Does Parental Job Insecurity Matter? Money Anxiety, Money Motives, and Work Motivation

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A structural model focusing on the spillover effect of parental perceived job insecurity on money anxiety was developed and tested. The crossover effect of parents’ money anxiety on their children’s money anxiety, money motives, and motivation to work was also examined. Data were collected from a sample of undergraduates and their parents. Results of structural equation modeling analyses supported a spillover effect of paternal perceived job insecurity on paternal money anxiety. However, maternal perceived job insecurity was not significantly associated with maternal money anxiety. Results also supported a crossover effect of parental money anxiety on youths’ money anxiety. Youths’ money anxiety was significantly related to youths’ negative money motives. In turn, youths’ negative money motives were associated with their intrinsic motivation to work. Implications of the findings are discussed.

Keywords: parental job insecurity, spillover mechanism, crossover mechanism, money attitudes, money anxiety

Recent changes in the world and the workplace have generated considerable feelings of job insecurity among employees of today. Job insecurity is defined as “perceived powerlessness to maintain desired continuity in a threatened job situation” (Greenhalgh & Rosenblatt, 1984, p. 438). Greenhalgh and Rosenblatt (1984) explained that what the individual perceives as potential loss of continuity in a job situation can range from permanent loss of the job itself to loss of some subjectively important features of the job. Inherent in this definition is the idea that job insecurity is perceived and that there is more to job insecurity than just a potential termination of the whole job. Thus, the prospect of having to lose one’s job or job features involuntarily inevitably generates perceptions of job insecurity. Job insecurity is expected to increase as employees face increasing uncertainty about the nature and existence of their present jobs due to widespread organizational restructuring, mergers, acquisitions, and downsizing (Hellgren & Sverke, 2003; Sverke & Goslinga, 2003).

Previous research has shown that job insecurity is a stressful experience for employees (e.g., Ashford, Lee, & Bobko, 1989; De Witte, 1999; Lim, 1996). Perceived job insecurity has been associated with health-related outcomes, such as insomnia, distress, psychological adjustment, and psychosomatic complaints (e.g., Ashford et al., 1989; Rosenblatt & Ruvio, 1996), and work-related outcomes, such as job dissatisfaction, noncompliant job behaviors, reduced organizational commitment, and intention to quit (e.g., Davy, Kinicki, & Schein, 1997). More recently, another stream of research has emerged. Led by Barling and his associates (e.g., Barling, Dupre, & Hepburn, 1998; Barling & Mendelson, 1999; Barling, Zacharatos, & Hepburn, 1999; Stewart & Barling, 1996), these studies suggest that the effects of job insecurity go beyond the insecure employee. Indeed, Stewart and Barling found that children of job-insecure individuals experienced social and school-related problems.

Extant studies, however, have not examined the effects of employees’ perceived job insecurity on their money beliefs or on their children’s1 money beliefs and intrinsic motivation to work. As parents often serve as the main source of money for their children, parents’ work experiences and money pressures can have significant impact on their children’s attitudes toward money, work, and the economic world; yet, little is known about how job insecurity affects employees’ money anxiety and their children’s money beliefs and intrinsic motivation to work.

Our study has three main objectives. First, it fills the gap in the job insecurity literature by developing and testing a model that clarifies the processes through which parents’ work experience and money anxiety affect their children’s beliefs about money and work. This model draws on research on spillover and crossover mechanisms (e.g., Almeida, Wethington, & Chandler, 1999; Bolger, DeLongis, Kessler, & Wethington, 1989) to explain the impact of parents’ perceived job insecurity on their money anxiety and on their children’s money beliefs and intrinsic motivation to work.

Second, our study builds on and extends previous theoretical efforts on job insecurity by systematically linking this stream of

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1 The youth in our study ranged in age from 18 to 22. In light of their ages, the term children as used in this article refers to the offspring of the job incumbents.
work with research on money and economic socialization to provide insights into the dynamics underlying the relationships among parental perceived job insecurity, money anxiety, children’s money beliefs, and children’s motivation to work. In linking these two bodies of literature, our research enables us to expand the focus of these streams of studies and build on the conclusions of previous works in these areas. In doing so, our findings add to and enrich the research streams on these topics.

Research on money and economic socialization has revealed that young people’s understanding of the value of money is influenced by socialization agents in their social environment; parents constitute a primary socialization agent in this environment (Conger, Rueter, & Conger, 2000; Furnham & Stacey, 1991). Drawing from theoretical arguments and empirical evidence provided by research on socialization, we predict that parents’ money anxiety arising from perceived job insecurity can cross over to affect their children.

Third, our study contributes to the literature on money and youths’ work attitudes by examining the impact of youths’ money anxiety on their money motives and intrinsic motivation to work. Scholars have noted that youths’ preemployment acquisition of work beliefs, attitudes, and economic constructs help predict their behaviors in organizations and attitudes toward unions (cf. Barling, 1990; Barling, Kelloway, & Bremermann, 1991; Kelloway, Barling, & Agar, 1996; Kelloway & Harvey, 1999; Kelloway & Watts, 1994). Hence, youths’ intrinsic motivation to work that is developed prior to entering the workforce may serve as a basis for their future work development. In line with this notion, we argue that the practical and theoretical importance of our study is especially strong, in a period in which organizational changes and restructurings have threatened job insecurity, affecting the insecure employees and their families. Specifically, examining the relationships among youths’ money anxiety, money motives, and intrinsic motivation to work entails both theoretical and practical significance in that it helps provide scholars and practitioners with an understanding of how parental work experience and money anxiety may affect youths’ beliefs about money and work. This can help significantly in the design and implementation of organizational interventions to assist employees and their families in dealing with the impact of job insecurity.

Integrating prior theoretical efforts and research in the job insecurity, money, and economic socialization literature, we present the research model linking the main variables in our study in Figure 1. As shown, we predicted that parental perceived job insecurity would have a spillover effect on money anxiety. Money anxiety is defined as the extent to which people worry about money (Lim & Teo, 1997). It is a cognitive assessment of one’s money situation and affective response to it. This response largely focuses on one’s inadequacies as a result of lack of money (Lim & Teo, 1997). Money anxiety is associated with unpleasant feelings of tension and apprehension associated with money.

A concept that is related to money anxiety and has attracted considerable attention in the literature on unemployment and job loss is financial strain. Financial strain pertains to individuals’ assessment of their current and future economic situation, their ability (or inability) to afford the basic necessities in life, and the need to make adjustment in their expenses (Conger et al., 2000). Although the concepts are intrinsically linked, money anxiety diverges from the construct of financial strain in a number of ways. First, money anxiety is two-dimensional in its conceptualization. Notably, money anxiety comprises a cognitive element (worry) and an affective element (anxiety). It refers to an overall, evaluative feeling that individuals have about money. More specifically, it involves a sense of worry and apprehension that individuals have about their money situation. Accordingly, the construct of money

![Figure 1. Hypothesized structural equation model. Ovals indicate latent factors; rectangles indicate measured variables.](image-url)
Financial strain, on the other hand, is tridimensional in nature, comprising an objective indicator (income–debt ratio), a cognitive element (worry), and a behavioral element (having to make economic adjustment). These dimensions are assessed accordingly, in empirical operationalization of the financial strain construct. Research examining financial strain as a variable has required the respondents to provide an assessment of their current and anticipated financial hardship, such as difficulty living on their household income and the need to make behavioral adjustment (e.g., cutbacks or adjustment in expenses) as a result of loss of income arising from unemployment (Price, Choi, & Vinokur, 2002).

Second, the construct of money anxiety diverges from financial strain in its theoretical origin. The construct of money anxiety was developed by researchers in the stream of studies focusing on individuals’ attitudes toward money (e.g., Furnham & Argyle, 1998; Lim & Teo, 1997). Extant studies have found that money anxiety is a good predictor of people’s spending and saving habits (e.g., Lim & Teo, 1997).

Financial strain, on the other hand, has its roots in the stream of research focusing on job loss and unemployment. Studies examining financial strain as a variable have focused on unemployed individuals and their spouses. Respondents would typically be asked to report on their ability to afford basic necessities such as housing, food, and medical resources; the need to make cutbacks in expenses; and anticipation of future hardships. Previous studies have found that financial strain predicts people’s job search behaviors following job loss—that is, those who reported financial strain engaged in more intense job search (e.g., Vinokur & Schul, 2002).

As our study focused on job-insecure individuals (i.e., persons who have not actually lost their jobs) and their children, we felt that examining money anxiety would be more relevant and appropriate. This is because the adults in our study had not yet experienced any job loss. Thus, the use of a measure that assesses any need for economic cutback may not have been appropriate. As well, the youths in the families may not have been in a good position to provide an accurate assessment of the family’s financial condition and whether the family was able to provide basic necessities such as food, medical, and housing resources and whether behavioral adjustments were required. These considerations led us to focus on money anxiety, which involves an overall feeling of tension and worry, as it is more applicable and relevant in the context of job-insecure individuals and their children. In the current study, we predicted that parental money anxiety would be related to children’s money anxiety.

Children’s money anxiety is related to their negative money motives, defined as one’s underlying motives for obtaining money for purpose of social comparison and overcoming self-doubt (Srivastava, Locke, & Bartol, 2001). In turn, children’s negative money motives are associated with their intrinsic motivation to work. Intrinsic motivation to work refers to the extent to which an individual feels positive about doing good work and feels negative about working poorly (Yamauchi, Lynn, & Rendell, 1994). Individuals who are intrinsically motivated tend to derive pleasure from work and view work as highly meaningful in itself.
Fathers who perceive job insecurity may express more hostility in family interactions. Mothers, on the other hand, may be better able to delineate the boundary between work and family domains and minimize the spillover of job insecurity to the home domain. Considered collectively, findings of previous research lend compelling evidence for us to posit separate hypotheses to examine the differential effects of perceived job insecurity on money anxiety for fathers and mothers:

Hypothesis 1a: Paternal perceived job insecurity will be positively associated with paternal money anxiety.

Hypothesis 1b: Maternal perceived job insecurity will be positively associated with maternal money anxiety.

Crossover Effects of Parental Money Anxiety on Youths’ Money Anxiety

To the extent that parental job insecurity affects parental money anxiety, we argue, parental money anxiety has a crossover effect on children’s money anxiety through socialization and family interactions. The literature on work–family conflict refers to crossover effect as the influence that stress or strain experienced by the individual has on the stress or strain experienced by a significant other or family members (Westman, 2001). Crossover effect is different from spillover effect in that it is an interindividual contagion process. In the context of our study, we argue that the crossover effect of parental money anxiety on children’s money anxiety can be largely explained by research on family socialization.

Extant research on family socialization suggests that children learn about their parents’ work experiences directly through verbal communication with their parents as well as indirectly through the observation of their parents’ moods and behaviors (e.g., Piotrowski & Stark, 1987). Scholars have provided compelling evidence that parental money beliefs and behaviors can, and do, have a major impact on young people (e.g., Rendon & Kranz, 1992).

In line with these findings, we argue that parental beliefs and attitudes toward money can cross over to affect youths through interactions within the family. When youths perceive their parents to have some sort of money anxiety arising from a fear of losing their job or aspects of their job, they may develop feelings of money insecurity and be compelled to feel anxious about money matters. Hence, parents implicitly or explicitly convey their money anxiety to their children through daily interactions and behaviors. Children learn about economic constructs and develop money anxiety through the experiences and emotions of their parents. Along this line of reasoning, we hypothesized the following:

Hypothesis 2a: Paternal money anxiety will be positively associated with youths’ money anxiety.

Hypothesis 2b: Maternal money anxiety will be positively associated with youths’ money anxiety.

Youths’ Money Anxiety and Youths’ Negative Money Motives

Youths who experienced anxiety about money are likely to place a greater emphasis on money matters relative to other aspects of their lives. For these youths, money may occupy a central position in their value system and influence their motives for wanting to obtain money. Several motives for obtaining money have been proposed. We focus on the motives that Srivastava et al. (2001) referred to as negative money motives—defined as one’s motives for obtaining money for purposes of social comparison, overcoming self-doubt, and seeking to acquire power over others—because there are strong theoretical reasons and empirical evidence for expecting these motives to be related to youths’ money anxiety. From an empirical standpoint, Srivastava and colleagues found that negative money motives have the strongest predictive accuracy in explaining the relationship between money importance and subjective well-being, noting that it is not money importance but negative money motives that are detrimental to one’s subjective well-being.

At the theoretical level, arguments drawn from research on money seem to suggest that money motives, specifically negative ones, have some theoretical linkages with money anxiety. Our reasoning is as follows. Research on money attitudes suggests that experiences of money anxiety often generate feelings of self-doubt in individuals (Lim & Teo, 1997). Research on job loss and job insecurity has explained as well that self-doubt arising from the inability to provide for the family is common among job-insecure individuals (Broman, Hamilton, & Hoffman, 2001). Considered collectively, findings from these streams of research suggest that parental money anxiety arising from job insecurity may be interpreted by youths as a sign of failure or inadequacy on the part of their parents to provide for the family. Hence, we argue that youths who observe their parents experiencing money anxiety, and who themselves experience money anxiety, will view money as instrumental in alleviating their feelings of self-doubt. Thus, these youths will be compelled to obtain money for the purpose of overcoming feelings of inadequacy (social comparison) and self-doubt. As money concerns feature prominently in the central beliefs of money-anxious youths, we predict that negative money motives will play a significant role in these youths’ desire to earn money. Along this line of reasoning, therefore, we posit the following:

Hypothesis 3: Youths’ money anxiety will be positively associated with youths’ negative money motives.

Youths’ Negative Money Motives and Youths’ Intrinsic Motivation to Work

Individuals’ intrinsic motivation to work has been found to be influenced by the beliefs that their efforts will lead to good performance, which in turn generates valued outcomes (e.g., Bandura, 1995; Katzell & Thompson, 1990). Previous studies have provided rather compelling evidence that individuals who work for extrinsic rewards may report lower levels of interest and satisfaction in the work itself. Along this line of reasoning, we argue that youths who are oriented toward making money for the purpose of overcoming feelings of inadequacy and self-doubt (i.e., negative motives) will be more likely to be motivated by extrinsic reasons and rewards. In accord with the research stream on motivation, which has provided rather consistent evidence that extrinsic rewards tend to decrease task motivation and satisfaction, we argue that youths whose underlying motives for making money are negative in nature will tend to work for extrinsic reasons—that is,
they will tend to be less interested in doing work because they do not view work as having intrinsic meaning. Such youths view work as a means to an end. Hence, when individuals engage in work just for the sake of earning money to fulfill extrinsic goals, they are less likely to have positive feelings about doing good work. Consistent with the arguments put forth, we present the following hypothesis:

Hypothesis 4: Youths’ negative money motives will be negatively associated with youths’ intrinsic motivation to work.

Method

Sample and Procedure

Data were collected using questionnaire surveys. Respondents comprised undergraduates as well as the parents of these undergraduates. This allowed us to avoid exclusive reliance on children’s self-report data.

A pretest of the initial questionnaire was conducted with 30 undergraduates and their parents. The main purpose of this pretest was to elicit feedback regarding the clarity of instructions and items in the instrument as well as the overall presentation of the questionnaire. The presentation of the questionnaire was refined on the basis of comments and suggestions obtained.

The final questionnaire was administered to 250 undergraduates attending management classes in a large tertiary institution in Singapore. The undergraduates earned course credits for participating in the study. A 10-min briefing was given to the class of participants, summarizing the objectives of the study as well as instructions for the survey. In addition, each student respondent was required to bring the parental survey questionnaires to his or her parents for completion. The surveys for parents were placed in two separate sealed envelopes. Included in the package addressed to the parents was a cover letter requesting both the father and the mother to complete their respective surveys without consulting each other or their children. Parents were also asked to place the completed surveys in the returned envelopes and seal them. Completed sets of questionnaires were then collected by the researchers 2 weeks later during class.

As we were interested only in responses from dual-income families, we included only those students from whom we obtained complete data (i.e., both parents completed the questionnaires). One hundred eighty-five full data sets were obtained, thus yielding a usable response rate of 74%.

Women made up about 67% of our student respondents. This is consistent with the gender profile of students enrolled in undergraduate management classes in the institution where data were collected. The mean age of undergraduates was 20 years old ($SD = 1.6$); the mean ages for fathers and mothers were 51 years ($SD = 4.3$) and 48 years ($SD = 3.9$), respectively.

The average annual family income was approximately U.S. $46,900. All parents were employed at the time of the survey. Information provided by the parents suggested that the undergraduates came from intact families with heterosexual parents.

Instrumentation

We carried out an extensive review of the literature on job insecurity, money attitudes, and work attitudes to obtain the scales measuring the variables in the present study. Wherever possible, multiple-item scales were used to operationalize the various constructs.

Parental job insecurity. We assessed this variable using Kuhnert and Vance’s (1992) 18-item scale measuring perceived job security. This scale contains items that measure the extent to which employees believe that they could keep their jobs and certain aspects of their jobs indefinitely (job permanence) and the perception that they could easily get comparable jobs elsewhere in the event of present job loss (employment security). Cronbach’s alphas for paternal job insecurity and maternal job insecurity were .73 and .76, respectively.

The Job Permanence subscale comprised 12 items. Sample items include “I can keep my current job for as long as I want it” and “I can be sure of my present job as long as I do good work.” Reliability coefficients for this subscale were .71 for paternal job permanence and .70 for maternal job permanence.

The second subscale, Employment Security, consisted of six items. Examples of items include “I have been actively recruited by other employers in the past year” and “If I lost my present job, I would probably be unemployed for a long time.” The items were scored on a 5-point scale ranging from (1) strongly disagree to (5) strongly agree. Cronbach’s alphas for paternal and maternal employment security were .72 and .70, respectively.

Money anxiety. This variable was assessed with a scale developed by Lim and Teo (1997). The four items in this scale reflect the extent to which people worry about money; they were scored on a scale from (1) strongly disagree to (7) strongly agree. Sample items include “I worry about my finances most of the time” and “I often feel anxious about my personal finance.” Cronbach’s alphas of .72 (paternal money anxiety), .79 (maternal money anxiety), and .76 (youths’ money anxiety) were obtained in this study.

Youths’ negative money motives. We assessed this variable using the six-item negative money motives scale developed by Srivastava et al. (2001). Items pertain to the importance of motives underlying respondents’ desire to earn money. Respondents were asked to indicate the money motives that are important to them on a scale ranging from (1) totally unimportant to (10) extremely important. A Cronbach’s alpha of .90 was obtained for this scale, suggesting high interitem consistency.

The first factor, Overcoming Self-Doubt, include items such as “The purpose for me to earn money is to prove that I am not a failure” and “. . . to prove that I am not as incompetent as some people have claimed.” A Cronbach’s alpha of .92 was obtained for this subscale. Examples of items in the second factor, Social Comparison, include “The purpose for me to earn money is to show that I am better than others” and “. . . to attract the attention and admiration of others.” A Cronbach’s alpha of .88 was obtained for this subscale.

Youths’ intrinsic motivation to work. This variable was assessed with a scale developed by Stern, Stone, Hopkins, and McMillion (1990). The scale comprises eight items scored from (1) strongly disagree to (5) strongly agree. Examples of items include “A worker should feel some responsibility to do a decent job whether or not his/her supervisor is around” and “A person should feel a sense of pride in his/her work.” A Cronbach’s alpha of .70 was obtained, reflecting good interitem consistency.

Covariate. Extant research has established that unstable work and income generate money pressures (e.g., Conger, Patterson, & Ge, 1995; Conger et al., 2000). Thus, it is possible that family income may influence the relationship between job insecurity and money anxiety. As such, we control for family income as a covariate in the structural equation analysis.

Structural Equation Analysis

We estimated the hypothesized structural equation model (see Figure 1) using Arbuckle’s (2003) AMOS 5.0 program. We controlled for the effects of family income by including it as an exogenous variable predicting all of the endogenous variables (Markel & Frone, 1998). As family income was measured by a single item, we made no adjustments for random measurement error. Consistent with Markel and Frone (1998), we fixed its factor loading to 1.0 and measurement error to zero.

For latent variables that were measured by one indicator variable, measurement error was taken into consideration by setting the path from the latent variable to the scale score equal to the product of the square root of the reliability and its standard deviation, and by setting the error variance
equal to the product of the variance of the scale score and 1.0 minus the reliability (Niehoff & Moorman, 1993).

Following Anderson and Gerbing’s (1988) recommendations, we assessed the absolute fit of the hypothesized model using nested models comparison. A model is said to be nested within another model when the set of freely estimated parameters of the first model is a subset of those estimated in the second model (Anderson & Gerbing, 1988).

First, we estimated the null model, in which all correlations among variables are zero. The null model represents the baseline for model comparison. Next, the hypothesized model was fitted to the data. Finally, we estimated an alternative model to test whether the addition of paths from parental job insecurity to youths’ money anxiety resulted in a significant improvement over the hypothesized model. This allowed us to test whether parental job insecurity exerted direct effects on youths’ money anxiety, instead of through parental money anxiety. If the addition of the paths significantly improves model fit, this indicates that the paths should be included in the model. Overall fit of the model was examined using the chi-square statistic and fit indexes: Tucker–Lewis index (TLI), comparative fit index (CFI), goodness-of-fit index (GFI), and root-mean-square error of approximation (RMSEA). The TLI, CFI, and GFI should be greater than .90 to indicate an acceptable model fit. A value of .05 or less for RMSEA would suggest a close fit of the model in relation to the degrees of freedom.

Results

Means, standard deviations, reliability coefficients, and correlations of the variables under study are presented in Table 1. Results of correlational analyses suggest that in general, the variables in our study were significantly correlated in the expected directions. We analyzed the data based on the total sample ($N = 185$). Table 2 summarizes the overall fit indexes and model comparison statistics for the three models.

Figure 2 represents the parameter estimates for the hypothesized model. Our analyses suggest that the hypothesized model, $\chi^2(34, N = 185) = 49.00, p < .05$, provided a good fit to the data (TLI = .93, CFI = .96, GFI = .96, and RMSEA = .05). Results of nested model comparison suggest that there was no significant difference between the hypothesized model and the alternative model, $\chi^2(2) = 0.56, ns$, suggesting that the additional paths from parental job insecurity to youths’ money anxiety did not significantly improve the fit of the model.

For ease of presentation, we do not present the covariate relationships in the final model. Family income, as a covariate, was significantly and negatively related to paternal ($\beta = -.17$) and youths’ money anxiety ($\beta = -.20$). However, family income was not significantly related to maternal money anxiety ($\beta = -.05$), youths’ negative money motives ($\beta = -.05$), or intrinsic motivation to work ($\beta = .09$).

Figure 2 shows that paternal perceived job insecurity was significantly and positively associated with paternal money anxiety ($\beta = .10, p < .05$), providing empirical support for Hypothesis 1a. Contrary to our initial hypothesis, the relationship between maternal perceived job insecurity and maternal money anxiety was not statistically significant. Hence, Hypothesis 1b was not empirically supported.

The standardized parameter estimates shown in Figure 2 suggest that both paternal and maternal money anxiety were significantly and positively associated with youths’ money anxiety ($\beta = .21, p < .01$, and $\beta = .23, p < .05$, respectively). Thus, both Hypotheses 2a and 2b received empirical support. Results in Figure 2

Table 1: Means, Standard Deviations, Correlations, and Reliabilities

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<td>2.45</td>
</tr>
<tr>
<td>11. Intrinsic motivation to work</td>
<td>4.11</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
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<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
<td>0.49</td>
</tr>
<tr>
<td>12. Family income</td>
<td>46,900</td>
<td>45,914.53</td>
<td>45,914.53</td>
<td>45,914.53</td>
<td>45,914.53</td>
<td>45,914.53</td>
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<td>45,914.53</td>
<td>45,914.53</td>
<td>45,914.53</td>
<td>45,914.53</td>
</tr>
</tbody>
</table>

Note. $N = 185$. Alpha coefficient reliabilities appear in parentheses.
suggest that the path linking youths’ money anxiety to youths’ negative money motives was positive and statistically significant ($\beta = .34, p < .01$), thus supporting Hypothesis 3. This provides strong support that individuals’ money anxiety could have an impact on the motives underlying their purposes for earning money. Specifically, when youths are worried about money matters, they are more likely to develop negative money motives with an emphasis placed on overcoming self-doubt and social comparison.

Results depicted in Figure 2 suggest that youths’ negative money motives were significantly and negatively associated with youths’ intrinsic motivation to work ($-0.29, p < .01$). Hence, Hypothesis 4 was empirically supported. This finding is consistent with our understanding of research on motivation, which suggests that working for extrinsic reasons and rewards may significantly decrease satisfaction and interest in the task itself. We argue, therefore, that youths whose underlying motives for acquiring money involved overcoming self-doubt and social comparison are driven mainly by extrinsic reasons, thus making them less interested in the work itself.

Discussion

An important theme within the job insecurity literature has been that the effects of job insecurity can, and do, extend beyond the job-insecure individuals—that is, job insecurity has an impact on the family of job-insecure employees (cf. Barling et al., 1998; Lim & Loo, 2003). Although the literature provides some insights that parental job insecurity affects youths’ work attitudes, self-efficacy, and academic performance, little insight is presently available on the effects of job insecurity on individuals’ beliefs about money and their children’s money anxiety, money motives, and work motivation. An integration of the job insecurity and money literature is potentially valuable because it enables us to more fully understand the impact of parental job insecurity on the employees’ money beliefs and, in turn, the effect of these beliefs on their children’s money beliefs and intrinsic motivation to work.

The present study builds on and extends existing literature on job insecurity by systematically bringing together the streams of research on job insecurity and money. In doing so, our findings serve as the building block for more precise theory development in

Table 2

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$</th>
<th>df</th>
<th>TLI</th>
<th>CFI</th>
<th>GFI</th>
<th>RMSEA</th>
<th>$\Delta \chi^2$</th>
<th>$\Delta df$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Null</td>
<td>390.97</td>
<td>55</td>
<td>.00</td>
<td>.00</td>
<td>.71</td>
<td>.18</td>
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<td></td>
</tr>
<tr>
<td>Hypothesized</td>
<td>49.00</td>
<td>34</td>
<td>.93</td>
<td>.96</td>
<td>.96</td>
<td>.05</td>
<td>441.97</td>
<td>21</td>
</tr>
<tr>
<td>Alternative</td>
<td>48.44</td>
<td>32</td>
<td>.91</td>
<td>.95</td>
<td>.95</td>
<td>.06</td>
<td>0.56</td>
<td>2</td>
</tr>
</tbody>
</table>

Note. TLI = Tucker–Lewis index; CFI = comparative fit index; GFI = goodness-of-fit index; RMSEA = root-mean-square error of approximation.
our attempt to understand the dynamics underlying the spillover effects of job insecurity. Specifically, results of our study are consistent with those of previous research (e.g., Barling et al., 1998; Lim & Loo, 2003) in that they reveal that the impact of job insecurity does spill over to affect the individuals' money anxiety.

Our results provide some preliminary evidence that the spillover effect of job insecurity on money anxiety may be salient only for fathers; the relationship between maternal job insecurity and maternal money anxiety was not statistically significant. As well, our analyses revealed that the coefficient for the path linking paternal perceived job insecurity and paternal money anxiety was not statistically different from the coefficient for the path linking maternal perceived job insecurity and maternal money anxiety. Nonetheless, it is worthy to note that our finding corroborates that of previous research that found differential spillover effect for fathers' and mothers' perceived job insecurity (Lim & Loo, 2003). Though very preliminary, this finding is interesting and notable in that it suggests that gender differences in socialization as economic providers in the family still prevail.

In Asian societies such as in Singapore, men are often socialized to be the breadwinners in families. Consequently, the work role may be perceived to be a salient part of fathers' lives such that the transition from employee to parent may prove more challenging for fathers. Hence, a potential lack of work arising from job insecurity may have impact on a father's ability to provide for the family, generating considerable anxiety about money for fathers. On the other hand, a mother’s employment and income may be treated as secondary and supplemental to the spouse's income. Thus, mothers’ perceived job insecurity is less consequential and has less significant impact on maternal money anxiety compared with fathers’ perceived job insecurity. However, as there is no statistical difference in the paths linking money anxiety and paternal and maternal perceived job insecurity, we acknowledge that our results are only preliminary. Hence, our explanation is at best suggestive and remains within the realm of speculation. Clearly, there is a need for further research on this topic before more conclusive evidence can be drawn.

Consistent with findings of previous studies on economic socialization of youth (e.g., Conger et al., 2000; Furnham & Stacey, 1991), results of the present study suggest that parental money anxiety was positively related to youths' money anxiety. Parental feelings of distress, concerns, and worries about money matters do cross over to affect their children, either directly or indirectly through communications or children’s observations of interactions within the families.

In turn, youths’ money anxiety was found to be positively associated with their negative motives for making money. This finding is noteworthy in that it suggests that experiences of money anxiety may encourage youths to be driven by negative motives, that is, to seek money for the purposes of overcoming feelings of inadequacy and self-doubt. In part, this may stem from youths’ perceptions of their parents’ job insecurity and money anxiety as a sign of failing to adequately and ably provide for the family. This, in turn, has important consequences for youths’ motivation to do good work—that is, youths who are driven by negative money motives were less likely to be motivated to do good work and may be extrinsically driven in their work motivation.

Theoretical and Practical Implications

From a theoretical perspective, this study offers several contributions. First, it can be viewed as part of a growing body of literature focusing on the effects of parents’ work and union experiences on their children (e.g., Barling et al., 1991; Kelloway et al., 1996; Kelloway & Watts, 1994) and the effects of job insecurity beyond the job-insecure employees (e.g., Barling et al., 1998; Barling & Mendelson, 1999; Lim & Loo, 2003). This stream of research has provided rather compelling evidence that parents’ work experiences have an effect on their children. The present results add to this stream of literature by supporting that assertion. As well, our study extends the focus of this body of literature by suggesting that parental job insecurity affects money anxiety, especially for fathers, and that parental money anxiety in turn can and does have an impact on youths’ money anxiety and motives for earning money, which in turn affect their intrinsic motivation to work.

Second, this research not only contributes to the job insecurity literature but also extends and enriches the research stream on money attitudes (e.g., Furnham & Argyle, 1998). In linking the streams of literature on job insecurity and money attitudes, this study builds on and extends prior research on money by providing empirical evidence that parents’ job insecurity and money anxiety do matter in influencing their children’s beliefs about money and motives for earning money.

With the current pervasiveness of downsizing and restructurings in organizations, leading to the impermanence of jobs or job features, it is likely that job insecurity will be salient to most employees in the decade to come. In accord with this organizational trend, results of this study suggest that there is indeed value in focusing on the relationship between job insecurity and individuals’ money beliefs. Studies such as this one will enable researchers to more fully understand the dynamics underlying the spillover effect of job insecurity on the individuals’ money beliefs and its crossover effect on children’s attitudes toward money and work.

Examining the impact of parental job insecurity on youths’ money beliefs, motives for earning money, and motivation to work may yield important and actionable information for scholars and practitioners. Findings of this research have practical relevance in that they suggest that the effects of job insecurity yield significant consequences for the families of job-insecure employees. Our results are consistent with those of earlier studies (e.g., Barling et al., 1998; Barling & Mendelson, 1999) that suggest that individuals who were exposed to parental unemployment may manifest negative work values and attitudes and that parental job insecurity may negatively affect youths’ motivation to work. As the youths in our study are poised to enter the workforce, this is a potential and salient cause of concern for organizations.

Our results demonstrate the potential adverse consequences that job insecurity entails for both employees and their children. Hence, employers might want to be mindful that in the event that layoffs are inevitable, organizations could endeavor to minimize feelings of uncertainty for their employees by providing them with job assistance programs. Organizations might also consider the possibility of helping their employees cope financially by allowing them to continue to work, albeit at reduced level and income, to ensure that they do not lose their entire source of income.
Limitations and Directions for Future Research

A limitation of this study is that data were collected at a single point in time, thus precluding us from drawing definite causal inferences about the relationships among variables. Hence, our results should be interpreted within this boundary condition. Longitudinal studies are necessary for more rigorous tests of causal direction. Despite this limitation, we would like to highlight a key strength of our study: that data were obtained from multiple sources (i.e., fathers, mothers, and their children). We emphasized in the cover letter of the questionnaire that fathers, mothers, and youths should complete the surveys independently. This method of data collection helps us to overcome exclusive reliance on single-source reports and helps to mitigate the potential problem of common-method bias.

Another limitation of our research is its focus on an Asian setting. Specifically we examined the impact of perceived parental job insecurity among working adults and their children in the context of Singapore. Given that cultural differences in family structures and youths’ economic socialization may exist, the generalizability of the present findings should be examined in other cultural settings. Developing a stronger body of related works in other non-Western and Western settings could shed light on the possible cultural differences in the familial effects of job insecurity. Nonetheless, we believe that our results add to the growing stream of research on job insecurity and advance our understanding of its impact on the families of job-insecure individuals.

Our study points to several directions for future research. First, as the family structure in Singapore remains relatively intact for now, we chose to focus on dual-income, nuclear families in our present study. However, with the trend toward unconventional family structures, a valuable first step for future research would be to examine the present research model in single-parent/single-income families or nontraditional family arrangements (e.g., families with gay or lesbian parents). Future research might also examine the impact of maternal perceived job insecurity in settings where women are the main family income providers. This would enable us to ascertain whether our present finding on the spillover effect of maternal perceived job insecurity on money anxiety would extend to families in which mothers are the primary breadwinners.

A second promising line of research would be to extend the conceptual model investigated here to include children’s identification with parents as a potential moderator. Extant research has found that the extent to which children identify with their parents moderates the effects of perceptions of parents’ job insecurity on children’s work beliefs (e.g., Barling et al., 1998). As well, in a related stream of research, Kelloway et al. (1996) noted that identification with parents moderates the effects of parents’ union involvement and children’s attitudes toward unions. Thus, future research might extend this work by examining how identification with parents may influence the relationship between parental job insecurity and children’s beliefs about work and money. For instance, children who identify more with fathers compared with mothers may be differently affected by paternal perceived job insecurity and money anxiety than maternal perceived job insecurity and money anxiety.

Conclusion

The present research builds on and extends existing research on job insecurity and parental work experiences by investigating the spillover effects of parents’ job insecurity on their money anxiety. This study also contributes to the stream of research on family and economic socialization by focusing on the crossover effects of parental money anxiety on youths’ beliefs about money and work. Results of our study suggest that there is indeed a need for scholars and practitioners alike to recognize the numerous implications that employees’ job insecurity holds for the individuals, their families, and their organizations. As the workplace becomes characterized by greater volatility and uncertainties in the new millennium, the issue of job insecurity looks set to remain an issue of concern, not only for employees and organizations but also for the families of insecure employees.

References

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