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Correlational Study on Job Insecurity and Psychological Well being among Daily Workers

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Abstract: The globalization era and Industrial Revolution 4.0 have driven the growth of daily workers systems across various industrial sectors, including agricultural manufacturing, creating job insecurity issues for workers. The target of this research is to examine the relationship between job insecurity and psychological well-being of daily workers in the agricultural industry. This research employed a quantitative method using the Pearson product-moment correlation analysis, with a sample of 118 daily workers selected through purposive sampling, and the questionnaire collection process used the job insecurity and psychological well-being scales that has been developed and tested. The results revealed that there is a significant negative relationship between job insecurity and psychological well-being among daily workers [$r = -0{,}629$, $p < 0.05$], indicating that a high level of job insecurity can lead to lower levels of psychological well-being for daily workers. These findings reveal that employment uncertainty, lack of social security, and minimal legal protection experienced by daily workers negatively impact their psychological well-being, starting from self-acceptance, autonomy, environmental mastery, and other factors. This study concludes that job insecurity correlates with the psychological well-being aspect of daily workers, emphasizing the need for companies to provide job security and social guarantees to enhance workers' psychological condition and work productivity.

Keywords: job insecurity; psychological well-being; daily workers; manufacturing industry; industrial psychology

1. Introduction

The manufacturing industry in Indonesia has experienced significant diversification across various sectors, including cosmetics, food and beverages, and household necessities, contributing to economic growth and increased industrial efficiency [1]. One notable development is seen in the agricultural industry, particularly in the field of household and industrial agricultural materials. This growth has created challenges in human resource management, especially regarding the utilization of labor systems, including permanent workers and daily workers.

The daily worker system is a form of non-permanent employment based on the company's operational needs [2]. This system provides flexibility for companies to adjust the number of workers according to fluctuations in production demands and economic conditions [3]. However, such flexibility generates negative consequences for workers, including uncertain work schedules, limited social security, and minimal legal protection. These conditions contribute to declines in workers' social and psychological functioning, increase the risk of industrial relations conflict [4], and may further lead to temporary poverty, stress, and loss of social identity [5].

Psychological well-being is an essential factor for maintaining individual productivity and work motivation, as its decline can lead to reduced performance, increased absenteeism, and higher levels of work-related stress [6]. One key factor influencing psychological well-being is

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job insecurity, defined as the individual's perceived inability to maintain a desired employment condition [7], which encompasses concerns about job loss, uncertainty about the future, and unclear social protection [8]. These conditions are inherently experienced by daily freelance workers due to the absence of job continuity guarantees [9].

Research on the relationship between job insecurity and psychological well-being has produced significant findings. Sverke & De Witte [15] demonstrated that job insecurity negatively affects mental health and work attitudes among permanent employees, and Vander [31] further confirmed that it reduces psychological well-being through the mechanism of work stress. However, these studies predominantly focus on workers with relatively stable employment statuses, such as permanent or long-term contract workers who possess legal protection and social security, leaving a gap regarding more precarious forms of employment.

This issue presents a substantial research gap in two main areas. First, literature exploring job insecurity among daily freelance workers remains highly limited. The unique characteristics of this population, uncertain daily schedules, absence of written contracts, and limited access to social security may create dynamics of job insecurity that differ from those experienced by workers with more stable employment statuses [34]. Second, research examining the relationship between job insecurity and psychological well-being within Indonesia's manufacturing industry, particularly in the urban agriculture sector, is still scarce, despite Indonesia's distinctive socio-economic context and labor regulations that may influence the experience of job insecurity.

Addressing this gap is scientifically important. Theoretically, this study expands the understanding of job insecurity among daily workers whose conditions exhibit high variability and contributes to psychological well-being models by exploring how its dimensions respond to chronic, structural job insecurity. Empirically, it fills a gap in the literature on informal workers in developing countries, a large yet understudied segment in industrial and organizational psychology. Contextually, the study provides empirical data on daily workers in Indonesia, which may serve as a basis for future comparative research.

This study was conducted at PT. X, a manufacturing company based on urban farming in Surabaya that employs a substantial number of daily workers in its production and warehousing processes. Preliminary data suggest that workers experience concerns related to financial stability, job certainty, and the risk of being replaced, which manifest as anxiety about future conditions presumed to be associated with their level of psychological well-being.

Based on the theoretical framework and initial findings, this study aims to examine the relationship between job insecurity and psychological well-being among daily workers at PT. X. The proposed hypothesis states that there is a significant negative relationship between job insecurity and psychological well-being, meaning that the higher the level of job insecurity, the lower the level of psychological well-being experienced by workers.

This study contributes at multiple levels. Theoretically, it extends the application of Greenhalgh and Rosenblatt's job insecurity theory [7] and Ryff's psychological well-being model [17] to a population with a high degree of precarity, underrepresented in the literature. Practically, the findings may serve as a foundation for developing psychological interventions and organizational policies for daily freelance workers, as well as provide recommendations for labor policy makers regarding the protection of psychological well-being among informal workers.

2. Literature Review or Related Studies

2.1 Job Insecurity

Globalization and technological advancement have driven dynamic organizational changes, including restructuring processes that trigger the emergence of job insecurity as a significant stressor for employees [10]. De Witte [11] differentiates job insecurity from the objective condition of job loss such as unemployment by emphasizing that job insecurity is a subjective perception of employees regarding the threat of losing their jobs. This study adopts

the definition by Greenhalgh and Rosenblatt, who conceptualize job insecurity as an individual's perception of uncertainty concerning the continuity of their current employment.

Greenhalgh and Rosenblatt [7] identify two primary dimensions of job insecurity. The first dimension is severity of threats, which refers to individuals' perceptions regarding the magnitude of potential loss and the temporal proximity of such threats. The second dimension is powerlessness, which reflects the feeling that individuals are unable to maintain or control the continuity of their threatened employment. These two dimensions form a multidimensional construct encompassing concerns about job loss and the inability to manage the work situation.

An alternative conceptualization was proposed by Hellgren in Låstad et al. [12], who distinguishes job insecurity into quantitative and qualitative dimensions. Quantitative job insecurity pertains to concerns about losing one's job or termination of employment [13], whereas qualitative job insecurity refers to threats against valued job features such as salary reduction, loss of autonomy, demotion, or relocation to an undesirable work site [13]. Hellgren emphasizes the subjective nature of job insecurity, in which employees may interpret the same situation, such as a restructuring announcement, differently based on their personal evaluations.

The relevance of the theories proposed by Greenhalgh and Rosenblatt [7] and Hellgren et al. [12] to daily workers is important but requires contextual elaboration. Daily workers experience job insecurity with a higher intensity compared to permanent employees due to three structural characteristics. The first characteristic is the absence of long term contracts, which creates a constant severity of threats where the risk of job loss is not merely potential but inherent in their employment structure. The second characteristic is the limited legal protection and minimal access to social security, which strengthens the dimension of powerlessness because daily workers have restricted capacity to influence organizational decisions that affect their employment status. The third characteristic relates to qualitative job insecurity, because daily workers face chronic uncertainty regarding work schedules, income stability, and access to compensation, which occurs repeatedly and systematically. Therefore, daily workers represent a population in which manifestations of job insecurity reach extreme levels, yet this phenomenon has not been thoroughly examined in existing literature that predominantly focuses on workers with more stable employment arrangements.

The negative effects of job insecurity on individuals have been extensively documented. Job insecurity depletes employees' cognitive and emotional resources and is consistently associated with reduced psychological well being and increased physical health problems [14]. Empirical evidence indicates that job insecurity not only influences work attitudes but also affects the fundamental psychological functioning of individuals. This makes job insecurity a critical variable in understanding employee well being, particularly within non permanent employment contexts such as daily freelance workers [15].

2.2 Psychological Well-being

The concept concept of well-being in psychological literature is divided into two distinct philosophical perspectives: the hedonic perspective and the eudaimonic perspective. The hedonic perspective, operationalized as subjective well-being, emphasizes experiences of happiness, life satisfaction, and the predominance of positive affect over negative affect [16]. In contrast, the eudaimonic perspective focuses on psychological well-being, which assesses not only emotional outcomes but also the process of self-realization and the capacity to function optimally [17]. This distinction is essential to the present study because subjective well-being reflects momentary feelings of happiness, whereas psychological well-being captures the individual's ability to live a meaningful and developing life even when facing adversity, an aspect particularly relevant for understanding daily workers who encounter chronic stressors.

Ryff [17] defines psychological well-being as the optimal functioning of individuals, characterized by the capacity to accept all aspects of oneself, maintain positive relationships, and actualize personal potential. Ryff [18] further asserts that it is a multidimensional

construct describing the extent to which individuals experience comfort, calmness, and happiness based on their subjective evaluation of functioning and the realization of their potential, focusing not only on positive outcomes but also on the processes involved in dealing with existential challenges in life.

The psychological well-being model proposed by Ryff [17] consists of six dimensions that assess positive psychological functioning [17, 19]. Each dimension has particular relevance in the context of daily workers who face structural job insecurity:

a. Self Acceptance: This dimension emphasizes a positive attitude toward oneself, including the ability to accept both positive and negative aspects within the self and a positive evaluation of one's past [17]. For daily workers, self-acceptance becomes crucial because their unstable employment status often triggers negative self-evaluation [33].
b. Positive Relations with Others: This dimension assesses the individual's capacity to build warm, satisfying, and trusting relationships, as well as the ability to demonstrate empathy and intimacy. Job insecurity can undermine this dimension by increasing stress, generating negative emotions, and reducing trust, which ultimately affects interpersonal relationships [34].
c. Autonomy: This dimension reflects the ability to think and act independently, make decisions without relying on social judgments, and maintain personal values. Daily workers tend to have limited autonomy because their economic dependence on the company's decisions regarding daily labor needs restricts their capacity to act independently [37].
d. Environmental Mastery: This dimension refers to the ability to manage and adapt to one's environment, organize daily life effectively, and create conditions that support well-being. The uncertainty surrounding work schedules and income hinders environmental mastery among daily workers, as they face difficulties in financial planning and managing everyday life [36].
e. Purpose in Life: This dimension assesses the extent to which individuals possess direction, meaning, and purpose in life, as well as the motivation to pursue long-term goals aligned with their values. Chronic uncertainty caused by job insecurity limits the ability of daily workers to formulate and pursue such goals [37].
f. Personal Growth: This dimension describes the ongoing development of an individual's abilities and potential, openness to new experiences, and efforts toward self-improvement. The repetitive nature of daily workers and the limited opportunities for competence development can hinder personal growth [37].

All six dimensions interact with one another and together form a comprehensive profile of psychological well-being. In the context of daily freelance workers, job insecurity has the potential to undermine each dimension systematically: employment uncertainty weakens self-acceptance and purpose in life, financial limitations disrupt social relationships and environmental mastery, and the lack of control over work circumstances restricts autonomy and personal growth. Ryff's model therefore provides an appropriate analytical framework for understanding how job insecurity influences the psychological well-being of daily freelance workers in a multidimensional way.

2.3 Related Studies

Empirical studies on the relationship between job insecurity and psychological well-being have produced consistent findings across various non-permanent employment contexts. Saputra and Dwarta [20] examined 65 contract workers of the Tramtib unit at the Department of Trade in Padang City and found a significant negative relationship between the two variables. Ramalisa et al. [22] reported similar findings among contract employees, with high job insecurity associated with lower psychological well-being, particularly in the dimensions of self-acceptance, positive relations with others, and personal growth. Pratama and Guspa [21] investigated 120 outsourcing employees and confirmed a significant negative effect of job insecurity on psychological well-being, with social support acting as a moderator that reduced its negative impact.

In the international context, Abdul Jalil et al. [23] studied 442 precarious workers in Malaysia and found that job insecurity was significantly and negatively related to psychological

well-being, with work-life balance functioning as a mediator. Yulianti and Fitdiarini [24] examined 289 blue-collar employees in the hospitality industry in Surabaya and confirmed that increased job insecurity significantly reduced psychological well-being. Taken together, these studies consistently demonstrate a negative relationship between the two variables across a variety of non-permanent worker populations.

A synthesis across studies identifies three main patterns. First, the negative relationship between job insecurity and psychological well-being is robust across geographical contexts such as Indonesia and Malaysia and across industry sectors including banking, hospitality, and public administration. Second, the most vulnerable dimensions are self-acceptance, positive relations with others, and personal growth [22], indicating that job insecurity undermines not only overall well-being but also specific aspects of psychological functioning. Third, moderator and mediator variables such as social support and work-life balance modify the strength of this relationship, demonstrating that contextual and personal factors play influential roles. Notably, however, existing studies predominantly examine permanent or contract employees; the present study extends this line of inquiry to daily freelance workers, a population whose structural precarity may intensify the patterns identified above.

3. Research Methodology

3.1. Research Design

This study employed a quantitative approach with a cross-sectional survey design to examine the relationship between job insecurity and psychological well-being among daily workers at PT. X. A preliminary study was conducted from August to September 2025 through brief interviews with four daily workers to identify specific issues related to job insecurity and to validate the relevance of the theoretical constructs.

Instrument development took place from September to October 2025, based on dimensions and indicators derived from the theories of job insecurity and psychological well-being. The drafted scales underwent an expert judgement process to evaluate their relevance and clarity, followed by a pilot test in early November 2025 to assess reliability. Data collection was then carried out over a two-week period from late November to early December 2025 using written questionnaires administered with researcher assistance.

3.2. Types and Sources of Data

This study employed primary data obtained through a digital questionnaire [Google Form] administered to daily workers at PT. X, as well as secondary data in the form of indexed scientific journals, reference books in industrial and organizational psychology, and attendance records provided by PT. X. The independent variable is job insecurity, defined as an individual's perception of uncertainty regarding the continuity of their employment [7], operationalized through two dimensions: severity of threats and powerlessness. The dependent variable is psychological well-being, defined as the optimal functioning of the individual [Ryff, 1989], operationalized through six dimensions: self-acceptance, positive relations with others, autonomy, environmental mastery, purpose in life, and personal growth.

The study population consisted of all daily workers at PT. X, totaling 118 individuals. Purposive sampling was employed because the research required respondents with specific experiences related to job insecurity within the context of daily employment. The inclusion criteria were: [1] having worked as a daily worker for at least three months to ensure sufficient experience, [2] being actively employed during data collection so that responses reflect current conditions, and [3] willingness to participate voluntarily with informed consent. From the total population, 36 workers served as pilot test respondents and 82 workers participated in the main study.

The instrument was developed through four stages: identifying dimensions and indicators from Greenhalgh and Rosenblatt's job insecurity theory [7] and Ryff's psychological well-being model [17], operationalizing them into item statements adjusted to the context of daily workers at the research site, producing the final scale items, and administering the instrument. A five-point Likert scale [31; 32] was used, ranging from 1

[Strongly Disagree] to 5 [Strongly Agree], selected for its ease of comprehension and adequate sensitivity to capture variations in perception.

3.3. Data Collection and Data Analysis Methods

Data were collected through questionnaire scales and analyzed using SPSS Version 29. Validity was assessed using the corrected item-total correlation [CITC] technique, with items considered valid if the correlation value reached $r \geq 0.3291$ based on the degree of freedom. Reliability was then evaluated using Cronbach's Alpha, with a minimum criterion of $\alpha \geq 0.70$ to ensure internal consistency. Prior to the correlation analysis, statistical assumptions were verified through a normality test [Kolmogorov-Smirnov], a linearity test, and outlier detection using boxplots.

Following the confirmation of assumptions, Pearson Product Moment correlation analysis was applied to examine the relationship between job insecurity and psychological well-being. This method was selected because the data are interval-scaled, normally distributed, and linear in form. The research hypothesis is accepted if the correlation coefficient [r] is significant at $\alpha < 0.05$ with a negative direction. To minimize common method bias inherent in self-report instruments, the researcher ensured respondent anonymity, used clear and non-leading item language, and randomized the sequence of items in the questionnaire.

4. Result and Discussion

4.1. Validity Test

The validity test was conducted to evaluate the extent to which each item measures the same construct as the overall scale. Pilot testing was carried out with 36 freelance daily workers [N = 36], resulting in a degree of freedom of 34 [df = N − 2 = 34]. Based on the Product Moment correlation distribution table for df = 34 at the 5% significance level [α = 0.05, two-tailed test], the critical r value obtained was 0.3291. The validity test was first performed on variable X [job insecurity], with the results presented in Table 1

Table 1. Results of the Validity Test for Job Insecurity

Variable	Calculated R-value	R-table value	Results
X.1	0,388	0,3291	Valid
X.2	0,259	0,3291	Not Valid
X.3	0,163	0,3291	Not Valid
X.4	-,230	0,3291	Not Valid
X.5	-,219	0,3291	Not Valid
X.6	0,008	0,3291	Not Valid
X.7	0,378	0,3291	Valid
X.8	0,578	0,3291	Valid
X.9	0,246	0,3291	Not Valid
X.10	0,156	0,3291	Not Valid
X.11	0,132	0,3291	Not Valid
X.12	0,435	0,3291	Valid
X.13	0,637	0,3291	Valid
X.14	0,447	0,3291	Valid
X.15	0,340	0,3291	Valid
X.16	-,117	0,3291	Not Valid
X.17	0,660	0,3291	Valid
X.18	0,726	0,3291	Valid
X.19	0,320	0,3291	Valid
X.20	0,365	0,3291	Valid
X.21	0,618	0,3291	Valid
X.22	0,215	0,3291	Not Valid

X.23	0,629	0,3291	Valid
X.24	0,512	0,3291	Valid
X.25	-,344	0,3291	Not Valid
X.26	0,564	0,3291	Valid
X.27	0,735	0,3291	Valid
X.28	0,242	0,3291	Not Valid

Of the 28 items measuring job insecurity, 16 items were declared valid [r ≥ 0.3291] and 12 items were found to be invalid. The invalid items displayed low correlation values [approaching zero] or negative correlations, such as X.4 = –0.230, X.5 = –0.219, X.16 = –0.117, and X.25 = –0.344, suggesting that these items were directionally opposite to the total scale score. This condition typically occurs due to ambiguous wording, improperly constructed reverse items, or statements that do not align well with the context of daily freelance workers. Items with very low correlations, such as X.3 = 0.163, X.6 = 0.008, X.10 = 0.156, and X.11 = 0.132, were similarly not sensitive enough to capture variations in job insecurity within the sample. The items with the highest validity coefficients were X.27 [r = 0.735], X.18 [r = 0.726], and X.17 [r = 0.660], indicating that these items most effectively represented the job insecurity construct.

The validity test was then conducted on variable Y [psychological well-being], with the results presented in Table 2.

Table 2. Results of the Validity Test for psychological well-being

Variable	Calculated R-value	R-table value	Results
Y.1	0,407	0,3291	Valid
Y.2	0,451	0,3291	Valid
Y.3	0,231	0,3291	Not Valid
Y.4	0,340	0,3291	Valid
Y.5	0,500	0,3291	Valid
Y.6	-,020	0,3291	Not Valid
Y.7	0,540	0,3291	Valid
Y.8	0,602	0,3291	Valid
Y.9	0,039	0,3291	Not Valid
Y.10	0,410	0,3291	Valid
Y.11	0,017	0,3291	Not Valid
Y.12	0,322	0,3291	Valid
Y.13	-,088	0,3291	Not Valid
Y.14	0,692	0,3291	Valid
Y.15	0,293	0,3291	Not Valid
Y.16	0,323	0,3291	Valid
Y.17	0,482	0,3291	Valid
Y.18	-,060	0,3291	Not Valid
Y.19	0,026	0,3291	Not Valid
Y.20	0,379	0,3291	Valid
Y.21	0,135	0,3291	Not Valid
Y.22	0,029	0,3291	Not Valid
Y.23	0,106	0,3291	Not Valid
Y.24	0,355	0,3291	Valid
Y.25	0,519	0,3291	Valid
Y.26	0,673	0,3291	Valid
Y.27	0,256	0,3291	Not Valid
Y.28	0,740	0,3291	Valid
Y.29	0,783	0,3291	Valid

Y.30	0,241	0,3291	Not Valid
Y.31	0,512	0,3291	Valid
Y.32	0,705	0,3291	Valid
Y.33	0,022	0,3291	Not Valid
Y.34	0,558	0,3291	Valid
Y.35	0,629	0,3291	Valid
Y.36	-,069	0,3291	Not Valid
Y.37	0,622	0,3291	Valid
Y.38	0,628	0,3291	Valid
Y.39	0,232	0,3291	Not Valid
Y.40	0,654	0,3291	Valid
Y.41	0,737	0,3291	Valid
Y.42	0,234	0,3291	Not Valid
Y.43	0,730	0,3291	Valid
Y.44	0,671	0,3291	Valid
Y.45	0,160	0,3291	Not Valid
Y.46	0,570	0,3291	Valid
Y.47	0,667	0,3291	Valid
Y.48	0,114	0,3291	Not Valid

Of the 48 items measuring psychological well-being, 29 items met the validity criteria [$r \geq 0.3291$] and 19 items did not. Several items produced negative correlation values, including Y.6 [$r = –0.020$], Y.13 [$r = –0.088$], Y.18 [$r = –0.060$], and Y.36 [$r = –0.069$], while others showed very low correlations, such as Y.9 [$r = 0.039$], Y.11 [$r = 0.017$], Y.19 [$r = 0.026$], and Y.22 [$r = 0.029$]. These items did not adequately reflect the psychological well-being construct, likely due to the multidimensional nature of the variable, which may have rendered certain items insufficiently sensitive to the variations in psychological functioning experienced by daily freelance workers. The items with the strongest validity coefficients were Y.29 [$r = 0.783$], Y.28 [$r = 0.740$], and Y.41 [$r = 0.737$].

All invalid items were removed from the final instrument prior to the main data collection. Following this refinement, the job insecurity scale consisted of 16 valid items and the psychological well-being scale consisted of 29 valid items.

4.2. Reliability Test

The reliability test was conducted to evaluate the internal consistency of the instrument using the Cronbach Alpha coefficient, with a minimum threshold of $\alpha \geq 0.70$. Only items that had passed the validity test were included in this analysis. The results are presented in Table 3.

Table 3. **Reliability Test Results**.

Variable	Cronbach's Alpha	Critical R-value	Results
Job Insecurity [X]	0,868	0,70	Reliable
psychological well-being [Y]	0,926	0,70	Reliable

Both scales demonstrated strong internal consistency: the job insecurity scale [16 items] achieved a Cronbach Alpha of 0.868, and the psychological well-being scale [29 items] achieved 0.926. Both values exceed the minimum threshold of 0.70, confirming that the instruments reliably measure the intended constructs and are suitable for use in the main study.

4.3. Descriptive Statistics

Descriptive statistics for the 82 respondents are presented in Table 4, reporting the mean, standard deviation, minimum, and maximum values for each variable.

Table 4. Descriptive Statistics Results

variable	N	Min	Max	Mean	SD
Job Insecurity [X]	82	23	66	38,18	7,536
psychological well-being [Y]	82	87	138	116,24	12,216

The theoretical score range for job insecurity is 16 to 80 [number of items × scale range of 1 to 5], while for psychological well-being it is 29 to 145. The descriptive results show that job insecurity scores fall below the theoretical midpoint, indicating that respondents experience job insecurity at a moderate level leaning toward the lower range. Meanwhile, psychological well-being scores are above the theoretical midpoint, suggesting that despite working under structural job insecurity, respondents still demonstrate a relatively strong level of psychological well-being. Both variables also exhibit a wide score range job insecurity from 23 to 66 and psychological well-being from 87 to 138 indicating substantial variation in the workers' experiences.

4.4. Normality Test

The normality test was conducted using the Kolmogorov-Smirnov method to evaluate whether the data follow a normal distribution. The criterion is that data are considered normally distributed when the significance value [p] is greater than 0.05. The results are presented in Table 5.

Table 5. Normality Test Results

Variable	Kolmogorov-Smirnov Z	Sig. [p]	Results
Job Insecurity [X]	0,085	0,200*	Normal
psychological well-being [Y]	0,073	0,208*	Normal

Both variables follow a normal distribution, with significance values for job insecurity [$p = 0.200$] and psychological well-being [$p = 0.208$] exceeding the critical threshold of $\alpha = 0.05$. This confirms that the data meet the assumptions required for parametric statistical procedures, including Pearson correlation analysis.

4.5. Linearity Test Results

The linearity test was conducted to verify that the relationship between job insecurity and psychological well-being follows a linear pattern. The criterion is that the relationship is considered linear when the significance value for the Deviation from Linearity exceeds 0.05. The results are presented in Table 6.

Table 6. Linearity Test Results

Variable	F	Sig,	Results
Job Insecurity → Psychological Well-Being [Linearity]	43,331	<0,001	Linear
Deviation from Linearity	1,230	0,258*	Linear

The results confirm a linear relationship between the two variables. The Linearity row shows a significant linear component [$p < 0.001$], and the Deviation from Linearity value [$p = 0.258 > 0.05$] indicates no significant departure from linearity. This establishes an essential prerequisite for the Pearson correlation analysis.

4.6. Outlier Detection

Outlier detection was conducted using the boxplot method to identify data points in the extreme range. A data point is classified as an outlier when its absolute z-score exceeds 3.0. The results are presented in Figures 1 and 2.

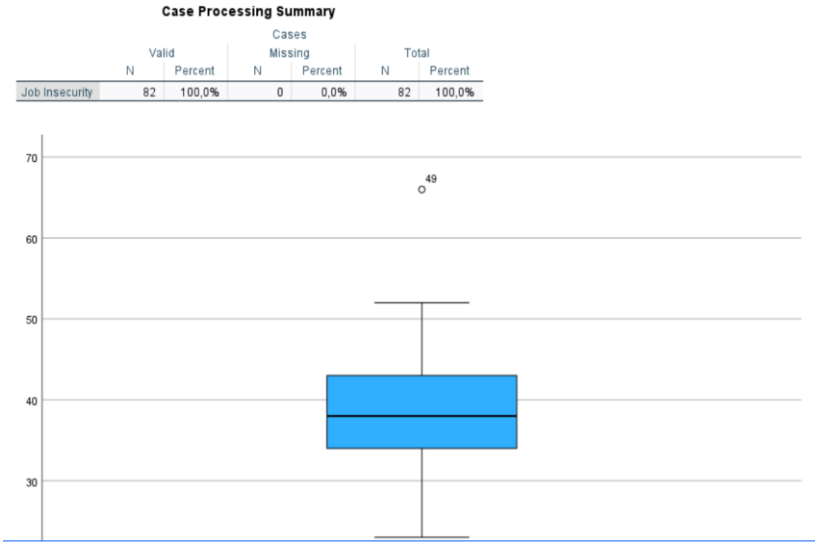

Figure 1. Outlier Detection for Job Insecurity

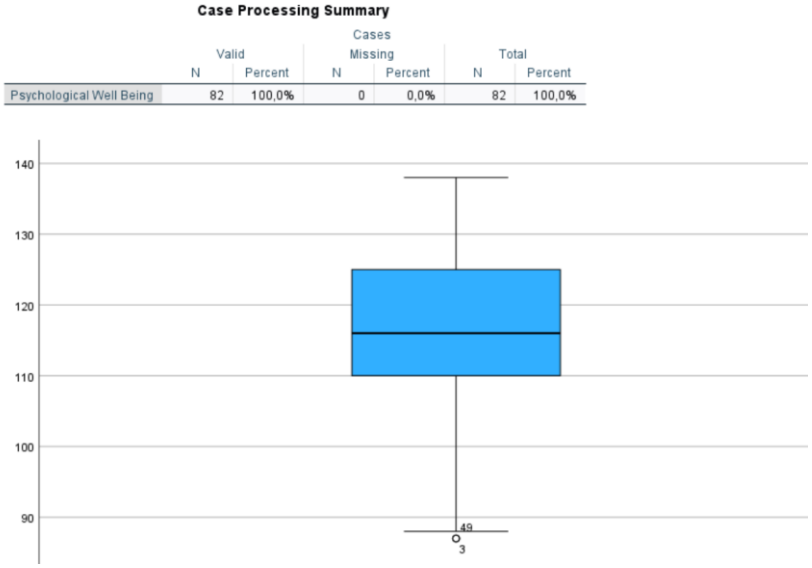

Figure 2. Outlier Detection for psychological well-being

Based on the boxplot and z-score results, outliers were identified in both variables: one respondent [No. 49] with a high job insecurity score, and two respondents [No. 3 and No. 49] with low psychological well-being scores. These outliers were retained in the analysis because they represent the natural variation within the population of daily workers, reflecting actual psychological conditions rather than measurement or data entry errors. Removing them could reduce the representativeness of the true variability in the study population.

4.7 Product Moment Correlation Analysis

The correlation analysis was conducted to examine the relationship between job insecurity and psychological well-being. The results are presented in Table 7.

Table 7. Results of the Product Moment Correlation Analysis

		Job Insecurity [X]	**psychological well-being [Y]**
Job Insecurity [X]	Pearson Correlation	1	-,629**

	Sig. [2-tailed]		<,001
	N	82	82
psychological well-being [Y]	Pearson Correlation	-,629**	1
	Sig. [2-tailed]	<,001	
	N	82	82

The analysis indicates a Pearson correlation coefficient of –0.629 with a significance value [p] < 0.001, which is far below the threshold of $\alpha = 0.05$. This demonstrates a statistically significant negative relationship between job insecurity and psychological well-being among freelance daily workers at PT. X: higher levels of job insecurity are associated with lower levels of psychological well-being. Based on Cohen's guidelines for interpreting correlation strength [39], an r value of –0.629 falls within the category of a strong correlation [r > 0.50], indicating that job insecurity has a substantial relationship with psychological well-being.

4.8. Visualization of the Relationship Between Variables

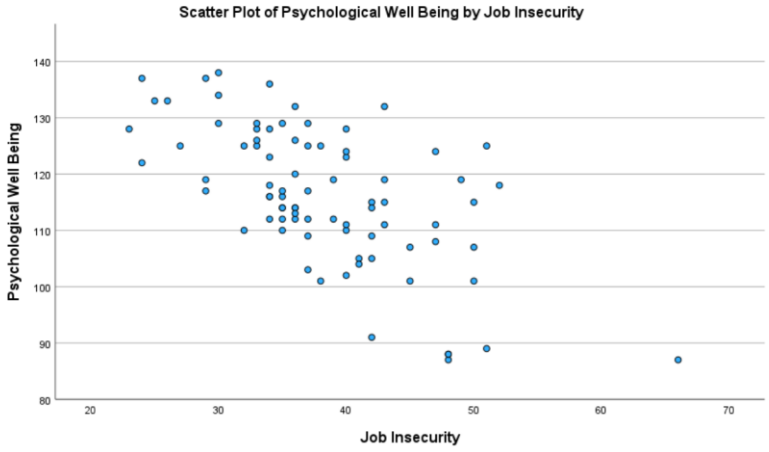

Figure 3. Scatter Plot

The scatter plot confirms the negative relationship between job insecurity and psychological well-being. Respondents with lower job insecurity scores [23–35] tend to have higher psychological well-being scores [120–138], whereas respondents with higher job insecurity scores [40–66] generally exhibit lower psychological well-being scores [87–120]. Although a few outliers are visible specifically respondents with very low psychological well-being scores [approximately 87–91] the majority of data points cluster around a clear negative linear trend, indicating a consistent relationship between the two variables.

4.9. Coefficient of Determination

The coefficient of determination was calculated as follows:

$R^2 = r^2 \times 100\%$

$R^2 = 0{,}629^2 \times 100\%$

$R^2 = 39{,}56\%$

The result indicates that job insecurity accounts for 39.56% of the variance in psychological well-being, while the remaining 60.44% is influenced by other factors. This is consistent with previous literature suggesting that additional variables play important roles in shaping psychological well-being. Sulaiman et al. [25] found that social support and job stress also significantly influence psychological well-being, indicating that contextual workplace factors can strengthen or weaken the impact of job insecurity. Similarly, Mada [26] found that demographic variables including age, gender, and marital status influence the strength of the job insecurity–psychological well-being relationship [r = –0.541], suggesting that individual characteristics shape how job insecurity is experienced and expressed in psychological

outcomes. Collectively, these findings confirm that while job insecurity is a significant predictor of psychological well-being, it operates within a broader network of contributing factors.

5. Comparison

The findings of this study indicate that the research hypothesis is accepted. There is a significant negative relationship between job insecurity and psychological well-being among daily freelance workers at PT. X [$r = –0.629$, $p < 0.001$]. Based on Cohen's classification [39], this constitutes a strong correlation, confirming that job insecurity is an important predictor of psychological well-being within the context of temporary employment.

The moderately high level of job insecurity [Mean = 38.18; SD = 7.536] among daily freelance workers at PT. X presents an interesting outcome. Although structurally these workers face a high degree of job insecurity, due to the absence of long-term contracts, fluctuating labor demands, and minimal social protection their perceived level of job insecurity is not extremely high. This may be explained by several contextual factors, including the operational stability of PT. X, transparent communication from the company regarding workforce needs, and the psychological adaptation of workers to precarious employment conditions. Nonetheless, the impact of job insecurity on psychological well-being remains substantial, as reflected in the strong correlation.

The relatively high level of psychological well-being [Mean = 116.24; SD = 12.216] also offers meaningful insight. Despite working under structural job insecurity, respondents maintain psychological well-being above the theoretical midpoint, suggesting that daily freelance workers may possess resilience mechanisms or protective factors that enable them to sustain psychological well-being even when facing chronic workplace stressors.

The findings align with previous research on the relationship between job insecurity and psychological well-being. Yulianti and Fitdiarini [24] and Adiyatma and Hasanati [27] similarly found that job insecurity negatively affects psychological well-being through mechanisms including increased work stress, heightened anxiety, reduced perceptions of employment control, and elevated risk of burnout. External factors such as social support and self-efficacy have also been shown to buffer these negative effects, indicating that workers with stronger social networks or a higher sense of self-efficacy are better equipped to withstand the psychological pressure of insecure employment [28].

The findings further underscore the importance of addressing the psychological conditions of daily freelance workers at PT. X, who face limited social protection and employment uncertainty. Consistent with Sulaiman and colleagues [29], job insecurity erodes feelings of safety and weakens expectations about the future, particularly affecting dimensions such as self-acceptance, positive relations with others, and autonomy. This comprehensive disruption of psychological functioning highlights the need for serious attention within labor policy and organizational support frameworks.

From a theoretical perspective, this study significantly expands the applicability of Greenhalgh and Rosenblatt's job insecurity theory [7] by demonstrating that its core mechanisms severity of threats and powerlessness remain operative under conditions of extreme precarity characteristic of daily freelance work. Most existing studies have tested this theory with workers holding relatively stable employment status; the present finding that the same mechanisms apply to daily freelance workers strengthens the generalizability of the theory. Furthermore, this study confirms that Ryff's psychological well-being model [17] is sensitive to structural employment insecurity, with dimensions associated with stability and predictability appearing particularly vulnerable to job insecurity stressors. Empirically, this study provides the first available baseline data on the magnitude of the job insecurity–psychological well-being relationship among daily freelance workers in Indonesia, which may inform future comparative and longitudinal research.

6. Conclusion

This study found that job insecurity has a significant negative relationship with psychological well-being among daily freelance workers at PT. X, confirming that higher levels of perceived job insecurity are associated with lower levels of psychological well-being. This finding underscores the critical role of companies in providing job clarity, reliable social protection, and a supportive work environment to enhance the psychological well-being of daily workers.

Suggestions

Several recommendations can be proposed based on the findings of this study:

a. PT. X should provide counseling or psychological support services to enhance both performance and psychological well-being among freelance daily workers. These services may be further strengthened through stress-management training or other supporting facilities that help workers carry out their tasks effectively.
b. The company should consider establishing a more organized and structured work system, particularly regarding work scheduling and performance evaluations, as these aspects can provide workers with a greater sense of employment security. Regular communication regarding work processes and policy updates should also be conducted to ensure greater transparency.
c. Future researchers are encouraged to expand the scope of research on job insecurity and other factors influencing psychological well-being among freelance daily workers. This may include incorporating additional methods or variables that reflect actual conditions in other freelance work environments.

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