



## **Job Security and Psychological Safety in the IT Sector**

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### **Abstract**

This research investigates how job security influences psychological safety among employees in the Information Technology (IT) sector. In an industry characterized by frequent layoffs, project-based roles, and rapid technological changes, job stability has become a critical concern. Utilizing a quantitative, cross-sectional research design, this study analyzes data from IT professionals to determine whether perceived job security enhances employees' willingness to communicate, innovate, and take interpersonal risks. The findings reveal a highly significant positive correlation between job security and psychological safety, emphasizing the need for organizations to balance technological advancement with employee well-being.

**KEYWORD-** *Job Security, Psychological Safety, Information Technology (IT) Sector, Employee Behavior, and Employment Stability*

### **Introduction**

The modern workplace, particularly within the Information Technology (IT) sector, has undergone significant transformation over the past few decades due to rapid technological advancements, globalization, and evolving business models. Organizations today operate in a highly dynamic and competitive environment where continuous innovation and efficiency are essential for survival and growth. While these developments have enhanced productivity and created new opportunities, they have also introduced a considerable level of uncertainty in employment conditions (Sverke et al., 2002). One of the most critical concerns emerging from this environment is job security, which has become a major determinant of employees' psychological and behavioral outcomes (De Witte, 2005). Job security refers to the degree to which employees perceive stability and continuity in their employment within an organization (Greenhalgh & Rosenblatt, 1984). In the IT sector, this concept has gained increased importance due to factors such as frequent layoffs, project-based employment, contract hiring, outsourcing, and the growing impact of automation and artificial intelligence (Ashford et al., 1989). Unlike traditional employment structures, IT jobs often depend



on project cycles and market demand, which makes employment conditions less predictable. As a result, employees frequently experience uncertainty regarding their job continuity, which can lead to stress, anxiety, and reduced job satisfaction (Sverke et al., 2002; De Witte, 2005). At the same time, organizations are increasingly recognizing the importance of creating a supportive and inclusive work environment that encourages employee participation and engagement. This has led to growing attention towards the concept of psychological safety, defined as a shared belief among team members that the work environment is safe for interpersonal risk-taking, where individuals feel comfortable expressing their ideas, concerns, and mistakes without fear of embarrassment, rejection, or punishment (Edmondson, 1999). It is considered a critical factor for fostering open communication, collaboration, and innovation within teams. Psychological safety enables employees to contribute their knowledge and ideas freely, which is particularly important in the IT sector where creativity and problem-solving are key drivers of success. When employees feel psychologically safe, they are more likely to engage in discussions, share feedback, and participate in decision-making processes (Detert & Burris, 2007). This not only improves team performance but also enhances learning and adaptability within the organization (Baer & Frese, 2003). However, the presence of psychological safety is not automatic; it is highly influenced by job security. Employees who feel insecure about their job may perceive the workplace as threatening, which can limit their willingness to speak up or take risks. Fear of negative consequences, such as job loss or criticism, may lead employees to remain silent even when they have valuable ideas or feedback (Probst, 2003). This behavior, often referred to as “employee silence,” can hinder innovation, reduce collaboration, and negatively impact organizational effectiveness. On the other hand, employees who perceive a high level of job security are more likely to feel confident and valued within the organization. This sense of stability encourages them to express their opinions, share knowledge, and take initiative without fear of repercussions (Kahn, 1990). Furthermore, organizations that fail to provide job security may experience several negative outcomes, including reduced employee engagement, lower productivity, increased stress levels, and higher turnover rates (Pfeffer, 1998). High employee turnover not only increases recruitment and training costs but also disrupts team dynamics and organizational performance. In addition, recent trends such as remote work, gig economy roles, and flexible employment arrangements have further complicated the concept of job security in the IT sector. While these trends offer flexibility, they may also increase uncertainty and reduce long-term employment stability, making it even more



important for organizations to focus on building trust and psychological safety. Despite the growing importance of both concepts, there is limited research that directly examines the relationship between these two variables, particularly in the context of the IT sector. Most existing studies have focused on broader concepts without specifically linking job security to psychological safety. Therefore, exploring how these two factors interact is crucial for developing effective human resource strategies that promote employee well-being, enhance communication, and improve overall performance in a rapidly changing work environment

## **Literature Review and Theoretical Framework**

The concepts of job security and psychological safety have been widely studied in the fields of organizational behavior and human resource management due to their crucial roles in influencing employee attitudes and performance. Psychological safety was first introduced as a shared belief among team members that the workplace is a safe environment for interpersonal risk-taking (**Edmondson, 1999**). This concept is especially vital in knowledge-driven industries like the Information Technology (IT) sector, where employees who experience psychological safety are more likely to express their ideas, admit mistakes, and ultimately enhance team learning and performance (**Edmondson & Lei, 2014**). Job security, defined as the perceived threat of losing one's job or important job features, is an equally fundamental factor shaping workplace behavior (Greenhalgh & Rosenblatt, 1984).

Classical motivational theories emphasize the foundational necessity of job security. Safety needs are a fundamental human requirement, indicating that individuals seek stability and protection before they can focus on higher-level needs such as self-actualization (**Maslow, 1943**). Similarly, job security is categorized as a hygiene factor, meaning its absence leads to dissatisfaction even when other motivating factors are present in the workplace (Herzberg, 1959). In contemporary academic literature, job insecurity is recognized as a significant psychological stressor that negatively affects mental health and overall well-being (**De Witte, 2005**). It is negatively associated with job satisfaction and organizational commitment, while actively increasing stress and anxiety (**Sverke et al., 2002**). Behaviorally, job insecurity triggers negative emotional responses—such as fear and uncertainty—that reduce motivation and productivity (**Ashford et al., 1989**). Consequently, insecure employees are less likely to exhibit organizational citizenship



behaviors and tend to withdraw from active participation (**Probst, 2003**).

Conversely, psychological safety acts as a critical driver for promoting innovation and team effectiveness. Organizations with higher psychological safety achieve greater innovation because employees feel comfortable sharing new ideas without the fear of criticism or rejection (**Baer & Frese, 2003**). This environment encourages employees to speak up, share constructive feedback, and contribute to organizational decision-making, all of which are vital for continuous improvement (**Detert & Burris, 2007**). To achieve this level of participation, employees must feel safe, meaningful, and available, making psychological safety a key condition for full work engagement (**Kahn, 1990**).

The development of both job security and psychological safety is heavily reliant on organizational culture, leadership, and human resources. Inclusive leadership behaviors, such as openness and support, actively enhance team psychological safety (**Nembhard & Edmondson, 2006**). Trust is fundamental to workplace relationships, and fairness in organizational processes positively impacts employee attitudes (**Kramer, 1999; Colquitt et al., 2001**). Furthermore, effective HR practices that ensure transparent communication and provide job security generate higher employee commitment and better overall organizational performance (**Pfeffer, 1998; Agarwal & Farndale, 2017**).

Despite this extensive research, a significant gap remains because most studies examine these concepts independently rather than exploring their direct interrelationship. While job insecurity is linked to stress and reduced performance (**Sverke et al., 2002; De Witte, 2005**), and psychological safety is tied to innovation and communication (**Edmondson, 1999; Baer & Frese, 2003**), there is limited research on how job security directly drives psychological safety. In the collaborative and rapidly changing IT industry, a lack of job security can cause hesitation and reduce the sharing of ideas, whereas a secure environment encourages risk-taking and open communication. Additionally, the rise of remote work and the gig economy has complicated employee perceptions of stability, underscoring a clear need to investigate how evolving employment trends affect the critical link between job security and psychological safety.

## **Research Methodology**



The study employs a quantitative, cross-sectional, and analytical research design to capture current employee perceptions in the Indian IT sector.

- **Sample:** A convenience sample of 103 IT employees was utilized. The respondents were predominantly young professionals (mean age 29.69), with 1 to 5 years of work experience (55%), male (63%), and employed in permanent roles (64%) at the mid-level of seniority (45%).
- **Data Collection:** Primary data was gathered via a structured online questionnaire using a 5-point Likert scale (ranging from 1 = Strongly Disagree to 5 = Strongly Agree).
- **Variables:** The independent variable, job security, was measured across dimensions like fear of job loss, organizational support, and career growth. The dependent variable, psychological safety, was measured through speaking up, risk-taking, openness, trust, and error handling.

## **Data Analysis and Results**

The collected data was analyzed using descriptive statistics, correlation analysis, and regression analysis.

- **Descriptive Findings:** Employees reported moderate levels of both job security and psychological safety. Under job security, "Career Growth & Continuity" scored the highest mean (3.37), while "Role Importance & Stability" scored the lowest (3.31). For psychological safety, "Trust & Team Support" was highest (3.32), whereas "Confidence & Error Handling" scored the lowest (3.24).



Components of Job Security (Independent Variable)

<b>Characteristics (N=103)</b>	<b>Mean</b>	<b>SD</b>
Employment Stability	3.33	1.04
Fear of Job Loss	3.32	1.12
Organizational Support	3.32	1.11
Career Growth & Continuity	3.37	1.05
Role Importance & Stability	3.31	1.12



Components of Psychological Safety (Dependent Variable)

Characteristics (N=103)	Mean	SD
Speaking Up	3.26	0.99
Risk-Taking & Innovation	3.28	1.09
Openness & Communication	3.26	1.03
Trust & Team Support	3.32	1.05
Confidence & Error Handling	3.24	1.10

- Correlation Analysis:** The study found a very strong positive relationship between job security and all components of psychological safety. The highest correlation was observed between job security and "speaking up" ( $r = 0.993$ ), followed by "risk-taking & innovation" ( $r = 0.949$ ) and "confidence & error handling" ( $r = 0.936$ ).

	Job Security	Speaking Up	Risk-Taking & Innovation	Openness & Communication	Trust & Team Support	Confidence & Error Handling
Job Security	1.000					
Speaking Up	0.993	1.000				
Risk-Taking & Innovation	0.949	0.879	1.000			
Openness & Communication	0.932	0.870	0.901	1.000		
Trust & Team Support	0.928	0.861	0.874	0.855	1.000	
Confidence & Error Handling	0.936	0.867	0.886	0.859	0.857	1.000



- Regression Analysis:** Job security components significantly predict psychological safety (Adjusted  $R^2 = 0.97$ ,  $p = 0.000$ ). The strongest predictor impacting psychological safety was the fear of job loss ( $\beta = 0.25$ ), indicating that reducing employees' fear of termination heavily increases their comfort in expressing ideas. Employment stability ( $\beta = 0.22$ ) and career growth ( $\beta = 0.22$ ) also showed strong positive effects.

Dependent variable: Psychological Safety

Predictor Variables (N=103)	Beta Coefficient	Sig.
Constant	0.00	0.000
Employment Stability	0.22	0.000
Fear of Job Loss	0.25	0.000
Organizational Support	0.19	0.000
Career Growth & Continuity	0.22	0.000
Role Importance & Stability	0.17	0.000

Adj. R Square = 0.97

## Discussion and Managerial Implications

The results strongly support the alternative hypothesis: there is a significant impact of job security on psychological safety among IT employees. The data proves that job security is not merely an economic issue but a core behavioral driver; employees who feel secure are highly likely to communicate openly, trust their peers, and handle mistakes without fear.

For IT organizations, these findings offer clear managerial implications. Leaders must focus on creating a supportive environment by providing transparent communication during organizational changes, such as restructuring or layoffs, to mitigate the fear of job loss. Furthermore, offering clear career growth paths and handling employee errors as learning opportunities rather than



punishable offenses will drastically improve psychological safety, ultimately driving the innovation that the IT sector relies upon.

## **Conclusion**

The fast-paced and highly competitive Information Technology sector demands continuous innovation, agility, and teamwork. However, this same environment often breeds employment uncertainty due to frequent restructuring, project-based roles, and rapid technological shifts. This study explored the critical dynamic between job security and the psychological safety of employees. Focusing on a predominantly young, early-to-mid-career workforce, the research established a profoundly strong and positive relationship between these two factors, proving that job security is not merely a background economic issue but a powerful behavioral driver.

The findings revealed that IT employees currently experience a moderate level of both job security and psychological safety. This reflects a workplace where temporary stability coexists with an underlying apprehension about long-term career continuity. Crucially, the fear of job loss emerged as the most significant factor restricting psychological safety. When employees feel insecure, they tend to withdraw into a culture of silence—withholding valuable feedback, hiding mistakes, and avoiding creative risks out of a desire for self-preservation. Conversely, when workers feel secure in their positions, their psychological safety naturally elevates. They exhibit a much higher willingness to speak up, share unconventional ideas, and view errors as stepping stones for learning rather than career-ending catastrophes.

These insights offer a clear directive for organizational leaders and human resource professionals. Fostering a culture of open dialogue and innovation cannot be achieved through superficial team-building exercises alone; it requires the structural foundation of job security. Organizations must prioritize transparent communication during times of transition, treat employee errors constructively, and provide tangible career growth opportunities.

In conclusion, job security serves as the essential bedrock upon which a highly functioning work environment is built. In an industry where success hinges on collaborative problem-solving, organizations simply cannot afford the silent withdrawal of an insecure workforce. By actively balancing operational efficiency with human-centric employment practices, IT organizations can



alleviate workplace anxiety, unlock the full creative potential of their teams, and ensure long-term organizational success.

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