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# **The Influence of Occupational Self-Efficacy on Job Hopping in Generation Z: Mediated by Job Insecurity and Moderated by Perceived Alternative Job Opportunities**

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### **ABSTRACT**

This study aims to examine the indirect effect of occupational self-efficacy on job hopping in Generation Z employees, the mediating role of job insecurity (cognitive and affective model) and moderation role of perceived job alternative opportunities in this relationship. This study uses a quantitative approach with a survey method involving 90 Generation Z employees who work in BPO. Data were analyzed using linear regression test, VAF test for mediation effect and MRA test for moderation effect. The results showed that occupational self-efficacy affects job hopping in Generation Z employees through job insecurity partially. In addition, perceived job alternative opportunities were shown to strengthen the relationship between affective job insecurity and job hopping, but not moderated the relationship between cognitive job insecurity and job hopping. It is important for organizations to provide a sense of security to Generation Z employees to reduce job hopping behavior, as well as pay attention to the moderating role of perceived alternative job opportunities.

**Keywords:** Generation Z; job hopping; occupational self-efficacy; job insecurity; perceived alternative job opportunities.

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### **1. Introduction**

Job hopping behavior has become a social trend among young workers (Zahari & Puteh, 2023). Understanding job hopping is important as Generation Z enters the workforce. Generation Z (Gen Z) consists of individuals born between 1995-2009 (Goh & Lee, 2018); 1995-2012 (Oblinger & Oblinger, 2005; Onesto, 2022). Research related to job hopping behavior in the Millennial generation has received much attention, but the literature on job hopping in Gen Z is less explored. Gen Z employees tend to change jobs at a higher rate than other generations in the workplace (Zahari & Puteh, 2023; Arifin et al., 2024). According to a study conducted by Deloitte (2017), 43% of Gen Z employees are expected to change jobs within two years.

Park & Jung (2015) hypothesized in their study that occupational self-efficacy would indirectly affect turnover intention through mediators. Tulgan (2013) highlighted Gen Z's need for security. However, the problem is instead of providing a sense of "security" to their employees,

organizations prefer to collaborate with Business Process Outsourcing (BPO) companies. BPO companies involve outsourcing the infrastructure that supports business processes from vendor companies based on contract (Mani et al., 2006). Insecure conditions will make individuals prepare for the future such as starting to look for other jobs (Smet et al., 2016). Therefore, we will investigate job insecurity as a mediator in the relationship between occupational self-efficacy and job hopping.

Gen Z is considered important for organizations, because according to Bassiouni & Hackley (2014), Gen Z grew up as a digital generation with unlimited access to technology and Goh & Lee (2018) found that Gen Z is willing to work hard. However, the wide scope of technology allows young workers to find alternative jobs more easily (Decreuse & Granier, 2005). This allows for high employee turnover (Stansell, 2019). With this phenomenon, several issues such as retaining experienced and trained employees must be faced by organizations (Zahari & Puteh, 2023). A better understanding phenomenon of job hopping allows organizations to adapt and create a work environment that supports employee needs while ensuring better business continuity.

## **2. Literature Review**

The concept of job hopping was first proposed by Ghiselli (1974) which was later referred to as the 'hobo syndrome'. Job hopping is defined by Dougherty et al. (1993) as the behavior of employees who frequently move between companies. Job hopping has been developed as a phenomenon that encourages employees to change organizations instead of being associated with one organization in the long term (Ganco et. al., 2015). Zahari & Puteh (2022) defined job hopping as the behavior of regularly switching jobs to other available job opportunities. A study conducted by Jules et al. (2017) found an increase in job hopping behavior among employees.

Self-efficacy is defined as an individual's belief in they ability to successfully complete various tasks (Bandura, 1994). Bandura (2006) argues that predictions are best achieved if one uses domain-specific self-efficacy judgments that correspond to the desired outcomes. Therefore, the concept of occupational self-efficacy is used in this study. Occupational self-efficacy is defined as an individual's belief in they ability to successfully complete work and master various work-related challenges (Schyns & von Collani, 2007). Individuals with high occupational self-efficacy persist longer on various success-related tasks (Abele & Spurk, 2009).

Job insecurity can be defined as an individual's concerns about the future of his or her job, especially about the continuity or stability of his or her position in his or her current job (van Vuuren, 1990). Jacobson (1987) hypothesized that job insecurity can trigger cognitive thinking that makes us estimate when a threat occurs and how likely it is, and assess how capable we are of facing or responding to the situation. In addition, an affective component is also present in the construct, which states that how individuals perceive their ability to survive and the tendency to look for who is to blame for the situation.

The concept of perceived alternative job opportunities (PAJO) is defined when employees see or perceive the existence of job opportunities that are more profitable than their current job and organization (Živković et al., 2023). PAJO has a direct and indirect impact on intention to quit (Griffeth and Hom, 2000). When Employees perceive more alternative job opportunities and

accept offers from other employers, they make cost-benefit comparisons between current and alternative jobs (Mobley, 1979; Price, 2001). Then, better opportunities can inadvertently arouse employees' desire to leave (Živković et al., 2023).

### *2.1. The Influence of Occupational Self-Efficacy to Job Hopping*

Occupational self-efficacy, defined as “an individual's perceived competence regarding the ability to successfully fulfill the tasks involved in his or her job” (Rigotti et al., 2008). Individuals with high occupational self-efficacy set higher career-related goals for themselves and persist longer in success-related tasks (Abele & Spurk, 2009; Bandura, 1997; Lent et al., 1994). Thus, they are low likely to engage in job hopping. Then, Schyns et al. (2007) state that occupational self-efficacy is not a significant predictor of the employee turnover dimension. Therefore, we hypothesise that occupational self-efficacy not related to job hopping.

*H1: Occupational self-efficacy not related to job hopping.*

### *2.2. The mediating role of job insecurity on the relationship between occupational self-efficacy and job hopping*

Park & Jung (2015) argue that occupational self-efficacy will indirectly affect turnover intention through mediators. Then, referring to the research of Pienaar et al. (2013) job insecurity has two models, is cognitive and affective. Staufenbiel & König (2011) concluded that Borg's (1992) i.e. a person's logical thoughts in relation to job loss as cognitive job insecurity, then affective job insecurity describes the anxiety arising from the imagination of job loss. The higher a person's self-efficacy, the less tension they experience when they feel their job is insecure (König et al., 2010). This suggests that occupational self-efficacy is positively related to cognitive job insecurity, but not to affective job insecurity.

Meanwhile, Job insecurity is very likely to influence the desire to change jobs (Brougham & Haar, 2020). De Witte (2005) stated that an increase in the desire to change jobs is a result of job insecurity. Employees who feel worried about insecure work situations show a variety of behaviors, one of which is a decreased desire to stay in the organization (Çınar et al., 2014). This shows that affective job insecurity is more related to job hopping than cognitive job insecurity. Therefore, we hypothesise that Job self-efficacy is more related to cognitive job insecurity, while affective job insecurity has more influence on job hopping. Thus, it is likely that both cognitive and affective job insecurity partially mediate the relationship between occupational self-efficacy and job hopping.

*H2a: Occupational self-efficacy positively related to cognitive job insecurity.*

*H2b: Occupational self-efficacy not related to affective job insecurity.*

*H3a: Cognitive job insecurity not related to job hopping.*

*H3b: Affective job insecurity positively related to job hopping.*

*H4a: Cognitive job insecurity partially mediates the relationship between occupational self-efficacy and job hopping.*

*H4b: Affective job insecurity partially mediates the relationship between occupational self-efficacy and job hopping.*

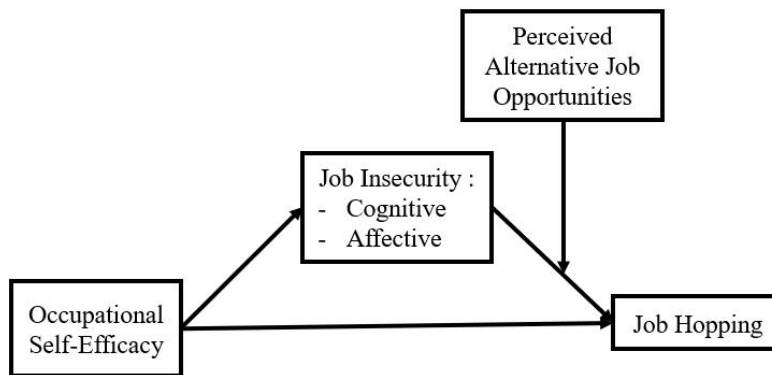
**2.3. The moderating role of perceived alternative job opportunities on the relationship between Job Insecurity and job hopping**

Previous research suggests that perceived alternative job opportunities have a positive correlation with intention to leave (e.g. Alpar, 2020; Griffeth et al., 2000; Thatcher et al., 2002). When employees perceive many job alternatives, they will exhibit lower levels of commitment and consequently, higher levels of turnover intention (Hwang & Kuo, 2006). In addition, Saeed & Shabir (2013) found that perceived alternative job opportunities have a moderating role. Employees who initially have no intention to leave their job in an organization may quickly change their decision if they are aware of better job information in another organization (Živković et al., 2023). Therefore, we hypothesize that perceived alternative job opportunities are positively related to job hopping and may strengthen the relationship between both cognitive and affective job insecurity and job hopping.

*H5: Perceived alternative job opportunities positively related to job hopping.*

*H6a: Perceived alternative job opportunities strengthen the relationship between Cognitive Job Insecurity and job hopping.*

*H6b: Perceived alternative job opportunities strengthen the relationship between Affective Job Insecurity and job hopping.*



*Figure 1. Research model*

**3. Research Method**

*3.1. Participants and Data Collection*

The participants of this study were Generation Z employees that working in BPO companies. We conducted a survey distributed online in Semarang, Solo and Sleman. The sampling technique used purposive sampling, with the determination of being born in 1995-2009 and having changed jobs at least twice. The questionnaire was distributed by using snowball sampling and received 103 responses, but only 90 or 87.4% of the data could be used. Referring to Hair et al. (2006) the

recommended sample size is between 10 - 20 times the number of variables, so 90 samples in this study can be used. Respondents consisted of 65 (72.2%) women and 25 (27.8%) men.

### 3.2. Measures and Data Analysis

Job hopping was measured by 8 item from Lake, et. al (2017). Occupational self-efficacy was measured by 6 item from Rigotti, et. al (2014). Job insecurity was measured by 8 item from Pienaar, et. al (2013). Perceived alternative job opportunities was measured by 7 item from Živković, et. al (2023). Data was analyzed using regression test to determine the relationship between variables, variance accounted for (VAF) to the mediation effect test and moderated regression analysis (MRA) to the moderation effect test.

## 4. Results

We analysed the data using Smart PLS version 3, and the results of the relationship between variables in Table 1.

Table 1. Relationship Between Variables

Variable	Coefficients				
	O	M	STDEV	T Statistic	P Values
OSE – JH	-0.167	-0.169	0.109	1.523	0.128
OSE - JI Afe	0.008	0.0009	0.146	0.056	0.955
OSE - JI cog	0.571	0.584	0.071	8.038	0.000
JI Afe – JH	0.259	0.275	0.101	2.555	0.011
JI Cog – JH	-0.041	-0.040	0.135	0.303	0.762
PAJO – JH	0.484	0.508	0.1000	4.827	0.000

Table 1 shows that occupational self-efficacy is not related to job hopping. Then, occupational self-efficacy is positively related to cognitive job insecurity, but not related to affective job insecurity. Affective job insecurity is positively related to job hopping, but cognitive job insecurity is not related to job hopping. Furthermore, perceived alternative job opportunities are positively related to job hopping. Therefore, hypothesis 1, 2a, 2b, 3a, 3b and 5 are accepted.

We tested the mediating role using the VAF test, as follows:

$$VAF = \frac{\text{Indirect effect}}{\text{Direct effect} + \text{Indirect effect}}$$

VAF tests the cognitive job insecurity as mediation variable on the relationship between occupational self-efficacy and job hopping obtained a value of 0.711, so it can be concluded that it mediates partially. Meanwhile, the affective job insecurity as mediation variable on the relationship between occupational self-efficacy and job hopping obtained a value of 0.653, so it can be concluded that it mediates partially. Thus, hypothesis 4a and 4b is partially accepted.

The results of the MRA test that perceived alternative job opportunities as moderating variable on the relationship between job insecurity and job hopping are shown in Table 2.

Table 2. Moderation Effect

Moderation Effect	Coefficients				
	O	M	STDEV	T Statistic	P Values
OSE - JI Cog - JH	0.055	0.021	0.112	0.488	0.625
OSE - JI Afe - JH	0.239	0.203	0.109	2.191	0.029

MRA test results show that perceived alternative job opportunities moderate the relationship between affective job insecurity and job hopping, but not moderate the relationship between cognitive job insecurity and job hopping. Thus, hypothesis 6a not accepted and 6b is accepted.

## 5. Discussion

The relationship between occupational self-efficacy and job hopping is not significant. Relevant research results by Park & Hung (2015) state that occupational self-efficacy has an indirect effect on the desire to change jobs through mediators. Therefore, we add the mediator job insecurity. Job insecurity has two models, cognitive and effective. According to Pienaar et al. (2013) thoughts and ideas about job loss are called cognitive job insecurity, while the feelings and fears that arise from these thoughts are affective job insecurity.

Occupational self-efficacy affects cognitive job insecurity, but has no effect on affective job insecurity. Employees with high self-efficacy not feel threatened by their current position because they are confident in their ability to cope or adjust if there is a change in their job (e.g. layoffs). Meanwhile, affective job insecurity affects job hopping, but cognitive job insecurity has no effect on job hopping. Referring to the definition of job insecurity by Pienaar et al. (2013), affective job insecurity describes the fear of losing a job which then causes employees to tend to job hopping. This explanation makes sense to explain the results of the effect of job insecurity as a mediator of the relationship between occupational self-efficacy and job hopping, where both affective and cognitive job insecurity partially mediate.

Perceived alternative job opportunities influence job hopping. This result supports previous research statements (e.g., Alpar, 2020; Mushtaq et al., 2014; Griffeth et al., 2000; Hwang & Kuo, 2006; Thatcher et al., 2002) that there is a direct relationship between perceived alternative job opportunities and turnover intention. Perceived alternative job opportunities also moderate the relationship between affective job insecurity and job hopping, but not moderate the relationship between cognitive job insecurity and job hopping. According to Mobley (1979) and Price (2001) employees who perceive the availability of alternative job opportunities make cost and benefit comparisons between current jobs and alternative jobs. When affective job insecurity is high and alternative job opportunities are available, employees tend want to immediately eliminate the 'fear' they feel by moving to a more secure job. Whereas, employees with high cognitive job insecurity are based on a rational analysis of job stability and consider carefully in making decisions, even though employees may be aware of threats to their jobs.

## 6. Conclusion

Occupational self-efficacy influences job hopping behaviour in Generation Z employees through affective job insecurity. In addition, perceived alternative job opportunities were shown to strengthen the relationship between affective job insecurity and job hopping. As Gen Z, known

for their unique traits and familiarity with technology, enters the workforce, they find it easier to access information about other job opportunities. Therefore, it is crucial for organizations to provide a sense of security to reduce job hopping among Gen Z employees.

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