# Impact of Perceived Job Insecurity on Intolerance of Uncertainty among Private School Teachers during COVID-19: Moderating Role of Ethical Leadership

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#### **Abstract**

\*Corresponding Author: Saleha Iqbal Universiti Kebaangsaan Malaysia. Correspondence Email: p97188@siswa.ukm.edu.my Received: 14-04-2022 Revision Received: 11-12-2022 Accepted: 12-12-2022 During the COVID-19 pandemic, containment measures were ensured to avoid the wide spread of this infectious diseases which created a sense of uncertainty and job insecurity. This study was designed to investigate the effect of perceived job insecurity on intolerance of uncertainty among private school teachers. Further, this study is also aimed at assessing the moderating role of ethical leadership. The data were collected online through google forms and a sample of 253 private school teachers from province Punjab participated in this research. The sample size was justified through online statistical calculator for multiple hierarchical regression (Soper, 2021). The intolerance of uncertainty was measured by Intolerance of Uncertainty Scale-12 (IUS-12) by Khawaja, & Yu (2010) whereas for job insecurity, Perception of job insecurity scale (PJIS) by Elst et al., (2014) was used and ethical leadership was measured through ten items ethical leadership scale by Brown et al., (2005). The data were analyzed through SPSS (24.0). The findings showed that perceived job insecurity significantly impact intolerance of uncertainty among private school teachers. However, ethical leadership significantly moderates the effect of intolerance of uncertainty on perceived job insecurity.

**Keywords:** *job insecurity, intolerance of uncertainty,* ethical leadership, private school teacher, Punjab.

## **Introduction and Literature Review**

The spread of COVID-19 and therefore, the lockdown has resulted in a significant decline in economy worldwide. The corona virus (COVID-19) crisis has causes unemployment crisis. It has been observed that the service sector has seen the worst hit because of lockdowns in multiple countries, such as private educational institutes, are primarily affected. Moreover, considering the economy and financial crisis faced by educational institutes during COVID-19, the risk of job loss is high for the private school employees. Such continuous changes in economic conditions due to COVID-19 at the workplace carry uncertainties; for instance, the fears of losing some aspects of the job for the private school teachers were quite high. Research has also shown that perception of job insecurity faced by employees with no career progression causes greater variance in their tasks in the future. COVID-19 has countless negative influences on education sector. Many institutions are facing financial crisis. They cannot run their institutions smoothly

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as such financial strain and are in the verge of destruction. Although not all private school teachers may lose jobs amidst COVID-19, the perception of job insecurity tremendously prevails in this uncertain environment, outcome of which could be intolerance of this future uncertainty (Pakpour & Griffiths, 2020). In private education sector the employees can be categorized in different segments such as kindergarten, primary school, high school, colleges and higher education employees. Most of the employees in these private education sectors are getting no salary or lesser percentage of salary for the current COVID-19 lockdown situation. Also, many private sector schools have undertaken downsizing, causing employees to feel a sense of job insecurity which is a perception of uncertainty about the continuity of employment (Bakioğlu, et al., 2020).

Basha and Maiti (2013) found that employee's perceived danger in the workplace while performing job duties causes uncertainty towards the future. Although different kinds of perceived risk have been proposed in previous studies too (Jacoby & Kaplan, 1972; Yıldırım & Güler, 2010). The intolerance of uncertainty could be defined as a bias that determines how someone processes uncertain situations (Dugas et al., 2005). People with a higher intolerance of uncertainty believe that uncertainty is stressful, negative and disturbing, and that it should be avoided. Their functioning is affected in uncertain situations (Buhr & Dugas, 2002; Taha et al., 2014) and it can be confirmed in the recent COVID-19 pandemic.

Several studies reported an association between the perceived job insecurity and intolerance of uncertainty (Bakio glu et al., 2020; Blustein et al., 2020). Uncertainty can be a core concept for understanding not only the experienced distress, but also job insecurity itself. Some authors (Bordia et al., 2004) found that uncertainty could be a crucial factor during organizational change. Further, the previous studies on job insecurity have mostly ignored the importance of leadership (Shoss, 2017).

Although the literature contains reports about various contingent factors that moderate the effects of job insecurity, including self-esteem about work-related achievements, emotional intelligence, organizational communication, organizational justice provided by the seniors, social support from supervisors, job control, job self-efficacy, and economic vulnerability (Wang, et al., 2015), little research has investigated the moderating role of leadership.

Evidently, leadership has substantial effects on employees by building their attitudes and behaviors (Witte, 1999) More important, results suggested that ethical leadership could be a critical contextual factor that moderates the relationship between job insecurity and intolerance of uncertainty. Among the various contextual features in an organization, study focus on the role of leadership because of its importance in an organization (Treviño, 1986; Treviño et al., 2003) To be specific, it is proposed that ethical (i.e., fair and just) leadership could function as a buffering factor that decreases the increase in intolerance of uncertainty produced by job insecurity (Brown, & Treviño, 2006; Ruiz-Palomino, & Linuesa-Langreo, 2018).

Ethical leadership can be defined as "the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making" (Brown et al., 2005). In other words, even when employees are in danger of losing their job, they might not feel any uncertainty about the future if they are confident that the company makes decisions fairly and ethically (ethical leadership) (Hansen et al., 2011). In contrast, employees who feel that their leader is unethical might perceive that their organization evaluates them unfairly. Eventually, employees become unable to justify and accept their feelings of instability because of unfairness in the decision making.

### **Rationale of Study**

Considering the gap in the existing body of knowledge, this study was designed to investigate the buffering role of ethical leadership for alleviating the effect of perceived job insecurity on intolerance of uncertainty. The present study proposed that higher level of ethical leadership increases job insecurity in which could results in intolerance of uncertainty.

## **Conceptual Framework of the Study**

The conceptual framework of this purposed study is given below:

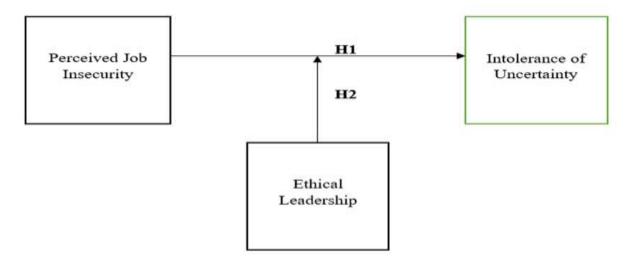


Figure 1: Conceptual Model

### **Objectives of the Study**

- 1. To investigate the impact of perceived job security on intolerance of uncertainty among private school teachers during COVID-19
- 2. To gauge the moderating role of ethical leadership among perceived job insecurity and intolerance of uncertainty among private school teachers during COVID-19

### **Hypotheses of the study**

On the basis of a conceptual framework derived from the existing literature support, this study has two main hypotheses.

- 1. It was anticipated that there would be a significant effect of perceived job insecurity on intolerance of uncertainty among private school teachers during COVID-19.
- 2. It was hypothesized that ethical leadership would moderate the influence of perceived job insecurity on intolerance of uncertainty among private school teachers during COVID-19.

#### Method

### Research design

This research carried out a cross-sectional quantitative design and data were collected through survey method.

# **Participants and Sampling Technique**

In this study, private school teachers both male and female from Punjab province were selected through purposive sampling technique.

### Sample size, Power and Precision

A-prior sample size was calculated for Hierarchical Multiple Regression from A-priori online statistical calculator (Soper, 2020), at the anticipated effect size = 0.15, desired statistical power level 0.8, Number of predictors in set A=1, Number of predictors in set B:=2 probability level 0.05. The minimum of 210 sample size was obtained, after 20% attrition rate, the final sample size was 253.

### **Instruments**

**Demographic Information sheet:** A demographic information sheet about name (optional), gender, socioeconomic status and qualification was used.

**Perceived Job Insecurity Scale:** The perceived job insecurity scale was developed by Vander Elst et al. (2014). This scale has 4 items with response format of five-point Likert scale (1=strongly disagree to 5=strongly agree). The internal consistency of this scale is  $\alpha = 0.82$ .

Intolerance of Uncertainty Scale-12 (IUS-12): The IUS-12 is a short version scale (Khawaja, & Yu, 2010). that measures responses to uncertainty, ambiguous situations, and the future. The 12 items are rated on a 5-point Likert scale ranging from 1 (not at all characteristic of me) to 5 (entirely characteristic of me). The internal consistency of this shorter version is  $\alpha = .85$ 

**Ethical Leadership Scale:** The ethical leadership scale was developed in 2005 by Brown et al. This scale measures the ethical and justified of a leader through the employee's perspective. This is a 10-item scale with 5-point Likert type response format ranging 1 = strongly disagree to 5 = strongly agree. This scale has internal consistency of  $\alpha = .94$ .

### **Statistical Analysis**

The collected data were analyzed through SPSS (24.0) in which frequency distribution, reliability analysis of measurement instruments through Cronbach's alpha, correlation analysis and multiple hierarchal regression were used.

### **Ethical Consideration**

All ethical considerations were followed in this research such as written informed consent from the participants, ensuring the confidentiality and anonymity of the research participants. Researcher educates the participants about research purpose and their right to leave the research process at any time.

#### **Results**

**Table 1** *Baseline Characteristics of Participants (N=253)* 

Respondents'	-	f(%)	
Demographics			
Gender	Male	157 (62.0)	
	Female	96 (38.0)	
Education	BA/BSc	102 (40.31)	
	BS (HONS)/MA/MSc	90 (35.57)	
	M.PHIL or above	61 (24.12)	
Socio-economic status	Low	84 (33.20)	
	Middle	108 (42.68)	
	Upper	61(24.12)	

In this table gender, education and socioeconomic status were taken as demographic variables, which reported that percentage of male participants is 62 whereas for female participants is 38. Further, in education level, 40.31% were in undergrad level, 35.57% in graduation level and 24.12% were in post graduate level. The socioeconomic status of

participants was also asked which showed 33.20% were from lower class 42.68% were from middle class and 24.12% were from upper class.

**Table 2**Correlation between Perceived Job Insecurity, Intolerance of Uncertainty and Ethical Leadership (N=253)

	1	2	3
1. Perceived Job Insecurity	-	42**	.58**
2. Ethical Leadership		-	71**
3. Intolerance of Uncertainty			-

<sup>\*\*</sup>p < .01

The table given above demonstrates that perceived job insecurity is negatively correlated with ethical leadership and positively corelated with intolerance of uncertainty. Further, ethical leadership is negatively correlated with intolerance of uncertainty.

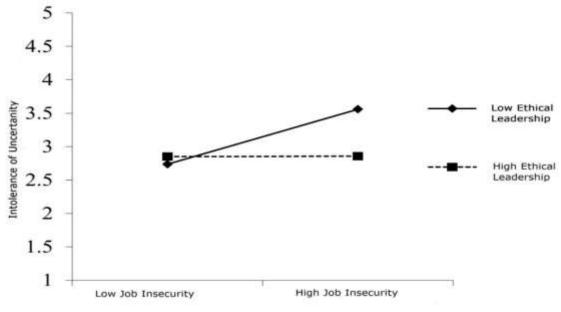
**Table 3** *Multiple Hierarchical Regression Analysis for Moderating Role of Ethical Leadership between Perceived Job Insecurity and Intolerance of Uncertainty (N=253)* 

Variables	Intolerance of Uncertainty	
	$\Delta$ R2	В
Step 1	.05*	
Control Variables*		
Step 2	.56***	
Ethical Leadership		41***
Step 3	.73***	
Perceived Job Insecurity		26***
Step 4	.33***	
Perceived Job Insecurity _X_ Ethical Leadership		1.07***
Total R2	.73***	

Note: Control Variables = gender, education and socioeconomic status, \*p < .05; \*\*\*p < .001

The results showed that after controlling demographic variables (i.e., gender, education and socioeconomic status) in step 1. Ethical leadership in step 2, Perceived Job Insecurity in step 3, and interaction terms in step 4 were entered, the overall model explained the 73.0% of variance with F (6, 403) 127.75, p < .001 for intolerance of uncertainty, where in step 2, ethical leadership was found to be a significant moderator and predictor of intolerance of uncertainty. From step 3, perceived job insecurity was found to be significant negative predictor of hope. Furthermore, from step 4 the interaction of perceived job insecurity and ethical leadership was found significant. The ethical leadership functions as a buffering factor which means when the degree of ethical leadership is high; the increasing influence of perceived job insecurity on intolerance of uncertainty would be diminished.

Figure 2
Moderating Effect of Ethical Leadership in the Perceived Job Insecurity–Intolerance of Uncertainty link.



### **Discussion**

The novel coronavirus has impacted on almost every sphere of life triggering adverse effects and uncertainty about the future, the job insecurity is of no exception. Many studies conducted on various service sectors have established the fact that COVID-19 has affected the normal functioning and production of economy. The educational institutes which are operating privately have been affected by this gigantic economic crisis which resultantly effects on their working employees especially private sector teachers. The job insecurity and uncertainty of future have been increased, our study was designed to investigate this influence and buffering role of ethical leadership between perceived job insecurity and intolerance of uncertainty among the private school teachers during COVID-19 pandemic. The findings of this study in table 2 showed that there was significant positive relationship between perceived job insecurity and intolerance of uncertainty (Wang et al., 2015). Hence the findings of this study clearly demonstrate that job insecurity can cause the intolerance of uncertainty and in that situation, employees often determine whether they trust the organization which based on whether they trust their leaders and it can alleviate their level of intolerance of uncertainty (Shoss, 2017). Furthermore, this study also reveals that there is significant negative relationship of perceived job insecurity and intolerance of uncertainty, with ethical leadership can regard the leader as a symbolic model who represents the organization as a whole. Here, the most important factor is the ethical behavior by the leaders (Bowers, 2009; Riley, & Mulford, 2007; Yıldırım, & Baştuğ, 2010). Hence, the findings of this research are in line with the above cited literature so hypothesis 1 is accepted.

In addition, this study also investigated the moderating role of ethical leadership in perceived job insecurity and intolerance of uncertainty. The multiple hierarchal analysis in Table 3 reveals that ethical leadership is a significant moderator. The findings of this research are also similar to the studies which showed that ethical leadership can be a significant moderator in perceived job insecurity, job stress and uncertainty related to the job (Dirks, & Ferrin, 2002; Kim & Kim, 2020). This can further be explained that usually the working

employees in private sectors have danger of losing jobs due to any downsizing and poor financial condition of the organization.

During the COVID-19 pandemic, like many other organizations, many private sector schools in Pakistan have also been through the same and teacher being employed had the feeling of job insecurity or intolerance of uncertainty. But if the private organizations have ethical leadership, it would help the teachers to overcome their job instability and future uncertainty. If the teachers working in private schools have trust that they will be treated and evaluated in fair and ethical manner, they could have alleviated level of job insecurity and intolerance of uncertainty (Craig, & Gustafson, 1998; Dirks, & Ferrin, 2002; Kim & Kim, 2020). On the other side, if the teachers working in any private sector institutes perceives that they will be treated in unfair or injustice manner, there will be higher level of job insecurity and intolerance of uncertainty would also be high. Moreover, ethical leadership functions as a critical contingent factor that moderates the job insecurity and intolerance of uncertainty link (Kolthoff et al., 2010). Resultantly, in light of the literature discussed above and results of study, the hypothesis 2 is also accepted.

### Conclusion

The findings of study concluded that during COVID-19 pandemic, the job insecurity was highly perceived by the teachers working in private sector schools. As a result it influenced and increased their intolerance of uncertainty. The study also established that the buffering role of ethical leadership (using fair and ethical ways to evaluate and dealing with employees) can diminish the job insecurity and uncertainty faced by the private school teachers during the spike of this pandemic.

## **Limitations and Suggestions**

This study has several limitations; the sample size was not adequate to be generalized on whole private school population. But it is suggested for future researchers and practitioners to investigate the role of organizational commitment, authentic leadership and other psychological factors with these study variables to get the diversified and empirical evidences.

### **Implications of the Study**

The findings of study would help policy makers and organizational heads to practice ethical leaderships within the organizations and private sector schools to sustain the financial and psychological stability of their teachers and other employees.

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**Author's Contribution:** Saleha Iqbal (Conceptualization, write up and data analysis), Mazlina Che Mustapa (data collection and literature review), Sarwat Sultan (proof reading and final review)

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