

# Job Insecurity and Performance: The Mediating Role of Organizational **Justice in Terms of Type of Contract**

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## **Abstract**

Background: Job insecurity has been widely researched. However, there have been inconsistent results about the association between job insecurity and job performance. This study proposed a multi-group mediation model to explain the underlying mechanisms of this relationship according to psychological contract and social exchange theory. Method: Data were collected through a survey. The sample was composed of 1,435 employees in 138 organizations from two European countries (i.e. Spain and Austria). Results: Results showed that job insecurity was indirectly related to OCB and self-rated performance through the three types of organizational justice (distributive, procedural, and interactional justice); and these relationships varied depending on the type of contract. Conclusions: This study contributes to a better understanding of the relationship between job insecurity and performance by clarifying underlying mechanisms according to the type of contract.

Keywords: Job insecurity, organizational justice, type of contract, OCB, self-rated performance.

#### Resumen

Inseguridad y Desempeño Laboral: el Papel Mediador de la Justicia Organizacional Considerando el Tipo de Contrato. Antecedentes: la inseguridad laboral ha sido ampliamente estudiada en la investigación. Sin embargo, esta presenta resultados inconsistentes sobre la asociación entre la inseguridad laboral y el desempeño laboral. Este estudio propuso un modelo de mediación multigrupo para explicar los mecanismos subvacentes de esta relación de acuerdo con el contrato psicológico y la teoría del intercambio social. Método: los datos fueron recogidos a través de un cuestionario. La muestra estuvo compuesta por 1.435 empleados de 138 organizaciones de dos países europeos (España y Austria). Resultados: los resultados mostraron que la inseguridad laboral estaba indirectamente relacionada con OCB y el desempeño auto-evaluado, a través de los tres tipos de justicia organizacional (justicia distributiva, procesal e interactiva); y que estas relaciones variaban en función del tipo de contrato. Conclusiones: este estudio contribuye a comprender mejor la relación entre la inseguridad laboral y el desempeño laboral al aclarar los mecanismos subyacentes considerando el tipo de contrato.

Palabras clave: inseguridad laboral, justicia organizacional, tipo de contrato, OCB, auto-desempeño.

A large body of research has focused on studying job insecurity, defined as overall concern about the continued existence of the job in the future (De Witte, 1999). Job insecurity can elicit multiple responses in employees, such as physical health, well-being, attitudes, intentions, and behaviors (Shoss, 2017; Cheng & Chan, 2008; Sverke et al., 2002). However, less attention has been paid to the association between job insecurity and job performance (Probst et al., 2017).

to job insecurity. It can appear as behavioral withdrawal (reduced job performance) and understood as a coping strategy. Therefore, most of the research indicates a negative relationship between job insecurity and performance-related constructs (e.g. Piccoli et al., 2019; Shoss, 2017; Cheng & Chan, 2008). In fact, several meta-

Job performance may be understood as a behavioral reaction

analysis supported this negative relationship, even though their strength varied from weak to moderate (Jiang & Lavaysse, 2018; Sverke et al., 2019). However, knowledge about this association is not clear because there is also empirical evidence that points to a non-significant link, including the meta-analysis by Sverke et al. (2002), or even a positive relationship (Probst et al., 2007). Hence, job insecurity-job performance relationship is described as "mixed" and complex (eg. Debus et al., 2019).

Researchers have proposed several possible explanations for these inconsistent results. For example, first, potential factors may intervene in the job insecurity perception and the psychological process involved (Koen et al., 2019). Hence, some authors have recommended examining the sequential and indirect effects of job insecurity (eg. Piccoli et al., 2019; De Jong et al., 2009). However, it has been studied as an overall, without taking into account potential variability among employees in function of personal factors. For example, the effect of type of contract on job insecurity-outcomes links is well-established in the literature. Second, the mixed findings may also be explained by methodological artifacts, such as the lack of consistency in the way performance has been operationalized (Probst et al., 2017; Sverke

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et al., 2002). The research on job insecurity considers multiple operationalizations of job performance, including in-role and extrarole performance. In-role job performance refers to completion of tasks and responsibilities that are formal requirements of employees' jobs (Williams & Anderson, 1991). Extra-role behaviors are discretionary organizational citizenship behaviors (OCB) that are often not formally recognized by the organization's reward system, although they contribute to the good functioning and effectiveness of an organization and to maintaining a favorable social and psychological climate (Podsakoff et al., 2009). These extra-role behaviors can be oriented toward other members of the organization (OCB-I; e.g. helping others with their work tasks) or toward the organization itself (OCB-O; e.g. provide advance notice prior to an absence). This study addresses these issues by examining the underlying mechanisms of the relationship between job insecurity and performance, understood as both in-role and extra-role job performance, contingent to type of contract.

## Organizational justice: a mediator role

Organizational justice is defined as "the rules and social norms governing how outcomes (e.g. rewards and punishments) should be distributed, the procedures used for making such distribution decisions (as well as other types of decisions), and how people are treated interpersonally" (Folger & Cropanzano, 1998, p. 13). Hence, three constructs of organizational justice have been differentiated: distributive justice, which reflects a proportional distribution of resources according to investments in an exchange relationship (Adams, 1965); procedural justice, defined as "perceived fairness of the process by which outcomes were arrived at" (Cohen-Charash & Spector, 2001, p. 280); and interactional justice, which reflects the "quality of the interpersonal treatment received by an individual" (Folger & Cropanzano, 1998, p. 13).

Organizational justice has been studied in relation to job insecurity from the theoretical framework of social exchange theory proposed by Blau (1964). In the workplace, there is an exchange relation between the employees and the organization. This social exchange implies an exchange of resources, based on reciprocity. It promotes, on the one hand, a feeling of obligation toward others, mainly because of some type of benefit received in the past, and, on the other hand, an expectation of some type of return for the past contribution. However, if employees perceive that they are not treated fairly by the organization, which means that the exchange relation is not balanced, they will probably tend to reduce their contribution to restoring the exchange relationship (e.g. by withdrawing psychologically and behaviorally) (Schumacher et al., 2016; Lavelle et al., 2007).

According to this theory, job insecurity may involve a violation of reciprocity norms. The job is considered a resource, and job security is considered a reward for employees' investment (Piccoli & De Witte, 2015). Therefore, the possibility of job loss may be perceived as an imbalance in this reciprocity. Workers expect a certain level of job security from their employers in exchange for their loyalty. Thus, job insecurity may lead to unfair perceptions because it violates social exchange norms (Zhang et al., 2014). In addition, numerous studies examining the relationship between job insecurity and organizational justice provide empirical support for this assumption (eg. Zhang et al., 2014; Piccoli et al., 2017; Bernhard-Oettel et al., 2019). Thus, the negative relationship between job insecurity and overall organizational justice seems to

have been established in the literature. However, we are not aware of any study that has examined how job insecurity is related to each organizational justice dimension separately.

Furthermore, research has revealed variability in employees' reactions depending on the type of justice. Regarding job performance, Cohen-Charash and Spector (2001) and Colquitt et al. (2001), in their meta-analysis, demonstrated that job performance was strongly related to procedural justice, but hardly related to distributive and interactional justice. In addition, Pan et al. (2017) found that procedural justice accounted for significantly more variance in employees' positive organizational behavior than distributive justice.

Accordingly, based on social exchange theory (Blau, 1964) and the previous empirical evidence, we suggest that employees may perceive job insecurity as a breach of the psychological contract, which may involve a perception of unfair treatment by organization. Consequently, this low organizational justice may be related to behavioral withdrawal (i.e. reduced job performance) in an attempt to restore the exchange relation. Thus, we suggest that job insecurity can be indirectly related to self-rated performance and OCB via organizational justice.

#### Type of contract: permanent versus temporary employment

Job insecurity has been broadly studied in the literature in relation to the type of contract (see Shoss, 2017). Temporary employees experience higher levels of job insecurity than permanent employees, which is consistent with the fact that temporary employment is inherently insecure (e.g. Keim et al., 2014). In addition, type of contract has also been found to play a moderator role in the relationship between job insecurity and its outcomes. Empirical evidence shows that the association between job insecurity and outcomes may be more detrimental in permanent employees than in temporary employees (De Cuyper et al., 2019; De Cuyper & De Witte, 2007). This research mainly focused on outcomes such as job attitudes, paying less attention to other outcomes, such as job performance (De Cuyper & De Witte, 2007).

Overall, this research is based on psychological contract theory. The psychological contract is unwritten and implicit, and it is defined as "the idiosyncratic set of reciprocal expectations held by employees concerning their obligations and their entitlements" (McLean et al., 1998, p. 698). Overall, the non-fulfilment of employees' expectations by the organization usually implies a contract breach, which is associated with negative outcomes, whereas the fulfilment of the psychological contract is related to positive outcomes (Zhao et al., 2007). Furthermore, the breadth of the psychological contract varies depending on the type of contract: temporary workers' psychological contract involves fewer expectations than that of permanent workers (de Jong et al., 2009).

Applied to this study, job security is not likely to be part of temporary workers' psychological contract, whereas it is likely to be an important expectation for permanent workers due to their type of contract. Furthermore, the greater the employees' investments in their positions (e.g., in terms of tenure, sacrifices made for the job), the more security they probably expect. Thus, permanent workers will probably perceive job insecurity as a violation of their expectations, which may be perceived as unfair, in contrast to temporary employees. Consequently, although temporary workers

experience higher levels of job insecurity, permanent workers will react more negatively, reducing job performance and OCB to a greater extent, compared to temporary employees.

#### Research objective and hypothesis

In an attempt to advance the knowledge about the job insecurity-job performance relationship, and based on social exchange theory (Blau, 1964), we aimed to examine underlying mechanism of this link (eg. different dimensions of organizational justice), taking into account key moderating factors, such as type of contract. All these contributions are included in a multi-group mediation model, displayed in figure 1. So, we propose:

Hypothesis 1. Job insecurity is strongly and negatively related to distributive justice (H1a), procedural justice (H1b), and interactional justice (H1c) for permanent than temporary employees.

Hypothesis 2. Distributive justice is strongly and positively related to OCB-I (H2a), OCB-O (H2b), and self-rated performance (H2c) for permanent than temporary employees.

Hypothesis 3. Procedural justice is strongly and positively related to OCB-I (H3a), OCB-O (H3b), and self-rated performance (H3c) for permanent than temporary employees.

Hypothesis 4. Interactional justice is strongly and positively related to OCB-I (H4a), OCB-O (H4b), and self-rated performance (H4c) for permanent than temporary employees.

Hypothesis 5. Distributive justice partially mediates the relationship between job insecurity and job performance, being stronger for permanent than temporary employees; that is, in permanent employees, job insecurity is more strongly and negatively related to distributive justice and self-rated performance (H5a), OCB-I (H5b), and OCB-O (H5c) than in temporary employees.

Hypothesis 6. Procedural justice partially mediates the relationship between job insecurity and job performance, being stronger for permanent than temporary employees; that is, in permanent employees, job insecurity is more strongly and negatively related to procedural justice and self-rated performance (H5a), OCB-I (H5b), and OCB-O (H5c) than in temporary employees.

Hypothesis 7. Interactional justice partially mediates the relationship between job insecurity and job performance, being stronger for permanent than temporary employees; that is, in permanent employees, job insecurity is more strongly and negatively related to interactional justice and self-rated performance (H5a), OCB-I (H5b), and OCB-O (H5c) than in temporary employees.

#### Method

## Procedure

This research was carried out in two European countries and four different labour sectors. More specifically, we collected data in Spain and Austria. The Spanish labour market is characterized by its instability (e.g. high unemployment and temporary rates) and high job insecurity compared to other European countries such as Austria, with higher job stability and employment rates (Höge et al., 2015). In addition, we focused on four labor sectors: education,

retail, construction and health; all they present in both countries. These labour sector were selected in order to collect certain diversity in terms of two criteria variables: public/private organizations and feminine/masculine organizations. Labour sector of education and health are mainly public compared to construction and retail that are mainly private. Likewise, in health and education sectors, workers are mainly women, construction is mainly dominated by men, and the retail sector can be considered more balanced in terms of gender. Testing our purposes in different countries and labour sectors, with different characteristics, provided a strong support to our purposes.

Researchers contacted organizations from these four labor sectors in both countries. This first contact was via e-mail or phone. We explained the purpose of the study and ask for collaboration. All those that wished to participate were welcome. Once the organizations had agreed to collaborate, employees filled out the surveys in the presence of field researchers. Confidentiality and anonymity were guaranteed. In exceptional cases, employees mailed the questionnaires to the research unit carrying out the study. Given that we have to rely on voluntary participation, the sampling method could not be completely random. Furthermore, this study followed the ethical protocol and guidelines of our university.

#### **Participants**

The total sample was composed of 1,435 employees from 138 organizations in Spain and Austria. More specifically, 927 employees (65%) and 88 organizations (64%) were Spanish, whereas 508 employees (35%) and 50 organizations (36%) were Austrian. The organizations were recruited in four economic sectors: education (Nemployees =441; Norganization =38), retail (Nemployees=443; Norganization=47), construction (Nemployees=220; Norganization=26) and health (Nemployees=331; Norganization=27). The Table 1 presents more information about the sample.

#### Instruments

Given that we collect our sample in two different countries (Spain and Austria), we translated the original English measures into two different languages: Spanish and German. Following common guidelines and suggestions for translating surveys (e.g., Brislin, 1970; McKay et al., 1996), the English original items were translated independently into Spanish and German by two native speakers of each language. In each country, a third person compared the two independent translations and formulated the final version. In a third step, the Spanish and German versions were translated back into English and compared to the original items.

Job Insecurity was assessed using the 4-item scale by De Witte (1992). It includes: "Chances are, I will soon lose my job". The response range was from 1 (strongly disagree) to 5 (strongly agree). The Cronbach's alpha for this scale was 0.87.

Organizational Justice was measured with the scale developed by Colquitt (2001), with three dimensions: Distributive justice (4 items; eg. "Does your salary (or economic compensation) reflect the effort you have put into your work?"); Procedural justice (7 items; eg. "Have you been able to express your views and feelings during those procedures?"); and Interactional Justice (3 items; eg. "Has (he/she) treated you with respect?"). The response range was from 1 (strongly disagree) to 5 (strongly agree). The Cronbach's alpha was .94 for distributive justice, .89 for procedural justice, and .93 for interactional justice.

		Descr	Table 1 ription of the sample				
	Total s	ample	Spanish	sample	Austrian sample		
	N	Frequency	N	Frequency	N	Frequency	
Sex							
Man	496	34.6%	317	34.2%	179	35.2%	
Woman	899	62.6%	584	63%	315	62%	
Type of contract							
Permanent	1120	78%	724	78.1%	396	78%	
Temporary	295	20.6%	193	20.8%	102	20.1%	
Organization nature <sup>a</sup>							
Public	33	23.7%	18	20.2%	15	30%	
Private	99	71.2%	68	76.4%	31	62%	
Labour sector							
Education	441 employees	30.7%	308 employees	33.2%	133 employees	26.2%	
	38 organizations	27.5%	25 organizations	28.4%	13 organizations	26%	
Retail	443 employees	30.9%	278 employees	30.0%	165 employees	32.5%	
Retail	47 organizations	3401%	31 organizations	35.2%	16 organizations	32%	
0 4 4	220 employees	15.3%	136 employees	14.7%	84 employees	16.5%	
Construction	26 organizations	18.8%	16 organizations	18.2%	10 organizations	20%	
TT - Lil	331 employees	23.1%	205 employees	22.1%	126 employees	24.8%	
Health	27 organizations	19.6%	16 organizations	18.2%	N  179 315  396 102  15 31  133 employees 13 organizations 165 employees 16 organizations 84 employees 10 organizations 126 employees 11 organizations	22%	
	Mean	SD	Mean	SD	Mean	SD	
Age	38.28	10.74	39.11	10.19	36.73	11.56	
Tenure (years)	10.04	9.19	9.49	8.80	11.10	9.80	

Self-rated performance was measured with one item: "In the last five months, your job performance was....". The response ranged from 1 (low) to 5 (high). Despite generalized psychometric assumption of that multiple-items measures are more valid than single-item measures because they discriminate better by capturing more information (eg. Nunnally & Bernstein, 1994). There are empirical studies that reject this assumption and provide empirical evidence of that single-item measures have equally high predictive validity as the multiple-item measures (eg. Bergkvist & Rossiter, 2007).

Organizational citizenship behaviors were assessed with an adapted scale (Williams & Anderson, 1991). OCB-I was measured through 6 items (e.g. "helps others who have been absent") and OCB-O through 4 items (e.g. "conserves and protects organizational property"), with the following statement: "please, state how often you perform the following behaviors in your work". The response range was from 1 (strongly disagree) to 5 (strongly agree). The Cronbach's alpha for this scale was .80 for OCB-I and .64 for OCB-O. In addition, to better examine the internal consistency of the scale, inter-item and item-scale correlations were computed (Clark & Watson, 1995). The correlation values were around or higher .30, showing an acceptable reliability.

Country was measured as a control variable and codified as 2 (Austria) and 1 (Spain).

#### Data Analysis

First, in the preliminary analysis, means, standard deviations, correlations among variables and skewness and kurtosis tests were computed. The SPSS software was used to compute these

preliminary analyses. Second, confirmatory factor analyses (CFA) were previously calculated to examine measurement model and validate the constructs. Seven variables were considered in the CFA: job insecurity, distributive justice, procedural justice, interactional justice, OCB-I, OCB-O, and self-rated performance. Third, multi-group structural equation modeling (Multi-group SEM; Byrne, 2016) was computed in order to test the hypotheses. This model was computed with latent variables and indicators of the latent variables were the items on the respective scales. All error variances of items were assumed to be unrelated in the model. We computed two models: a constrained and an unconstrained model. In the constrained model, all path coefficients and correlations were fixed to be equal, regardless of the type of contract. In the unconstrained model, these parameters varied depending on the type of contract. Amos 18 was used to compute CFA and multigroup SEM. We used maximum likelihood estimation in all our analyses. This method assumes multivariate normality. The following goodness-of-fit criteria were considered in order to assess models (Bollen and Long, 1993): the  $\chi^2$  goodness-of-fit statistic; the Comparative Fit Index (CFI), the Tucker Lewis Index (TLI), the Root Mean Square Error of Approximation (RMSEA) and the the incremental fit index (IFI).

## Results

Descriptive statistics and correlations among the variables are presented in table 1. Most of the variables were significantly related to each other. Job insecurity was significantly related to all the other variables. Regarding analysis of normality, results

within ±2.0 suggested that the data are not significantly shifted towards one tail or another (skewness) nor is it too peaked or too flat (kurtosis) (George & Mallery, 2001). More specifically, all our skewness values were < ±2 (self-rated performance, -1.2; OCBI, -.53; OCBO, -1.01; job insecurity, .93; distributive justice, -.06; procedural justice, -.02; interactional justice, -1.35). Most kurtosis values were also < ±2, except for self-rated performance and OCBO (self-rated performance, 2.45; OCBI, -.22; OCBO, 2.13; job insecurity, .13; distributive justice, -.86; procedural justice, -.40; interactional justice, 1.72). However, according to the general rule discussed by Kline (2010), data distribution may be considered normal when skewness and kurtosis values are lower than ±3 and ±5, respectively. So, we could conclude that there is not a critical violation of the normal distribution assumption.

A previous CFA was computed to examine measurement model that included our seven constructs: job insecurity, organizational justice, OCB and self-rated performance. Results showed that this model fit the data well ( $\chi^2 = 1975.14$ , df = 320,  $\chi^2/df = 6.17$ ; RMSEA= .06; IFI=.93; TLI=0.91; CFI=0.93). Once the measurement model was used to validate the constructs, multi-group SEM was computed to examine the mediation effect of organizational justice depending on the type of contract, according to our hypotheses. Results showed an appropriate fit for both models, constrained and unconstrained (table 2). Chi-squared values were significant for both models, indicating a poor fit between the observed covariance matrix and the hypothesized model. However, this is probably due to the sample size. The Root Mean Square Error of Approximation (RMSEA) showed an acceptable fit, as its value was lower than .08 (Byrne, 2016). The comparative fit index (CFI), the Tucker-Lewis index (TLI) and the incremental fit index (IFI) constituted good fit in both models when they surpassed .90 (Bentler, 1990). However, the unconstrained model fitted the data very well and significantly better than the constrained model ( $\Delta \chi^2 = 510.86$ ; df=353; p <.01), suggesting that at least some of the structural parameters

differed significantly between the two subsamples: temporary and permanent employees.

Figure 1 displays the path estimates. Overall, these results supported our hypotheses. Job insecurity was negatively related to the three dimensions of organizational justice in both samples. Thus, the perception of job insecurity was related to lower distributive, procedural, and interactional justice in both subsamples.

Distributive justice was significantly and negatively related to OCB-I and self-rated performance in the permanent sample, and it was negatively associated to OCB-I in the temporary sample. Procedural justice was positively related to OCB-I, OCB-O, and self-rated performance in the permanent sample, but non-significant relationships were found in the temporary sample. Finally, interactional justice was positively associated with OCB-I, OCB-O, and self-rated performance in both samples. However, it is important to highlight that the effect size of interactional justice on the performance outcomes was higher in the temporary sample than in the permanent sample.

Results showed that the relationship between job insecurity and job performance was mediated by organizational justice. Sobel tests were computed to provide support for the indirect effect of job insecurity on job performance via organizational justice. More specifically, distributive justice mediated the job insecurity-OCB-I link (permanent, Sobel's z= 2.20, p<.01; temporary, Sobel's z= 2.56, p<.05) and the job insecurity-self-rated performance relationship in the permanent sample (Sobel's z= 4.40, p<.01). In the permanent sample, procedural justice mediated the relationship between job insecurity and OCB-I (Sobel's z= -4.35, p<.05), between job insecurity and OCB-O (permanent Sobel's z=-2.70, p<.01), and between job insecurity and self-rated performance (permanent Sobel's z=-3.22, p<.01). Finally, interactional justice mediated the association between job insecurity and OCB-I (permanent, Sobel's z=-1.92, p<.05; temporary, Sobel's z=-2.07, p<.05), job insecurity and OCB-O (permanent, Sobel's z=-3.69,

Descriptive statistics (means and standard deviations) and correlations										
	Mean	SD	1	2	3	4	5	6	7	8
1. Country	-	_	-							
2. Job insecurity	2.07	1.04	30**	-						
3. Distributive justice	2.92	1.15	.13**	26**	-					
4. Procedural Justice	2.92	.94	18**	22**	.29**	-				
5. Interactional justice	4.33	.84	00	25**	.27**	.36**	-			
6. OCB-I	4.96	1.26	.29**	14**	.01	.10**	.12**	_		
7. OCB-O	5.91	1.10	.24**	15**	.06*	.08**	.19**	.54**	-	
8. Self-rated performance	4.24	.78	.02	08**	07*	.10**	.13**	.22**	.26**	_

Table 3 Indices of Overall Fit for CFAs and SEMs									
	χ²	df	p	$\chi^2$ / df	RMSEA	IFI	TLI	CFI	
CFA: seven-factor model	2180.07	347	.00	6.28	.06	.92	.91	.92	
Multi-group SEM: constrained <sup>a</sup>	2139.27	353	.00	6.06	.06	.92	.91	.92	
Multi-group SEM: unconstrained <sup>b</sup>	2650.13	706	.00	3.75	.04	.92	.90	.92	

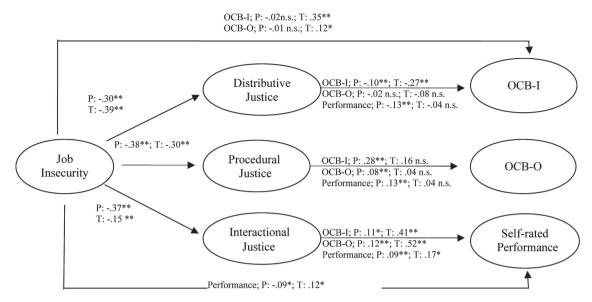


Figure 1. Results of the multi-group SEM (unconstrained) for permanent and temporary employees

p<.01; temporary, Sobel's z=-2.69, p<.01), and job insecurity and self-rated performance (permanent Sobel's z=-2.86, p<.01; temporary Sobel's z=-1.71, p<.01).

#### Discussion

Addressing calls to investigate the underlying mechanisms that explain the relationship between job insecurity and job performance, the present study contributes in several ways.

Our first contribution refers to the negative relationship between job insecurity and organizational justice for both permanent and temporary employees. Job insecurity was perceived as a violation by the organization of employees' exchange relationship because it was associated with lower levels of distributive, procedural, and interactional justice. These results lend support to incipient literature on this issue (e.g. Bernhard-Oettel et al., 2019; Schumacher et al., 2016; Zhang et al., 2014; Piccoli et al., 2017). It is also noteworthy to mention that the relationship between job insecurity and procedural and interactional justice was stronger for permanent employees according to the psychological contract literature (de Jong et al., 2009).

Second, this study evidence a direct relationship between organizational justice and job performance. More specifically, results supported the relationship between procedural and interactional justice and job performance, whereas the relationship between distributive justice and job performance was significant but in the opposite expected direction. In addition, permanent employees who perceive organizational process as just and feel well-treated tend to report higher levels of OCB and self-rated performance compared to temporary employees. All these findings are congruent with social exchange theory (1964) and the previous literature (Colquitt et al., 2001; Cohen-Charash & Spector, 2001). However, contrary to this theoretical framework and our hypothesis, the relationship between job insecurity and interactional justice was stronger for temporary employees than permanent ones. So, hypothesis 2, 3 and 4 were partially supported.

Our third contribution referred to that the relationship between job insecurity and job performance is mediated by organizational justice in function of type of contract . So, hypothesis 5, 6 and 7 was supported These results are congruent with the literature on the type of contract (De Cuyper et al., 2019; de Jong et al., 2009) and psychological contract framework, which state that permanent workers experience a stronger psychological breach and react more strongly than temporary workers when perceive job insecurity in terms of lower perception of organizational justice and lower job performance. In fact, temporary employees did not report significant reactions related to OCB and self-rated performance. However, contrary to our hypothesis and theoretical framework, results also showed that though The effect size of job insecurity on interactional justice was stronger in permanent workers than in temporary workers, temporary employees showed lower levels of OCB and self-rated performance compared to permanent ones.

A fourth contribution also emerged from two unexpected insights. First, we found a negative association between distributive justice and job performance. Most of the research found a positive relationship between organizational justice and OCB and performance (e.g. Pan et al., 2017; Dalal, 2005). However, some exceptions found in the literature showed a negative relationship (e.g. Cohen & Eyal, 2015). This negative relationship is explained based on cultural issues (He et al., 2004; Murphy-Berman & Berman, 2002). In traditional societies, such as Arab (Cohen & Eyal, 2015) or Chinese (Farh et al., 1997) cultures, fairer human resource practices do not necessarily involve an increase in citizenship behavior. In these cultures, basic relationships with their organizations (and expectations from) are more relevant, which means that these relationships cannot be improved by procedurally ensuring human resource practices. Fahr et al. (1997) and Cohen and Eyal, (2015) simply suggested that what matters most is the nature of the social bonds and relationships within a given culture, rather than the enactment of specific organizational practices. Our sample came from two Western countries: Austria and Spain, which are not very traditional cultures. A possible interpretation of these results in our culture may be that permanent employees interpret distributive justice as a sign that they contribute too much as far as OCBI and Performance are concerned. In any case, these

counterintuitive results call for further research to shed light on this odd relationship between distributive justice and job performance, and to clarify the role of culture and exchange perceptions. Second, a stronger effect of temporary employees compared to permanent ones was found in the distributive justice mediation and interactional justice-job performance link. A potential explanation is based on social exchange theory. According to segmentation theory (Amuedo-Dorantes, 2000), temporary workers usually reflect a secondary market, and so they often have worse working conditions with lower wages, less chance of promotion, and greater job insecurity (Dawson et al., 2014) than permanent workers, who represent the primary segment. In this framework, if temporary employees also perceive that they are not treated respectfully, it seems plausible to expect that they may react more strongly than permanent workers, who enjoy better job conditions because they have worse job conditions.

In conclusion, these findings showed that temporary and permanent workers react differently when they associate job insecurity with performance and there is a perception of an unfair exchange of resources. Furthermore, they have shown the complexity of the relationship between job insecurity and job performance and, therefore, the need for more research to examine not only the effects, but also the chain of causes, through the consideration of possible mediators and moderators in these relationships. As Preacher and Hayes (2008) pointed out, it is more interesting to clarify how or by what means the effects occur, that is, the chain of relationships.

#### Limitations

All the measures were self-reported by employees, making common method variance possible (Kenny et al., 1998). In an attempt to assess the potential common method variance, we computed Harman's one-factor test. This technique aims to examine the number of necessary factors to account for the variance in the variables (MacKenzie & Podsakoff, 2012). Thus, we computed an additional confirmatory factor analysis (a single factor model), in order to compare this to the seven-factor model (i.e. job insecurity, three dimensions of organizational justice, OCB, and self-rated performance). Results showed that the one factor solution did not appropriately fit to data ( $\chi 2 = 16297.10$ , df = 350,  $\chi^2$ / df =4656; RMSEA= .18; IFI=.30; TLI = 0.19; CFI = 0.30). Thus, the goodness of fit indexes showed a better fit for the seven-factor model than for the one-factor model. In addition, we would like to note that additional methods, such as performance assessment by

others (e.g. supervisor or customers), would be useful to avoid this possible problem in future research. Furthermore, self-performance variable was measured through a mono-item scale. Although there is literature that has demonstrated that these measures are so appropriate as multi-item measures (eg. Bergkvist & Rossiter, 2007), the literature that support multi-item measures is more extensive and generalized. Hence, we also recommend to examine self-performance through multi-item scales in future research. The design of this study was cross-sectional, making it impossible to establish causal relations between the variables. A longitudinal design would be necessary to infer causal relations and identify the changes in the relations over time.

#### Future research

Examining the dimensionality of organizational justice, taking into account the type of contract, could help to guide future research attempts because this study showed that the job insecurityjob performance link varies depending on these intervening factors. Similarly, future research could also focus on exploring additional factors that could intervene in the relationship between job insecurity and job performance. In addition, in the labor market, different forms of employment, such as self-employment or temporary work agencies, can be found. These additional forms of employment may contribute additional variability to the association between job insecurity and job performance. Hence, additional research is necessary to examine the construct of job insecurity in relation to job performance, taking into consideration a wider range of employment relations.

#### Theoretical and practical implications

Our research contributes to understanding how job insecurity influences employees' job performance by revealing some significant paths and boundary conditions of the influence process. In other words, job insecurity directly influences distributive, procedural, and interactional justice and, through them, affects OCB and self-rated performance. Our study also presents the complexity of these relationship chains because it includes the type of contract as an additional intervening factor. Our model shows that this indirect effect of job insecurity on job performance through organizational justice is contingent on the type of contract. Finally, understanding the process involved in job insecurity can allow organizations to introduce changes or interventions in order to prevent employees' low job performance.

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