The Effects of Job Insecurity on Employees’ Financial Well-Being and Work Satisfaction Among Chinese Pink-Collar Workers

Wai Ming To1, Jennifer H. Gao1, and Ernest Y. W. Leung2

Abstract
This article examines the effects of job insecurity on employees’ financial well-being and work satisfaction. Based on a literature review on financial well-being, we proposed that financial well-being consists of two categories: personal financial well-being and family financial well-being. We developed a theoretical model that links job insecurity to employees’ personal and family financial well-being, and then to employees’ work satisfaction. Data were collected from 334 Chinese pink-collar workers in Macao. Results of the structural equation modeling showed that job insecurity negatively and significantly influenced employees’ personal financial well-being whereas employees’ personal financial well-being positively and significantly influenced work satisfaction directly and indirectly through employees’ family financial well-being. However, the direct relationships between job insecurity and employees’ family financial well-being and between job insecurity and work satisfaction were not significant.

Keywords
job insecurity, employees’ financial well-being, work satisfaction, Chinese

Introduction
Many organizations require employees to do more with less because the market is hyper-competitive and the economic condition is unpredictable (Haynie et al., 2016). In addition, economic and political crises become more frequent (Lange, 2015; McGuire, 2015). Thus, employees face enormous pressure due to the tough working and living environment and the associations among job insecurity, financial well-being (FWB), financial stress, and people’s happiness cause great concern for individuals, families, organizations, and society (Choi et al., 2020; Cotton, 2017; Daly et al., 2019; Halvorsen, 2016; Lebert & Antal, 2016; Rajani et al., 2016; Weller, 2012). A survey in the United States showed that respondents in average had a slightly low level of job insecurity and financial well-being, and an appropriate FWB in 2017 (Choi et al., 2020). In Australia, 32.8% of a survey’s respondents indicated that they worked in jobs with low security (Daly et al., 2019). Besides, Weller (2012) reported that Australian households had very little cash reserves due to the escalation of household borrowing and expanding credit card debt. When unexpected events such as job loss interrupted income flows, one out of four Australian households did not have enough money to cover their expenses even for 1 month.

In the United Kingdom, four out of 10 workers do not have a modest GBP500 savings buffer, for example, to mend a broken car or replace a refrigerator (Cotton, 2017). Besides, 70% of the U.K. workforce struggle with the negative impacts of financial worries such as deteriorating psychological and physiological well-being, and relationships with others (Cotton, 2017). Job insecurity and financial difficulties were found to be associated with psychological distress among employees in the European Union (Rajani et al., 2016). In China, job insecurity significantly and adversely affected employees’ well-being but did not have a significant effect on organizational citizenship behaviors (Wang et al., 2014). Job insecurity was also found to cause psychological distress among casino employees in Macao (Lam et al., 2019). Throughout the world, most people are concerned with their FWB and the capability to meet their own needs and to provide their family members a comfortable living (Garman

1Macao Polytechnic Institute, Macao SAR, China
2Shanghai Asset Management (Asia) Limited, Hong Kong SAR, China

Corresponding Author:
Wai Ming To, School of Business, Macao Polytechnic Institute, Macao SAR, China.
Email: wmtou@ipm.edu.mo
et al., 2005; Kim & Garman, 2003; Yang & Rosenblatt, 2008). In Asia, Yang and Rosenblatt (2008) reported that Koreans plan to have children after getting married; however, many Korean working couples have decided not to have children or delay to have children due to job insecurity and financial difficulties in recent years. The same situation applies to other countries and cities such as Japan, Singapore, Shanghai, Beijing, Hong Kong, and Macao. FWB affects financial satisfaction (Buchler et al., 2009), personal subjective well-being (Diener & Biswas-Diener, 2002; Weller, 2012), and social well-being (Leskinen & Raijas, 2006). It influences work satisfaction (Power & Hira, 2010). FWB was considered as a personal stressor that influences an individual’s psychological state and behavior at home and at work (Cotton, 2017; Kim & Garman, 2003; Shoss & Probst, 2012). Cotton (2017) argued that financial stress is one of the key human resources issues in organizations. Garman et al. (2005) suggested that FWB represents an individual’s financial ability to meet her or his own needs and perceptions on stress and satisfaction about her or his own financial situations. This definition is appropriate in Western societies where individualism is a dominant cultural value. Nevertheless, family background may play a role in determining young adults’ attitudes and financial behaviors (Borden et al., 2008), and possibly their pursuit of higher education, career choices, and income (Hordósy & Clark, 2018). The effect can be more pronounced in Eastern (primarily collectivistic) societies. Thus, the article extends the personal FWB scale proposed by Garman et al. (2005) to include family FWB in the Chinese context. Specifically, the article aims at answering two research questions:

**Research Question 1 (RQ1):** Does job insecurity influence employees’ FWB including their personal FWB as well as their family FWB?

**Research Question 2 (RQ2):** Whether and how are job insecurity, employees’ personal FWB, and employees’ family FWB related to work satisfaction?

The study’s findings can shed light on why and how organizations should help employees cope with economic uncertainties and manage their financial stress that affects work satisfaction.

The rest of the article is organized as follows. The next section reviews the literature of employees’ FWB and establishes seven hypotheses. The method is then presented, followed by results and discussion. The article concludes with practical implications and suggestions for future research.

**Literature Review and Hypothesis Development**

Financial status has long been a research focus in sociology and psychology (Diener & Biswas-Diener, 2002; Vera-Toscano et al., 2006). In a modern society, most people judge an individual’s success based on her or his financial status (Vera-Toscano et al., 2006). In Asia, successful businessmen are highly respected in the society and enjoy privileges. In fact, most people’s daily activities and opportunities for success are closely tied to their financial resources. Therefore, a lack of financial resources creates an enormous amount of stress to people, in turn affecting their relations with family members, co-workers, and supervisors (Garman et al., 1996; Ponnet et al., 2016), increasing the chance of poorer health (Drentea & Lavrakas, 2000), causing illness-related absenteeism (Kim & Garman, 2003), and adversely affecting both personal and work satisfaction (Anderson & Winefield, 2011).

**Job Insecurity and Employees’ FWB**

Job insecurity is a consequence of worldwide economic and political changes (Burke, 2013; Shoss, 2017). In addition, the emergence of disruptive technologies causes business firms to undertake frequent organizational changes, requiring employees to either adapt new approaches or face layoffs. Inevitably, many people have a strong feeling of job insecurity (Shoss, 2017). Based on responses from more than 7,700 households and 19,000 family members in Italy, Giannetti et al. (2014) reported that job insecurity could lead to financial distress (or stress), which was more pronounced for those people who were employed on a part-time basis. The relationship between job insecurity and financial stress was found to be partially mediated by FWB (Choi et al., 2020). Perceived job insecurity refers to an individual’s perception of the threat of losing his or her job (Choi et al., 2020; De Cuyper & De Witte, 2006; Haynie et al., 2016). Perceived job insecurity can be influenced by personal factors such as gender, age, education level, and personality traits and macroeconomic factors such as unemployment rate, consumer price index, gross domestic product (GDP), and government expenditures. Barazzetta et al. (2015) indicated that high unemployment rate and perceived job insecurity, together with the government’s cuts in social expenditures, are the sources of financial insecurity and stress for families throughout the European Union. Financial stress is a significant source of distress because people’s social and economic activities greatly depend on the level of financial resources available to them (Åslund et al., 2014; Kim & Garman, 2003).

Financial stress refers to an individual’s subjective perception of his or her personal finances or inability to meet financial obligations (Heo et al., 2020; Kim & Garman, 2003). Financial distress is an effect; hence, it can be defined as a psychological reaction to the stress about an individual’s state of general financial wellness (Garman et al., 2005). Garman et al. (2005) suggested that financial distress reflects an employee’s perceptions about her or his inability to manage financial resources such as income, paying bills, repaying loans and debts, and savings. Financial wellness, on the
other hand, refers to an employee’s level of financial health (Joo, 2002). It includes (a) satisfaction with personal financial situations including nonmaterial and material financial resources, (b) perception about financial stability, (c) financial behaviors that manage and maintain financial stability and personal finances, and (d) some objective measures of nonmaterial and material financial resources that a person possesses. Joo (2002) argued that low level of financial wellness is an antecedent of financial stress/distress.

In recognizing the interwoven relationships among financial stress, financial distress, and financial wellness, Garman and his associates (Garman et al., 2005; Kim & Garman, 2003; O’Neill et al., 2006) conducted a number of studies and conceptualized FWB that incorporates items about financial stress, items about an individual’s perception about his or her capacity to meet financial expenditure and emergency, and an item about financial wellness that indicates an individual’s satisfaction with his or her present financial situation. FWB was thus defined as “the reported state of affairs about one’s economic situation in life” (Garman et al., 2005, p. 233). Since then, this “personal” FWB scale has been applied to study the financial situation among U.S. citizens (O’Neill et al., 2006) and college students’ FWB and financial behaviors (Gutter & Copur, 2011). More importantly, O’Neill et al. (2006) reported that around 25% of working adults—that is, 30 million workers—in the United States were experiencing serious financial distress and a low level of personal FWB in the 2000s.

Personal FWB can represent people’s FWB, in particular for those who were born and who live in Australia, most European countries, and North America. It is because many young adults leave their parents’ homes in the early twenties to live independently (Iacovou, 2002). These young adults pay for their own higher education, rent, food, entertainment, and other living expenditures. Their parents do not expect to get returns from their kids. Hence, FWB is a more personal matter in Western societies. In Asia where Confucianism still dominates, parents devote time, effort, and money to raise and educate children. The bond between parents and children will not be weakened even after children get married. Many couples require their parents to take care of grandchildren, especially when both husband and wife need to work full-time. Indeed, many Asians believe that they have obligations to provide the best possible living conditions to children, an act of child-rearing or “chiao-yang” in Chinese term (Yang & Rosenblatt, 2008; Zhou & Kim, 2006). In recent years, many Chinese young couples have to seek financial support from their parents to purchase their apartments due to the surge of real estate prices (Zhang, 2017). On the other hand, many Chinese working adults contribute significantly to support their own family, their parents, and even grandparents financially (Chen & Liu, 2012). As such, an individual’s personal FWB influences his or her family FWB in the Chinese context. Kwon et al. (2003) argued that husbands are generally the major or sole source of income in their families, and job insecurity poses a significant threat to family FWB in Asia. Thus, we posit the following hypothesis:

Hypothesis 1 (H1): Job insecurity negatively influences employees’ personal FWB.

Hypothesis 2 (H2): Job insecurity negatively influences employees’ family FWB.

Hypothesis 3 (H3): Employees’ personal FWB positively influences their family FWB.

Effects of Job Insecurity and Employees’ FWB on Work Satisfaction

Job insecurity negatively impacts employees’ work satisfaction (Power & Hira, 2010; Probst, 2005; Probst & Ekore, 2010). Specifically, Probst (2005) explored the negative effects of job insecurity on employee attitudes and behaviors. Based on responses from 807 employees in six companies, Probst (2005) reported that job insecurity was related to lower work satisfaction, high turnover intention, and employees’ work withdrawal behaviors. Probst and Ekore (2010) carried out a similar study in Nigeria. They reported that job insecurity was significantly related to lower work satisfaction, high turnover intention, and poor work attitudes. Sánchez-Sellero et al. (2017) analyzed job instability and work satisfaction of Spanish temporary workers during the 2008 economic crisis. They showed that there was a weak negative association between job instability and work satisfaction.

Kim et al. (2006) studied the relationships among financial stress, satisfaction with family relations, work satisfaction, and workplace absenteeism. Kim et al. (2006) reported that high financial stress adversely affected employees’ work satisfaction and work productivity. Shoss and Probst (2012) suggested that employees’ financial stress altered their behavioral responses, adversely affected the interpersonal climate, and decreased job-related satisfaction. Power and Hira (2010) showed that employer-sponsored financial education programs improved employees’ understanding of employer-provided benefits and their feelings of FWB, thus leading to a higher level of work satisfaction. Hence, we hypothesize the following:

Hypothesis 4 (H4): Job insecurity negatively influences work satisfaction.

Hypothesis 5 (H5): Employees’ personal FWB positively influences work satisfaction.

Hypothesis 6 (H6): Employees’ family FWB positively influences work satisfaction.

The Mediating Role of Employees’ Family FWB

Personal and family financial issues are closely related (Prawitz et al., 2006). Garman and Sorhaindo (2005) noted that there are spillover effects of perceived financial stress.
Stevenson et al. (2020) investigated how family helps people facing economic challenge. They reported that the relationship between well-being and financial distress (or stress) was mediated by the collective family financial efficacy. In addition, the relationship between FWB and life satisfaction was found to be mediated by social capital including family support (Yeo & Lee, 2019). Thus, it is very probable that an employee’s personal FWB will influence his or her family FWB, which in turn will affect his or her work satisfaction. We posit the following hypothesis:

**Hypothesis 7 (H7):** Employees’ family FWB mediates the relationship between employees’ personal FWB and work satisfaction.

Figure 1 shows the relationships among job insecurity, employees’ personal FWB, employees’ family FWB, and work satisfaction. The six hypotheses (H1–H6) are also shown in Figure 1.

**Method**

**Population and Sample**

Macao is a special administration region of China. It has the highest GDP per capita at US$83,361, followed by Hong Kong at US$48,915 in China’s cities in 2018. Macao has transformed from a fishing village to the world’s gaming center with a service-based economy over the past century (Huang & To, 2018). According to the statistics provided by the Macao Statistics and Census Service (2018), around 158,200 people (41.7% of the total workforce) are employees in the gaming, hospitality, and finance industries.

Because Macao is a service economy, the sample of the study included employees working in service organizations, that is, pink-collar workers. The research team contacted human resources departments of 112 organizations including banks, gaming companies, insurance companies, and hotels. According to the Yearbook of Statistics 2017 published by the Macao Statistics and Census Service (2018), there were 29 banks, six casino operators, 66 two-star or above hotels, and 11 major insurance companies in Macao. Among them, 30 agreed to participate. A package containing a cover letter explaining the purpose of the study, an instruction note, 25 copies of the questionnaire, and a prepaid return envelope was posted to each organization. Following the standard institutional ethical protocol, respondents were assured that the survey was anonymous and the data were kept confidential. In addition, respondents could withdraw from the survey at any time. In total, 750 copies of the questionnaire were sent to the target organizations.

**Instrument and Measures**

The questionnaire consisted of two parts. The first part had 19 items measuring job insecurity, employees’ personal FWB, employees’ family FWB, and work satisfaction. Job insecurity refers to an individual’s perception of a threat of losing his or her job (De Cuyper & De Witte, 2006; Haynie et al., 2016). We adopted two items from De Cuyper and De Witte (2006) and adapted two items from Marques et al.’s (2011) study. Items were rated using a 5-point Likert-type scale with 1 = strongly disagree and 5 = strongly agree. The Cronbach’s alpha value of job insecurity was .82. Employees’ personal FWB refers to an individual’s perception about his or her economic situations including perceived financial stress/wellness (Garman et al., 2005; Prawitz et al., 2006). Garman et al. (2005) developed the personal FWB scale and reported that the scale was highly reliable with a Cronbach’s alpha of .956. Hence, we adopted seven items from Garman et al. (2005) to measure employees’ personal FWB. In addition, employees’ family FWB plays an important role in the Asian context (Cheung & Leung, 2008; Yao et al., 2011). We adapted three items from Garman et al.’s (2005) and Yao et al.’s (2011) studies to measure respondents’ perception toward their future family financial situation and concerns about whether they can provide a decent life to their children and offer higher education opportunities to children. Items of FWB were rated using a 10-point scale with 1 representing a low level of financial health/FWB and 10 representing a high level of financial health/FWB. The Cronbach’s alpha values of employees’ personal FWB and employees’ family FWB were .92 and .91, respectively. Finally, we adopted five items from Minnesota Satisfaction Questionnaire (Hirschfeld, 2000) to measure employees’ work satisfaction. These items were rated using a 5-point Likert-type scale with 1 = strongly disagree and 5 = strongly agree. The Cronbach’s alpha value of employees’ work satisfaction was .87. The second part contained eight questions capturing a respondent’s demographic information such as gender, age group, education, working experience, marital status, personal monthly income, position, and service industry.

The questionnaire was developed in English, translated to Chinese, and checked through back-translation (Brislin et al., 1973). This back-translation method was used to ensure that
there was no discrepancy in meaning between the English and Chinese items. A pilot study was conducted by inviting two faculty members teaching financial planning and management in a higher education institution and 20 employees working in a hotel to fill in the draft questionnaire in Chinese. All respondents stated that they could complete the questionnaire within 10 to 15 min and the items measured what they were supposed to measure. Nevertheless, 12 respondents suggested modifying the wording of two items to improve clarity. Their suggestions were incorporated in the final version of questionnaire in Chinese. Table 2 shows items of job insecurity, employees’ personal FWB, employees’ family FWB, and work satisfaction used in the questionnaire with factor loadings from a confirmatory factor analysis.

**Data Analysis**

Data were entered to an IBM SPSS 24.0 file. Statistical analyses were conducted using IBM SPSS 24.0. Confirmatory factor analysis was performed to assess the degree to which the four-factor measurement model fitted the collected data with maximum likelihood estimation using IBM SPSS AMOS 24.0. The overall fit of the model to the data was evaluated using the normed chi-square ($\chi^2/df$), the goodness-of-fit index (GFI), the Tucker–Lewis index (TLI), the comparative fit index (CFI), and the root mean square error of approximation (RMSEA). The criteria for an acceptable model fit were as follows: $\chi^2/df \leq 3$, GFI $\geq 0.90$, TLI $\geq 0.90$, CFI $\geq 0.90$, and RMSEA $\leq 0.08$ (Hair et al., 2009). Structural equation modeling was performed to test the hypotheses concerning the effects of job insecurity on employees’ personal FWB and employees’ family FWB, and work satisfaction used in the questionnaire with factor loadings from a confirmatory factor analysis.

**Results**

Out of the 750 questionnaires distributed to the 30 selected organizations, 334 completed questionnaires were returned, resulting in a response rate of 44.5%. Of these respondents, more than half of them were females (52.4%), aged between 20 and 39 years (85.3%), had a bachelor’s degree (59%) and had been working for more than 2 years (79%). Most of them were single (57.5%), followed by married with kids (26.6%). In terms of income, 195 (58.4%) of them had a monthly salary between US$1,250 and US$2,499, 67 (20.1%) of them between US$2,500 and US$3,749, and only 10 (3%) of them at or higher than US$3,750. Table 1 presents the demographic profile of all respondents.

Nonresponse bias was evaluated by comparing the first wave and last wave of responses, that is, the first and last 100 responses. Following Armstrong and Overton’s (1977) recommendations, independent sample $t$-tests were conducted to examine the differences between two waves of responses. The significance values of the $t$-tests were greater than 0.05, indicating that nonresponse bias was not significant.

Independent $t$-tests and analyses of variance were used to compare means of job insecurity, employees’ personal FWB, employees’ family FWB, and work satisfaction items across gender, age group, education, working experience, and marital status. There were no significant differences among means in most of the items. Item responses were checked for normality using Kolmogorov-Smirnov test and the Shapiro-Wilk test. The results indicated that the data were normally distributed for all items. In addition, the values of skewness ranged from −0.27 to 0.39 (between −2.0 and 2.0), and the values of kurtosis ranged from −0.71 to 0.40 (between −7.0 and 7.0), confirming that the response data were normally distributed.

Table 2 shows factor loadings, the values of composite reliability, and average variance extracted (AVE) of each scale. All factor loadings were greater than 0.6 whereas the values of composite reliability ranged from .82 to .92 and the AVE values ranged from 0.53 to 0.77, supporting convergent validity (Hair et al., 2009). Table 3 presents the means, standard deviations, and correlations between each pair of scales.
Table 2. Scales and Items With FL, CR, and AVE.

| Scales and items                      | FL  | CR  | AVE |
|---------------------------------------|-----|-----|-----|
| Job insecurity                        |     |     |     |
| I am frequently worried about the employment situation in my service sector. | .70 |     |     |
| I am frequently worried about the future of my company. | .77 |     |     |
| I am unable to prevent negative things from affecting my job situation. | .65 |     |     |
| I feel insecure about the future of my jobs. | .78 |     |     |
| Employees' personal FWB               |     |     |     |
| What do you feel is the level of your financial stress today? | .81 |     |     |
| How satisfied you are with your present financial situation? | .77 |     |     |
| How do you feel about your current financial situation? | .84 |     |     |
| How often do you worry about being able to meet normal monthly living expense? | .81 |     |     |
| How confident are you that you could find the money to pay for a financial emergency (~US$1,000)? | .62 |     |     |
| How frequently do you find your income just enough for your monthly expenses? | .74 |     |     |
| How stressed do you feel about your personal finances in general? | .85 |     |     |
| Employees' family FWB                 |     |     |     |
| How confident are you that you and your spouse will have enough money to live comfortably through retirement? | .80 |     |     |
| How often do you worry about whether you will have enough money to provide your kid(s) with a decent environment? | .93 |     |     |
| How often do you worry about whether you can support your kid(s) financially to pursuing higher education? | .91 |     |     |
| Work satisfaction                     |     |     |     |
| Your work gives you a sense of accomplishment. | .84 |     |     |
| Your work makes good use of your abilities. | .83 |     |     |
| Your work is interesting to you.      | .79 |     |     |
| Your work gives you a chance for promotion. | .70 |     |     |
| Your suggestions and ideas are being accepted. | .61 |     |     |

Note. FL = factor loadings; CR = composite reliability; AVE = average variance extracted; FWB = financial well-being.

The mean score of job insecurity was 2.99 (out of a 5-point Likert-type scale), implying that respondents did not feel secure or insecure with their jobs. The mean scores of employees’ personal FWB and family FWB were 5.51 and 4.95 (out of a 10-point scale), indicating that respondents had slightly lower level of stress on personal FWB and medium level of stress on family FWB. The mean score of work satisfaction was 2.76 (out of a 5-point Likert-type scale), showing that respondents were slightly unsatisfied with their works. In addition, there was negative and significant relationships between job insecurity and employee’s personal FWB ($r = -0.20, p < .01$) and between job insecurity and employees’ family FWB ($r = -0.20, p < .01$). However, the relationship between job insecurity and work satisfaction was not significant ($r = -0.04, n.s.$). Employees’ personal FWB was positively, significantly associated with employees’ family FWB ($r = .62, p < .001$) and work satisfaction ($r = .35, p < .001$). Employees’ family FWB was also positively, significantly associated with work satisfaction ($r = .36, p < .001$). Discriminant validity was assessed by comparing the square root of AVE for a scale with correlations between this scale and all other scales (Fornell & Larcker, 1981). As shown in Table 3, the square root of AVE of each scale was greater than correlations between the scale and all other scales, supporting discriminant validity.

Confirmatory Factor Analysis

Confirmatory factor analysis was performed using IBM SPSS AMOS 24.0. The results of the four-factor measurement model were as follows: $\chi^2/df = 2.08 (\chi^2 = 303.1, df = 146, p < .001)$, GFI = 0.91, TLI = 0.95, CFI = 0.96, and RMSEA = 0.057, implying that the model fitted the data adequately. The results of the one-factor measurement model were as follows: $\chi^2/df = 11.74 (\chi^2 = 1,784.4, df = 152, p < .001)$, GFI = 0.58, TLI = 0.49, CFI = 0.55, and RMSEA = 0.180. A comparison of the measurement model results indicated that the four-factor model should be used.

Structural Equation Modeling

Structural equation modeling was performed using IBM SPSS AMOS 24.0 to examine the relationships among scales as shown in Figure 1. Gender, age group, marital status, qualification, and working experience were used as controlled variables. The results of structural equation modeling showed
some relationships among scales to be insignificant. Specifically, job insecurity did not have a significant effect on employees' family FWB ($\beta = -0.13$, n.s.) and work satisfaction ($\beta = 0.05$, n.s.). Thus, H2 and H4 were not supported. These two paths were sequentially removed from the model to obtain the most parsimonious structural model. Figure 2 shows the final structural model. The fit indices were $\chi^2/df = 2.07$ ($\chi^2 = 306.1$, $df = 148$, $p < .001$), GFI = 0.91, TLI = 0.95, CFI = 0.96, and RMSEA = 0.057, implying that the final structural model fitted the data adequately. The final model indicated that job insecurity negatively, significantly influenced employees' personal FWB ($\beta = -0.20$, $p < .01$), supporting H1. Employees' personal FWB positively, significantly influenced employees' family FWB ($\beta = 0.62$, $p < .001$) and work satisfaction ($\beta = 0.22$, $p < .01$), supporting H3 and H5. In addition, employees' family FWB had a direct effect on work satisfaction ($\beta = 0.22$, $p < .01$), supporting H6.

To examine the mediating role of employees' family FWB on the relationship between employees' personal FWB and work satisfaction, we followed the three-step procedure suggested by Baron and Kenny (1986). First, the relationship between the independent variable (employees' personal FWB) and the dependent variable (work satisfaction) was investigated. It was found that employees' personal FWB significantly influenced work satisfaction ($B = 0.35$, $p < .001$).

Second, the relationship between the independent variable (employees' personal FWB) and the mediator variable (employees' family FWB) was assessed. Employees' personal FWB was found to significantly influence employees' family FWB ($B = 0.62$, $p < .001$). Finally, the mediating effect of employees' family FWB was evaluated by regressing both employees' personal FWB and family FWB onto work satisfaction. The effect of employees' personal FWB on work satisfaction decreased to $B = 0.22$ and was significant at the .01 level ($p < .01$) when employees' family FWB was added. The effect of employees' family FWB on work satisfaction was also significant at the .01 level ($B = 0.22$, $p < .01$). In addition, a bootstrapping procedure was used to determine the total, direct, and indirect effects among employees' personal FWB, employees' family FWB, and work satisfaction. Research showed that the performance of bootstrapping—a nonparametric resampling procedure is better than the traditional Sobel test (MacKinnon et al., 2004). Table 4 shows the total, direct, and indirect effects between the selected three variables using 2,000 resamples. All the total, direct, and indirect effects were found to be significant, and all confidence intervals did not contain zero. Thus, employees' family FWB partially mediated the influence of personal FWB on work satisfaction, supporting H7.

Test for Common-Method Bias

Whereas the items of the questionnaire were answered by respondents, we performed a Harman’s one-factor test for assessing common-method bias. We conducted the one-factor test by including all items in a principal component factor analysis. The test results showed that four factors emerged, and the first unrotated factor only accounted for 35.6% (less than 40%) of the total variance, indicating that common-method bias was not an issue (Podsakoff & Organ, 1986).

Discussion

In a collectivistic society such as China, employees’ FWB is more than how much financial resources employees have and they can deploy on their own. Employees’ FWB also represents whether people can take care of themselves after retirement and more importantly their children financially

Table 3. The Means, Standard Deviations, and Inter-Construct Correlations.

| Scale/Construct | Ms  | SD   | JI   | PFWB | FFWB | WS   |
|-----------------|-----|------|------|------|------|------|
| JI              | 2.99| 0.87 | .73  |      |      |      |
| PFWB            | 5.51| 1.68 | -.20*| .78  |      |      |
| FFWB            | 4.95| 1.92 | -.20*| .62***| .88  |      |
| WS              | 2.76| 0.74 |      | .35***| .36***| .76  |

Note. Values on the diagonal in bold and italics are the square roots of AVE values. JI = job insecurity; PFWB = personal financial well-being; FFWB = family financial well-being; WS = work satisfaction; AVE = average variance extracted.

*p < .05. **p < .01. ***p < .001.
The results of confirmatory factor analysis and structural equation modeling confirmed that employees’ personal FWB and employees’ family FWB are two distinct categories of employees’ FWB. The structural equation modeling results indicated that job insecurity negatively and significantly influenced employees’ personal FWB whereas work satisfaction was affected by employees’ personal FWB directly and indirectly via employees’ family FWB. The results supported the general notion that job insecurity leads to financial stress/distress (Barazzetta et al., 2015; Giannetti et al., 2014; Rajani et al., 2016). They also supported Kim et al.’s (2006) remarks that financial stress affects employees’ work satisfaction. Our empirical results showed that the direct effect of job insecurity on employees’ personal FWB was negative, weak, and significant. The total effect of employees’ personal FWB on work satisfaction was positive, moderate, and significant whereas the direct effect of employees’ personal FWB on family FWB was positive, strong, and significant. Hence, in light of the frequent organizational changes in today’s competitive business environment, organizations should promote job security to retain capable employees. Organizations should also provide financial planning and management training to employees so that they can manage and allocate financial resources more wisely. It is because only when employees feel more control on their personal and family FWB, they are more satisfied with their jobs.

The statistical analysis revealed that people in Macao had medium level of stress on employees’ family FWB and slightly lower level of stress on employees’ personal FWB. It can be understood because Macao enjoyed double-digit economic growth almost every year during the period of 2002–2013 in terms of GDP (Macao Statistics and Census Service, 2020). The gaming revenue dropped by almost 40% because the central government of China had to fight against corruption and extravagance between 2014 and 2016 (McCarty, 2016), and it had plunged by more than 90% on a year-to-year basis since April 2020 due to the COVID-19 (Macao Gaming Inspection and Coordination Bureau, 2020). Macao’s unemployment rate has been lower than 4% since 2007. However, the inflation due to the continuous rise in living expenses and surge in property price negatively affects many people, especially those who are 20 to 29 years old and entering the marriage age and expecting their children. Similar situations have been reported in major cities such as Hong Kong, Shanghai, and Beijing in China and Seoul in Korea (Yang & Rosenblatt, 2008). In addition, the current COVID-19 pandemic puts enormous pressure on Macao’s service industries (Macao Government Tourism Office, 2020).

The statistical analysis also showed that Macao’s employees were slightly unsatisfied with their work and did not feel secure or insecure with their jobs. The findings were consistent with those reported by Wan (2010) who investigated employees’ work-related perceptions in Macao’s casinos.

### Practical Implications

The structural equation modeling results indicated that employees’ family FWB partially mediated the relationship between employees’ personal FWB and work satisfaction. Thus, a more positive work attitude including better work satisfaction can be enhanced by a high level of employees’ family FWB. Organizations and their management must understand how employees view personal and family FWB and offer financial planning training and services to employees to help them and their families cope with economic uncertainties and manage their stress. It is particularly essential in light of the current COVID-19 pandemic, which has hit the global economy and people’s livelihoods in an unprecedented scale and manner, even though governments all over the world have implemented economic simulation packages and income protection schemes (Brewer & Gardner, 2020; Tuzovic & Kabadayi, 2020). Tuzovic and Kabadayi (2020)
suggested that while social and financial supports from governments can offer relief in financial difficulties for those employees who lose their jobs in the short-term, the prolonged COVID-19 will inevitably adversely affect employee well-being including FWB significantly. Macao’s casinos have faced enormous challenges due to the substantial decrease in the number of tourists and gamblers. Yet, they have kept jobs for local employees and even reached out to help those in financial difficulties (Huang & To, 2020). The structural equation modeling results showed that even though job insecurity did not have a direct effect on work satisfaction, it had an indirect effect on work satisfaction through employees’ FWB.

**Theoretical Implications**

The study contributes to the well-being literature in two ways. First, the existing literature (Garman et al., 2005) views FWB from a personal perspective, that is, employees’ personal FWB is used to represent an individual’s FWB. The study steps forward to enrich the literature by adding one more level of FWB, that is, employees’ family FWB, to the existing measure from a broader perspective. In a collectivist culture, such as China, Korea, Japan, and Singapore, people view their families and children more than all other things. Second, Kwon et al. (2003) indicated that job insecurity could pose a significant threat to family FWB. Nevertheless, they investigated the effects of husbands’ job insecurity on emotional distress and marital conflict instead of studying the impact of job insecurity on family FWB. The findings of our study provided empirical evidence that job insecurity affected employees’ family FWB indirectly through employees’ personal FWB.

**Limitations and Future Research**

The study has some limitations that should be addressed in future research. First, the study was a cross-sectional survey and the strength of relationships among scales might change with time. Second, the study’s findings were based on the responses from 334 Chinese pink-collar workers in Macao. The sample size could have been larger, from various industries, and collected from other cities in China and other Asian countries so that the findings could be generalizable to different environments. In addition, future research can focus on other cultures to re-examine the relationships among job insecurity, employees’ personal FWB, employees’ family FWB, and work satisfaction. Other personal and organizational variables can be examined to identify antecedents of employees’ personal FWB. Such additional variables may offer new insights into what organizations can do to help employees feel more financially secured and contended, and in turn, to have a better family FWB and more satisfied with their work.

**Conclusion**

Job insecurity affected employees’ perception of FWB. In addition, our study extended employees’ FWB to two distinct categories: one for personal FWB and one for family FWB. This extension is particularly relevant to the collectivist culture in Asia. The results of structural equation modeling confirmed that job insecurity negatively influenced employees’ personal FWB and employees’ personal FWB had a positive significant effect on employees’ family FWB. Besides, employees’ work satisfaction was significantly dependent on employees’ personal FWB directly and indirectly through employees’ family FWB.

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**ORCID iD**

Wai Ming To[https://orcid.org/0000-0002-7208-6873](https://orcid.org/0000-0002-7208-6873)

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