ABSTRACT

The purpose of the study was to investigate the effect of job insecurity (JI) and job stress (JS) on innovative behaviour (IB) of employees, and to find out the mediation of organisational commitment (OC) between the effect of JI, and JS on IB. The banks that have adopted downsizing were taken as target population for the study. A structured questionnaire was designed and pretested. Convenience sampling technique was used for data collection and study was carried out on a sample of 100 employees of downsized banks that were operating in Rawalpindi and Islamabad, Pakistan. The analysis comprised of multiple regression which assessed the impact of predictors on criterion. Finding showed that JI has no effect on OC and IB, while JS has significant influence on OC and IB. Further, OC did not mediate the association between JI and IB, on the other hand, OC showed full mediation between JS and IB relationship. Moreover, the limitation and future implications of study have been discussed in this research paper.

KEYWORDS: Downsizing, Job Insecurity, Job Stress, Organisational Commitment, Innovative Behaviour.

1. INTRODUCTION

In today’s competitive world, organisations are starving to survive. They are not only cutting their expenses, but also started economizing their structure by reducing employees [1]. The concept of downsizing started in 1980’s and got more attention throughout the world [2]. Downsizing is not only reducing employees; its most crucial effects are seen on survivors who endure downsizing [1]. Burke [3] stated that implementing downsizing strategy is difficult process. Outcomes of adopting downsizing strategy has been the concern of the researcher in the recent decade, some state improvement in the organisation performance in financial term and accomplishment of goals [4], and others are indefinite about the positive results of downsizing [5]. Ikyanyon [6] study showed that downsizing have been studied to the larger extend especially in financial terms but how the survivors react and perform in the prevailing environment of the organisation after the adoption of downsizing strategy is getting more attention. After the implementation of downsizing strategy, downsizing severely affected the financial progress of the organisations, and the process reduce productivity, cause stress [7], JI, and IB [8].

IB is getting more attention nowadays [9]. IB of the employees plays a very important role toward the generation, promotion, and implication of new ideas that are the basis of business survival. Innovative behaviour is the most important element in service organisations, and there is need to pay much more attention on it [10]. Creativity is the part of innovative behaviour that resulted in innovative outcomes [11]. Researcher studied the consequences of downsizing on the IB of the employees that leads towards the negative effects of downsizing [5]. The effects of downsizing are low JI, work related stress [12], and low commitment level of the employees [13, 14]. When employee is satisfied, feel secure and work in stress free environment then he/she would be more creative [15]. Currently, organisations must focus on job security and job stress because these are the most serious issues [16]. Furthermore, employee commitment is the basic parameter for the productivity and the profitability of the firm. The employee with low commitment level with the intention to turnover will not be productive in term of new ideas generation [17].

To cope up with the new technological inventions and to compete within this competitive environment organisational change strategy such as downsizing has decreased the commitment of employees [18]. Besides, almost all sectors especially service ones including banking sector are aware of the fact that the presence of employees who are highly committed [19, 20], and have high level of innovative work behaviours is crucial so as to perform efficiently and productively. The main reason of applying this study on the banking sector is to expose the result of downsizing on the innovative behaviour of the employees working in banking sector where the employee

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creativity is very important in term of generating new ideas and strategies, keeping in view that it will ultimately affect the performance organisations [21]. Hence, this study was conducted in the banking sector in order to expose the result of downsizing on the IB of the employees working in banking sector where the employee creativity is very important in term of generating new ideas and strategies, keeping in view that it will ultimately affect the performance organisations [21]. Moreover, in order to meet critical business challenges innovative behaviour must get attention [22]. Thus, the specific problem is that service organisations are facing lots of challenges due to inadequate innovative behaviour of employees affecting individual and organisation productivity. Hence, there is need to explore the influence of job insecurity and job stress on OC and the subsequent effect on innovative behaviour. Therefore, the purpose of the study is to empirically examine the effects of downsizing on survivors probing the impact of JI, and JS on IB, and to find out the mediating influence of OC between relationship of JI and JS with IB relationship.

Previous studies focused on the consequences of downsizing with regard to organisation like financial performance of firms [23], and the effects on managers who issued downsizing and have faced health problems, intent to exit the organisation, and showed feelings of depersonalization [24]. Besides, Marques, Cruz and Ferreira [25] focused on the downsizing effects on the employees who were not laid off observing the impact of JI, lower levels of OC, and the influence on their innovation efforts. Moreover, previous research provides proper contrast group that did not adopt downsizing strategy in their firms and suggest that survivors after layoffs have negative reactions and greater turnover, however, empirically this was not established [26]. Here, the recent research focuses on the downsizing effects on survivors including both employees who were not laid off or other employees in organisation observing the impact of JI [6], increased JS [12], the influence on their innovation efforts, and mediator role of lower level of OC in those organisation that have adopted downsizing strategy. This strengthens implication for present research that see beyond the previous studies. Moreover, Abdullah and Ramay [20] argued that there is less research on JI as predictor or OC in banking sector of Pakistan. Further, Hon [22] argued that there is less research on the relationship between stress and creativity (which is the part of innovative behaviour). Besides, Marques et al., [25] illustrated that numerous studies have been done on downsizing effects but no other study analyse the mediating role of OC linking JI to IB, and there is less research relates downsizing effects with IB that contributes to organisation innovation and survival. It was stated that innovation is the crucial factor for the success of service organisations [27, 28], but innovative behaviour role is less studies [29, 30] or has been ignored [31]. Moreover, [32] argued that factors that promote the innovative behaviour of employees are still not clear. Thus, present study focused on the effects of JI, JS, and OC on IB. Moreover, previous study results show that JI and IB relationship is not mediated by OC [25]. Therefore, present study focuses on generalization of these results by checking the mediating role of OC between JS and IB. Besides, previous study argued that JS lessens the IB [33, 34], on the other hand, Noefer, Stegmaier, Molter, and Sonntag [35] study showed contradictory results stating that stress as time pressure increases the capability of employees to generate ideas. Thus, present study focuses on specification of these contradictory results. The present study seeks to find out the answers to these questions;
1. What is effect of JI and JS on IB?
2. How OC affects IB?
3. Would OC mediate the relationship between JI, JS, and IB relationship?

2. LITERATURE REVIEW

Job insecurity (JI)

In order to deal with the economic recession many organisation use the cost reduction strategy and accomplish this goal through the permanent labour reduction and the use of more flexible labour such as part-time or temporary jobs [36]. As a result to these organisational activities the employees feel unsecure about their job in future [37]. JI is defined as the employee fear of job loss and the intention towards the low control and inability to cope [38]. As the technological advancement in the industries demanding the global organisation to be more competitive the firm are trying to restructure the organisation and employee’s career and their position in the firm is affected [39]. In addition, JI is not a short term phenomena, it’s the mind-set of the employee that remain for a longer time period and affect the well-being of the employee and organisational outcome [40]. Downsizing exposes the negative effects such as low JI, low commitment and lower productivity by the survival [41].

Job Stress (JS)

The concept of job stress is critical and dynamic [42]. Job related stress includes those factors that are associated with specific professional tasks such as time pressure, shift work, commuting, repetitiveness, long working hours [43]. Stress has been first described by Selye [44] as a force towards individual that hold them from
maintaining their original state. The model demand/control/support established by Karasek [45] assumes that the job characteristic such as 'job demand' and 'job control' are the two basic factors for the JS. The model expects that JS is not just stalk from the job demand (JD) but also with the level of control the employee has over the work. Stress drive when the internal capabilities and external demand are not consistent [46]. Downsizing affects the psychological contract of the employees resulting in term of distrust and increased level of stress [47]. The performance of the employees is affected in the stress state, it transpired as a two way cost to the organisation one in term of low productivity and other in term of training cost to released stress [48].

Organisational commitment (OC)

The loyalty and involvement of employees in organisation is termed as OC. Employees loyalty comprises the employee desire to work for organisation [49], and the can identify and achieve the goals of the organisation [50]. There are three types of OC: affective, continuance and normative. Affective commitment is employee emotional loyalty with the organisation that describes the strong commitment with the organisation [51]. The second dimension of OC is Normative commitment that is the feeling of obligation related to behaviour of individuals that force them to perform in a better way [52]. Third dimension of OC is continuance commitment which is related to the attachment of employee in which he feels he have to bear costs while leaving the organisation. According to Yahng [53] when employees are satisfied with their job then they feel attachment toward the organisation. There are two approaches of OC such as attitude related to commitment and behaviour related to commitment. These two concepts are slightly different. According to Ugboro [54], attitude related attachment is that in which employee desire to be a member of the organisation and identify himself/herself with the organisation. Such kind of behaviour leads the organisation toward the success and helps in gaining competitive advantage. Employees that have strong behaviour of being attached to the organisation forces themselves to work in such a way that they can fulfil the expectations of organisation [54].

Innovative Behaviour (IB)

Innovation is defined as the unique idea that is not only new within the organisation but also outside the organisation [55]. IB is defined by Gold and Bratton [56] as the proliferation of new knowledge to develop something new within an organisation. On the other hand, Xerri and Brunetto [57] illustrated that innovation is related to individual because he/she can develop new ideas regarding some specific task or project on which he/she is doing work in organisation. However, he/she cannot do this without any support from management. The behaviour that is directed toward the beginning of innovation process within an organisation is termed as IB [58]. Further it was stated that innovative work behaviour is the eagerness of employees to bring innovation at work place [59]. Yidong and Xinxin [60] argue that in order to gain competitive advantage and increasing performance organisations are trying to develop innovative work behaviours in employees because innovative work behaviour is not only generation of idea, however, a combination of production, support, and implementation of new ideas. There are five dimensions of IB such as opportunity exploration, generatively, formative investigation, championing, and application. These five dimensions refer to the identification of opportunities; generation of ideas related to those opportunities, experimentation of ideas and evaluates them; sharing of ideas; implementing these ideas. Thus, IB is the behaviour that is exerted in all these activities from idea identification to implementation [55].

Conceptual framework

JI influence the commitment of employees [61]. The effectiveness and compatibility of the firm is contributed by the employee commitment, and the employee commitment have negatively relate to the JI [62]. Previous research documented the negative relationship between JI and attitude towards the job such as OC [39]. Hence, JI effects on OC. Besides, time pressure, organisational change, JI, and target achievement system are the factors that affect the level of stress [63]. OC results with positive outcomes that are low absenteeism, work involvement, and increased job satisfaction [64]. Jepson and Forrest [65] found negative relationship between JS and commitment while examining the teacher stress and commitment and conclude that teachers that experience higher level of stress have low commitment, low job satisfaction, and a desire to leave the job. Furthermore, it was found the association between job stress and commitment [66]. Ghorbani and Sani [67] illustrated that organisations are attempting to enhance the commitment of employees through job stress. Therefore, JS effects on OC.

Ceylan [68] stated that the organisations that are committed to their employees increase the IB of employees through their commitment. Hence, OC increases the IB of employees. Same results are found by Lee, Tan and Chiu [69] who argues that in order to introduce innovation or new ideas or processes within an organisation there is a need to exert efforts at workplace. Thus, commitment persuades the IB among employees. Previous study results show that JI as a challenge stressor resulting in positive behavioural outcome such as the innovativeness of the
employees [70]. On the other hand, Zatzick and Iverson [71] illustrated contradictory results describing that JI when employees feel JI then they are less involved in organisational tasks and show less IB. It was illustrated that Job insecurity affects behaviours of individuals. Hence, JI effects on IB of employees [72].

Organisational environment and governance structure of the organisation has an important influence on the innovativeness and decision-making process [73]. Organisation nature describes the role and duties of the employees, some jobs require innovative skills while other jobs have routine activities or repetitive [74]. Repetitive jobs can lead to dullness and less creativity because of lack of attention [34]. Probst, Stewart, Gruys, and Tierney [75] experiment shows contradictory results which argue that the employees who are more threaten are more productive in idea generation than those who were not threaten. Moreover, Cowan, Sanditov, and Weehuizen [7] described the association between stress and innovation in their study. Thus, JS influences the IB of employees. Marques et al. [25] study results shows insignificant mediating role of OC. They described in theory that OC mediates the relation between JI and IB but their results were contradictory to theory. The literature states that OC is affected by JS and JI and effects on IB [62, 64]. Moreover, stress affects on OC and IB [69, 75]. Thus, present study fulfils the gap in literature by studying this mediation relationship.

![Conceptual Framework of Study](image)

**Figure 1:** Conceptual Framework of Study

**Hypotheses**

H1: JI negatively affects OC. H2: JS negatively influences OC. H3: OC positively effects on IB. H4: JI has negative impact on IB. H5: JS negatively affects IB. H6: OC mediates the association between JI and IB relationship. H7: OC mediates the relationship between JS and IB relationship.

3. RESEARCH METHODOLOGY

It was causal and cross-sectional study. An adapted questionnaire consisting of two sections was used. The first section determined the participants' demographic characteristics, including gender, age, and marital status, job level, and experience. The second section consisted of items of JI, JS, OC, and IB. A five-point likert scale is used for measurement and all questions were closed ended questions. JI and OC were calculated using 10 items of JI, 10 items of OC, adapted from Ugboro [76]. IB was measured through 11 items adapted from Jong et al. [17]. Further, JS was measured using 5 items scale adapted from Wright and Saylor [77]. Employees of Allied Bank Limited, United Bank limited, NIB Bank, Samba bank, and Summit bank comprise the population of the study which have been involved in the process of downsizing since September 2008. Convenience sampling technique was used for data collection, and surviving and other employees have been researched. For that purpose, 150 questionnaires were distributed in banks and 112 were responded out of which 100 were complete and useable. So, the response rate remained 67%. To ensure face validity such as appropriateness and comprehensiveness of items included, twenty three employees of the target organisation were contacted. The validity of existing scale had already been established. According to consultation of these HR professionals the inconsistencies in the items were removed. Cooper and Emory [78] suggested pilot study before starting data collection. Therefore, the study performed pre-
testing of 20 questionnaires from respondents of the study sample to check the instruments’ reliability. SPSS 17 software was used for data analysis.

4. RESULTS AND DISCUSSION

Demographic analysis
The demographic aspects of respondents were based on gender (51% male and 49% female); age (7% below 25 years, 37% 25.1-30 years, 42% 30.1-35 years, and 14% above 35 years); marital status included (66% married, 34% single); experience (6% less than 1 year, 20%-1-2 years, 37% 2.1-3 years, 23% 3.1-5 years, and 14% above 5 years). The results of descriptive statistics in Table 1 indicate the general agreement of the respondents with the variables of the study.

Table I. Descriptive Analysis

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Devi</th>
<th>Vari</th>
<th>Skew</th>
<th>Kurt</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Stat</td>
<td></td>
<td>Stat</td>
<td>Stat</td>
<td>Stat</td>
<td>Std. Er</td>
</tr>
<tr>
<td>JI</td>
<td>100</td>
<td>3.60</td>
<td>.497</td>
<td>.247</td>
<td>-2.71</td>
<td>.241</td>
</tr>
<tr>
<td>JS</td>
<td>100</td>
<td>3.23</td>
<td>.739</td>
<td>.546</td>
<td>-7.49</td>
<td>.241</td>
</tr>
<tr>
<td>OC</td>
<td>100</td>
<td>3.56</td>
<td>.456</td>
<td>.208</td>
<td>-5.89</td>
<td>.241</td>
</tr>
<tr>
<td>IB</td>
<td>100</td>
<td>3.86</td>
<td>.494</td>
<td>.244</td>
<td>-7.13</td>
<td>.241</td>
</tr>
</tbody>
</table>

Reliability Test
The reliability coefficient Cronbach’s Alpha values are shown below:

Table II. Factor Wise Reliability Statistics

<table>
<thead>
<tr>
<th>Name of the Factor</th>
<th>Cronbach’s Alpha</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Insecurity</td>
<td>0.661</td>
<td>8</td>
</tr>
<tr>
<td>Job Stress</td>
<td>0.812</td>
<td>5</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>0.667</td>
<td>10</td>
</tr>
<tr>
<td>Innovative Behaviour</td>
<td>0.838</td>
<td>11</td>
</tr>
</tbody>
</table>

Correlation
The Pearson correlation was used to determine the relationship between the variables. The results are as follows:

Table III. Correlation

<table>
<thead>
<tr>
<th>Name of the Factor</th>
<th>JI</th>
<th>JS</th>
<th>OC</th>
<th>IB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Insecurity Pearson Correlation</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Stress Pearson Correlation</td>
<td>.093</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational Commitment Pearson Correlation</td>
<td>-.007</td>
<td>-.648*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Innovative Behaviour Pearson Correlation</td>
<td>-.157</td>
<td>-.353**</td>
<td>.457**</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at p< 0.01 level (two-tailed)

Hypotheses Results

Table IV. Regression Results

<table>
<thead>
<tr>
<th>R²</th>
<th>Dependent</th>
<th>Independent</th>
<th>Std Beta</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.422</td>
<td>Organisational Commitment Job Insecurity</td>
<td>-.053</td>
<td>-6.88</td>
<td>.493</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Job Stress</td>
<td>-.658</td>
<td>8.417</td>
<td>.000**</td>
<td></td>
</tr>
<tr>
<td>0.140</td>
<td>Innovative Behaviour Job Insecurity</td>
<td>-.125</td>
<td>-1.322</td>
<td>.189</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Job Stress</td>
<td>-.341</td>
<td>-3.606</td>
<td>.000**</td>
<td></td>
</tr>
</tbody>
</table>

From multiple regression analysis significance of model emerges, from the value of adjusted R Square (0.410) it can be concluded that approximately 41 per cent variation in OC is explained by the regression model. The P-value of F test is 0.01 that is less than 0.05 that show statistical significant means model is best fitted. The beta coefficient of JI is insignificant as p- values of the variable is greater than 0.05. And p-value of JI is 0.493 shows that JI is not significantly influencing OC. But the p-value of JS is significant as value is less than 0.05, which means the JS is significantly predicting the OC. From the results shown in the above Table IV it can be concluded that as the JI β= 0.053, t = .688 and p = 0.493 < 0.05 which is insignificant, means JI is not significantly effecting OC. For JS β= -0.403, t=-8.417 and p = 0.000 < 0.05 which is statistical significance, means JS negatively influence the OC. Moreover, results show that the beta for JI is insignificant with p-value greater than 0.05 the hypothesis H₆
that is JI has direct impact on IB. The JS beta is -0.228 with p-value .000 which is significant at 1% level means that the JS is negatively predicting the IB.

<table>
<thead>
<tr>
<th>Steps</th>
<th>IV</th>
<th>DV</th>
<th>R²</th>
<th>F Stat</th>
<th>B</th>
<th>Beta</th>
<th>t value</th>
</tr>
</thead>
<tbody>
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<td>-1.56</td>
<td>-.157</td>
<td>-1.571</td>
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<tr>
<td>2</td>
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<td>MV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>MV</td>
<td>DV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>IV</td>
<td>DV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**Significance level p < 0.01**
Model 1. Predictor: JI; Criterion: IB

To analyse the mediation effects Barron and Kenny [79] four steps have been used. In the first the independent variable that is JI have been regress on the dependent variable that is IB the results shows that $\beta = -0.156$, $t = -1.571$ and p-value is greater than 0.05 which is statistical insignificance that means the direct effects of independent variable and dependent variable is not significant according to Barron and Kenny [79] if the direct effect is insignificant then there is no need to proceed further steps.

<table>
<thead>
<tr>
<th>Steps</th>
<th>IV</th>
<th>DV</th>
<th>R²</th>
<th>F Stat</th>
<th>B</th>
<th>Beta</th>
<th>t value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IV</td>
<td>DV</td>
<td>.124</td>
<td>13.923**</td>
<td>-236</td>
<td>-3.53</td>
<td>-3.731**</td>
</tr>
<tr>
<td>2</td>
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<td>.419</td>
<td>70.754**</td>
<td>-400</td>
<td>-6.48</td>
<td>-8.412**</td>
</tr>
<tr>
<td>3</td>
<td>MV</td>
<td>DV</td>
<td>.209</td>
<td>25.931**</td>
<td>.495</td>
<td>.457</td>
<td>5.092**</td>
</tr>
<tr>
<td>4</td>
<td>IV</td>
<td>DV</td>
<td>.215</td>
<td>13.263**</td>
<td>-.065</td>
<td>-.097</td>
<td>-.824</td>
</tr>
<tr>
<td></td>
<td>MV</td>
<td></td>
<td></td>
<td></td>
<td>.427</td>
<td>.394</td>
<td>3.341**</td>
</tr>
</tbody>
</table>

**Significance level p < 0.01**
Model 1. Predictor: JS; Criterion: IB
Model 2. Predictor: JS; Criterion: OC
Model 3. Predictor: OC; Criterion: IB
Model 4. Predictor: JS, and OC; Criterion: IB

Similarly, for the analysis of the mediation of OC between the JS and IB regression analyses have been performed as suggested by Barron and Kenny [79]. In the first step JS was regressed on IB showing the results are significant with p-value that is less than 0.05. In second step JS was regressed on OC with beta value -0.400 and p-value less than 0.05 stating that JS is significantly and negatively predicting the OC. Then in third step OC was regressed on IB. The results show that the beta is .495 with p-value less than .05 stating that OC is significantly predicting the IB. In fourth step JS and OC were regressed on IB. The results shows that the beta of JS is equal to -.065, $t = -1.571$ and p-value is greater than 0.05 which is insignificant and the beta for is OC is .427 and p-values less than .05 which is statistically significant. This shows that the full mediation exist between the JS and IB.

**DISCUSSION**

The purpose of the study was to empirically examine the effects of downsizing on survivors probing the impact of JI, and JS on IB, and to find out the mediating influence of OC between relationship of JI and JS with IB relationship. The data was collected from five downsized banks and multiple regression analysis was used to test the model. However, results showed that JI has no effect on OC. Existing studies stated that JI affects OC and higher JI reduces commitment of employees [80, 81] which showed negative relationship. Hence, present research found that JI was negatively correlated with OC but did not affect OC. Thus, $H_1$ hypothesis was rejected. The reason of rejection of $H_1$ can be that due to JI it was not necessary that employees left the organisation. As, Ugboro [76] illustrated that job security cannot be the reason for remaining in organization. Thus, it can be thought that employees who think that there job is insecure will not leave the organization due to this fear [82]. Moreover, the results of present research described that JS negatively affected OC. These results were similar to previous studies stating that when there is less stress then employees feel strong attachment with the organisation [83, 22, 84]. Thus, $H_2$ was accepted. Further the finding of study revealed that OC was positively related to innovative behaviour and affects innovative behaviour. Jafri [85] stated that high OC lead toward high innovative behaviour of employees. Thus, hypothesis $H_3$ was accepted. These results are similar with the study of Vinarski-Peretz, Binyamin and
Carmeli [86] stating that highly committed employees tend to involve in innovative behaviour by building and generating solutions or new ideas; on the other hand, less committed employees look for others alternative solutions and show less innovative behaviour. Besides, H3 was rejected that JI has no impact on innovative behaviour. The reason can be that employee’s JI does not mean that they show less or more innovative behaviour [87]. Moreover, hypothesis H6 was accepted which showed that JS affects innovative behaviour [7], and less stress increases the innovative behaviour of employees [88]. Moreover, the results showed that JI has no effect on innovative behaviour so there was no need to check mediation of OC between JI and innovative behaviour. Marques et al. [25] argued that no mediation exists between JI and innovative behaviour. Hence, hypothesis H6 was rejected. Furthermore, the findings of present research stated that OC mediated the relationship between JS and innovative behaviour of employees. As existing studies illustrated that JS reduces the commitment of employees and also their innovative behaviour, and commitment affects the innovative behaviour of employees [88, 84]. Thus, hypothesis H7 was accepted and full mediation exists between JS and innovation behaviour. This was the first study to investigate the mediation of JS between JS and IB relationship.

5. CONCLUSIONS AND RECOMMENDATIONS

Managerial and Academic Implications

This study provides implications at individual and organisational level. The individuals of organisations must concentrate on the overall changes that are under consideration within the organisation, so that, they can understand that this period of speedy change required more expectations from them. They should understand the importance of adopting innovative behaviour and being committed to the organisation challenges and prepare themselves in order to meet these expectations. Moreover, organisations should focus on providing job security to their employees. There is lot of work load after downsizing; thus, organisations should provide stress management training opportunities and try to lessen stress. Besides, organisations should focus on other alternatives instead of conducting downsizing such as enhancing labour productivity, and making match between employees and their work. By doing this organisations can reduce their cost and get more committed employees. Before downsizing, management should focus on providing skill enhancement opportunities to their employees that helps in developing innovative behaviour.

As this study have been conducted to test the effects of JI and JS on the IB with the mediating role of OC so this study contribute to the literature in two ways as it found the negative impact of JS on the IB of employees that have contradictory results in the previous literature. Second is this study has added value in literature by taking into account the mediating role of OC between JI and IB relationship with IB. The findings of this study confirmed the full mediation role of OC between JS and IB that added value in existing literature.

Limitations and Future Research

Although a keen attempt was made to be prudent and objective in this survey but this study has its limitations, such as less sample size, time and cost constraints, lack of resources, and perceptual biasness due to convenience sampling.

It was cross sectional study longitudinal study can be conducted in future. The present study focused only on downsized banks, future research can be conducted by taking other downsized organisations. Moreover, present study checked the mediation of OC by taking OC as composite variable with its three dimensions (Affective, Continuous, and Normative); future research can check the mediation of affective, continuous, and normative commitment separately. Besides, the present study showed results about JI effect on OC and IB that are contradictory from previous research, thus, future research can replicate this research to generalize these results.

Conclusion

This study empirically tested that JS significantly affect on OC and IB. On the other hand JI has no effect on OC and IB of employees. Moreover, this research supports the hypothesis that high commitment of employees develops in them the ability to enhance their creativity or increase their innovative behaviour. Further, this study concluded that full mediation of OC exists between JS and IB. The research highlights the significance of managerial interventions to provide less stressed working environment to their employees in order to make organisations sustainable and competitive in global environment.

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