The Impact of Employee Engagement on Job Insecurity by Moderating Role of Psychological Empowerment to Enhance Corporate Performance

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ABSTRACT

Human resources have had a strategic role in both sustainable and competitive business since it is inimitable element of business. The purpose of this research is to investigation the impact of employee engagement (independent variable) on job insecurity (dependent variable) and then moderating role of psychological empowerment of employees in oil and gas sector. These variables have the key significance for their employees and betterment of the organizations. It is a qualitative research, field study through survey methodology, 100 employees of 11 multinational oil and gas companies participated in the study from Pakistan. Cronbach alpha, Pearson correlation coefficient and hierarchal regression were used for various analyzes of this study. The findings of the research revealed that employee engagement is significant for reducing feelings of insecurity in a job, meanwhile if they are empowered psychologically, their commitment and loyalty is increased many times. Findings of this study will provide the insight to the benefits, challenges and issues related with it.

KEYWORDS

Corporate Performance, Employee Engagement, Ergonomics, Human Factor, Job insecurity, Management and Strategy, Psychological empowerment

1. INTRODUCTION

Organizations are mostly under the pressure to enhance their performance and gain a competitive edge in the market, to make possible their survival in the day by day changing world (Ndlovu & Parumasur, 2005; Van Schalkwyk, 2004). The changing world is taken as life time learning environment, taking risks in decisions, the speed of changes and measurement of outputs given by the organizations (Wentzel & Geldenhuis, 2005).

Strong winds of change have forced companies, which have been limited to local and national markets with their limited environmental conditions, to move to big arenas of Olympics where
competition is at a global level. The competitors are numerous and competition is quite tough under the conditions of these new competition areas. (Karakoc and Yilmaz, 2009).

The “Human Resource” of company, different from components of others is of the type that cannot be copied / imitated. For this reason, it has a strategic role to be effective to gain differentiation competence of company and to differentiating. However, human resource in company has to meet the requirements for this role in terms of qualifications and power in order to take over such a role (Karakoc and Yilmaz, 2009).

Within this constantly changing context, organizations face continuous challenges that require ongoing flexibility, including mergers and acquisitions, downsizing, re-engineering, buy-outs, strategic refocusing and continuous improvement strategies (Van Tonder, 2005). The environments in which employees all over the world function, demand more of them than ever before. Employees have to cope with many such demands, often including limited resources and a lack of control (Rothmann, 2003). Attracting and retaining new managers will depend on the quality of the work environments that organizations can create (Laschinger, Purdy, Cho, & Almost, 2006). In the opinion of Laschinger and Finegan (2005) the empowerment of the employees in the organization is considered as an important element which is used to assess the health and wellbeing in these changing scenarios. Wilson, Deljoy, Healthy work environment by Vandenberg, Richardson, and McGrath (2004) is defined as, “as the one characterized by intentional, systematic, and collaborative efforts to maximize employee well-being and productivity by providing well-designed and meaningful jobs, a supportive social-organizational environment, and accessible and equitable opportunities for career and work - life enhancement”. Mok and Au-Yeung (2002) considered that there are many things that should be the part of organizational environment that enhance the sense of empowerment among employees e.g. these are support to the employees by the management, encouragement on performance, required information provided to the employees, required autonomy given to the employees, giving the opportunities for their development, in the meanwhile teamwork and leadership are also highly correlated with the empowerment of the employees inside the organization.

Chaudhary, Rangnekar, & Barua (2012) and Srivastava & Bhatnagar (2008) assess that emerging globalization, the markets that becoming competitive day by day, the organizations unseen war to grab talent, changing climate of economies, all these have become the foremost challenges that organization have to face to make them successful in economic world. Now it is the role of the human resource management and development department of the organization that they hire the most critical talent from the employment market, asses the psychological demands of their organization’s workforce, and give motivational instruments for performing better than past. The employee-employer relationship has become old story now. Company’s employee retentions policies and are no more attractive instrument as it was in the past. Scenario has changed, now employer want and expects that their employee remained completely engaged in their company tasks as long as they remain in the company’s employment.

Numerous things that reason representatives mean to escape the work environment, for example, sentiments of representatives who feel that the association is not any more ready to address their issues. they demonstrate signs of declining profitability levels will affect the interruption of corporate movement, for example, expanded non-appearance, less energized and prompted a decrease in execution, while high representative execution have a positive effect in accomplishing the objectives of the association (organization), as it mirrors the efficiency of the association which mirrors the capacity of workers to accomplish the targets as arranged (Nusair, 2013). Previous research shows that employment security involves a reduction in worry of losing one’s job (Berglund, Furåker and Vulkan, 2014).

Another impact is probably going to cause issues assurance of alternate representatives that fleeting trend have no goal to leave the organization. HR directors ought to have the capacity to stifle the representatives expectation to stop or leave the organization by making conditions that may urge workers to feel at home and need to stay in the association. Some examination uncovers that
representatives are locked in make workers are candidly fixing to their association, and will turn out to be more enthusiastic with his work (Balakrishnan, 2013).

As indicated by Mahmood and Amiresmaili (2013), the workforce is the most imperative and important asset of the association. Srivastava (2013) bears witness to that activity fulfillment and authoritative duty is the key for an association to show execution and benefit. Kang, Gold and Kim (2012) express that activity instability in today’s workforce is normal, given the hardened rivalry among organizations, worldwide subsidence and decaying monetary conditions. Mashoeu (2011) hypothesizes that activity frailty is on the ascent because of hierarchical changes, rebuilding and cutting back of the workforce for associations to stay productive.

The factors that are connected with the work play their role in the employee engagement (Schaufeli & Bakker, 2004). Two of them are very important factors for this study; these are empowerment of the employees from the leaders of the organization, and providing the job security to employees. According to Randolph (1995) says that the old concept that was managers control the employees has completely outdated. The old organizations considered their managers as their soul and employees as slaves and expect that they do work without raising any question (Cunningham, Hyman & Baldry, 1996). It is said that old leaders believe to put influenced rather than empowering their subordinates (Kark, Shamir & Chen, 2003).

Now it has become the necessity to change the style from old fashion hierarchical, high position leadership style that occurs in the organizations and convert it into those styles that make sure the empowerment of the organization’s employees (Carson & King, 2005). One important thing that is seen is that economic recession in current economic situation, day by day arrival of new technology, news structures of industries, and the arising acceleration in the competition has increase the sense of job insecurity among employees (De Witte, 2000; Greenhalgh & Rosenblatt, 1984; Hartley, Jacobson, Klandermans & Van Vuuren, 1991; Rothmann & Cooper, 2008).

1.1. Research Implication
1.1.1. Practical Implications
The study may use a kid of guide to managers to improve their corporate performance via may contribute to the increase of both satisfaction and motivation of both managers and also employee via considering employee engagement and psychological empowerment. Every employee has both unique, different skills and capabilities. This uniqueness creates a competitive advantage in business management and strategy. This research may contribute to managers to manage their human resource as increased individual performance at maximum degree.

1.1.2. Social Implications
Human resource has a strategic role to both sustainable and competitive business since it is inimitable element of business. Investment to human resource is and will more useful to sustainable business since main prioritized risk is human source. Both motivated and satisfied employees may contribute their society. This study will enforce the stronger links employee engagement and psychological empowerment in business management and strategy context. In addition, this study may contribute to the improvement of the relations between managers and their employees.

1.1.3. Originality/Value
Management and strategy field aware that empowerment is vital to be both flexible organization, faster decision making process and to have high level individual responsible employees. For this reason, corporate performance topic is in need considered the importance of the psychological empowerment. Presented model in this research has first in previously existing literature which would be able to explain the concept of moderation role of psychological empowerment between employee engagement and job insecurity among employees of the organization. Our aim to fill
this detected gap in current literature via our empirical evidences. Motivation is most critical issue in corporate performance. To achieve corporate strategy, managers need in both motivated and empowered employee. Both motivated and empowered employee will contribute his all capability to his organization. This will also help the organization to attain competitive edge among the industry and will motivate the employees of the organization and also inspire the people outside the organization.

2. LITERATURE REVIEW

2.1. Concept of Employee Engagement

Luthans and Peterson (2001) state that employees can be emotionally, cognitively or physically engaged. Maslach et al. (2001) describe work engagement as being characterized Full energy, effectiveness and efficiency of employees, and these are totally opposite to the overtiredness, disparagement, and lack of effectiveness, these are also opposite to the score given by the Maslach burnout inventory techniques. Schaufeli et al. (2002) define and operationalize engagement in its own right.

Work engagement: One of the definitions of the work engagement is the determination, the motivation that includes the positivity, which remain in the employees over time. (Shaufeli et al., 2002)

According to Schaufeli et al. (2002), engagement consists of the following dimensions:

Vigour: it is considered as employee’s highest level of energy to do work, mental spirit to do work, their efforts to invest their energy in their tasks, not fatigued by little work, and remained consistent even a lot of difficulties on the way.

Dedication: it is defined as employee’s highest level of involvement in their tasks, also includes their enthusiasm, considered work as their pride, feeling inspiration while doing their work and accept challenges in their work.

Absorption: it is defined as one’s complete efforts and focus on his\her work. It is a state in which employee completely lost in his work tasks, and it became difficult to isolate him from his work. Hotta, Kawaguchi and Yoshizawa (2005) define engagement as the dynamic relationship between an organization and its members and how they contribute to each other’s growth.

One of the researcher Graham presented a model of OCB in (1991), it has three components: (i) obedience in the organization (ii) loyalty for the organization (iii) partnerships in the organization.

Obedience in the organization: This term indicates the behaviors of the employees that describe the employee’s needs, their need for the reasonable structure in the organization and the acceptance of the existing environment of discipline. The corporate cooperation is indicated by respect of the rules, completing the tasks and responsibilities considering the organizations’ resources.

Loyalty for the organization: It is obvious that one’s loyalty to the organization is his loyalty to himself and other individuals. It is the state of dedication of the staff of organization to protect the values of organization for which they are working.

Partnerships in the organization: Bienstock et al. (2003) defined this term as; the employees of the organization make sure their participation in the corporate matters of the company, which includes the attending corporate meetings, sharing their precious ideas and remained aware with existing current issues.

Schaufeli et al. 2002 said that experiencing the engagement to work is itself an experience of positivity and it positively influence the organization. It is commonly thought that in the organizations for good outcomes, strong employee engagement should be established (Harter et al., 2002). This concept is relevant with well–being of employees and their work behavior as well, it is ultimately beneficial for the organization, it is also a positive indicator for employees who want to leave the organizations (Saks, 2006).
2.2. Concept of Job Insecurity

Tremendous changes for doing work in labor environment, fast move in the organization’s speed of progress, in most of the countries has make the job security a questionable, it also has become the stressor for both employees and employers. Researchers paying their high attention on these workers who are experiencing the job insecurity. Greenhalg and Rosenblatt gave a conceptual framework in 1984 on job insecurity, they widely used a definition, in which they define the job insecurity as “the employee become powerless and feel unable to continue his services when threats exists in the working situation” Both researchers continues; job insecurity is further divided into particular area of threat. Two further dimensions were concluded as quantitative interpretation and qualitative repressions of job insecurity Hellgren, Sverke, and Isaksson (1999). In theoretical means the two dimensions of job insecurity they defined and show their relevance to their results (Ashford, Lee, & Bobko, 1989; Greenhalgh & Rosenblatt, 1984; Hellgren et al., 1999).

In order to gain insight into the antecedents and consequences of job insecurity, one could consider the person-environment fit theory of stress. The theory of person fit environment that emphasize the stress, the relationship between the person of work place and the environment (Probst, 2002). The stress level of a person depends on it that how a person estimates his abilities according the environmental situation. Failure to cope with potential future unemployment or loss of job features may have significant consequences (Prohst, 2002).

Sverke and Hellgren (2002) make a distinction between qualitative and quantitative job insecurity. Quantitative and global view of job insecurity existing among employees is stated as “the threat that exist in the environment for employees to lose their job create any uncertainty for losing their job (De Witte 1999; Mauno & Kinnunen, 2002). On the other hand, according to the qualitative view of job insecurity; it is feelings of the employee about discontinuity of his job but also the loss of potential that he is having to maintain the quality relationship with his employer such as deterioration in working conditions (Mauno & Kinnunen, 2002; Sverke & Hellgren, 2002).

Several studies were conducted on feelings of employee of job loosing, all concluded that when someone start getting worrying about job it lost his morale, decrease the level of loyalty towards organization, finish the trust, productivity level and stop creativity ideas of his brain. The researchers (Armstrong-Stassen, 2001; Grunberg et al., 2001; Probst & Brubaker, 2001). Mohren et al. (2003) conclude that “an increase in common infections or health complaints has a substantial impact on employee well-being and may result in economic consequences for the company.” Similarly, Greenhalgh (1982) found that feelings of job insecurity to have negative impact on job performance. Ashford, Lee and Bobko (1989) found that job insecurity leads to attitudinal reactions such as intention to quit, reduced organizational commitment and satisfaction. Similar results were also reported by other studies (Armstrong-Stassen; Davy et al.; Rosenblatt & Ruvio; Burke & Nelson, as cited by Sverke, Hellgren, & Naswall, 2006)

H1 if employees are more engaged in their work the feelings of job insecurity are reduced among them.

2.3. The Importance of Job Insecurity In Terms of Human Factors (Ergonomics)

Much of the emphasis of human factors (ergonomics) is on human capabilities and limitations and the need to design systems which take these into account. Although this is clearly necessary, it can be debated whether it is sufficient to optimize the design and performance of human-machine systems. Researchers state that a major problem with human factors is that it neglects to take account of a person’s social and psychological needs. Human factors (ergonomic) solutions can remove barriers to effective productivity but cannot compel people to be productive (or to find work a satisfying experience). This is because productivity depends, to some extent at least, on the level of motivation and motivation depends on higher-level factors such as work organization. Maslow (1956) produced one of the first theories of motivation to be applied to the investigation of work situations. According
to Maslow motivation is the driving force which directs behaviour—the mechanism for the reduction of needs. If one is to understand what motivates people to work, a consideration of their needs is essential (Bridger, 1995).

Motivation is a phenomenon which is a significant contribution to the development of organizations in the generally and individuals in particularly. However, it can be said that an organization composed of motivated individuals will be much more successful. In fact, being motivated is state of enthusiasm to do his/her work in the best way and is channeled to individual’s work and purpose. Psychologists generally agree that behaviour is the result of motivation, and state that an individual’s intent to leave his or her job or an increase in job performance is a motivational reason. Organizations should attach importance to the factors that will increase the motivation of employees in order to keep their work performance at top level and decrease absenteeism (Yıldız et al., 2014).

Job security seems to be one of the major problem areas of working life when the effects of employees, employers and society are taken into account. Unemployment is a phenomenon that creates economic, social and psychological problems in terms of the unemployed as well as maintains that threatens on employees continuously. In addition to the work behaviour and attitudes of employees, job insecurity has negative effects on mental and physical health. Job satisfaction, performance, job and organizational commitment of employees who are unhappy at the workplace and anxious about their future are diminished because of job insecurity. It is impossible for the human factors, which plays a major role in the competitiveness of enterprises, to exhibit expected job attitudes and behaviours in an uncertain environment and in gradually declining wages and in work environment where they are concerned about when to take their jobs. Some of the individual factors that cause job insecurity are related to the quality and employability of individual, while others are related to the personality traits that affect the way he perceives the situation he is in. Personality traits are closely related to perceived job insecurity and weakness in resistance. Re-engineering, downsizing, outsourcing, company mergers and acquisitions, flexibility applications that organizations are applying to gain global competitive advantage can be cited as the main reasons for job insecurity. Role conflict and role ambiguity that may arise as a result of the changes in the organization carry the qualities to be increased the concern about job insecurity. Role ambiguity can cause employees to perceive job insecurity by threatening their control feeling. The role conflict is resulted from the tasks undertaken in conflict with each other (Cakır, 2007).

Perceived job insecurity has significant impacts on individuals and their families, organizations and society. In particular, the uncertainty environment created by job insecurity is an important source of stress for the individual. As can be seen from the studies done in this regard, the perception of job insecurity causes the increase of stress levels of employees, increase of physical and mental health complaints, decrease of job satisfaction and organizational loyalty, increase intention to leave organization and decrease motivation (Dursun and Bayram, 2013).

Productivity increases or falls depending on the proper use of the physical tools and the human resource that the work organization has. In other words, productivity depends on fitting job to employees. Optimal designing and arranging the tools with equipment used in the job to the characteristics of the employees and improving the physical working conditions will increase the productivity and quality of work by allowing to use employees’ abilities fully. Ergonomics is an important tool in adapting job to employee. Achieving productivity, which is a crucial part of organizations and their development, is also possible by giving importance to human resources as well as physical and financial production resources and using of employees’ capabilities optimally. It is now an undeniable fact that the most effective factor in the success of a production system is undoubtedly the human factor. A system that cannot optimally assess human capital is not expected to be economical in the long run. The researches and studies carried out demonstrate that the increase in man-machine productivity is directly proportional to the knowing of the physiological, psychological and social characteristics of the human being during work and therefore the increase in production
may be possible under these conditions. It is important for these reasons that the purpose of the study is to improve the corporate performance by analysing the impact of employee engagement on job insecurity (Oge, 2015).

2.4. Moderating role of Psychological Empowerment

Empowerment is one of the most effective ways of enabling employees at all levels to use their creative abilities to improve the performance of the organization they work for, and the quality of their own working life (Karakoc and Yilmaz, 2009).

Psychological empowerment of employees is stated as “the employees’ personal and basic belief about his/her role relevant to the organization in which he is working” (Spreitzer & Quinn, 2001).

For the success of an organization, employee empowerment plays its vital role. Conger and Kanungo in 1988 were the pioneers who gave a motivational approach to empowerment of employees, they stated it as “the removal of informal traditional practices and techniques in the organizations that reduce the powerlessness; it is ultimately leads to the enhancement of self-efficacy feelings among employees”. The empowerment is set of four patterns; meanings, competence of employees, determination of employees, and their impact Thomas and Velthouse (1990).

The concept of psychological empowerment itself established in the mind of employees, these are not rewarded or awarded by any organization or institute (Spritzer & Quinn, 2001). It is a motivational element for employees that increase the positivity among individuals. It is also stated as the internal motivation of the employee is exhibited in four mind cognitions, which shows and individual’s emphasize, concentration and interest in his work (Spreitzer, 1996).

The researchers Thomas and Velthouse in 1990 were the first who describe the concept of nature of empowerment. The concept of psychological empowerment were first describe by Albert Bandura’s in 1997. Psychological empowerment is not a personality trait not a thing that can be intervened in someone’s; it is a sense of control on things and feelings. Psychological empowerment is constructed with four different but distinguishable beliefs; those include competence of employee, self-determination, and meaning and impact (Hur, 2006; Spreitzer, 1995; Thomas & Velthouse, 1990).

The term Meaning is how some take his goals and tasks as much important as the value of his own Ideals, values and his beliefs. Competence is described as how a person considers himself eligible for any task. The concept of Self-Determination shows the employees consistency in continuing his services for organization. The concept of Impact is described how one can put his influence strategically, administratively and operatively on a large system.

When an employee is empowered by the organization, this employee reduce all conflicts and vague issues regarding his/her task, because he came to know about his control on the environment, this also reduce the strain on employee (Greasley, Btyman, Price, Soetanto, & King, 2004). If meaning of Meaning is completely restored in the mind of an employee than he enhances his motivations and attachment to his work which results in the work engagement. (May, Gilson, & Harter, 2004). The empowered employees got the sense of remained attached to their work (Avolio, Zhu, Koh, & Bhatia, 2004). One can experience Meaningfulness when he is completely motivated and engaged in the relevant work tasks (Striimpher, 2003).

Chiang & Jang (2008) stated that importance of job satisfaction is related to the outcomes of empowerment that is given to the employees from the organization. The employees who are empowered feel more satisfied with their job and they fulfill their job requirements more readily (Tannenbaum 1997). There are so many studies done on empowerment that found that empowerment in job is correlated with satisfaction. The more the empowerment the more will be the satisfaction (Rafiq and Ahmed, 1998). The empowerment at work place is considered as an intrinsic reward for an employee that is positively related to the job tasks and job satisfaction.

H2 when employees are psychologically more empowered they are more engaged with their job and feelings of insecurity are reduced.
3. RESEARCH METHODOLOGY

This research has been conducted to find out two main questions:

1. Is employee engagement reduce the feelings of job insecurity among employees of the organization?
2. If the organization empowers their employees psychologically, how it moderate the relationship between employee engagement and job insecurity?

The main key objectives of the research are to describe the employee engagement in relation to job insecurity and analyze the moderating role of psychological empowerment in strengthening and undermining the links between employee engagement and job insecurity based upon empirical evidence.

Extensive literature was done but no research could find with these variables (employee engagement (IVD) and job insecurity (DV) with moderating role of psychological empowerment) that was conducted in multinational oil and gas sector.

The purpose of this study was to examine that when employees are more engaged with their work in the organization how it is helpful to reduce the feelings of job insecurity that prevails among them? Psychological empowerment is very necessary for employees. This study also explore the role of this variable among employee engagement and job insecurity.

3.1. Conceptual Framework

This study used three theories to provide the theoretical support to the study, it also develops understanding of existing relations among the selected concepts. These theories or concepts are tested and implemented before in different research analysis but their determinants/facets/attributes are not analysis with each other and that is the major gap and exclusive finding of this research paper to analyses the key aspects of employee engagement, job insecurity and psychological empowerment.

The framework was developed upon, the theory of employee engagement developed by Schaufeli et al. (2002), having dimensions vigor, willingness, dedication and absorption. The theory of job insecurity formulated by Sverke and Hellgren (2002). The differentiate between quantitative and qualitative job insecurity and theory of psychological empowerment given by Spreitzer (1995), its dimensions are competence, self-determination, meaning and impact.

Independent variable employee engagement developed by Schaufeli et al. (2002), having dimensions of vigor, willingness, dedication and absorption, dependent variable job insecurity formulated by Sverke and Hellgren (2002) and the moderating psychological empowerment given by Spreitzer (1995), its dimensions are competence, self-determination, meaning and impact.

3.2. Research Design

In this study hypothesis were established on the base of phenomena that was concluded from literature review. Data has been collected through a systematic approach. It is expected to be highly valued for the better understanding of the research question.

This is the descriptive cross sectional study based on the quantitative data. Data was collected in one time at one point. The existing relationship between independent, dependent and moderating variable being measured and were analyzed using the statistical package of social sciences (SPSS). Descriptive statistics, Pearson correlation and MANOVA were applied.
3.3. Study Design

3.3.1. Population and Sampling

The population which was selected for the study was the employees of multinational oil and gas companies working in Pakistan. The respondents of the study were from all levels of the organization. There are total 20 oil and gas companies among which 11 companies are multinational and remaining 9 companies are owned by the government of Pakistan and only operational locally.

Random sampling technique was used for data collection as selected and targeted employees were working at different positions in oil and gas companies. From around 250 permanent employees of the multinational companies (all level and outsource services companies are not included), we take a sample of 151 employees from 11 different companies in multiple cities (Attock, Sukkar, Sui, Khaur and Nowshera) were targeted for study.

3.3.2. Instrumentation

Primary data has been collected for the study. In questionnaire 5 point likert scale was used. Each option was assigned a scale. 1= strongly disagree, 2= Disagree, 3= neither agree Nor disagree, 4=Agree, 5=strongly agree. And one of the variable turnover intentions was measured by using options 1= Never, 2=Seldom, 3= Sometimes, 4=Often, 5= Always.

4. RESULTS AND ANALYSIS

This chapter comprises the analytical results derived from the respondents of the research.

This Table 1 gives the information about the Mean and Standard deviation of respondents. Total 151 employees participated. The Mean of employee engagement, psychological empowerment and job insecurity are: 3.8235, 4.1794 and 4.1996 respectively. Standard deviation is 0.609, 0.411 and 0.401 respectively.

4.1. Alpha Reliability

Following Table (Table 2) depicts the Cronbach’s coefficients Alpha which test the reliability of the instruments that have been used for measuring the different variables. It measures the consistency among inter-items of instrumental items of all variables of this study. This has been tested by using technique SPSS.

Employee engagement has 17 items and its reliability is 0.913, the variable job insecurity using the 07 items its Alpha reliability is 0.777 and psychological empowerment comprises 12 items its Alpha radiality is 0.886. it’s the rule of thumb that the alpha reliability value above than 0.70 makes the instrument reliable and acceptable for further analysis. According to the result all three variables have reliable instrument.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
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<tbody>
<tr>
<td>Emp_eng</td>
<td>3.823</td>
<td>0.609</td>
</tr>
<tr>
<td>Psyce_emp</td>
<td>4.179</td>
<td>0.4111</td>
</tr>
<tr>
<td>Job_insec</td>
<td>4.199</td>
<td>0.401</td>
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</table>
4.2. Construct Validity Analysis (Convergent Validity)

This Table 3 of inter-item correlation matrix is the result of the construct validity analysis. There are 3 variables and results are shown in 3x3 format. Correlation among variables is:

Table 3 analyze the construct validity according with the theory and correlation of the variables. Construct validity trails the extent of items on a scale whether these are measuring the abstract or theoretical construct which it purports to measure or otherwise (Chandler, 1991; Churchill, 1979). In this study, inter-correlation matrix method is applied to judge the convergent validity of the construct wherein correlation of all variables is significant at 1% level of significance with all the variables. Results conclude that the scale is valid with the theoretical construct. Two study hypotheses H1, H2 have been verified and accepted.

4.3. Regression Analysis

Regression analysis analyzes the statistically significant impact of independent variable on the dependent variable. In Table 4, whereas constant terms shows that if all the variables have no impact on dependent variable then the value of employee engagement with job insecurity will be 0.932. Whereas B shows the un-standardized coefficient and β shows the standardized coefficients of the variables. If there would be 1% increase in the employee engagement there is 0.09% decrease in job insecurity. But overall the variable has statistically significant impact at 1% level of significance. The value of R-square shows that 57% explanation in the dependent variables is due to the given independent variables in the model. F-statistic shows that overall model is statistically significant.

Analysis of variance shows the summary statistics of the model and regression sum of square tells us the explained part of the dependent variable by independent variable and residual sum of square shows the unexplained part of the model. But the overall model is statistically significant.

4.4. Moderating / Hierarchical Regression Analysis

Moderating Regression analysis was done to analyze the moderating impact of psychological empowerment. In the first step, the dependent variable that was job insecurity was entered in the independent list and independent variable was inserted into the independent list. In the second step, the interaction term was calculated and entered in independent list. The change in R² after putting in the interaction term, explains extra variance in the dependent variable. The moderating effect is

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items</th>
<th>Alpha Reliability</th>
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<tbody>
<tr>
<td>Employee Engagement</td>
<td>17</td>
<td>0.913</td>
</tr>
<tr>
<td>Job Insecurity</td>
<td>07</td>
<td>0.777</td>
</tr>
<tr>
<td>Psychological Empowerment</td>
<td>12</td>
<td>0.886</td>
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</tbody>
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<tr>
<th>Variables</th>
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<th>II</th>
<th>III</th>
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<tr>
<td>I emp eng</td>
<td>...</td>
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<tr>
<td>II psy empow</td>
<td>0.253**</td>
<td>...</td>
<td></td>
</tr>
<tr>
<td>III job insec</td>
<td>0.330**</td>
<td>0.747**</td>
<td>...</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed)
shown by the corresponding change in $F$ with degree of freedom ($df$) on at the specific significance level ($p$ value) (Table 5 and Table 6).

The value of $\Delta R^2 = 0.127$ with ($F = 101.770$, $df = 2, 147$, $p < .001$) shows that 12.7% moderating impact of psychological empowerment on the relationship.

### 4.5. Significance of the Study

No model or theory found in previously existing researches which would be able to explain the concept of moderation role of psychological empowerment between employee engagement and job insecurity among employees of the organization. The rapid changes in the environment is occurring for the organizations, so the importance of the psychological empowerment cannot be ignored. This gap was lacking in previous researches and it’s very necessary to be filled by empirical evidences. This will also help the organization to attain competitive edge among the industry and will motivate the employees of the organization and also inspire the people outside the organization.

### 5. DISCUSSION & CONCLUSION

The aim of this study was to explore the relationship between employee engagement and job insecurity and analyze the moderating role of psychological empowerment in the oil and gas sector, which can

### Table 4. Regression analysis for 1 independent variable with job insecurity (N=151)

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>SE</th>
<th>$\beta$</th>
<th>t</th>
<th>sig</th>
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</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.932</td>
<td>0.233</td>
<td>---</td>
<td>3.994</td>
<td>0.000</td>
</tr>
<tr>
<td>Emp eng</td>
<td>0.099</td>
<td>0.036</td>
<td>0.150</td>
<td>2.723</td>
<td>0.007</td>
</tr>
</tbody>
</table>

$\Delta R^2 = 0.579$

<table>
<thead>
<tr>
<th>Adjusted R2= 0.573</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\Delta R^2=0.579$</td>
</tr>
<tr>
<td>$F$-Value = 101.770</td>
</tr>
<tr>
<td>d.f:2, 148</td>
</tr>
</tbody>
</table>

*p < .05; **p < .001

### Table 5. Psychological empowerment moderation (employee engagement and job insecurity)

<table>
<thead>
<tr>
<th>Model</th>
<th>R2</th>
<th>Adj. R2</th>
<th>F</th>
<th>d.f.</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.579</td>
<td>0.573</td>
<td>101.770</td>
<td>2, 148</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>0.706</td>
<td>0.700</td>
<td>117.662</td>
<td>2, 147</td>
<td>0.000</td>
</tr>
</tbody>
</table>

### Table 6. Regression equation coefficients (employee engagement and job insecurity)

<table>
<thead>
<tr>
<th>Model</th>
<th>B</th>
<th>SE</th>
<th>$\beta$</th>
<th>t</th>
<th>sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Constant</td>
<td>0.932</td>
<td>0.233</td>
<td>---</td>
<td>3.994</td>
<td>0.000</td>
</tr>
<tr>
<td>Emp eng</td>
<td>0.099</td>
<td>0.054</td>
<td>0.150</td>
<td>2.723</td>
<td>0.007</td>
</tr>
<tr>
<td>2 constant</td>
<td>-4.943</td>
<td>0.763</td>
<td>---</td>
<td>-6.480</td>
<td>0.000</td>
</tr>
<tr>
<td>Emp eng</td>
<td>1.858</td>
<td>0.223</td>
<td>2.822</td>
<td>8.337</td>
<td>0.000</td>
</tr>
<tr>
<td>Emeng*PE</td>
<td>-0.423</td>
<td>0.053</td>
<td>-3.371</td>
<td>-7.968</td>
<td>0.000</td>
</tr>
</tbody>
</table>
be backbone sector of any country. Globalization, changing competition conditions and increasing of similar products cause narrowing of market share of the companies and forces them to create new markets by product differentiation. Since it can cause companies to gain differentiation capabilities, human resource has transformed into the strategically competitive element of a company. Employee empowerment causes to benefit from different knowledge, skills and capabilities of human resource at maximum degree Therefore it plays an important role in customer and employee satisfaction (Karakoc and Yilmaz 2009).

The scientists of the management sciences have been long considered the importance employee engagement for an organization. In this case the organizational behavior is considered more. Most of the researches have been done which classify the behavior of the staff of the organization and the reasons behind their emergence. The factors like; perception of thee employee about work and work relaters, attitude at workplace, employee’s commitment towards the organization are used to assess the organizational members behavior at workplace; but the employee commitment is that issue which continuously considered and focused by the organizational leaders, psychologists, sociologists to improve the performance of the organizations and make them competitive in the business world that is the need of the time. The commitment of employees towards his work shows people’s behavior in the workplace at their work, for achieving organizational goals and maintaining organizational goals. It also help to retain a person in the organization, and force him to do whatever is required for the organizational goals.

If organization tried to keep their employees engaged at workplace, it caused decrease of feelings of job insecurity. Employee engagement is significantly associated with job insecurity in same aspect. The employees which are engaged to their workplace are more hardworking in their tasks, they can sacrifices more than others, practical, and loyal. Analysis done in this study shows that there is significant relationship is found between OCB and commitment to the organization. Besides, results regarding relationship between employee commitment and its effect on decreasing the feelings of job insecurity are similar to studies discussed in Literature review of this paper.

First, descriptive statistics was applied; the Mean of the Employee engagement, job insecurity and psychological empowerment is 3.82, 4.17 and 4.19 respectively, standard deviation is 0.60, 0.41 and 0.40 respectively.

Second, alpha reliability coefficient of all scales is find out, the employee engagement have 17 items, its reliability coefficient is 0.913, dependent variable, job insecurity have 7 items its reliability coefficient is 0.777, the moderating variable psychological empowerment have 12 items and its reliability coefficient is 0.886. These values show that instruments that we used to measure these variables were reliable.

Third, the correlation is finding between these variables. In this study, inter-correlation matrix method is applied to find the convergent validity of the construct. Correlation of all variables is significant at 1% level of significance. Results show that the scale is valid. Two study hypotheses H1, H2 have been verified and accepted.

H1: if employees are more engaged in their work the feelings of job insecurity are reduced among them.

This hypothesis has been approved by the results, as regression analysis done in this research examines the significant impact of independent variable that is (employee engagement) on the dependent variable (job insecurity).

H2: when employees are psychologically more empowered they are more engaged with their job and feelings of insecurity are reduced.
Now come to moderating variable, the role of psychological empowerment in positive work outcomes. Such as, experiencing meaning, competence, self-determination, and impact (i.e., psychological empowerment) play very important role to an increase in employees’ engagement in work. The employees who are psychologically empowered are considered to be more engaged and no feelings of insecurity exist among them about job. As a whole, our results highlight the incremental value of empowerment for work engagement and reducing job insecurity. To put it simply, the main considerable finding of this research is that empowerment is a key variable in foreseeing positive outcomes in the organization.

In the recent corporate era, it is highly significant that management empower their managers, supervisors and staff. It is highly suggested that companies, corporate and organizations implement a system which create their involvement and contributions to boost the psychological empowerment among them. The first line management and staff are always considered as the backbone of any system either service, operational and manufacturing. Mediations should concentrate on significant work, fitness, self-assurance and effect. Managers and supervisors must make workplaces in which individuals encounter their work as significant and where they feel that they can impact occasions. They ought to likewise construct the skill of the workers. Moreover, they could make self-rule strong work atmospheres by considering representatives’ points of view, giving more noteworthy decision, and empowering self-initiation. Impact (self-assurance and effect) is animated when chiefs and administrators give a significant method of reasoning to playing out an uninteresting undertaking, recognize the point of view and sentiments of representatives about assignments, and structure work to permit association among workers. It is suggested that increase the employee engagement like their involvement to set their futuristic goals, reduced the higher management involvement and increase their decision power and motivation in their work and environment will reduce the uncertainty and insecurity among them.

This study has some limitations. It is the cross sectional study and selected sample was conveniently available population. So causal effects cannot be inferred from the study.

For future researchers it is recommended that, the variable of personality if added will increase the significant value of empowerment and would be helpful to analyses the people about their job engagement and feelings of job insecurity. The current study is cross sectional and we cannot draw its causal inferences, but here we are putting the idea that if organizations provide the means to their employees to increase the competence for their job, it would lead to the more attachment with organization. It is very important for the employer to consider the dispositions of the individuals, the future researches will continue along the line. This research will be the source of general guidance in stimulating further research in this area.

5.1. Research Limitations

This study has some limitations that will need to be considered in future researches. It is the cross-sectional study and selected sample was conveniently available population. For this reason, causal effects cannot be inferred from this research. The variable of personality if added will increase the significant value of empowerment and would be helpful to analyses the people about their job engagement and feelings of job insecurity.
REFERENCES


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