

The causes and consequences of psychological ownership in company x essay sample

[Psychology](#)



The Problem and Review of Related Literature

Management practitioners and consultants have recently focused their attention on ownership as a psychological phenomenon (Pierce, Kostova, & Dirks, 2001). The concept of ownership as an important work-related attitude is on the rise. T. L. Brown stated that “ the key to effectively managing in the 90’s and the 21st century is to know how to instill psychological ownership, that which makes the competitive difference and this will be the key to effective management in highly uncertain and turbulent environment” (p. 203, Pierce & Gardner, 2004).

Pierce and Gardner (2004) predicted that psychological ownership will be even more important in the 21st century as organizations continue to confront environmental turbulence, uncertainty, intense competition, and the need for change, continuous improvement and innovation.

This research proposes a nomological model of psychological ownership. The reason of having two models in this research is to determine the causes and consequences of psychological ownership. This study proposes core job characteristics as causes, while employee attitudes (i. e., organizational commitment and job satisfaction) as consequences. This study also intends to initially test the applicability of the concept of psychological ownership in Cyprus. The current research aims to investigate the causes and consequences of psychological ownership in Company X.

Review Related Literature

This section presents the study variables. These variables are job design dimensions, psychological ownership towards the organization, affective organization commitment and job satisfaction.

Job design

Job design refers to any set of activities that involve the alteration of specific jobs or independent systems of the jobs with the intent of improving the quality of employee's job experience and their on-the-job performance (Kreitner & Kinicki, 1998). It is concerned with job characteristics, duties, and purposes. The results of the job design may have positive influences when it results to desirable behavior which leads to a feeling of greater responsibility, challenge and meaningfulness. Job design affects how much authority and decision-making an employee has over his work (Miner, 1985).

According to Evans (1984), the major elements of a job design can be classified into three categories: physical consideration, social or psychological considerations, and work methods. Physical considerations include the workplace and environment (Evans, 1984). The workplace should be designed in such a way that it assists and not hinder the worker (Evans, 1984).

For instance, the angle and height of a secretary's chair can have a profound effect on back fatigue and job performance. The distance a worker must reach for an object or the size of a visual gauge is additional examples of physiological factors that would be considered. Machine, pieces of equipment, and tools should be in good condition, and the worker should

have the necessary inputs of materials and information to accomplish his or her tasks.

Job Characteristic Theory

According to Kiggundu (1981), there are many theories of job design in the management literature, all developed to explain the relationships between affective and behavioral responses of an employee. The most popular approach to job design emanates from Hackman and Oldham's core job characteristics.

They have developed a job design theory with five core characteristics: skill variety, task identity, task significance, autonomy, and job feedback (Robbins, 2001). These job characteristics give rise to corresponding critical psychological states experienced by the employee. Skills variety, task identity, and task significance together lead to feelings of meaningfulness; autonomy leads to experienced responsibility; and job feedback leads to knowledge and results (Friday, 2003). The elements of the job characteristics model are defined below.

Skill variety is the extent to which a job requires a number of different activities using the employee's skills and talents (Friday, 2003).

Autonomy is defined by Hackman and Oldham (as cited by Friday, 2003) as the degree to which a job provides freedom, independence and discretion.

Feedback is the extent to which the job allows people to have information about the effectiveness of their performance (Greenberg & Baron, 1997).

Task identity is the degree to which the job requires completion of a whole and identifiable process of work (Friday, 2003).

Task significance is the degree of impact the job is believed to have on others (Greenberg & Baron, 1997).

In addition, the model proposes that when an individual learns that he/she has performed well on a task that she/he cares about, the individual feels intrinsically rewarded (Hackman, as cited in Friday, 2003).

Psychological Ownership in Organizations

Van Dyne and Pierce (2004) defined psychological ownership as the psychologically experienced phenomenon in which an employee develops feelings for the target. Moreover, Furby and Dittmar, and Pierce and his colleagues (as cited in Pierce, et al., 2001) linked feelings of possession with feelings of ownership and defined psychological ownership as the state in which an individual feels that an object (i. e., material or immaterial) is experienced possessively (i. e., it's " MINE").

Three Motives of Psychological Ownership

Pierce et al (2001) proposed a framework for understanding psychological ownership. Three motives underlie the concept of psychological ownership. These are efficacy and effectance, self-identity, and having a place.

Efficacy and Effectance. Efficacy is concerned with people's beliefs in their capabilities to exercise control over their own functioning and over events that affect their lives, while effectance motive is the individual's desire to

interact with his/her environment (White, as cited in Pierce et al., 2001).

Furthermore, the sense of being in control and gaining desirable outcomes of controlled actions are important factors in creating psychological ownership.

The desire to experience it leads to attempts to take possession and to the emergence of ownership feelings (Pierce et al., 2001).

Self-Identity. A possession serves as a symbolic expression of the self. There is a close connection among possessions, self-identity, and individuals.

McCracken and Mead (as cited in Pierce et al., 2001) stated that possessions play an important role in the process of self-understanding and self-identity because of the meaning and importance ascribed to them by society (Pierce et al., 2001). Thus, people use ownership for the purpose of defining themselves, expressing their self-identity to others, and ensuring their continuity of the self across time.

Having a Place. According to Darling (as cited in Pierce et al., 2001), territory is an essence of psychological expression. For example, people devote significant amount of time, energy, and resources to acquire, protect, decorate, and display their homes. This motive arises from the need to have a certain own area (Pierce et al., 2001). This includes both actual places and objects. This familiar “ area “ of known targets becomes a part of the objects identity.

Effects of Psychological Ownership

This section presents the effects of psychological ownership. These effects are citizenship, personal sacrifices and the assumption of risk, Experience of responsibility and stewardship (Pierce et al., 2001).

Organizational Citizenship Behavior. Pierce, et al. (2001) describes citizenship as the behavior that contributes to the community's well-being. Moreover, it is voluntary and it is intended to be positive in nature (Organ, as cited in Pierce et al., 2001). Pierce et al. (2001) stated that behavior is, in part, a function of one's self-identity, as the individual opens to and maintains his sense of self by initiating stable patterns of behavior that infuse roles with personal meaning. Therefore, when individuals feel ownership for a social entity, they are likely to exhibit citizenship behavior towards the entity.

Personal Sacrifices and the Assumption of Risk. The willingness to assume personal risk or make personal sacrifices on behalf as a social entity is another important outcome of psychological ownership (Pierce et al., 2001). Pierce et al. (2001) further stated that these behaviors will be prompted by feelings of ownership for the target and that target has been brought into the citadel of the self, and thus represents important results for the self.

Experience of Responsibility and Stewardship. Pierce et al. (2001) stated that psychological ownership for the target may also promote feelings of ownership because when individuals' sense of self is closely linked to the target, a desire to maintain, protect, and enhance that the identity will result in enhanced responsibility (Dipboyle, as cited in Pierce et al., 2001).

Organizational Commitment

Organizational commitment as described by Porter, Steers, Mowday, and Boulian (as cited in Morgan, 1994) pertain to the phenomenon where individuals have a strong identification of the goals and values of the organization in which they are involved in. Most definitions define organizational commitment as the link to or connection with the organization. These attachments may be considered as an emotional response, particularly when employees believe strongly in the organization's goals and values, as demonstrated when they show their desire to remain in the organization (Testa, 2001). Organizational commitment is also seen as an emotional response to a positive assessment of the work environment (Greenberg & Baron, 1997).

Definition of Terms

Autonomy - Autonomy is defined by Hackman and Oldham as the degree to which a job provides freedom, independence and discretion. This is operationally defined in item 2, 8, and 9 of Section A of the survey questionnaire. The items were adopted from the Job Diagnostic Survey developed by Hackman and Oldham.

Feedback - The degree to which the individuals obtain direct and clear degree to which an individual is required to use a number of different skills and talent to perform a variety of different activities (Robbins, 2001). This is operationally defined in item 5, 14, and 15 on Section A of the survey

questionnaire. The items were adopted from the Job Diagnostic Survey developed by Brayfield and Rothe.

Job satisfaction - It is an attitude that individuals have about their jobs and it is a perception of their jobs based on the factors of the work environment such as pay, job security, policies and procedures, working conditions, and supervision (Gibson, et al., 2000). This is operationally defined in item 18, 19, 20, 21, 22, 23. Section B of the survey questionnaire. The items were adopted from the Overall Job Satisfaction Scale developed by Brayfield and rothe (Hunt, Osborn, & Schermerhon, as cited in Testa, 2001)

Organizational commitment -it is the degree wherein an individual dedicates himself to the organization as well as its goals and keeps his membership in the organization (Robbins, 2001). This is operationally defined in item 6, 7, 10, and 11 and in Section B of the survey questionnaire. The items were adopted from the Affective Commitment Short Version Scale developed by Porter, Steers, Mowday, and Boulian (as cited in Morgan, 1994)

Psychological ownership - The state in which an individual feels as though as the target of ownership (or a piece of target) is theirs (it's mine!) (p. 204, Pierce & Gardner, 2004). This is operationally defined in item 12, 13, 14, 15, 16, 17 of Section B of the Survey Questionnaire. The items were adopted from the Psychological Ownership Scale developed and led by Pierce in University of Minnesota (Van Dyne and Pierce, 2004).

Skill variety- The degree to which the job requires a variety of different activities (Robbins, 2001). This is operationally defined in item 1, 6, 7 of

Section A of the survey questionnaire. The items were adopted from the Job Diagnostic Survey developed by Hackman and Oldham (Friday, 2003).

Task identity - It is the degree to which the job requires completion of a whole and identifiable piece of work (Robbins, 2001). This is operationally defined in item 3, 10, 11 in Section A of the survey questionnaire. The items were adopted from the Job Diagnostic Survey developed by Hackman and Oldham (Friday, 2003).

Task significance - defined as the degree to which the job had a substantial impact on the work of other (Robbins, 2001). This is operationally defined in item 4, 10, and 11 of the Job Diagnostic Survey developed by Hackman and Oldham (Greenberg & Baron, 1997).

Chapter 2

Method

This chapter covers the research design, participants, instruments and procedures undertaken in conducting the study.

Research Design

The type of research design utilized by the proponents is the descriptive-correlational research design. Descriptive research was used because the proponents would like to determine the level of psychological ownership, organizational commitment, job satisfaction, and job design of the rank and file employees of Company X Incorporated.

On the other hand, correlational research refers to a non-experimental approach that measures two (2) as more variables to determine the degree of relationship between. It was used to determining whether a relationship exists between the psychological ownership and organizational commitment, job satisfaction, and job design dimensions.

Participants

The proponents chose the rank and file employees of Company X. Rank and file employees have a direct contact with their jobs. Since competition is tough, it is important for the organization to keep good employees who are showing a good possession to their jobs gained in keeping good employment relationship. In this research, employee profiles were divided into six categories: gender, age, employment status, tenure, tenure in current position, and department.

In determining the sample size, the researchers used a one (1) is to five (5) ratio, were one (1) question is equivalent to five (5) respondents. Total number of items used in the questionnaire (i. e., Psychological Ownership for the organization, Job Description survey, Affective Commitment survey, Overall Job Satisfaction) was 36, and since it is a one (1) is to five (5) ratio, the proponents needed a sample size of 180 respondents.

Moreover, the proponents had decided to distribute 250 questionnaires but only 243 were retrieved. However, only 239 questionnaires were usable for this study. As for the interview, out of the total 250 respondents who were asked to answer the questionnaires, 10 % was required for the interview.

Materials

In the conduct of this research, the researcher shall use standardized instruments to measure the variables utilized in this study. These included psychological ownership, organizational commitment, job satisfaction and job design dimensions.

Psychological Ownership. The Psychological Ownership for Organization, a 5-item measurement instrument developed by Pierce in University of Minnesota measuring the attitude of feeling ownership of the organization shall be used. A likert-type scale anchored on 1 = strongly disagree to 7 = strongly agree will be used. Cronbach alpha for this measure is .89 (VandeWalle, et al., 1995).

Organizational Commitment. The affective commitment survey for organizational commitment shall be used. This measures an employee's emotional attachment to, identification with, and involvement in the organization. There is a 6 point scale by Allen and Meyer (as cited by Fields, 2002) and coefficient alpha values range from .77 to .88 (Fields, 2002).

Job Satisfaction. The proponent will use used a survey developed by Brayfield and Rothe. Response for the items were obtained using a 7-point likert scale (7- strongly agree to 1-strongly disagree). The scale yielded a coefficient alpha .83 to .94. (Fields, 2002).

Job Characteristic Dimensions . This will be measured using separate subscales that describe an employee's perception of skill variety, task identity, task significance, autonomy, and feedback developed by Hackman

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and Oldham (as cited by Friday, 2003). The coefficient alphas of the five dimensions are: . 69 for skill variety, . 48 for task identity, . 47 for task significance, . 63 for autonomy, and for feedback, . 59 (Fields, 2002).

Procedure

The researcher will undertake the following steps for completion of the study. The researcher shall gather secondary data related to the causes and consequences of psychological ownership. A critical review of related literature was conducted to develop the hypothesized relationship of the variables: job design dimension to psychological ownership, and psychological ownership to organizational and job satisfaction.

Adapted survey questionnaires will be used in order to measure the different variables of the study. The researcher will contact and submit a letter of request to conduct the survey in the target company. Upon approval, the proponent will administer they survey instruments to the target participants. After survey administration, data gatehring and tabulation will follow. The researcher shall also conduct short interviews with 10% of the total questionnaires distributed. The statistical and qualitative results will form the basis of the study's conclusion and recommendations.

Data Analysis

The proponents will use descriptive statistics, computing for the variables' mean and standard deviation. Means and standard deviation were also used in determining the level of the descriptive data: psychological ownership,

organizational commitment, job satisfaction, and job design. For inferential statistics, the researcher will use Pearson r and regression analysis.

Pearson r will be used to determine the relationship between job design dimensions and psychological ownership and employee attitudes (i. e., organizational commitment and job satisfaction). Regression analysis was used to determine which job characteristics dimension influences psychological ownership, and whether psychological ownership influences affective commitment and job satisfaction.

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