

The Detrimental Effects of Insecure Job: Emotional Exhaustion and Its Impact on Service Quality

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고용 불안정성의 부정적인 영향: 정서적 탈진과 서비스 품질에 미치는 영향

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Abstract

This research explores the interconnections among job insecurity, emotional exhaustion, Leader–Member Exchange (LMX), and customer–directed deviance, framed by the Conservation of Resources (COR) theory. The study, drawing on data from 312 frontline employees in Korea, utilizes hierarchical regression to analyze these relationships. It was found that job insecurity has a significant and positive correlation with customer–directed deviance. Furthermore, emotional exhaustion plays a pivotal mediating role in this link. The study also discovers that LMX moderates the relationship between job insecurity and emotional exhaustion, as well as the indirect effect of job insecurity on customer–directed deviance, mediated by emotional exhaustion. Specifically, these relationships are less pronounced in instances of high LMX compared to low LMX. The study concludes with a discussion of its theoretical contributions and practical implications.

Keywords : Job Insecurity, Emotional Exhaustion, Leader–Member Exchange (LMX), Customer–Directed Deviance, Conservation of Resources Theory

접수일(2024년 01월 08일), 수정일(1차 : 2024년 02월 15일, 2차 : 2024년 02월 28일), 게재확정일(2024년 03월 17일)

I. Introduction

Job insecurity, defined as the perceived threat of losing one's job (Sverke, Hellgren, and Näswall, 2002; Sverke, Hellgren, and Näswall, 2006), has emerged as a significant stressor with negative effects on employees, particularly in the service sector during the COVID-19 pandemic (Chen and Eyoum, 2021; Vo–Thanh et al., 2022; Xie, Ifie, and Gruber, 2022). This issue has become more pronounced during the pandemic, leading to heightened uncertainty and prompting a reassessment of job security (Kramer and Kramer, 2020). The impact of job insecurity extends beyond immediate threat of job loss; it undermines employees' job performance, job satisfaction, affective commitment, creativity, and innovative behavior (De Witte, Pienaar, and De Cuyper, 2016; Lim and Kim, 2019; Shoos, 2017). Moreover, it also has a negative influence on employees' psychological health, which subsequently generates long-term organizational costs through diminished service quality and altered customer attitudes towards the firm (Cheng and Chan, 2008; Darvishmotevali, Arasli, and Kilic, 2017; Yeo, Lim, and Ji, 2015). Despite existing research on the influence of job insecurity, its effects on service sector are not fully understood.

While prior research has established the link between job insecurity and customer-directed deviance (Huang et al., 2017; Reisel et al., 2010; Tian, Zhang, and Zou, 2014), this study seeks to delve deeper into these dynamics within the context of the service sector. Customer-directed deviance, a form of negative behavior by employees towards customers, can range from rudeness to more severe negative actions, which not only harm customer relationships but also have significant financial and reputational repercussions for service organizations (Fombelle et al., 2020; Gong and Wang, 2022; Gong, Wang, and Lee, 2020; Grandey, Dickter, and Sin, 2004). Also, due to the importance of examining how job insecurity may lead to such behaviors is underscored by the potential

for substantial negative outcomes in the service domain (Yagil, 2008). By doing so, this study provides a detailed examination on how job insecurity affects those who interact with customers, thus offering sector-specific insights that can lead to targeted interventions (Griffin, O'Leary-Kelly, and Collins, 1998; Lagas, Perez-Vega, Kadić-Maglajlić, and Borghei-Razavi, 2023).

The mechanisms that mediate the relationship between job insecurity and customer-directed deviance require further exploration. Frontline employees are particularly prone to emotional exhaustion given the demanding nature of their roles that involve continuous interaction with customers and the requirement for persistent emotional effort and turbulent business environments, often under challenging circumstances (Choi, Mohammad, and Kim, 2019; Karatepe and Aleshinloye, 2009). This study delves into the antecedent of emotional exhaustion, focusing particularly on job insecurity as a significant source of stress, as indicated by earlier research (Chen and Eyoun, 2021; Khan et al., 2022; Muhammed Nowfal, PM, and Sreejith, 2021). Hobfoll's conservation of resources (COR) theory (1989) suggests that individuals strive to protect their valued resources. In the context of job insecurity, this protection may fail, leading to a depletion of emotional and psychological resources among frontline employees (Hobfoll, 1989). This depletion may manifest as emotional exhaustion—a chronic state of physical and emotional depletion resulting from excessive job demands and continuous stress (Maslach, Schaufeli, and Leiter, 2001). Emotional exhaustion, in turn, may act as a mediator, leading employees to engage in customer-directed deviance due to the lack of resources needed to maintain positive customer interactions (Bakker, Demerouti, and Verbeke, 2004).

The moderating role of leadership, and specifically the quality of leader-member exchange (LMX), has been overlooked in the context of job insecurity (Zhou and George, 2001). Studies have predominantly focused on individual characteristics that attenuate the impact of job insecurity, such as emotional intelligence and resilience (Jordan, Ashkanasy, and Hartel, 2002). However, leadership qualities, particularly through LMX, may offer a buffer against job insecurity's adverse effects, supporting frontline employees and reducing emotional exhaustion (Graen and Uhl-Bien, 1995). While Huang et al. (2017) showed that LMX can mitigate the impact of job insecurity, the comprehension of this dynamic remains limited, particularly frontline employees in the service industry. Given the la-

bor-intensive nature of the service industry, where the success of operations heavily relies on the performance and well-being of frontline employees, the role of leadership is crucially important (Cha and Borchgrevink, 2018). In environments marked by high interaction with customers and continuous delivery of services, effective leadership can significantly influence employee morale, motivation, and ultimately, service quality (Paparoidamis and Guenzi, 2009). Especially, high-quality LMX relationships, characterized by mutual trust, respect, and support, can provide employees with resources that mitigate the impact of job insecurity (Ma, Chen, Tang, and Yan, 2023; Wang et al., 2019).

This study seeks to address these gaps by examining the influence of job insecurity on customer-directed deviance among service sector employees, considering the mediating role of emotional exhaustion and the moderating effect of LMX. This approach aligns with the perspective of COR theory, which emphasize the importance of resource conservation and the potential for leadership to fortify employees against workplace stressors (Hobfoll, 1989).

The contribution of this study is threefold. First, it shifts the research focus towards the critical yet underexplored issue of customer-directed deviance in the service industry and its relationship with job insecurity (Skarlicki, van Jaarsveld, and Walker, 2008). Second, it explores the mediating role of emotional exhaustion, providing insights into how job insecurity leads to negative behaviors toward customers (Brotheridge and Lee, 2002). Third, by examining the role of LMX, this study extends the COR theory, illustrating how leadership dynamics can buffer against the negative impact of job insecurity (Graen and Uhl-Bien, 1995).

In sum, based on the COR theory, this research aims to elucidate the nuanced interplay between job insecurity, emotional exhaustion, and customer-directed behaviors in the service sector. It contributes to both the academic literature and practical management strategies, enhancing our understanding of how to effectively support service sector employees in times of uncertainty.

II. Hypotheses Development

2.1 The Relationship between Job Insecurity and Customer-directed Deviance

Job insecurity threatens an individual's psychological resources by instilling a persistent fear of job loss, which can engender defensive and protective behaviors (Sverke et al., 2002). When employees perceive their job as insecure, they may engage in actions to secure their remaining resources, sometimes at the expense of organizational norms and customer welfare (Cheng and Chan, 2008). Such perceptions can result in an adverse shift in attitudes and behaviors towards customers, as employees focus on self-preservation rather than customer service (De Witte et al., 2016).

Moreover, under conditions of resource threat, employees may exhibit a reduced capacity for empathy and service orientation, leading to customer-directed deviance (Grandey et al., 2004). This deviance can range from subtle acts of non-compliance with service standards to overt acts of job insecurity. The underlying mechanism, as suggested by COR theory, is the preservation of the self when faced with resource depletion, where the employee's focus shifts from fulfilling organizational roles to safeguarding personal well-being (Hobfoll, 1989).

Empirical studies have found that job insecurity is associated with negative outcomes such as decreased organizational commitment and increased withdrawal behaviors, which can indirectly indicate a propensity towards negative customer interactions (Skarlicki and Folger, 1997). Additionally, job insecurity has been linked to emotional strains such as anxiety and frustration (Shoss, 2017), which may exacerbate negative behaviors towards customers as a displaced response to the stress experienced (Fombelle et al., 2020; Harris and Reynolds, 2003).

Therefore, based on the COR theory, this study predicts that job insecurity will be positively related to customer-directed deviance. Employees experiencing job insecurity are assumed to engage in such deviance as a means to conserve their threatened resources, thus redirecting their energies from customer service to self-focused strategies. Thus, I hypothesize the following:

Hypothesis 1. Job insecurity is positively related to customer-directed deviance.

2.2 The Mediating Role of Emotional Exhaustion

Building upon the COR theory, this study proposes that emotional exhaustion mediates the relationship between job insecurity and customer-directed deviance. Emotional exhaustion is conceptualized as a state of feeling depleted of one's emotional and physical resources, often arising from continuous stress and high demands in the workplace (Maslach et al., 2001). When employees face job insecurity, the ensuing stress consumes their emotional resources, leaving them unable to fully engage with their work or to perform their roles effectively (Hobfoll, 1989).

The COR theory elucidates that stress responses, such as emotional exhaustion, occur when there is a threat to personal resources or when these resources are lost and not adequately replenished (Crawford, LePine, and Rich, 2010; Hobfoll, 1989). In the context of job insecurity, the ongoing worry of losing one's job can be a chronic stressor that gradually erodes an employee's emotional resilience, leading to exhaustion (Bosman, Rothmann, and Buitendach, 2005; Jiang and Probst, 2017; Sverke et al., 2002). This diminished state can reduce the energy and attention employees allocate to customer service, potentially increasing deviant behaviors as a coping mechanism (Bakker et al., 2004).

Research has shown that emotional exhaustion can impair judgment and increase impulsivity, which may lead to negative behaviors such as customer-directed deviance (Brotheridge and Lee, 2002). Moreover, emotionally exhausted employees may lack the necessary resources to regulate their emotions effectively, making them more susceptible to engaging in counterproductive work behaviors (Grandey et al., 2004; Mignonac, Boujendar, and Bergon, 2023).

This study assumes that emotional exhaustion would play a critical role in translating job insecurity into customer-directed deviance. It is posited that the strain caused by the perceived threat of job loss diminishes employees' emotional capacity, which in turn increases the likelihood of customer-directed deviance as a dysfunctional method of coping with depleted resources. Therefore, I hypothesize the following:

Hypothesis 2. Emotional exhaustion mediates the relationship between job insecurity and customer-directed deviance.

2.3 The Moderating Role of LMX

The COR theory provides a framework for understanding how individuals react to the environment, particularly to stressors that threaten their valued resources, which serves as the underpinning theoretical framework for this study, also recognizes the importance of relational resources in combating stress (Hobfoll, 1989). Leader-member exchange (LMX) theory complements this perspective by highlighting the role of the quality of the relationship between leaders and their subordinates in contributing to a key resource that can significantly affect employees (Graen and Uhl-Bien, 1995). In this study, LMX is conceptualized in interpersonal resources that can either alleviate or strengthen the effects of job insecurity on emotional exhaustion.

Thus, I predict that high-quality LMX relationships, which are characterized as high mutual trust, respect, and resource exchange, may provide a buffer the impact of job insecurity on emotional exhaustion. In particular, leaders who have strong relationships with their subordinates may engage in behaviors that recognize the employees' value to the organization, provide them with greater role clarity, and offer them additional support (Zhou and George, 2001). Such behaviors can be instrumental in reducing the psychological strain associated with job insecurity (Cheng et al., 2012). For instance, leaders may involve employees in decision-making processes or provide them with additional training opportunities, which can reinforce the employees' sense of job control and security, thereby mitigating the path towards emotional exhaustion (Zhou and George, 2001).

Conversely, when the LMX quality is low, employees may lack the necessary support from their leaders, leaving them more exposed to the adverse consequences of job insecurity. The absence of a supportive leader can intensify employees' perceptions of vulnerability and uncertainty (Graen and Uhl-Bien, 1995), increasing emotional exhaustion. In such scenarios, employees may perceive their situation as more insecure, with a greater expected loss of resources, resulting in heightened stress responses such as emotional exhaustion (Maslach et al., 2001).

Likewise, frontline employees in the service sector often operate in environments where they must constantly manage customer expectations and organizational demands. This pressure can make them particularly sensitive to the job

insecurity. High LMX can thus play a pivotal role in such settings, where immediate leader can reassure employees, acknowledge their contributions, and provide clear communication about job expectations and security. In doing so, leaders can help preserve the emotional and psychological well-being of their subordinates. Thus, I set the following hypothesis:

Hypothesis 3: LMX moderates the positive influence of job insecurity on emotional exhaustion. Specifically, when LMX is high, the positive influence would be reduced than when it is low.

2.4 The Integrative Model

This study proposes a moderated mediation model, integrating the concepts of LMX, emotional exhaustion, and customer-directed deviance within the COR theoretical framework (Hobfoll, 1989). In this model, LMX is posited to not only moderate the relationship between job insecurity and emotional exhaustion, as articulated in Hypothesis 3, but also to influence the strength of the indirect relationship between job insecurity and customer-directed deviance, mediated by emotional exhaustion.

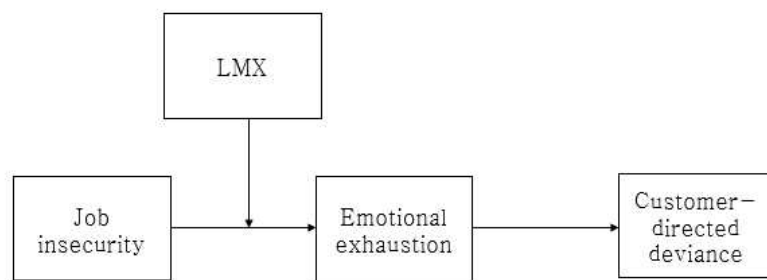
Drawing on the COR theory, this study predicts that the quality of the LMX relationship will significantly impact the degree to which emotional exhaustion serves as a mediator. High-quality LMX relationships, which are rich in mutual trust, respect, and resource exchange (Graen and Uhl-Bien, 1995; Gu, Tang, and Jiang, 2015), may provide employees with the necessary emotional support and coping resources to diminish the effects of job insecurity on emotional exhaustion and subsequent customer-directed deviance. Consequently, in environments where LMX is high, the indirect relationship between job insecurity and customer-directed deviance, via emotional exhaustion, is expected to be weaker.

In contrast, when LMX is low, employees may lack the supportive resources and positive engagement with leaders that can mitigate the emotional strain caused by job insecurity. As a result, the mediating effect of emotional exhaustion on the relationship between job insecurity and customer-directed deviance is likely to be more pronounced. Employees with less supportive leader relationships are predicted to be more susceptible to the resource depletion effects of job insecurity (Ma et al., 2023; Wang et al., 2019), which, in turn, could lead

to higher levels of emotional exhaustion and an increased likelihood of engaging in customer-directed deviance (Maslach et al., 2001; Mignonac et al., 2023). Also, the theoretical model is depicted in Figure 1.

Hypothesis 4: The indirect influence of job insecurity on customer-directed deviance through emotional exhaustion is moderated by LMX. Specifically, when LMX is high, the indirect effect will be reduced than when it is low.

<Figure 1> Theoretical Model



III. Method

3.1 Sample and Procedure

Full-time working adults in the service industry were recruited via an online survey administration firm that maintains a panel representative of the Korean population. The survey was conducted over a two-day period from August 29 to August 30, 2023. To ensure data integrity and reliability, the questionnaire included an attention check item such as "Please select somewhat agree for this item." Thus, 28 participants were excluded due to inattentive responses, resulting in a sample size of 312 individuals. Of these participants, 143 were female (46%), with 169 males (54%). The average participant age was approximately 37.91 years ($SD = 8.14$). A large majority, 209 respondents (67%), held a 4-year college degree, which constitutes a significant segment of the sample. Additionally, the average tenure with their current organization was reported to be 9.38 years ($SD = 8.04$).

3.2 Measurement

In this study, a questionnaire was employed with various items based on a 5-point Likert scale, from 1 (strongly disagree) to 5 (strongly agree). First, job insecurity was assessed using a four-item scale adapted from Hellgren, Sverke, and Isaksson (1999), which captures feelings regarding job stability and associated concerns. Example items include: "I feel secure in my job" (reverse-scored) and "I am worried about having to leave my job in the near future." Second, LMX was measured using a seven-item scale by Graen and Uhl-Bien (1995). This scale reflects the nature of the relationship between employees and their supervisors. Example items are: "My supervisor understands my job problems and needs" and "I can count on my supervisor to 'go to bat' for me." Third, emotional exhaustion was gauged using the nine-item emotional exhaustion subscale from the Maslach Burnout Inventory (Maslach, Jackson, and Leiter, 1996). Items include: "I feel emotionally drained from my work" and "I feel used up at the end of the workday." Fourth, customer-directed deviance was measured through a six-item scale by Skarlicki and Folger (1997). This scale assesses the frequency of employees' negative behaviors towards customers. Items include: "I make negative comments about customers to my colleagues" and "I purposely work slower when serving demanding customers." Finally, demographics (e.g., age, gender, and education level), were controlled due to their potential impact on employees' perceptions of job insecurity, emotional exhaustion, LMX, and customer-directed deviance.

IV. Data Analyses and Results

4.1 Descriptive Statistics and Reliability Testing

Table 1 delineates the descriptive statistics and intercorrelations for the study variables. Regarding the reliability of measures, the Cronbach's alpha coefficients underscored the internal consistency of the scales used for each construct. As shown in Table 1, the reliabilities of job insecurity, emotional exhaustion, LMX,

and customer-directed deviance were 0.92, 0.90, 0.88, 0.94, respectively. These values suggest a high degree of reliability for the measurement items, indicating their consistency in gauging their respective constructs.

Also, a significant negative correlation emerged between job insecurity and both emotional exhaustion ($r = 0.40$, $p < 0.001$) and customer-directed deviance ($r = 0.31$, $p < 0.001$). Moreover, a notable positive correlation was observed between emotional exhaustion and customer-directed deviance ($r = 0.29$, $p < 0.001$).

<Table 1> Descriptive Statistics

Variable	M	SD	1	2	3	4	5	6	7
1. Age	37.91	8.14							
2. Gender	0.46	0.53	0.10*						
3. Education	3.22	0.68	0.02	0.04					
4. Job insecurity	3.41	0.97	-0.04	0.06	0.04	(0.92)			
5. LMX	4.12	0.95	0.05	0.03	0.10*	-0.35** *	(0.88)		
6. Emotional exhaustion	3.92	1.04	0.08	0.09*	0.13*	0.40***	-0.28** *	(0.90)	
7. Customer-directed deviance	3.77	.91.91	0.05	0.10*	0.05	0.31***	-0.23** *	0.29***	(0.94)

Note. For gender, 1 = women, 0 = men. * $p < 0.05$; ** $p < 0.01$, *** $p < 0.001$. Reliability values are shown on the diagonal.

4.2 Confirmatory Factor Analysis and Common Method Variance

For the assurance of distinct empirical uniqueness among study variables, a confirmatory factor analysis (CFA) was executed. As a result, the hypothesized four-factor model provided an excellent fit to the data: $\chi^2(180) = 481.77$, CFI = 0.96, TLI = 0.95; RMSEA = 0.05. As shown in Table 2, the theoretical model outperformed alternative model (e.g., 3-factor model, 2-factor model and 1-factor model), underscoring the theoretical model's superiority.

In addition, Harman's single-factor test was conducted because common method variance could be raised. The results showed a single factor explained only 29.37% of the variance, which is much less than the 50% benchmark suggested

by Podsakoff and Organ (1986). This means that common method variance is probably not a major issue in this study.

Also, prior to hypothesis testing, all variables in this study were mean-centered to minimize potential multicollinearity. Moreover, to assess possible multicollinearity issues between the independent variable, job insecurity, and the moderating variable, LMX, I computed the Variance Inflation Factor (VIF) and the Tolerance values, drawing from the approach suggested by Thompson, Kim, Aloe, and Becker (2017). The VIF values for job insecurity and LMX were .927 and .927, respectively, while the Tolerance statistics were 1.193 for both. These values adhere to the commonly accepted criteria that the Tolerance should be greater than 0.2, and the VIF should be less than 10 to rule out serious multicollinearity concerns (Farrar and Glauber, 1967).

Additionally, I performed exploratory factor analysis (EFA) to validate the factor structure for job insecurity (4 items), emotional exhaustion (9 items), LMX (7 items), and customer-directed deviance (6 items). As shown in Table 4, the EFA results provide compelling evidence for the distinctiveness of the four constructs. The factor loadings are well above the commonly accepted threshold of .40, suggesting that each set of items reliably measures its corresponding construct. This confirms the factorial validity of the measures used in the study, supporting their use in further analyses.

<Table 2> The Results of CFA

Model	$\chi^2(df)$	CFI	TLI	RMSEA	$\Delta\chi^2(\Delta df)$
4-factor	481.77 (180)	0.96	0.95	0.05	
3-factor	913.43 (183)	0.87	0.86	0.09	431.66(3)**
2-factor	1214.58 (185)	0.63	0.61	0.15	732.81(5)**
1-factor	1642.01 (186)	0.51	0.51	0.28	1160.24(6)**

Note)**: $p < 0.01$

4 factor: Job insecurity, LMX, emotional exhaustion, customer-directed deviance

3 factor: Job insecurity + LMX, emotional exhaustion, customer-directed deviance

2 factor: Job insecurity + LMX + emotional exhaustion, customer-directed deviance

1 factor: Job insecurity + LMX + emotional exhaustion + customer-directed deviance

<Table 3> The Results of EFA

Items	Factor			
	Job insecurity	Emotional exhaustion	LMX	Customer -directed deviance
JI1	0.72	-0.00	-0.00	-0.01
JI2	0.68	0.04	0.01	0.02
JI3	0.71	0.01	0.02	0.01
JI4	0.75	0.00	0.01	0.00
EE1	0.03	0.81	0.00	-0.04
EE2	0.01	0.79	0.01	0.00
EE3	-0.02	0.77	0.06	0.06
EE4	0.00	0.78	0.04	0.03
EE5	0.05	0.80	0.05	0.05
EE6	0.04	0.84	0.04	-0.00
EE7	0.01	0.87	-0.00	0.04
EE8	0.02	0.84	-0.02	-0.01
EE9	-0.01	0.85	0.05	0.01
LMX1	0.00	0.02	0.82	0.03
LMX2	0.03	0.04	0.79	-0.01
LMX3	0.02	-0.01	0.80	0.05
LMX4	0.04	0.00	0.81	0.02
LMX5	0.00	0.04	0.88	-0.00
LMX6	-0.01	0.01	0.85	0.06
LMX7	0.01	0.01	0.83	0.09
CD1	0.02	0.07	0.02	0.88
CD2	0.03	-0.01	0.04	0.84
CD3	0.04	0.05	0.05	0.79
CD4	-0.00	0.03	0.07	0.80
CD5	0.06	0.01	0.04	0.84
CD6	0.01	-0.00	-0.02	0.82
Eigen Value	2.51	4.26	3.60	2.84
Variance Explained(%)	62.55	46.71	51.44	46.71
Cumulative Variance(%)	62.55	109.26	160.70	207.41

Note. JI=job insecurity, EE=emotional exhaustion, LMX=leader-member exchange, CD=customer-directed deviance.

4.3 Hypotheses Tests

This study employed hierarchical regression to test the direct relationship between job insecurity and customer-directed deviance. After controlling for gender, age, and education level, as shown in Model 5 in Table 4, the results revealed that job insecurity was found to be significantly and positively related to customer-directed deviance ($\beta = 0.42$, $p < 0.001$), supporting Hypothesis 1.

Next, I test the hypothesis 2 to examine the mediating effect of emotional exhaustion. In Model 2 in Table 4, job insecurity significantly predicted emotional exhaustion ($\beta = 0.38$, $p < 0.001$). Also, as shown in Model 6 in Table 4, emotional exhaustion significantly predict the customer-directed deviance ($\beta = 0.23$, $p < 0.001$). To further verify the mediation effect of emotional exhaustion, a bootstrapping analysis with 5,000 samples was conducted. The total effect of job insecurity on customer-directed deviance was estimates = 0.43, SE = 0.05, 95% CI [0.34, .0.52], indicating a significant overall impact of job insecurity on customer-directed deviance. The direct effect of job insecurity on customer-directed deviance, not accounting for the mediator (emotional exhaustion), estimates = 0.29, SE = 0.03, 95% CI [0.24, 0.34]), suggesting that even when excluding the mediator, job insecurity has a significant direct relationship with customer-directed deviance. As shown in Table 4, the indirect effect was estimates = 0.14, SE = 0.05, 95% CI [0.04, 0.24], indicating that emotional exhaustion significantly mediates the relationship between job insecurity and customer-directed deviance. Therefore, these results provide strong support for the hypothesis that emotional exhaustion mediates the relationship between job insecurity and customer-directed deviance, supporting Hypothesis 2.

In addition, I performed a hierarchical regression analysis to examine the moderating effect of LMX. As illustrated in Model 3 in Table 4, the results showed that interaction effect of job insecurity and LMX was significant ($\beta = -0.12$, $p < 0.01$). To delve deeper into the interaction, simple slope analyses were depicted in Figure 2. When LMX was high (+1 SD), the positive relationship between job insecurity and emotional exhaustion diminished ($\beta = 0.11$, $p < 0.01$). Conversely, when LMX is low (-1 SD), the positive relationship was notably stronger ($\beta = 0.39$, $p < 0.001$). Therefore, Hypothesis 3 was supported.

To evaluate the conditional indirect effect, a bootstrapping approach with 5,000

iterations was employed. The result presented in Table 6 showed that the indirect relationship between job insecurity and customer-directed deviance, mediated by emotional exhaustion, was significant. Notably, this indirect effect was more attenuated for individuals with high LMX (indirect effect = 0.12, SE = 0.01, 95% CI [0.11, 0.14]) as opposed to those with low LMX (indirect effect = 0.28, SE = 0.04, 95% CI [0.21, 0.35]). These outcomes substantiate the moderated mediation framework proposed in Hypothesis 4.

<Table 4> The Results of Hierarchical Regression

Variables	Emotional exhaustion			Customer-directed deviance		
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Age	0.06	0.06	0.05	0.08	0.06	0.06
Gender	0.02	0.01	0.00	0.03	0.03	0.01
Education	0.10*	0.09*	0.08	0.09	0.07	0.05
JI		0.38***	0.30***		0.42***	0.38***
LMX			-0.27***			
JI × LMX			-0.12**			
EE						0.23***
R ²	0.04	0.08**	0.17**	0.03	0.12**	0.24***
△R ²		0.04*	0.09**		0.09**	0.12**

Note. N=312, JI = job insecurity; LMX = leader-member exchange; EE = emotional exhaustion; CD = customer-directed deviance; * p < 0.05; **p < 0.01, ***p < 0.001

<Table 5> Bootstrap Results for Indirect Effect

Job insecurity → Emotional exhaustion → Customer-directed deviance		
b	SE	95% CI
0.14	0.05	[0.04, 0.24]

Note. Bootstrap sample size = 5,000.

Confidence intervals that do not contain zero indicate significant indirect effects.

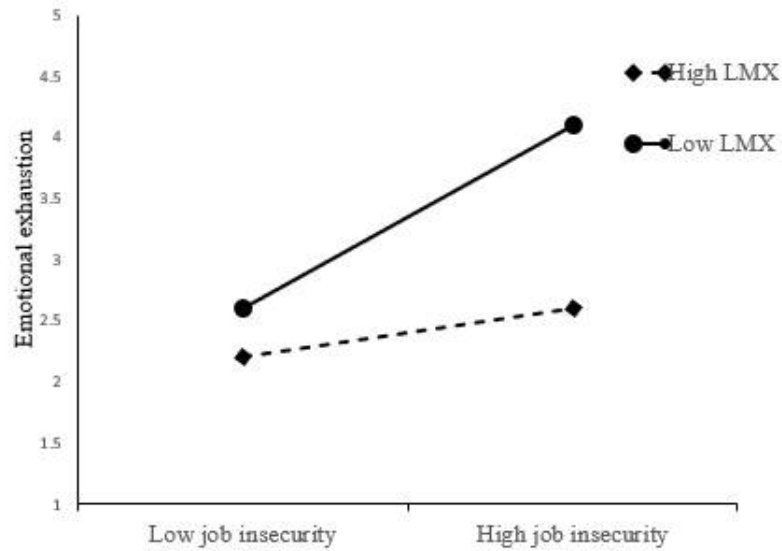
<Table 6> Bootstrap Results for Conditional Indirect Effect

Job insecurity → Emotional exhaustion → Customer-directed deviance			
	b	SE	95% CI
High LMX	0.12	0.01	[0.11, 0.14]
Low LMX	0.28	0.04	[0.21, 0.35]

Note. Bootstrap sample size = 5,000.

Confidence intervals that do not contain zero indicate significant indirect effects.

<Figure 2> The Moderating Effect of LMX



V. Discussion

5.1 Theoretical Implications

This research offers several important theoretical implications that contribute to the literature on organizational behavior and human resource management. First, by focusing on the service sector, this research deepens the theoretical understanding of job insecurity's impacts in an environment where employees' roles are inherently linked to customer satisfaction. While previous studies have established a link between job insecurity and deviant behaviors (Huang et al., 2017; Reisel et al., 2010; Tian et al., 2014), this study delves into the nuanced implications for service organizations, where the direct interaction between employees and customers is crucial. Especially, this study enriches the understanding why frontline employees who experience job insecurity engage in customer-directed deviance by highlighting the direct consequences of job insecurity on the frontline of service delivery, an area that demands constant emotional labor and interpersonal interaction.

Second, this study extends the application of COR theory by specifically examining how the loss of resources due to job insecurity translates into customer-directed deviance among frontline employees. It illuminates the pathway through which depleted resources—notably emotional and psychological—can lead to detrimental behaviors toward customers, providing a detailed explanation of the resource-depletion process as outlined by COR theory.

Third, by identifying emotional exhaustion as a mediator, the study builds on existing research to illustrate a more detailed mechanism through which job insecurity can lead to negative outcomes. Frontline employees are susceptible to emotional exhaustion due to the intense nature of their customer-facing roles, which often require sustained emotional labor and the management of interpersonal interactions under potentially stressful conditions and high turbulent business circumstances (Choi et al., 2019; Karatepe and Aleshinloye, 2009). This research examines the antecedents of emotional exhaustion, with a specific focus on job insecurity as a primary stressor as suggested by previous studies (Chen and Eyoun, 2021; Khan et al., 2022; Muhammed Nowfal et al., 2021). By unpacking the complex pathways through which job insecurity can lead to emotional exhaustion, this study sheds light on the critical processes that trigger adverse outcomes for frontline employees. In addition, this study highlights the necessity of comprehensively understanding the effects of emotional exhaustion, underscoring the effects on service delivery and customer satisfaction. By focusing on frontline employees, this study extends our understanding on how job insecurity leads to customer-directed deviance through emotional exhaustion.

Fourth, by suggesting LMX as a moderating variable, this study showed that how LMX attenuate the impact of job insecurity on frontline employees. While previous research has predominantly concentrated on how individual characteristics, (e.g., resilience or emotional intelligence) attenuate the effects of job insecurity (Jordan et al., 2002), this study shifts the focus to the attenuating role of leaders. This study underscores the overlooked role that leaders play in shaping employees' experiences of job insecurity. Although there has been some research that LMX may lessen the impact of job insecurity (Huang et al., 2017), this study reaffirms and extends this understanding by demonstrating the attenuating role of LMX, particularly among frontline employees. Thus, this study reveals that LMX is a pivotal factor in the service sector due to the direct and

immediate nature of customer service interactions. Leaders in customer-facing environments play a crucial role as they can provide support, guidance, and resources that are essential for employees dealing with the uncertainties of job insecurity. This adds a relational dimension to the existing literature on job insecurity, highlighting the role of leadership in mitigating workplace stressors.

5.2 Practical Implications

The findings of this study offer valuable insights for practitioners in organizational management and human resources, providing practical implications for enhancing workplace environments and employee relations. First, a core insight from this study is the imperative for organizations to address job insecurity with a proactive stance. Developing a strategic approach that centers on transparent organizational communication is vital. Regular updates regarding the status and future of employees' roles can significantly alleviate insecurity. Additionally, offering career development programs can empower employees, fostering a sense of growth and stability. During periods of organizational transition (e.g., COVID-19 pandemic situations), implementing structured support systems, such as transition assistance and counseling, can provide the necessary support to manage the adverse effects of job insecurity. Second, the moderating role of LMX underscores the importance of fostering high-quality leader-member relationships. Organizations should invest in leadership training programs that emphasize emotional intelligence, empathetic communication, and effective support for team members. Leaders who are equipped to understand and respond to their team members' concerns can play a crucial role in mitigating the negative effects of job insecurity. Third, the mediating role of emotional exhaustion suggests that organizations should prioritize the emotional health of their employees. Initiatives like employee wellness programs, mental health resources, stress management workshops, and a supportive work culture can help reduce emotional exhaustion. This, in turn, can lead to better customer interactions and improved overall service quality. Fourth, understanding the factors that contribute to customer-directed deviance can aid in developing effective policies and training programs. These programs should aim to equip employees with the skills to manage stressful customer interactions positively and professionally. Finally, or-

ganizations must also consider creating support structures that recognize the unique challenges faced by frontline employees. This could include peer-support networks, recognition programs that reward positive customer interactions, and feedback systems that allow employees to voice their concerns and suggest improvements to their work environment.

5.3 Limitations and Future Directions

Despite the above implications, there are some limitations in this study. First, one of the primary limitations of this study is its cross-sectional design. This methodology captures a single time point, illustrating the interplay between job insecurity, emotional exhaustion, LMX, and customer-directed deviance. However, it does not provide the means to infer causality or observe how these relationships develop or vary over time. Future research could benefit from a longitudinal design that tracks these dynamics over extended periods, offering insights into how these relationships evolve and potentially fluctuate in response to changing work environments. Also, this study is not free from common method variance (CMV). Although the survey included attention check item to detect inattentive responses, and statistical methods such as Harman's single-factor test suggested that CMV was not a considerable concern, it remains a methodological issue that cannot be completely ruled out. Future research could address this limitation such as collecting data from different sources (e.g., coworker or leader), or incorporating objective measures to get a more robust test of the proposed relationships.

Second, this study was conducted within a specific cultural context (Korea), which may limit the generalizability of the findings. Cultural factors can significantly influence workplace dynamics, including perceptions of job insecurity and leader-member relationships. Therefore, replicating this study in diverse cultural settings would enhance our understanding of the universality or specificity of the observed relationships. In addition, the sample was limited to full-time frontline employees. Future research should consider a broader range of occupations and employment types, including part-time workers and those in non-customer-facing roles. This expansion would help to ascertain whether the findings are applicable across different job contexts and industries.

Third, while this study focused on LMX as a moderating variable and emotional exhaustion as a mediator, there are likely other factors at play. Future research could explore additional moderating variables such as coworker member exchange (CWX) or organizational identification. Similarly, other psychological constructs like burnout or job satisfaction could serve as alternative or additional mediators in the relationship between job insecurity and customer-directed deviance.

Fourth, this study was grounded in the COR theory. Future research could integrate additional theoretical perspectives, such as social exchange theory or the job demands-resources (JD-R) model, to provide a more comprehensive understanding of the dynamics explored.

5.4 Conclusion

Based on COR theory, this study provides a comprehensive analysis of the intricate relationships between job insecurity, emotional exhaustion, LMX, and customer-directed deviance. The findings from a survey of 312 frontline employees in Korea reveal several key insights. First, a significant positive relationship exists between job insecurity and customer-directed deviance, highlighting how perceived threats to job stability can translate into negative behaviors towards customers. Second, emotional exhaustion mediates the relationship between job insecurity and customer-directed deviance. This suggests that the stress and emotional drain caused by job insecurity can lead to decreased emotional capacity, which in turn may result in deviant behaviors directed at customers. Third, LMX plays a crucial moderating role. In situations where LMX is high, the negative impact of job insecurity on emotional exhaustion and, consequently, on customer-directed deviance is reduced. This underscores the buffering effect of supportive and high-quality leader-member relationships in stressful work situations.

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