

Financial insecurity during the COVID-19 pandemic: spillover effects on burnout–disengagement relationships and performance of employees who moonlight

ABSTRACT

The novel Coronavirus disease (COVID-19) has magnified the issue of financial insecurity. However, its effect on individual-organizational relations and, consequently, on organizational performance remains understudied. Thus, the purpose of this study was to explore the spillover effect of financial insecurity on the burnout–disengagement relationship during the pandemic. The authors investigate in particular whether the spillover effect influences the performance of moonlighting employees and also explore the mediating effect of disengagement on the relationship between financial insecurity and burnout interaction effect and the performance (i.e., mediated-moderation). This study collected responses from 162 public and private sector employees who are engaged in moonlighting activities in Malaysia. The results from the partial least square structural equation modeling (PLS-SEM) revealed greater levels of financial insecurity and burnout associated with greater levels of work disengagement. The analysis of the interaction-moderation effect showed that when financial insecurity rises, the burnout effect on work disengagement increases among moonlighters. Using the PROCESS macro model, the results displayed burnout as a predictor of extra-role performance via a moderated (financial insecurity) mediation (work disengagement) relationship. Going forward, this study not only opens new avenues for research into the financial consequences of COVID-19 but also calls on managers to take proactive steps to mitigate the negative effect of the pandemic on the performance of moonlighting employees to keep them in the profession.

Keyword: Burnout; COVID-19; Disengagement; Employees’ performance; Financial insecurity; Moonlight