

## THE DETERMINANTS OF UNEMPLOYMENT INSURANCE PARTICIPATION: AN APPLICATION OF THEORY OF PLANNED BEHAVIOUR

Quisty Prima Zanellia<sup>\*)1</sup>, Eko Ruddy Cahyadi<sup>\*\*)</sup>, Wita Juwita Ermawati<sup>\*\*)</sup>

<sup>\*)</sup>BPJS Ketenagakerjaan

Jl. H.R. Rasuna Said Kav. 112 Blok B, Kuningan, Setiabudi, South Jakarta 12910, Indonesia

<sup>\*\*)</sup>Department of Management, Faculty Economics and Management, IPB University  
Jl. Agatis, IPB Dramaga Campus, Bogor 16680, Indonesia

**Abstract:** Unemployment is one of the economic disorders that affect the economic growth rate. In addition, the recent pandemic outbreak has turned the medical crisis into a global financial downturn, threatening the health and employment of people around the world. Unemployment insurance is intended to assist workers with partial and momentary income replacement, access to skill training, and job placement assistance during their unemployment period. The scheme was launched in Indonesia on March 2021. This study analyzed the intention effect toward participation and the effect of attitude, subjective norms, and perceived behavioral control towards the intention to participate using the Theory of Planned Behaviour. The total number of registered companies in DKI Jakarta Regional is 111.855, while the registered workers are 5.853.717. The quantity of samples based on the minimum sample calculation findings with the minimum number of samples obtained is 170 respondents. There were 200 participants of BPJS Ketenagakerjaan in the DKI Jakarta regional office who participated as respondents during the research period. SEM analysis methods are used in this study. The result showed that attitude toward behavior, subjective norms, and perceived behavioral control positively and significantly influence the intention to participate. Subjective norm is significant as an intervening variable between attitude and perceived behavioral control toward the intention to participate. Thus, strategies focusing on these factors can increase participation in the unemployment insurance scheme.

**Keywords:** attitude toward behavior, participation intention, perceived behavioral control, subjective norm, unemployment insurance

**Abstrak:** Pengangguran merupakan salah satu gangguan ekonomi yang mempengaruhi laju pertumbuhan ekonomi. Pandemi baru-baru ini telah mengubah krisis medis menjadi penurunan keuangan global, mengancam kesehatan dan pekerjaan orang-orang di seluruh dunia. Asuransi pengangguran dimaksudkan untuk membantu pekerja dengan memberikan pengganti pendapatan parsial dan sementara, akses ke pelatihan keterampilan dan bantuan penempatan kerja selama periode pengangguran mereka. Skema ini diluncurkan di Indonesia pada Maret 2021. Penelitian ini menganalisis pengaruh sikap, norma subjektif, dan kontrol perilaku yang dirasakan terhadap niat untuk berpartisipasi menggunakan Teori Perilaku Terencana. Jumlah perusahaan terdaftar di Wilayah DKI Jakarta sebanyak 111.855, sedangkan pekerja yang terdaftar sebanyak 5.853.717. Jumlah sampel berdasarkan perhitungan sampel minimal adalah 170 responden. Selama masa penelitian, ada 200 peserta BPJS Ketenagakerjaan di lingkungan kantor wilayah DKI Jakarta yang berpartisipasi sebagai responden. Penelitian ini menggunakan 200 peserta BPJS Ketenagakerjaan di kantor wilayah DKI Jakarta sebagai responden. Regresi logistik biner dan analisis SEM digunakan dalam penelitian ini. Hasil penelitian menunjukkan bahwa sikap terhadap perilaku, norma subjektif, dan kontrol perilaku secara positif dan signifikan mempengaruhi niat untuk berpartisipasi. Norma subjektif memiliki pengaruh tidak langsung sebagai variabel intervensi antara sikap dan kontrol perilaku yang dirasakan terhadap niat untuk berpartisipasi. Dengan demikian, strategi yang berfokus pada faktor-faktor ini dapat meningkatkan partisipasi dalam skema asuransi pengangguran.

**Kata kunci:** sikap terhadap perilaku, niat berpartisipasi, persepsi kontrol atas perilaku, norma subjektif, asuransi pengangguran

### Article history:

Received  
12 October 2022

Revised  
29 November 2022

Accepted  
3 January 2023

Available online  
31 January 2023

This is an open access  
article under the CC BY  
license ([https://  
creativecommons.org/  
licenses/by/4.0/](https://creativecommons.org/licenses/by/4.0/))



<sup>1</sup> Corresponding author:  
Email: [quisty.prima@apps.ipb.ac.id](mailto:quisty.prima@apps.ipb.ac.id)

## INTRODUCTION

The employment rate is the proportion of employed working-age individuals. It is also commonly used to denote the well-being of an economy's labor market. Unemployment reduces a family's income, diminishes spending power, lowers employee motivation, and lessens an economy's performance (Nichols et al. 2013). In addition, a lack of income can result in social exclusion and criminal acts. The number of unemployed individuals climbed by 33 million to 220 million in 2020, while the worldwide unemployment rate increased from the 5.4% in previous year to 6.5% (ILO, 2022). The recent disease outbreak most likely caused the surge.

The significant rise is also a consequence of government policies such as activity constraints and quarantine to halt the spread of the epidemic. Besides being laid off by the company, many employees stopped working voluntarily to avoid contracting Covid 19. However, the long-term pandemic forces people to spend their funds and assets to survive. People's buying power has also reduced, threatening or causing an economic recession in several countries

Figure 1 shows significant increase in the unemployment rate in almost all ASEAN countries between 2019 and 2021 (The Global Economy, 2022). Indonesia, the country with the fourth largest population in the world, has the third highest unemployment rate in ASEAN after Brunei and Malaysia. At the end of 2021, around 9,76 million out of 138,22 million economically active people were unemployed (BPS-Statistic Indonesia, 2021). The rising unemployment rate has centered government attention on unemployment insurance schemes.

Unemployment insurance schemes are established in order to safeguard employees from the risk of losing their jobs. The scheme typically provides numerous provisions and protection, covers most of the working population, and provides a sufficient support system for people to maintain their consumption behavior. Beneficiaries are required to work for a certain amount of time or contribute a certain amount of money (Vodopive, 2009). The systems differ significantly across countries.

The developed countries utilized unemployment insurance to ensure the welfare of their citizens. In

contrast, the social security systems in emerging nations have not yet been extensively addressed. In Indonesia, the scheme was released under Government Regulation of the Republic of Indonesia Number 37 of 2021 regarding Job Loss Benefit in March 2021. The program is maintained by the collaboration of BPJS Ketenagakerjaan and the Ministry of Labour. The program provides cash benefits, access to job information, and job training for employees who involuntarily lose their job. However, not all participant is entitled to the program. To be eligible for the benefit, workers in large and medium-sized companies must register for the National Health Security, Work Accident Benefit, Old-Age Benefit, Death Benefit, and Pension Benefit. Meanwhile, workers from the micro and small business sectors have to be at least registered with the National Health Security, Work Accident Benefit, Old-Age Benefit, and Death Benefit. The addition unemployment insurance scheme requires paid contributions by the company and deductions on labor salaries who have not completed the requirement. Thus, there are two decision makers in determining the participation of unemployment insurance, employer and employee. It is possible that the worker who intends to participate is necessarily registered as a participant and vice versa. Table 1 indicates the breakdown of contribution for each social security program. The job loss benefit contribution that must be paid every month is 0.46% of the workers' monthly wages, with a breakdown of 0.22% paid by the Central Government and the rest from the scheme funding sources. The source is taken from the previous work accident benefit contribution at 0.14% and the death benefit contribution at 0.10%. Therefore, there is no additional contribution for the company dues to the recomposition formula.

Studies concerning unemployment insurance were primarily located in developed countries where it was posed as a mandatory scheme, while the scheme does not exist in many developing countries. The design of the program, as well as country-specific factors, determine the performance of unemployment insurance. Unemployment insurance benefits should help the country's economy, prevent recessions, and reduce workers' intention to claim their old age benefit fund. Thus, the organizing institution must have a strategy to increase the coverage of participation in the program as mandated by law. A study on the participation intention determinants is needed to model strategies that can be implemented.

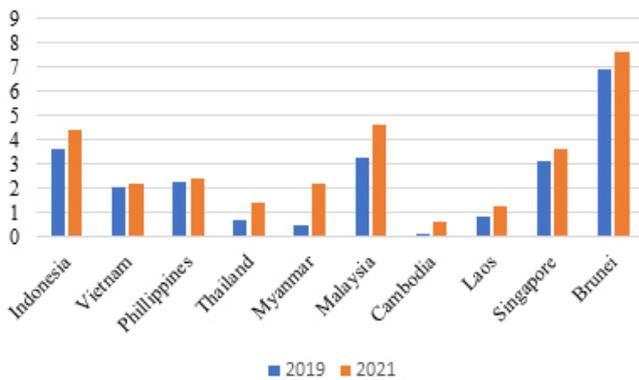


Figure 1. ASEAN Unemployment Rate in 2019 and 2021

Zhang et al. (2021) demonstrated that attitude, subjective norm, perceived behavioral control, and moral norm are all favorably influential elements in consumers' behavior and intention. Widyatami et al. (2019) explored the Theory of Planned Behavior (TPB) on people's intentions and found that attitude, subjective norms, and perceived behavioral control positively impact people's intentions.

Ajzen established the Theory of Planned Behavior to help comprehend individual behavior, particularly a person's intention to perform something (Ajzen, 1991). Fishbein and Ajzen (1975) define behavioral intention as the subjective possibility that a person will take action. The intention is the tendency to take action against an object. Intentions are related to attitudes and behaviors. Intention can also be interpreted as a trap or intermediary between motivational factors that affect the behavior. The TPB follows the interpretation that the more positive attitudes, subjective norms, and behavioral controls a person feels towards a behavior, the higher one's intention to realize the behavior (Groth et al. 2018). The benefit of unemployment insurance will only be given when the workers experience

a layoff from their work in the future. However, the decision to participate should be made in the present. Thus, TPB is used because it is suitable for describing behavior that requires planning. Zhang et al. (2021) demonstrated that attitude, subjective norms, perceived behavioral control, and moral norms are all favorably influential elements in consumers' behavior and intention. Furthermore, Widyatami et al. (2019) explored the Theory of Planned Behavior (TPB) on people's intentions and found that attitude, subjective norms, and perceived behavioral control positively impact people's intentions.

Najmudin & Shihabudin (2022) used subjective norms as an intervening variable between perceived behavioral control on interest in sharia insurance. Haron et al. (2011) used subjective norm as an intervening variable between supervisory influence and role ambiguity on intention to perform unethical behavior. Sumadi & Muslichah's (2017) research uses subjective norm as an intervening variable between the word of mouth and media references in consumer interest in family sharia insurance. Thus, this research used subjective norm as intervening variables between attitude and perceived behavioral control toward intention to participate in unemployment insurance.

Based on the description above, this study aims to analyze the determinants of unemployment insurance programs using the Theory of Planned Behaviour. The program was only released in March 2021, while the first benefit claim was eligible as of March 2022. In addition, unemployment insurance is not a mandatory social security program in Indonesia, unlike in developed countries, and previous studies have not touched on this new scheme. The initial response for the new product should be known at the beginning stage of the release to model an effective coverage strategy.

Table 1. Contribution for each social security program

Program	Employer's Contribution (%)	Employee's Contribution (%)	Government's Contribution (%)
National health benefit	4	1	-
Work accident benefit	0.1-1.6	-	-
Death Benefit	0.2	-	-
Old age benefit	3.7	2	-
Pension benefit	2	1	-
Job loss benefit	0.24	-	0.22

## METHODS

The study was conducted in July-September 2022. The object of the study is active formal participant of BPJS Ketenagakerjaan in DKI Jakarta region. The total number of registered companies in DKI Jakarta Regional are 111.855, while the registered workers are 5.853.717. Hair et al. (2010) stated that the too large size of sample will make it difficult to get suitable model and it is recommend the appropriate sample size between 100-200 respondents. For this reason, the number of samples will be determined based on the results of the minimum sample calculation: the number of indicators (17) multiplied by 10 ( $17 \times 10 = 170$ ). Thus, the minimum number of samples obtained is 170 respondents. During research period. There were 200 respondents participated in filling the questionnaires.

The primary data collected from online questionnaires with a 5-point Likert Scale (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, 5: strongly agree). Before filling out the questionnaire, the researcher briefly explained the unemployment insurance program scheme to respondents. The questionnaire was translated to Bahasa Indonesia before being distributed to respondents.

The sampling technique used non-probability sampling with voluntary sample design. The final sample is chosen from potential respondents who are interested and qualified to participate in the questionnaire (Murairwa, 2015). The researcher may or may not require certain characteristics from potential respondents. Thus, the researcher included the screening question to separate the volunteer respondent.

The data analyzed using SEM (Structural Equation Model) which can estimate relationships between variables that are multiple relationships and the ability to describe the relationship patterns between latent constructs and indicator variables (Yamin et al. 2011). SEM consists of two variables, namely latent variables and observed variables. Latent variables can only be observed indirectly and imperfectly through their effect on observed variables. The variables are further operationalized in Table 2.

This study tried to study participants' intentions in unemployment insurance, whose target market is active formal labor in Indonesia. The TPB follows the interpretation that the more positive attitudes, subjective norms, and behavioral controls a person feels towards a behavior, the higher one's intention to realize the behavior. This research used Azjen's Theory of Planned Behavior (TPB), as shown in Figure 2. The formulation of the hypothesis is as follows:

Table 2. Indicators and variables

Variable	Indicator
Attitude Towards Behavior	ATB1: Beneficial if participate in all social security scheme
	ATB2: Security if participating
	ATB3: Participating is a good choice
	ATB4: Beneficial than conventional savings
	ATB5: Beneficial when get layoff
Subjective Norm	SN1: Support from colleagues
	SN2: Supervisor support
	SN3: Family support
	SN4: Support from relatives
	SN5: Friend's participation
Perceived Behavioral Control	PBC1: Sufficient knowledge
	PBC2: Capability to fulfill the requirement
	PBC3: Financial ability
Participating Intention	IN1: Plan to participate
	IN2: Determination to get the benefit
	IN3: Determination to fulfill the requirement
	IN4: Readiness to contribute to all social security programs

- H1 : Attitude towards unemployment insurance has a positive and significant effect on the intention of unemployment insurance participation
- H2 : Subjective norm has a positive and significant effect on the intention of unemployment insurance participation
- H3 : Perceived Behavioral Control has a positive and significant effect on the intention of unemployment insurance participation
- H4 : There is an indirect and positive effect between attitude towards unemployment insurance on intention to participate through subjective norm
- H5 : There is an indirect and positive effect between perceived behavioral control on intention to participate through subjective norm

The pandemic Covid-19 has caused the rapid increase in unemployment globally. Indonesia's government released the unemployment insurance scheme through Job Loss benefit in March 2021 to overcome the social risk. It is important for social security institution to recognize what are the factors influence participant's intentions on the program offered as mandated by law. This study used the theory of planned behaviour to forecast the intention in participating on the unemployment insurance scheme to define the factors affecting it. The determinants found in this study is expected to model effective strategies in expanding the scheme coverage and formulate the managerial implication.

## RESULTS

### Characteristics of Respondents

This research was conducted at the DKI Jakarta Regional The object of this study was an active participant of BPJS Ketenagakerjaan, which registered at a branch office in the DKI Jakarta area. The characteristics of respondents' profiles can be seen in Table 3.

Mokolamban et al. (2018) study showed a relationship between education and knowledge with contributions compliance of BPJS Kesehatan. Meanwhile, Sanita et al. (2019) indicated the significant influence between product knowledge and brand image on purchase intention, with the product knowledge indicator having the highest value. However, the study found that 46% of respondents stated that they had already registered in the unemployment insurance program, 18% had not registered, and 36% did not know whether they were registered in the program. It shows that there is still a lack of knowledge among participants about the unemployment insurance program. This figure is also relatively high, considering that respondents are participants in the DKI Jakarta area. The participant should be aware first of the scheme's existence before expecting their participation. To get unemployment insurance benefits, workers must be enrolled in all other social security programs, namely National Health Security, Work Accident Benefits, Old-Age Benefits, Death Benefits, and Pension Benefits. Even though more data is needed on participants' knowledge regarding the unemployment insurance program in other regions, massive education needs to be carried out to increase participants' awareness of this program to increase their participation coverage. The lack of knowledge can result in a low benefit claims rate.

Furthermore, the researcher analyzed the characteristics of the answer for each variable based on registration status to unemployment insurance. The respondent intention is divided into registered, unregistered, and do not know. The scores of each group are taken on average for each indicator with rating indexes 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree). The result is presented with a radar diagram which can be used to display one or more variables in a two-dimensional graph, with one image for each variable.

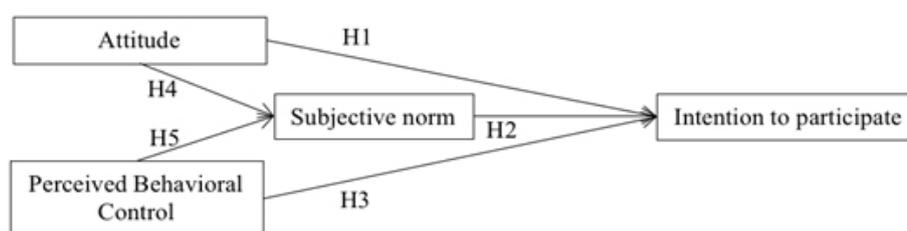


Figure 2. Research conceptual model

Table 3. The respondents characteristics based on registration

Respondents Characteristics		Registered to Unemployment Insurance			
		Yes		No	
		n	(%)	n	(%)
Gender	Male	61	88	8	12
	Female	112	85	19	15
Age	21-30	49	86	8	14
	31-40	81	85	14	15
	41-50	38	90	4	10
	>50	5	83	1	17
Education	SMP/Junior High School	15	94	1	6
	SMA/Senior High School	71	85	13	15
	S1/Bachelor	77	89	10	11
	S2/Postgraduate	5	71	2	29
	S3/Doctor	5	83	1	17

Figure 3 shows the response characteristics on the Intention variable from 3 different registration groups (registered, unregistered, and do not know). Unregistered respondents have the highest intentions in the “Plan to participate” (IN1) indicator, the “Determination to fulfill requirement” (IN3) indicator, and the “Readiness to contribute” (IN4) indicator. Meanwhile, the registered respondents have the highest intention in the “Determination to get the benefit” (IN2) indicator. The diagram showed that participants who were already registered and had not registered had a high intention to participate in unemployment insurance. It is necessary to conduct further research regarding the determining factors of participation of the employer/company as another decision maker in the scheme participation.

### Evaluation of Measurement Model (Outer Model)

This evaluation is performed to determine the model's reliability and validity. The convergent and discriminant validity of latent construct-forming indicators, as well as composite reliability and Cronbach alpha for its indicator blocks, are used to evaluate outer models (Hair et al. 2014). The initial number of indicators is 20, but through the validity test, 3 indicators are excluded from the research instrument as they were found invalid. The remaining construct has met the criteria with an AVE value above 0.5, so the construct is said to be valid and meets the convergent validity criteria.

According to Hair et al. (2014), to test discriminant validity is by the Fornell Larcker Criterion method, which is to compare the square root of the AVE for

each construct with the correlation value between the constructs in the model. The cross value loading for each variable must be greater than 0.70 to test discriminant validity with reflexive indicators. The diagonal correlation values of the constructs X1 (ATB), X2 (SN), X3 (PBC), and Y(IN) with the construct itself are already more significant than the correlation values to other constructs. Thus, it can be concluded that it is valid.

Reliability tests are carried out to prove the accuracy and consistency of instruments in measuring constructs (Hair et al. 2014). The Reliability Test was carried out using the Composite Reliability and Cronbach's Alpha tests by looking at all latent variable values having composite reliability and Cronbach Alpha values  $\geq 0.7$ . The Composite Reliability test results show that all latent variable values have a Composite Reliability value of  $\geq 0.7$ . Moreover, the test results of Cronbach's Alpha also show that all latent variable values have a Cronbach's Alpha value  $\geq 0.7$ . From these results, it can be concluded that the construct has good reliability or the questionnaire used as a tool in this research has been reliable.

### Evaluation of Measurement Model (Inner Model)

This study uses structural model evaluation (Inner model) which aims to predict the relationship between latent variables, by looking at the value of the coefficient of determination (R<sup>2</sup>), the value of path coefficients (path coefficients), and the value of t-statistic (bootstrapping) to assess the structural model (inner model).

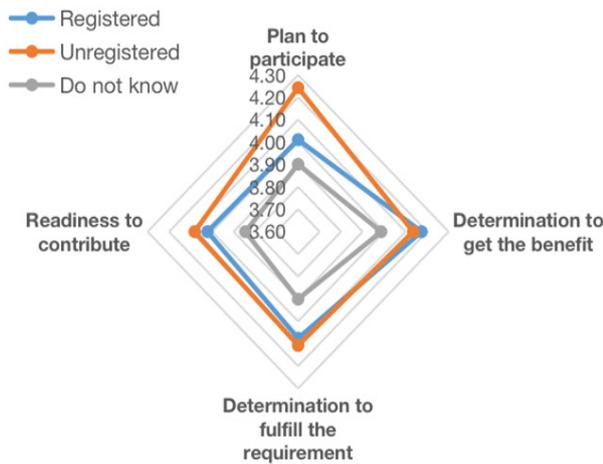


Figure 3. Response characteristics on intention variable

### R-square Value (R2)

The coefficient of determination R-Square(R2) of each endogenous latent variable indicates how much the exogenous variable explains its endogenous variable. The value of R-Square (R2) is zero to one. When the value of R-Square(R2) gets closer to one, the independent variables provide all the information needed to predict the variation of the endogenous variable and vice versa. The R-square value for intention to participate in this study is 0.768. It implies that 77% is explained by the model (ATB, SN, PBC) and the other 23% is explained by other variables which is not being used in this research

### Path Coefficient and Significance Test

Path coefficients are used for viewing the hypothesized relationship between constructs. The path coefficient values are in the scope of -1 to 1, with path coefficient values close to 1 indicating a strong positive relationship while path coefficient values close to -1 implying a strong negative relationship. Even though values close to 1 or -1 tend to be statistically significant, standard error must be calculated using bootstrapping in order to test for significance (Hair et al. 2014).

The Figure 4 showed that test results of path coefficients have a range of 0.172 to 0.406. Thus, subjective norm, attitude toward behaviour, and perceived behavioral control have a positive relationship. PBC has the highest correlation with the intention to participate in unemployment insurance.

### Evaluation of Model Fit

The evaluation of the fit model used two test models: standardized root mean square residual (SRMR) and normal fit index (NFI). Hu and Bentler (1998) in Ramayah et al. (2017) stated that the model would be considered to have a good fit if the standardized root means square residual (SRMR) value is below 0.08. The results of processing using Smartpls3 show that the model in this study has a good fit with a standardized root mean square residual (SRMR) value is 0,065 (<0.08). The normal fit index (NFI) value of 0.873 shows that the model in this study is 87% better than the null model.

### T-statistic value (Bootstrapping)

T-Statistics (bootstrapping) is used to see the significant values between constructs. Hair et al. (2017) in Ramayah et al. (2017) suggested performing a bootstrapping procedure with a re-sample value of 5,000. The limit for rejecting and accepting the proposed hypothesis is  $p\text{-value} < \alpha$  ( $\alpha = 0,1$ ), the hypothesis can be accepted. Table 4 shows the test results of T-Statistics (bootstrapping) values.

With ( $\alpha = 0,1$ ), all of the p values of the variables in this research are smaller than alpha. Thus, H1-H5 is accepted. The result showed that attitude, subjective norm, and perceived behavioral control affect the intention to participate in unemployment insurance. of Planned Behavior. Moreover, there is an indirect and positive effect between attitude towards unemployment insurance and perceived behavioral control on intention to participate through subjective norm. Thus, a positive subjective norm is much needed to bridge the increase in participant's intention towards unemployment insurance.

These results are consistent with the research of Lestari et al. (2017) study on the Intention in Credit Card Ownership, which showed that attitude, subjective norm, and perceived behavior control affect behavior positively and significantly. Yudha and Sumiati (2014) study that attitudes, subjective norms, behavioral control, and trust affect the intention to repurchase the general insurance policy. Sumadi and Muslichah's (2017) study showed a positive and significant influence between attitudes, subjective norms, and self-efficacy on the interest in participating in family sharia insurance. Pratiwi and Hartoyo (2014) found

that attitude toward life insurance products, subjective norms, and perceived behavioral control positively affect the intention to purchase life insurance. Najmudin & Shihabudin's (2022) study showed that subjective norms and behavioral control significantly positively affect interest in sharia insurance.

These findings strengthen Ajzen's Theory of Planned Behavior. Moreover, an indirect and positive effect exists between attitude toward unemployment insurance and perceived behavioral control on intention to participate through the subjective norm. Thus, a positive subjective norm is needed to bridge the increase in participants' intention toward unemployment insurance. The important social influence of some behaviors is rooted in family, life partners, relatives, colleagues in work, and other references related to behavior. Knowledge

and financial ability are the concern of perceived behavioral control variables. It means the social security institution should actively promote the program's benefit and enforce the company's compliance related to social security contribution. The good governance and services of social security institutions will also give the participant a positive experience.

Based on the description that has been submitted, the model proposed in this study can be accepted as an alternative to making predictions about participants' intentions in unemployment insurance in Indonesia. These findings should be utilized to gain positive behavior on participant intention to fulfill the eligibility for unemployment insurance. It should also be taken into consideration when designing promotional campaigns.

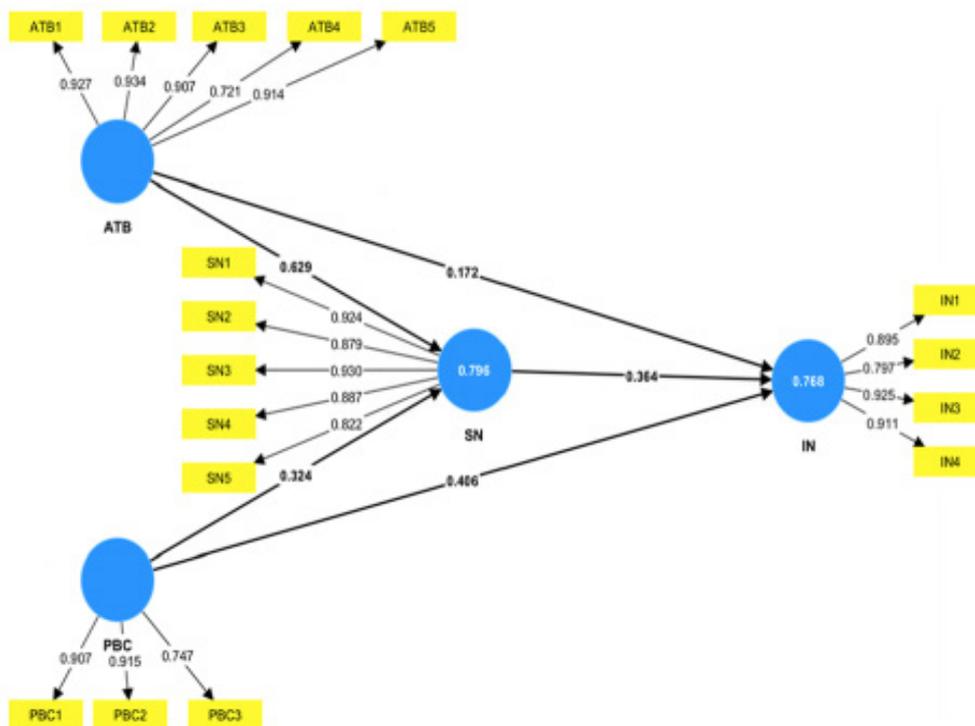


Figure 4. Path Coefficient (SmartPLS3 Output, 2022)

Table 4. Significance Test (SmartPLS3 Output, 2022)

	T-Statistics ( O/STDEV)	P Values
Attitude Towards Behaviour → Intention	1.852	0.064
Subjective Norm → Intention	3.360	0.001
Perceived Behavioral Control → Intention	5.044	0.001
Attitude Towards Behaviour → Subjective Norm → Intention	11.883	0.000
Perceived Behavioral Control → Subjective Norm → Intention	6.341	0.000

## Managerial Implication

Not all social security participants in the country can immediately take advantage of these job loss insurance benefits. Participants must meet the requirements. Workers in large and medium-sized companies must have participated in national health security, work accident benefits, old-age benefits, death benefits, and pension benefits). Meanwhile, micro and small business workers must have participated in National Health Security, Work Accident Benefits, Old-Age Benefits, and Death Benefits). Participants have to meet these requirements by registering and contributing to the added programs. Thus, unemployment insurance coverage expansion should also increase social security contributions by the requirement to participate in old-age insurance programs and pension guarantees.

The cash benefit of unemployment insurance intends to help the workforce make ends meet in a job-seeking period. It is expected to encourage workers to postpone taking old-age guarantees when experiencing layoffs. A decrease in the intensity of Old Age Guarantee claims can help maintain the stability of investments in labor savings. The stability of investment funds will also positively impact the interest amount of the old-age balance of the workforce. With the launch of the unemployment insurance program and massive socialization, the government should be able to gradually adjust the Old Age benefit regulations into only allowing the claim when the worker meets the pension age.

Based on the above explanation, the expansion of unemployment insurance coverage can benefit the country's economy, workforce, and the managing institution. The study's results found that attitude, subjective norms, and perceived behavioral control positively and significantly affected the intention for unemployment insurance participation. Thus, the institution should utilize a strategy focusing on affecting variables to maximize the benefit.

For the attitude variable, ATB1 (Beneficial if participating in all social security schemes) and ATB2 (Security if participating) show the highest value, 0.927 and 0.934, respectively. Thus, providing sufficient access to the benefit, improving services, and expanding socialization are suggested. SN1 (colleagues support) and SN3 (family's support) show the highest value in the subjective norms variable by

0.924 and 0.930, respectively. Therefore, the managing institution should involve the worker's family and relatives in activity, especially in socialization. In the perceived behavior control, PBC2 (Capability to fulfill the requirement) has the highest value with 0.915. The indicator means that the respondent is willing to attend the job training actively and continuously submit their CV for job application during unemployment. The cash benefit can not be claimed if the participant does not fulfill the requirement. The managing institution should involve the company's HRD and customer service officer to educate the targeted participant. The company's HRD is a company officer often assigned to execute the layoff, while the customer service officer is assigned to process the participant's claim of old age benefit. PBC1 (sufficient knowledge) and PBC3 (financial ability) have the value of 0.907 and 0.747, respectively. Socialization/education in public places, markets, malls, or community gathering places to introduce unemployment insurance is highly suggested. It can also reach the participant's family and relatives indirectly.

The expansion of social security program coverage is mandated by the law and must be enforced by the institution governing social security. In order to achieve maximum participation in unemployment insurance, monitoring and sanctions must be carried out in expanding the coverage in old age and pension schemes.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

This study contributes significantly to the existing literature as most previous empirical studies. The study offered support for the hypothesized theory in the TPB model (perceived behavioral control, attitudes, and subjective norms) that affects behavior intention. Therefore, the participants' behavioral intention regarding unemployment insurance can best be predicted by the model. The result is showed that the attitude toward behavior, subjective norm, and perceived behavioral control have positive and significant effects in determining participant intention to participate in unemployment insurance. Perceived behavioral control has the highest correlation with the intention to participate in unemployment insurance. Thus, the more positive attitudes, subjective norms, and

behavioral controls a person feels towards a behavior, the higher one's intention to realize the behavior. The attitude variable showed the highest value in program beneficial and security, the subjective norms in colleague and family support, and perceived behavioral control in requirement capability. Furthermore, the subjective norm is significant as an intervening variable between attitude toward unemployment insurance and perceived behavioral control toward intention to participate.

## Recommendations

The research implied that strategies for utilizing attitudes, subjective norm and perceived behavior should be encouraged. Social security institution should providing sufficient resource and access to the benefit, improving services and information, doing socialization/ education on public places and social media to reach participant family and relatives, and involving HRD and CS Officer in educating the participant. It is also advised to conducting socialization about the benefits of Unemployment Insurance as many participant still not well-informed about the program. Social security institution should also ensure the employer compliance in Old Age and Pension benefit participation to increase the coverage of Unemployment Insurance

For the further study, the researcher suggest to examine the intention of business owner and company in unemployment insurance participation, and the effect of financial literacy on the intention to unemployment insurance programs. It is also encourage to study the evaluation of unemployment insurance application in Indonesia, starting from the influence on reducing the unemployment rate, the duration of providing benefits, the amount of benefits provided, the need to enforce sanctions on beneficiaries, and their effect on the number of Old Age claims.

## REFERENCES

- Ajzen I. 1991. The theory of planned behavior. *Organizational Behavior and Human Decision Processes* 50: 179-211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- BPS-Statistics Indonesia. 2021. Indonesian Statistics 2020. [www.bps.go.id](http://www.bps.go.id): <https://www.bps.go.id/publication/2020/04/29/e9011b3155d45d70823c141f/statistik-indonesia-2020.html> [April 2022].
- Ghozali I. 2005. *Analisis Multivariat dengan Program SPSS*. Edisi ke-3. Semarang: Badan Penerbit UNDIP.
- Groth A, Buchauer R, Schlögl S. 2018. Influence of Social Media Engagement on Sustainable Mobility Behavior in Alpine Regions. Information and Communication Technologies in Tourism. Edited by B. Stangl and J. Pesonen. Jönköping: Springer International Publishing AG 2018, pp. 186–199. [https://doi.org/10.1007/978-3-319-72923-7\\_15](https://doi.org/10.1007/978-3-319-72923-7_15)
- Fishbein M, Ajzen I. 1975. *Belief, Attitude, Intention and Behavior: An Introduction to Theory and Research, Reading*. MA: AddisonWesley
- Hair J, Black W, Babin B, Anderson R. 2010. *Multivariate Data Analysis*. New York: Pearson
- Hair J, Sarstedt M, Hopkins L, Kuppelwieser VG. 2014. Partial least squares structural equation modeling (PLS-SEM): an emerging tool in business research. *European Business Review* 26(2):106-121. <https://doi.org/10.1108/EBR-10-2013-0128>
- Haron H, Ismail I, Razak SHA. 2011. Factors influencing unethical behavior of insurance agents. *International Journal of Business and Social Science* 2(1).
- [ILO] International Labour Organization. 2022. ILOSTAT database. <https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?end=2021&start=2011> [April 2022].
- Lestari BA, Suharjo B, Muflikhati I. 2017. Minat Kepemilikan Kartu Kredit (Studi Kasus Kota Bogor). *Jurnal Aplikasi Bisnis dan Manajemen* 3(1):143–151. <https://doi.org/10.17358/jabm.3.1.143>
- Mokolomban CK, Mandagi F, Korompis GEC. 2018. Factors related to compliance of independent participants in paying national health insurance contributions in the work area of ranotana weru health center Manado City. *Journal KESMAS* 7(4).
- Murairwa S. 2015. Voluntary Sampling Design. *International Journal of Advanced Research in ISSN:2278-6236 Management and Social Sciences Impact Factor: 4.400*
- Najmudin, Shihabudin. 2022. Subjective norms and behavioral control: the effectiveness on interest in sharia insurance. *Jurnal Ilmiah Ekonomi Islam* 8(1): 39–46. <https://doi.org/10.29040/jiei.v8i1.4089>
- Nichols A, Mitchell J, Lindner S. 2013. *Consequences*

- of Long-Term Unemployment*. The Urban Institute.
- Pratiwi NA, Hartoyo. 2014. Analisis niat beli asuransi jiwa pada mahasiswa: aplikasi theory of planned behaviour. *Jurnal Ilmu. Keleuarga & Konsumen* 7(1): 58–66. <https://doi.org/10.24156/jikk.2014.7.1.58>
- Ramayah T, Jasmine YAL, Ahmad NH, Halim HA, Rahman SA. 2017. Testing a confirmatory model of facebook usage in smartPLS using consistent PLS. *International Journal of Business and Innovation* 3(2):1–14.
- Sanita S, Aini K, Marlinan NL. 2019. The Influence of Product Knowledge and Brand Image on Purchase Intention. *Business Management and Entrepreneurship Journal* 1(3):167–184.
- Sumadi, Muslicchah, Istyakara. 2017. Minat Konsumen Terhadap Asuransi Syariah Keluarga. Seminar Nasional & Call For Paper, FEB Unikama “Peningkatan Ketahanan Ekonomi Nasional Dalam Rangka Menghadapi Persaingan Global. Malang.
- The Global Economy. 2022. The unemployment rate in ASEAN. [https://www.theglobaleconomy.com/rankings/unemployment\\_rate/ASEAN](https://www.theglobaleconomy.com/rankings/unemployment_rate/ASEAN) [8 April 2022].
- Vodopive M. 2009. Introducing Unemployment Insurance to Developing Countries. S.P. Discussion Paper No. 0907. The World Bank, HDNSP
- Widyatami K, Hurriyati R, Wibowo LA. 2019. Bicycle commuting behaviour model in Bandung based on theory of planned behavior. *Jurnal Manajemen dan Sistem Informasi* 18(2): 54–62. <https://doi.org/10.17509/manajerial.v18i2.16203>
- Yamin S, Lien AR, Heri K. 2011. *Regresi & Korelasi dalam Genggaman Anda: Aplikasi dengan software SPSS, EViews, MINITAB, dan Statgraphics*. Jakarta: Salemba empat.
- Yudha EC, Rohman F, Sumiati. 2015. Pengaruh sikap, norma subyektif, kontrol keperilakuan dan kepercayaan nasabah terhadap niat membeli kembali polis asuransi kerugian (studi pada PT Asuransi Jasa Indonesia (Persero) Cabang Surabaya Korporasi. *Jurnal Aplikasi Manajemen* 13(4): 673–681.
- Zhang W, Ran SJ et al. 2021. Understanding Consumers’ Behavior Intention of Recycling Mobile Phones Through Formal Channels in China: The Effect of Privacy Concern. *Environment and Sustainability* 5:1–10. <https://doi.org/10.1016/j.resenv.2021.100027>