contribute to job insecurity. This feeling of job insecurity is reflected in Indonesia's current situation, which is being hit by a wave of economic downturns. termination of employment (PHK), data released by the Ministry of Manpower (Kemnaker) revealed that the number had reached 26,455 cases as of Tuesday, May 20, 2025. On the other hand, the Indonesian Employers Association (Apindo) previously revealed that the number of layoffs from January 1 to March 10, 2025 had reached 73,992 cases (Zhafira, 2025).

Having employees with job insecurity will have a negative impact on both the employee and the company. Employees who experience job insecurity will experience constant worry that triggers stress, anxiety, and even depression. This can affect the employee's mental and physical health. Job insecurity is one of the causes of stress and affects low well-being, and health problems will also arise. For organizations, job insecurity can threaten the company's survival because it appears negative behavior in the workplace such as low helpfulness at work, decreased productivity, and an increased desire to leave the company.(De Witte, 2005)Employees who feel insecure also tend to lose motivation and job satisfaction, which leads to decreased productivity.

Among the first scholars to place job insecurity within a broader theoretical context were Greenhalgh and Rosenblatt (1984), who defined job insecurity as the perception of an individual's powerlessness to maintain and continue their employment, in situations where their current employment is threatened. Another definition further defines job insecurity as an employee's expectation of job continuity (Davy, Kinicki, & Scheck, 1997). Job insecurity can also be defined as a subjective anticipation of an unintended, fundamental event in the workplace (Sverke et al., 2002). The concept of job insecurity is defined as the subjectively perceived and undesirable possibility of losing one's current job in the future (De Witte, 2005).

The causes or antecedents of job insecurity are divided into three levels: first, macro-level conditions, such as regional or organizational conditions such as national or regional unemployment rates and changes in organizational structure. Second, individual background characteristics that determine an employee's position within the company, such as 'positional' variables such as age, length of service, and job level. Third, personality traits (Ashford, Lee & Bobko, 1989). Personality as an antecedent of job insecurity is in accordance with the definition of job insecurity as a subjective individual phenomenon, because the perception is most likely influenced by the individual's personality. Individuals with an internal locus of control have control over their own lives, thus minimizing perceptions of job insecurity. Individuals with negative affect generally tend to view themselves and their environment negatively, resulting in greater feelings of job insecurity.(De Witte, 2005).

Job insecurity has two dimensions, namely, the quantitative dimension relates to the fear of losing function/job, while the qualitative dimension relates to the fear of changing job function to be negative (De Witte, 2005). Another dimension was proposed by Borg & Elizur (1992) which includes two dimensions of job insecurity, namely cognitive and affective job insecurity. Cognitive job insecurity captures the cognitive elements of the experience of job insecurity, such as the perception of the possibility of losing a job. The second dimension of job insecurity is the affective dimension, this dimension captures the emotional elements of the experience of job insecurity, such as the fear of losing a job.

Based on the explanation above, the hypothesis in this study is that there is a relationship between job insecurity and work engagement in retail employees at PT.X.

METHOD

The research method used is correlational quantitative research which connects two variables, namely, the independent variable (X) job insecurity, the dependent variable (Y) work engagement.

The population in this study was 223 employees of the retail company PT.X. The sampling technique used random sampling, where each member of the population had the opportunity to be sampled randomly. The sample size was determined using a Morgan table, resulting in 150 respondents.

The data collection tool uses two psychological scales, to measure work engagement using *Utrecht Work Engagement Scale* (UWES) developed by (Schaufeli et al., 2006) with a total of nine items. To measure job insecurity, the Job Insecurity Scale (JIS) developed by De Witte (2000) was used, with four items.

The instrument was tested using 71 subjects with similar characteristics to the research subjects. Validity was assessed using corrected total item correlation, with no items failing on the UWES scale, with a range of values ranging from 0.358 to 0.705. However, one item failed on the JIS scale, item number one, with a range of values ranging from 0.282 to 0.818.

Reliability using Cronbach's alpha value, on the UWES scale the value $\alpha = 0.847$, and on the JIS scale the value $\alpha = 0.827$. With the reliability provisions according to Azwar (2012) if the value $\alpha > 0.80$ is reliable, then it can be said that both scales are reliable.

The data analysis technique uses Spearman Rank correlation with the help of IBM SPSS version 22.

RESULT AND DISCUSSION

The demographic characteristics of the research subjects are shown in Table 1 below. It is known that 54.7% of the majority of men with high school education have worked for 1-2 years, the majority of women with high school education have worked for 1-2 years as much as 57.1%. The majority of men with diploma education have worked for 3-5 years as much as 42.9%, while the majority of women with diploma education have worked for 1-2 years as much as 72.7%. Meanwhile, the majority of men with bachelor's education have worked for 3-5 years as much as 43.8% and women with bachelor's education who have worked for 1-2 years and 3-5 years have the same number or each as much as 38.5%.

Table 1. Demographic Characteristics of Research Subjects.

Factor 1: Demographic Characteristics of Research Subjects:							
				Length of working			Total
				1-2 years	3-5 years	> 5 years	
Education							
SENIOR HIGH SCHOO L	Gender	Man	Count	29	15	9	53
			% within Gender	54.7%	28.3%	17.0%	100.0%
			% of Total	33.0%	17.0%	10.2%	60.2%
		Woman	Count	20	9	6	35
			% within Gender	57.1%	25.7%	17.1%	100.0%
			% of Total	22.7%	10.2%	6.8%	39.8%
	Total		Count	49	24	15	88

				% within Gender	55.7%	27.3%	17.0%	100.0%
				% of Total	55.7%	27.3%	17.0%	100.0%
Diploma	Gender	Man	Count	2	3	2	7	
			% within Gender	28.6%	42.9%	28.6%	100.0%	
			% of Total	11.1%	16.7%	11.1%	38.9%	
		Woman	Count	8	2	1	11	
			% within Gender	72.7%	18.2%	9.1%	100.0%	
			% of Total	44.4%	11.1%	5.6%	61.1%	
	Total	Count		10	5	3	18	
		% within Gender		55.6%	27.8%	16.7%	100.0%	
		% of Total		55.6%	27.8%	16.7%	100.0%	
Bachelor	Gender	Man	Count	12	14	6	32	
			% within Gender	37.5%	43.8%	18.8%	100.0%	
			% of Total	26.7%	31.1%	13.3%	71.1%	
		Woman	Count	5	5	3	13	
			% within Gender	38.5%	38.5%	23.1%	100.0%	
			% of Total	11.1%	11.1%	6.7%	28.9%	
	Total	Count		17	19	9	45	
		% within Gender		37.8%	42.2%	20.0%	100.0%	
		% of Total		37.8%	42.2%	20.0%	100.0%	
Total	Gender	Man	Count	43	32	17	92	
			% within Gender	46.7%	34.8%	18.5%	100.0%	
			% of Total	28.5%	21.2%	11.3%	60.9%	
		Woman	Count	33	16	10	59	
			% within Gender	55.9%	27.1%	16.9%	100.0%	
			% of Total	21.9%	10.6%	6.6%	39.1%	
	Total	Count		76	48	27	151	
		% within Gender		50.3%	31.8%	17.9%	100.0%	
		% of Total		50.3%	31.8%	17.9%	100.0%	

The hypothesis testing in this study used correlation analysis. Prior to the correlation test, a normality test was performed using the Kolmogorov-Smirnov test, with a significance value of 0.00 for the job insecurity and work engagement variables, or $p < 0.05$, indicating

non-normal distribution of the data. Therefore, non-parametric statistical analysis with Spearman Rank correlation was used.

The results of the study shown in Table 2 below indicate that the significance value is 0.047, or a p value <0.05 with an r value = -0.163. Based on the results of the data analysis, it can be said that there is a relationship between job insecurity and work engagement where the direction of the relationship is negative, so when job insecurity is high, work engagement will be low and vice versa. Thus, the hypothesis stating that there is a relationship between job insecurity and work engagement in retail employees of PT.X is accepted.

Table 2. Results of Spearman Rank Correlation Analysis

			Job Insecurity	Work engagement
Spearman's rho	Job Insecurity	Correlation Coefficient	1,000	-.163*
		Sig. (2-tailed)	.	.047
		N	150	150
	Work engagement	Correlation Coefficient	-.163*	1,000
		Sig. (2-tailed)	.047	.
		N	150	150

This research is in line with research which states that there is a negative relationship between job insecurity and work engagement, job status also plays a role, so the higher the position, the less negative emotions there will be and the lower the job insecurity will be.(Yu et al., 2020)Other research also states that when employees feel threatened about their future jobs, it not only affects work engagement but also leads to lateness, the desire to leave early, and other counterproductive behaviors in the workplace.(Karatepe et al., 2020).Research by(Rinanta & Santoso, 2021)statework engagementwhat employees feel cannot be separated from the aspects of job insecurity and work motivation.

Research during the Covid period also supports the results of this study, where employees in retail companies who feel their jobs are threatened or have high job insecurity then their work engagement is low, and vice versa.(Natalia, 2022)Research in the hospitality industry also found that there is a relationship between job insecurity, grit, and work engagement.(Meiliyandrie Indah Wardani et al., 2023)

CONCLUSION

This study concludes that there is a negative relationship between job insecurity and work engagement in retail employees at PT.X, where when employees feel that their current work is threatened, their involvement in work will decrease.

The theoretical suggestion in this study is to include a mediator variable to test its role in weakening or strengthening job insecurity. Research could also be conducted on a larger population and in research sites operating in business sectors other than retail. If this study finds a relationship between job insecurity and work engagement, further research is expected to use other variables related to work engagement.

The practical advice in this research is to communicate openly about the company's situation and implement various policies related to restructuring and layoffs to prevent employees from being trapped in uncertainty. Communication must be honest and empathetic to avoid conflict. Companies can also create support programs to improve skills for coping with change, as well as psychological support programs to reduce anxiety and stress for employees. Employees can also provide mutual support among coworkers, strengthen social bonds so they feel less alone, and manage their emotions effectively.

Bibliography

- Ashford, S., Lee, C. & Bobko, P. (1989). Content, causes, and consequences of job insecurity. A theory-based measure and substantive test. *Academy of Management Journal*, 32 (4), 803- 829
- Azwar. S. (2012). *Penyusunan Skala Psikologi*. ed.2. Yogyakarta : Pustaka Pelajar.
- Borg, I., & Elizur, D. (1992). Job insecurity: Correlates, moderators and measurement. *International Journal of Manpower*, 13, 13-26.
- De Witte, H. (2000). Work ethic and job insecurity: Assessment and consequences for well-being, satisfaction and performance at work. In *from Group to Community*; Bowen, R., De Witte, K., De Witte, H., Taillieu, T., Eds.; Garant: Leuven, Belgium, pp. 325–350. (In Dutch)
- De Witte, H. (2005). Job insecurity: Review of the international literature on definitions, prevalence, antecedents and consequences. *SA Journal of Industrial Psychology*, 31(4), 1–6. <https://doi.org/10.4102/sajip.v31i4.200>
- Karatepe, O. M., Rezapouraghdam, H., & Hassannia, R. (2020). Job insecurity, work engagement and their effects on hotel employees' non-green and nonattendance behaviors. *International Journal of Hospitality Management*, 87(April 2019), 102472. <https://doi.org/10.1016/j.ijhm.2020.102472>
- Meiliyandrie Indah Wardani, L., Oktavia Agustin Werinusa, J., Istiqomah, I., & Reevany Bustami, M. (2023). Job Insecurity, Grit and Work Engagement in The Hospitality Industry During Covid-19. *Journal An-Nafs: Kajian Penelitian Psikologi*, 8(1), 20–36. <https://doi.org/10.33367/psi.v8i1.2950>
- Natalia, P. (2022). PT job-insecurity-dan-work-engagement-pada-karyawan-perusahaan-irtn2jzawle.
- Rinanta, E. P., & Santoso, A. S. (2021). The Effect of Job Insecurity and Work Motivation on Work Engagement of Employees with Certain Time Work Agreement System Work Engagement of Employees with Certain Time Work Agreement System. *Journal of Management and Energy Business*, 1(1), 91–100.
- Schaufeli, W. B., Bakker, A. B., & Salanova, M. (2006). The measurement of work engagement with a short questionnaire: A cross-national study. *Educational and Psychological Measurement*, 66(4), 701–716. <https://doi.org/10.1177/0013164405282471>
- Yu, S., Gong, X., & Wu, N. (2020). Job insecurity and employee engagement: A moderated dual path model. *Sustainability (Switzerland)*, 12(23), 1–15. <https://doi.org/10.3390/su122310081>
- Zhafira, N.A (2025). Jumlah PHK di Indonesia lebih dari 26 ribu per Mei 2025 versi Kemnaker. Selasa, 20 Mei 2025 20:09 WIB ANTARA.