Factors Affecting the Employees' Psychological Well-Being in Pakistan

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Abstract

After the pandemic, global uncertainty came into existence and has become one of the biggest issues around the globe. Given this, this research study is focused on factors that affect the psychological well-being of employees in Pakistan and studies the mediating effect of work-life balance between numerous factors and psychological well-being. In this research, we used a quantitative approach, and 175 responses were selected from people working in Pakistan. The information that was collected through the questionnaire was done online. The data was tested in Smart PLS to see all the links between the variables. The results of our study revealed that all independent variables have a significant effect on psychological well-being. This study proves that work-life balance partially mediates the relationship between job insecurity, job engagement and an employee's psychological well-being. This study can assist managers and human resources empower their staff within their organisations. The findings can be used to assist organisations in determining the possible causes of the reduction in the psychological well-being of employees in Pakistan.

Keywords: Psychological well-being, work-life balance, smart PLS

JEL Classification: J28, M12, J510

INTRODUCTION

Background of the Study

The current environment is leading the organisation to slow advancement in many areas of working life as 75% of the business leaders are concerned that it will impact employee

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well-being. The emergence of COVID-19 has significantly altered many aspects of human life, including economic position; thus, global uncertainty is the new norm (Marzo et al., 2021). Due to economic uncertainty, many organisations stopped their operations due to the financial crisis. As a result, extensive layoffs were performed to deal with financial problems and cost savings. The chaos that this brings makes it difficult for people working and thus impacts the psychological well-being of employees (Abdul Jalil et al., 2023). The changes worldwide have called for organisations to alter their methods and practices to survive in this new uncertainty that has been established (Richter & USAB), 2011). With this uncertainty, ensuring the psychological well-being of employees is becoming a challenge. It puts immense pressure on the employees to work beyond their limits to prove their worth to survive this wave of uncertainty and not lose their jobs. Employees are the people that create a competitive edge for the company. Hence, employee psychological well-being is the key factor in making any organisation successful. Employee well-being refers to employees' physical and mental health, which means caring for the individual's happiness and overall health (Yan et al., 2020). Several studies show what happens when there is a decline in psychological well-being, and that includes depression, loss of sleep, and constant stress that leads to other issues like anxiety and panic attacks. So, improving your employees' psychological well-being is important as it helps them stay positive and allows them to be more productive (Marcum et al., 2020).

Factors like job insecurity, workplace stress and workload impact employees' well-being. Suppose the organisation does not pay attention to the psychological well-being of employees. In that case, it will negatively impact them, eventually leading to inefficiency and poor outcomes for the whole organisation (Anjum et al., 2018). In this research, we have used the Conservation of Resource theory to test how, after this major global uncertainty, employees' psychological well-being gets affected by various variables like job engagement, job insecurity and work-life balance (Diener et al., 2021).

For this study, we have opted for the Conservation of Resource theory and extended its model to Pakistan's employees' well-being. The COR Theory suggests that Stress is a state of imbalance between a person's ability to respond to external demands and those demands themselves. According to COR, psychological stress is experienced when resources are lost, endangered, or do not increase in value after being invested. Therefore, the constructs we have chosen are job insecurity and job engagement affecting the psychological well-being of the employees (Abdul Jalil et al., 2023; Bakker et al., 2014).

One of the significant contributions of this research is the mediating role of WLB. We have taken the mediating effect of WLB between job engagement, job insecurity, and psychological well-being. Having a work-life balance helps employees be more productive, motivated, and less stressed, which can greatly impact the organisation they are working for (Kurnia & Widigdo, 2021). However, with this pandemic and uncertainty, the demand for jobs has increased, which creates pressure, meaning long working hours, which impacts the work-life balance (Abdul Jalil et al., 2023). Additionally, when people feel good about their professional role at work, it can help them see the positive sides of work-life balance (Wood et al., 2020a).

Other factors like Job Insecurity and Job engagement are directly linked with psychological well-being. Job insecurity is at the highest level in this economy. A person not knowing whether they will have the job or not the next day is the biggest cause of stress and the overall impact on psychological well-being. When the job gets overbearing, it negatively affects employees'

psychological well-being (Holland et al., 2019). According to (Wood et al., 2020a), work engagement positively impacts employees' commitment to the organisation, performance, and well-being.

Previously, studies have been done on employees' well-being in combination with this COR model. However, this study mainly focuses on a gap that factors from the Conservation of Resources impact the psychological well-being of Pakistani employees after global uncertainty.

Problem Statement

Global uncertainty is the new normal. However, with this comes a great deal of stress that affects the psychological well-being of employees working in Pakistan.

Objectives of Research

- To identify the impact of numerous factors on employees' psychological well-being.
- To identify work-life balance mediating effect in the relationship between psychological well-being & job insecurity, job engagement.

Research Questions

RQ1: What will numerous factors affect the psychological well-being of the employees working in Pakistan?

RQ2: What will be the mediating effect of work-life balance on the relationship between psychological well-being, job insecurity, and job engagement?

LITERATURE REVIEW

Previously, a lot has been done to investigate the factors that lead to the disruption of employees' psychological well-being in a workplace, especially after technological and informational scenarios come into the replacement of physical work. However, employees' well-being has been studied from many perspectives related to work motivation, job satisfaction, working conditions, employee empowerment, and perceived leadership. However, there is some space or room available to study the work-life balance mediator role in employee psychological well-being.

Job Engagement

Work engagement is a favourable and motivating state of health associated with work. (Blanch & Aluja, 2009). Employees actively engaged with their working environment tend to deliver increased job satisfaction, associated with improved psychological well-being. Client satisfaction and organisational performance are strongly correlated with work engagement. (Diener et al., 2021). Work engagement is characterised by a psychological commitment to one's work and a sense of personal challenge. (Bakker et al., 2014).

Job Insecurity

Job Insecurity occurs when there is uncertainty that the job remains or has been cut off (Smith, 2013). Job insecurity is defined as a generator of stress and directly relates to an

employee's well-being (Bodin et al., 2020). The study of job security attracted many researchers after the aftermath of 2008, when the recession occurred, estimated among all countries (Llosa et al., 2018). In this period, fear among job holders will sharply rise, and many people will lose their jobs (Keim et al., 2014). Stress is made worse when employment is in danger of being lost as an emotional reaction to deal with it. Such unpleasant feelings may become overwhelming and detrimental to one's well-being (Abdul Jalil et al., 2023).

Work-Life Balance

It refers to obtaining a suitable level of fulfilment in the home and workplace, which can be achieved through active participation in numerous tasks with equal time commitments and involvement. (Wood et al., 2020a). Those employees who manage their work and life simultaneously will be more successful and tend to showcase more productivity and healthier well-being (Keeman et al., 2017). Many organisations did not take notice of it, and it has become general practice and included in their office culture, which subsequently adds pressure to those employees who want to spend the rest of their time with their families after working hours. The policies should have been made to overcome this problem and for the welfare of their employees (Kurnia & Widigdo, 2021). In many works' places, this has been usually observed that employees tend to sit late to manage their pending work which they delay in their working hours (Abdul Jalil et al., 2023).

Psychological Well Being

Higher psychological wellbeing has been associated with increased coworkers support which serves as an emotional support to increase worker capacity in terms of work domains (Abdul Jalil et al., 2023). According to study by (Weiss et al., 2016) the ability to develop and reach one's inner potential is referred to as personal development.

Theoretical Underpinning

The COR model has been in the literature for many years. According to COR theory, a valuable resource is always acquired, enhanced, and protected. According to the COR theory's resource investment principle, people try to build more and more resources to prevent loss of resources, and stress is developed when the resources don't increase in value after being invested (Abdul Jalil et al., 2023). COR theory makes the similar assumption that resources already in place can attract more resources, making people with more resources better prepared to take initiative and solve problems. A healthy work-life balance gives one's self-confidence, energy, and a positive outlook, all of which can inherently inspire and energies workers to be involved in their work. Additionally, it appears that work role engagement has a beneficial impact on work role resource gains, which ultimately results in work-family enrichment. (Wood et al., 2020a).

Hypotheses Development

/ Job Engagement & Psychological Wellbeing

When people are happy with their working environment and work nature, it can give them greater motivation and positive attitude (Wood et al., 2020a). Work engagement enables an individual to go from thinking to action, resulting in improved performance from engaged people.

(Bakker et al., 2014). Increased job resources could increase work engagement which can lead to increased wellbeing of a person. Considering the ample evidence indicating a substantial and favorable correlation between job engagement & psychological wellbeing, we suggest:

 $\ensuremath{\textit{H1:}}$ Job engagement has a positive impact on the psychological wellbeing of employees.

// Job Insecurity & Psychological Wellbeing

Job insecurity is referred to as the threat to job employment which has posed negative effects on employees. They are less committed to their existing jobs and have negative work attitudes which unconsciously affect their mental health and lead to frustration. To get rid of this frustration they try to get another job whenever they grab an opportunity which consequently affects the organization's culture (Choi et al., 2016). According to study by (Marzo et al., 2021) job insecurity causes dissatisfaction in people's lives and promotes insecure behavior which is reflected in their daily dealings. The impact will not only submerge into their boundary but also impact others who are surrounded as their family members. After global recession, due to the organization's financial crisis, numerous employees were forcefully instructed to shorten their working hours, late sittings, and accept lesser compensation, which increased job insecurity in the present working conditions (Abdul Jalil et al., 2023). Considering the ample evidence indicating a substantial and favorable correlation between job insecurity & psychological wellbeing, we suggest:

H2: Job insecurity has a negative impact on the psychological wellbeing of employees.

/// WLB as Mediator Between JE & PWB

When individuals experience higher levels of job engagement, they are more prone to believe that their personal and professional lives are better balanced. This, in turn, positively impacts their psychological wellbeing, including higher life satisfaction, and improved overall mental health (Bakker et al., 2014). Employers should promote work-life balance initiatives, such as flexible work schedules and family-friendly policies, to enhance job engagement and overall well-being. Training programs focusing on boundary management skills and stress management can also contribute to achieving work life balance and psychological wellbeing (Wood et al., 2020a). Considering the ample evidence indicating a substantial and favorable correlation of WLB as mediator between job engagement & psychological wellbeing, we suggest:

H3: WLB mediates relationship between job engagement and employees' psychological wellbeing.

IV WLB as Mediator Between JI & PWB

People who endure job insecurity have the risk of losing their ability to arrange funding for their families as well as themselves. To secure their necessities for food and income, workers may invest more time and effort into maintaining their jobs. Increasing the amount of time spent at work theoretically diminishes the amount of time available for their family, making it a challenging and tough situation to establish proper life balance and leaving minimal time for social engagement (Abdul Jalil et al., 2023). Furthermore, a study by (Weiss et al., 2016) proves that people who has poor work life balance reported with inferior mental health issues and they make worse life decisions. When individuals have greater work-life balance, they are

better equipped to manage the negative consequences of job insecurity. They can allocate time and energy to both work and personal life domains. This, in turn, positively impacts their psychological well-being, leading to improved mental health outcomes (Marzo et al., 2021). Considering the ample evidence indicating a substantial and favorable correlation of WLB as mediator between job insecurity & psychological wellbeing, we suggest:

H4: WLB mediates relationship between job insecurity and employees' psychological wellbeing.

Conceptual Framework

The literature above has considered JE, and JI, as independent variables, WLB as mediator and PWB as dependent variable. The conceptual framework of this research was developed based on these 4 variables.

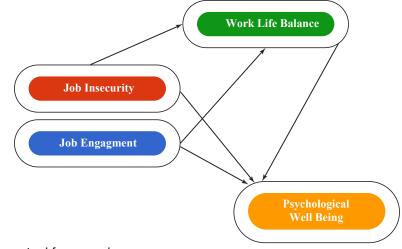


Figure 1: Conceptual framework

METHODOLOGY

Design of Research

Research design discusses method and techniques utilized to carry out the study that elaborates the logical plan to answer the research questions by collecting data, analyzing and interpretation of the data and discussion of data. Our research has adopted Survey approach for conducting research. Survey strategies are used to pinpoint important variables among different types of data. They also enable the collection of vast amounts of information that may be utilized to answer research questions.

Philosophy of Research

Research philosophy indicates a set of beliefs and assumptions, how knowledge is developed. Within research philosophy, there are various research paradigms, and in our research methodology, we have chosen Positivism. A positivist author tends to develop or adapt questionnaire to gather the data and classifies the empirical evidence by using the statistical tools and techniques (Marsonet & others, 2019).

Research Approach

2 types of research approaches are there namely, inductive, and deductive. Our study follows Deductive approach which is basically Quantitative approach (Biazzin & Castro-Carvalho, 2019).

The main difference between inductive and deductive approach is that inductive approach develops new hypotheses, theories, and generalizations whereas deductive approach is based on existing theories and aimed towards testing of hypotheses (Saunders et al., 2015).

Based on the context of our research we would be using quantitative data as our input as we are collecting responses based on Likert scale ranging 1 to 5 and input will be coded and then will be processed through statistical tools to interpret our analysis.

Research Strategy

A study by (Saunders et al., 2015) defined research strategy as "broad strategy the researcher will use to approach addressing the study topics". This survey strategy is used in this research because it is one of the most cost-effective research methods. By utilizing this approach, you can gather detailed amounts of data. In surveys, a representative section of the population is sampled, which is done in quantitative research.

Research Choices

Qualitative and quantitative methods are the two basic types of research procedures for conducting, collecting, and reporting data. In this research study, quantitative research is adopted. Quantitative research is a systematic approach for gathering and analyzing data for problem solving. Its designs are whether experimental or non-experimental in nature, and they aim to produce accurate and precise measurements. Quantitative research is systematically identifying and explaining qualities of objects and events with the goal of uncovering correlations between independent and dependent variables in a population.

Time Horizon

Time horizon has been classified into two categories longitudinal and Cross-sectional studies (Flick, 2012). Cross sectional refers to collection of numeric data at specific point in time.

Longitudinal Horizon is the collection of numeric data repeatedly over longer period of time to compare data. A cross-sectional time horizon has been adopted in this study as data has been collected through structured interviews at a specific given time.

Research Techniques

Observation is done to identify and record activities of people in their environment. When other methods fail, observation plays a critical role in creating thorough depictions of organizations or occurrences, gaining insights that would not be accessible otherwise, and carrying out investigations. Our Technique will be gathering Secondary data that is in the form of Case Studies, research articles, previous studies for reference etc.

Sampling Techniques

Nonprobability sampling is non-random selection based on convenience making data collection simple. The sample is less difficult to get and less expensive, but there is a greater chance of sampling bias. As a result, compared to probability samples, the conclusions drawn about the population are weaker. Nevertheless, you should make a nonprobability sample as representative of the population as you can.

Purposive sampling technique is used in this research because we wanted to involve those individuals of company which are beneficial for our research, and we want to gain detailed in-depth knowledge about specific phenomenon rather than making statistical interferences. A purposive sample has clear inclusion criteria and justification. In this research, a detailed questionnaire is being filled in by selected respondents.

Sample Size: The population that we took for this study is Pakistan, which is 233.1 million and if we dive deeper, most of our respondents are from Karachi which has a population of 16840000 people. The sample size for this study is 175. We have taken the results from people currently working in Pakistan.

Scale and Measure:

For this study, we have used a 5-point Likert scale. It was developed in 1932 and most people around the world are aware of it and find it easy to use. It allows respondents to easily indicate how much they agree or disagree. It is of ordinal nature (Likert Scales). All the questions that have been asked are adopted as if they are from the studies without any changes.

RESULTS AND DISCUSSION

Sample Profile

| Table | 1: | Sample | Profile |
|--------------|----|--------|---------|
|--------------|----|--------|---------|

| espondent Profile | | Frequency | Percentage |
|-------------------|-------------------------|-----------|------------|
| Gender | Male | 144 | 18% |
| | Female | 31 | 82% |
| | Under 18 | 0 | 0% |
| | 18 to 25 | 35 | 20% |
| A | 26 to 35 | 85 | 49% |
| Age | 36 to 45 | 38 | 22% |
| | 46 to 55 | 13 | 7% |
| | Above 55 | 4 | 2% |
| | Matric or O level | 0 | 0% |
| | Intermediate or A level | 5 | 3% |
| Education | Bachelors | 73 | 42% |
| | Masters | 91 | 52% |
| | PhD | 0 | 0% |
| | Others | 6 | 3% |

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| | 5 and below | 76 | 43% |
|--------------------|--------------------|-----|-------|
| | 6-10 | 36 | 21% |
| Experience (years) | 11-15 | 19 | 11% |
| | 16-20 | 18 | 10% |
| | 21 and above | 26 | 15% |
| | Junior Level | 33 | 19% |
| Designation Level | Middle Level | 90 | 51% |
| Designation Level | Senior Level | 47 | 27% |
| | Director Level CEO | 4 1 | 2% 1% |

In this study, we surveyed people who are currently working in different industries in Pakistan; we investigated how different factors affect the psychological well-being of employees by using work-life balance as a mediator. The communication elaborated on the study's goals and relevance. A total of 175 responses were collected and then data of valid responses were analyzed (gender, education, age, experience, and designation level).

Descriptive Statistics

| Items | Mean | Std. dev | Skewness | Kurtosis |
|-------|------|----------|----------|----------|
| JI2 | 2.78 | 1.190 | .109 | 935 |
| JI5 | 2.25 | 1.215 | .653 | 621 |
| JI6 | 2.83 | 1.373 | .182 | -1.192 |
| JI7 | 2.30 | 1.196 | .598 | 619 |
| JI8 | 2.79 | 1.187 | .188 | 809 |
| JE1 | 3.78 | .954 | 705 | .322 |
| JE2 | 3.86 | .961 | 861 | .725 |
| JE3 | 3.70 | .956 | 438 | 355 |
| JE4 | 3.56 | .913 | 386 | .325 |
| PWB1 | 3.59 | .936 | 495 | 140 |
| PWB2 | 3.53 | .934 | 376 | 438 |
| PWB3 | 3.69 | .896 | 451 | 042 |
| PWB4 | 3.38 | 1.065 | 325 | 643 |
| PWB5 | 3.35 | 1.088 | 283 | 698 |
| WLB1 | 3.23 | 1.197 | 341 | 879 |
| WLB3 | 3.17 | .989 | 123 | 414 |
| WLB4 | 3.23 | 1.138 | 283 | 715 |

Table 2: Descriptive Statistics

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing, WLB-Work Life Balance

Skewness and kurtosis analysis determines the univariate normality of the constructs under consideration. Therefore, all the adopted constructs fulfil uni-variate normality requirements, as shown in Table 2, as they ranged between ± 1 (Cain et al., 2017).

Measurement Model Assessment

We used Smart PLS for our research data analysis.

| Construct | Items | Outer Loadings | Composite reliability | Average variance extracted |
|----------------------------|-------|----------------|-----------------------|-------------------------------|
| | JE1 | 0.741 | 0.831 | 0.553 |
| leh Engegement | JE2 | 0.745 | | |
| Job Engagement | JE3 | 0.838 | | |
| | JE4 | 0.637 | | |
| | JI2 | 0.691 | 0.884 | 0.605 |
| | JI5 | 0.823 | | |
| Job Insecurity | JI6 | 0.707 | | |
| | JI7 | 0.833 | | |
| | JI8 | 0.823 | | |
| | PWB1 | 0.811 | 0.899 | 0.642 |
| | PWB2 | 0.784 | | |
| Psychological Wellbeing | PWB3 | 0.865 | | |
| Weilbeilig | PWB4 | 0.787 | | |
| | PWB5 | 0.754 | | |
| | WLB1 | 0.885 | 0.882 | 0.714 |
| Work-Life Balance | WLB3 | 0.789 | | |
| | WLB4 | 0.858 | | |

Table 3: Construct Reliability & Validity

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing, WLB-Work-Life Balance

The reliability of latent variables was determined using Item reliability test and Composite reliability with a criteria value of 0.708 for item reliability and 0.70 for composite reliability (Hair et al., 2022). The least outer loading items are JE4 = 0.637 and JI2=0.691 but their AVE value is greater than 0.5 so these items were retained. In Contrast, all other item's reliability and composite reliability values meet the benchmark value. The convergent validity condition is also satisfied as AVE was above 0.5 (Hair et al., 2022).

| | JE | JI | PWB | WLB |
|-----|-------|-------|-------|-----|
| JE | | | | |
| JI | 0.313 | | | |
| PWB | 0.564 | 0.48 | | |
| WLB | 0.321 | 0.376 | 0.538 | |

 Table 4: Discriminant Validity

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing, WLB-Work Life Balance

The discriminant validity condition is satisfied as HTMT ratio was < 0.85 for each construct (Kline, 2016). The measurement model assessment demonstrates that all the items and constructs used in this research are reliable and valid.

Structural Model Assessment

Structural model assessment is the second phase of analysis in PLS-SEM which involves Collinearity: inner VIF, Direct and Indirect effects and Co-efficient of Determination (R2).

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| Table 5: Inner VIF | | | | | |
|--------------------|-------|-------|--|--|--|
| | PWB | WLB | | | |
| JE | 1.098 | 1.062 | | | |
| JI | 1.14 | 1.062 | | | |
| PWB | | | | | |
| WI B | 1 139 | | | | |

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing, WLB-Work-Life Balance

As a preliminary test, we conducted a VIF test, and the benchmark for the VIF test value is less than 3.3 (Diamantopoulos & Siguaw, 2006). Our all-latent variable's VIF value was less than 3.3, which depicted no collinearity issues.

The second step was to determine the predictive competency of the proposed model that was assessed through R^2 values.

Table 6: R² Values

| | R² | P values |
|-------------------------|-------|----------|
| PWB | 0.38 | 0 |
| WLB | 0.138 | 0.017 |
| BM/B B I I I I III I MA | | |

PWB-Psychological wellbeing, WLB-Work-Life Balance

Table 6 shows that the R² of variables is 0.38 for Psychological well-being and 0.138 for Work life balance. These values indicate that there is moderate variability caused in Dependent variable i.e., Psychological Wellbeing caused by the movement of our independent variables. Hence correlation among variables is moderate according to criteria of 0.13 value proposed by (Cohen, 1988) and 0.33 value proposed by (Chin, 1998). P values in this test are significant as value < 0.05.

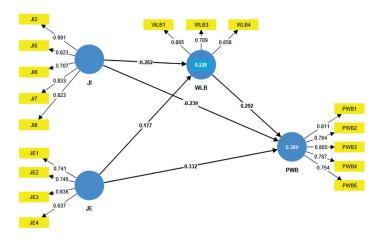


Figure 4: SEM Model

Direct Effects

Table 7: Direct Effects

| | β | SE | T statistics | P values | Result |
|-----------|--------|-------|--------------|----------|-----------|
| JE -> PWB | 0.332 | 0.064 | 5.158 | 0 | Supported |
| JI -> PWB | -0.239 | 0.08 | 3.002 | 0.001 | Supported |

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing

Table 7 illustrates the direct effect path coefficients, T statistics, P values, and decision. The outcome of the analysis support Hypothesis H1 (β =0.332, P<0.05) which proposes that job engagement has positive effect on psychological wellbeing of employees.

Moreover, findings also support Hypothesis H2 (β =-0.239, P<0.05) which proposes that job insecurity negatively impacts the psychological wellbeing of employees.

Specific Indirect Effects

Table 8: Mediation Effect

| | В | SE | T statistics | P values | Result |
|--|--------|-------|--------------|----------|-----------|
| JE -> WLB -> PWB | 0.052 | 0.03 | 1.713 | 0.043 | Supported |
| JI -> WLB -> PWB | -0.076 | 0.033 | 2.316 | 0.01 | Supported |
| II- lob Insecurity IE- lob Engagement PWB-Psychological wellbeing WI B-Work Life Balance | | | | | |

JI-Job Insecurity, JE-Job Engagement, PWB-Psychological wellbeing, WLB-Work Life Balance

Table 8 summarizes the specific indirect effect path coefficients, T statistics, P values, and decision. The analysis outcome support Hypothesis H3 (β =0.052, P<0.05) which proposes that WLB mediates relationship between JE and employees' PWB. Moreover, analysis outcome also supports Hypothesis H4 (β =-0.076, P<0.05) which proposes that WLB mediates relationship between JI and employees' PWB.

DISCUSSION

The impacts of various factors on employees' psychological wellbeing employee job are studied. Hypothesis H1 assumes that JE has significant positive impact on psychological wellbeing of employees (β =0.332, P<0.05). Hypothesis H1 is supported in study and outcome is like as that of literature (Bakker et al., 2014). Hypothesis H2 assumes that JI has negative impact on PWB of employees (β =-0.239, P<0.05). Hypothesis H2 is supported in study and outcome is like as that of literature (Abdul Jalil et al., 2023).

Hypothesis H3 assumes that WLB partially mediates the relationship between JE and employees' PWB (β =0.052, P<0.05). Hypothesis H3 is supported in study and outcome is like as that of literature (Wood et al., 2020b).

Hypothesis H4 assumes that WLB partially mediates the relationship between JI and employees' PWB (β =-0.076, P<0.05). Hypothesis H4 is supported in study and outcome is like as that of literature (Abdul Jalil et al., 2023).

Conclusion, Implications and Limitations

In this study, we examined the effects of job insecurity and job engagement on their phycological wellbeing. We also examined the potential mediation effect of work life balance. This study confirms the negative impact of job insecurity on phycological well being of employees, its mean that employees who feel insecure on their job their phycological well being is not good or higher perception of job insecurity negatively impact on phycological wellbeing. Second, job engagement positively affects phycological wellbeing. It means that employees who are more engaged in their job are feel better as far as the phycological well being is concerned. The result may indicate that the employees who do not have high job engagement, enthusiasm, and focus on the job also not phycological well. Thirdly, the study International Journal of Emerging Business and Economic Trends confirms that the employee who have good balance between time spent at the office and at home have better work life balance and it plays a mediation role on in between job insecurity, job engagement and phycological wellbeing.

Theoretical implications:

The theoretical implications of these results are as follows. This study confirms the results of previous studies that job insecurity have a negative impact on phycological wellbeing. Also, it confirm that the job engagement have positive impact on phycological wellbeing. This study also verified the relationship between job insecurity, job engagement and phycological wellbeing, and establishing a theoretical foundation for association among them. This study can present a theoretical opportunity to explore justification on inducing less job security, high job engagement, an academic opportunity that may contribute to further study.

Practical implications

This study suggests some practical implications as well. The study verified that the perception of job insecurity and job engagement significantly influences the phycological wellbeing in the organizations. Therefore, this study suggest that managers should make constructive decision to reduce the negative impact of job insecurity and improve the perception of job engagement. They should create a work environment where employee fell security and high engagement. They must make sure that employees do not think that managers are avoiding important issues for achieving this manager should create close relationship with employees. Job insecurity could be reduced by involving employees in decision-making. Through employee participation in the decision-making process, employees will be able to understand the difficulties that face an organisation and sympathize with the goal of the organisational development. Ultimately, this will help make better decisions. Opportunities for sharing previous experiences of overcoming challenges or passing on know-how from past eras of insecurity need to be established using the mentor-mentee system. Improved ways of increasing employee confidence and engagement should also be prepared.

Limitations and future recommendations

This study is not free from limitations. Some of the limitations are discussed here. The results are restricted because the samples are limited to Pakistani employees. Other countries could do future studies. This study relied on self-reporting to measure job insecurity, engagement, and psychological wellbeing. Thus, the respondents might have answered what they think is desirable, depending on their subjective views and the measurement tools. Due to limited time and resources the study has focused on two independent variable for psychological wellbeing of employees. Further studies are also needed to determine the associations between the various independent and dependent variables that can affect psychological wellbeing.

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