

Linking Job Autonomy and Turnover Intention through Psychological Ownership

A Study of Indian Managers

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Abstract—Present paper discusses the role of job autonomy and psychological ownership in affecting turnover intention. A conceptual framework with psychological ownership as a mediator was proposed. The empirical investigation was carried out in an Indian telecom company through a questionnaire survey and it was found that both job autonomy and ownership feelings predicted short term intention to quit and the latter mediated the relationship between the other two variables. Results are discussed and ensuing practical implications are mentioned.

Keywords—Job autonomy, psychological ownership, turnover intention, mediation.

I. Introduction

Employee turnover poses a serious threat to organizations, especially in modern era when organization's human resource is considered to be one of the means for achieving competitive advantage (Barney & Wright, 1998; Lado & Wilson, 1994). While leaving the organization, employees not only take along with them the invaluable repository of knowledge but may also initiate a negative cascading effect on morale of existing employees (Kidwell & Bennet, 1993; Tziner & Birati, 1996).

The study is conducted with the objective of linking job autonomy and psychological ownership with employee's turnover intention, or more specifically, explaining the autonomy-turnover intention relationship through mediation by psychological ownership as intervening variable. Researchers have proposed factors, both internal and external, that may be responsible for causing turnover intention (e.g. Cotton, 1986; Mobley, 1982). Without discounting the importance of external factors, we contend that these factors are systemic and uncontrollable, and merely characterize the nature of problem without assigning any clue on solution front. Thus it makes more sense to look "into own backyards" and identify organizational level measures that can address this issue. So we assess the role of a job characteristic (autonomy) and an attitudinal state (psychological ownership) in affecting employee's turnover intention. Both, psychological ownership and job autonomy have strong linkages with perception of control (Pierce et al., 2001) and it should be interesting to test their interrelation in a new context.

Moreover, it sounds quite intuitive by its very conceptualization that one would not like to part with what

one psychologically owns. Finally, though our study was conducted in a particular setting (Indian telecom company), we hope the findings should largely be applicable elsewhere as the included variables have been adequately studied in both Western and Asian contexts.

II. Brief Literature Review

Turnover is the voluntary or involuntary process where employee's organizational membership comes to an end (Campion, 1991). Involuntary turnover occurs when employee is unable to continue working due to insurmountable factors like, disease, relocation or employer-initiated termination. Employee's turnover intention is defined as a conscious and deliberate willfulness to leave the organization (Tett & Meyer, 1991). Turnover intention may or may not result in actual turnover depending on host of macroeconomic and contextual factors. However intention to perform any behaviour is the best predictor of that behaviour according to theory of reasoned action (Fishbein & Ajzen, 1975). The relationship has been established empirically as well (Steel & Ovalle, 1984; Tett & Meyer, 1991). Here we study turnover intention and not the actual turnover as we believe the former is potentially more serious. Whereas actual turnover separates disgruntled employee from the organization, turnover intention will affect job performance (Morrow & McElroy, 2007) and it also masks poor management practices (Khatri et al., 2001).

Due to the shared perception among HR personnel about the critical nature of turnover, scholars have proposed different models that aim to explain employee turnover. Traditionally these models considered job satisfaction and organizational commitment as the key determinants of employee turnover (Mobley et al., 1979). Later researchers incorporated many external environmental factors in their models to increase predictability. For example, Hitt and colleagues (2007) suggested that the employee turnover is likely to be driven by macroeconomic indicators and can explain about 70 % of turnover rate. In their meta-analysis, Cotton (1991) suggested that various attitudinal variables (like job satisfaction and commitment) have been shown to precede turnover intention. Though negative relationship between job satisfaction and turnover has invariably reported by researchers, it accounted for a small (15 %) part of total variance. Scholars have also pointed out the role of many job

related factors in impacting turnover (Cotton, 1991; Griffeth et al., 2000).

Psychological ownership is the feeling of possessiveness towards material or immaterial target (referent of ownership) in absence of legal entitlement. In words of Pierce et al. (2001), “it is a state in which individuals feel as though the target of ownership (material or immaterial in nature) or a piece of it is ‘theirs’”. It is considered as a cognitive-affective (Pierce et al., 2001) attitudinal state of mind (Pratt & Dutton, 2000) that impacts wider domain of human existence. The concept is shown to produce desirable workplace outcomes, including commitment (Han et al., 2010), job satisfaction, productivity (Bartkus, 1997). Further, the concept is a new addition to the stable of positive organizational behaviour (POB) as it fulfils the criteria set by Avey et al. (2009). The concept is based on sound research and has many desirable outcomes (Vandewalle et al., 1995). Moreover it is categorized as a state and hence, is amenable to change in response to desirable organizational inputs. The hallmark of POB is the conceptualization of state as it breaks the rigidity associated with trait based approach. POB is the application of positive psychology in organizational context and the latter focuses on the role of human strengths and virtues in deriving effectiveness. It is with belief that required characteristics can be developed and human beings are open to continuous improvement.

Literature suggests three “routes” or pathways through which psychological ownership can develop. First route is “by gaining control over the target”. Second route is “by knowing the target intimately” and the third is “by investing self into the target”. Pierce et al. (2001) suggest that managers can invoke these routes (in isolation or in combination) for strengthening the feeling of ownership in their subordinates.

Job autonomy is one of the constituents of the widely-quoted *Job Characteristics Model* (JCM) proposed by Hackman and Oldham (1980). It is defined as “the degree of substantial freedom, independence and discretion in scheduling work and determining the procedures in carrying it out” (Hackman & Oldham, 1980). Researchers have identified several workplace benefits related to job autonomy that include job satisfaction (Clark, 2001), reduction in stress (Parasuraman & Alutto, 1984), life satisfaction (Thompson & Prottas, 2005).

We present our proposed theoretical framework and relevant hypotheses in the following section.

III. Theoretical Framework

Job autonomy refers to the freedom, independence and discretion in scheduling work and determining the procedures in carrying it out. Autonomy, by its nature, empowers employees by providing them leeway in deciding on modality of their job and providing freedom from continuous surveillance and frequent supervisory intervention (Zeitz, 1984). Spector (1986), in his meta-analysis, also highlighted the role of job autonomy in generating perception of control at workplace. So we posit here that the associated sense of control with job autonomy will develop feeling of

psychological ownership through the route of “gaining control” over target (Rudmin & Berry, 1987). Following hypothesis is proposed.

H1: Job autonomy will be positively related to psychological ownership.

A. Mediation by Psychological Ownership

Literature suggests a negative relationship between job autonomy and turnover intention. For example, Spector (1986) reported a significant corrected correlation coefficient (-.26; $p < .05$) between job autonomy and turnover intention in his meta-analysis. A similar effect size was reported from a study in Taiwan by Chang et al. (2013). We expect a similar relationship to emerge in present study as well.

Proceeding further, our belief about the possibility of mediation by psychological ownership is based on two well supported premises. First, objective job characteristics (including autonomy) are related to affective and cognitive attitudinal outcomes (Glick et al., 1986). The assertion was supported by Richer et al. (2002) through their motivational model of work turnover. These scholars demonstrated the roles of task characteristics (represents cognitive dimension of attitude) and feeling of relatedness (affective dimension) in affecting turnover intention through work motivation.

The second premise is that employee’s attitudes act as important antecedents to withdrawal behaviour (cf. Sturges et al., 2005). For example, Liu et al. (2011) reported mediation by psychological empowerment between autonomy and voluntary turnover at team level. Also, as psychological ownership is intricately linked to attraction towards organization (Beggan, 1992), it is logical to expect that the latter would reduce the feeling of quitting. Many recent studies have provided empirical support for negative relationship between psychological ownership and turnover intention (e.g. Bernhard & O’Driscoll, 2011; Pierce et al., 2009).

So based on previous discussion, we propose following hypothesis.

H2: The relationship between job autonomy and turnover intention will be mediated by psychological ownership.

The proposed theoretical framework is presented below in Figure 1.

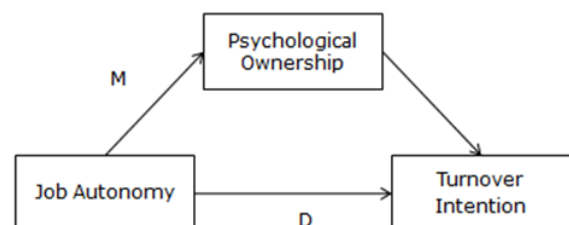


Figure 1: Proposed Theoretical Framework showing Direct (D) and Mediated (M) Paths

IV. Method

Proposed theoretical framework was assessed with a field survey and subsequent quantitative analysis of data generated. Mainly correlation and hierarchical multivariate regression analysis were used for testing our hypotheses.

A. Sample

Data was collected in north India with a paper based questionnaire survey in a large telecom company with pan-Indian presence. We contacted junior and middle level officers with the help of company's HR managers. Officer cadre was targeted because of inherent higher decision making opportunities and resulting higher scope for job autonomy. Respondents were contacted on a pre-fixed date during their lunch break and were briefed about the study. They were ensured about anonymity and confidentiality to reduce any desirability bias. Forms were handed over and collected the same day. The exercise resulted in 234 complete forms (response rate of around 84 %) in all respect and went into further analysis.

B. Scales Used

The study used well established scales with proven psychometric stability across contexts.

Job autonomy was measured by a three-item scale by Hackman and Oldham (1980). The items included, "I can decide on my own how to go about doing my work". Cronbach alpha value (.714) was found to be acceptable.

Psychological ownership (organization based) was measured using van Dyne and Pierce's (2004) scale. It is a seven-item scale and the sample items included, "I feel a very high degree of personal ownership for this organization". A high alpha value (.920) was obtained for the study indicating excellent reliability.

Employee's *turnover intention* was gauged by the scale developed by Mitchell et al. (2001). The scale has three-item including, "How strongly do you feel about leaving the organization within the next 12 months?" The alpha value of .863 indicated good reliability.

Responses on these instruments were marked on a 7-point Likert type scale. All the items were positively worded to avoid possible problem of "careless" response.

Apart from these variables, respondents were also asked to indicate their age, gender and tenure (in years and months) within this organization as demographic variables. The objective was to ascertain possible impact of these variables on psychological ownership and turnover intention and to partial out this effect while focusing on meditational effect. Our sample was relatively uneven in terms of gender distribution, as it consisted of only 20 females (8.5 % of sample). The age of participants ranged from 22 to 49 years (Mean = 31.92, standard deviation or S.D. = 7.26; in years). Similarly minimum and maximum tenures were 6 months and 27 years respectively (Mean = 6.48, S.D. = 6.45; in years).

V. Results

Descriptive statistics and Pearson's zero order correlations are depicted in Table 1. Besides, the sample was also tested for normality on the basis of skewness and kurtosis measures and was found fairly appropriate for parametric analysis.

Table 1: Descriptive Statistics and Correlation

	Mean	S.D.	Gender	Age	Tenure	AUTO	PSYOWN	TURN
Gender	1.09	--	1.00					
Age	31.92	7.26	-.108	1.00				
Tenure	6.48	6.45	-.079	.901**	1.00			
AUTO	4.53	.66	.039	-.012	.022	1.00		
PSYOWN	4.48	.63	.061	.040	.084	.454**	1.00	
TURN	2.21	.80	.044	-.019	-.077	-.325**	-.363**	1.00

Note: **p<.01; Gender ("1" – Male, "2" – Female); Age, Tenure (in years);

AUTO – Job autonomy, PSYOWN – Psychological ownership, TURN – Turnover intention

It can be deduced from the Table 1 that none of the control variables has significant relationship with job autonomy, psychological ownership and turnover intention. However, keeping in mind the gender bias in the sample, we don't make any definite interpretation on this variable.

There exist significant correlation ($r=.454, p<.01$) between job autonomy and psychological ownership. A strong regression coefficient ($\beta=.447, p<.01$) of job autonomy was obtained when psychological ownership was regressed on the former and the control variables. These findings provide support to our first hypothesis (H1). Thus there is a positive and significant relationship between the mentioned variables.

The other hypothesis is tested using hierarchical regression analysis presented in Table 2.

Table 2: Mediation Analysis using hierarchical regression analysis (HRA)

	Standardized β with Turnover as Outcome		
	Step-1	Step-2	Step-3
Control Variables			
<i>Gender</i>	.049	.060	.072
<i>Age</i>	.273	.221	.195
<i>Tenure</i>	-.319*	-.264	-.220
AUTO		-.318**	-.199**
PSYOWN			-.266**
R²	.021	.122	.178
ΔR^2	.021	.101**	.056**

Note: *p<.05, **p<.01; AUTO – Job autonomy, PSYOWN – Psychological ownership

The table provides additional support for non-significant impact of control variables as, taken together, they account for only 2.1 % of variance in turnover intention. However, job autonomy and psychological ownership explain significant variance (10.1 % and 5.6 % respectively) in turnover intention. The correlation coefficient ($r=-.325; p<.01$) between job autonomy and turnover intention (Table 1) and the regression coefficient ($\beta=-.318; p<.01$) indicate a significant negative relationship between the two variables. Mediation analysis was done by entering control variables, job autonomy (predictor) and psychological ownership (mediator)

sequentially and testing their impact on turnover intention (criterion). It is evident that the regression coefficient of job autonomy reduces considerably between step-2 ($\beta = -.318$; $p < .05$) and step-3 ($\beta = -.199$; $p < .05$) as psychological ownership is introduced. Regression coefficient of psychological ownership is also significant ($\beta = -.266$; $p < .05$). These findings are symptomatic of mediation and lend support to our second hypothesis (H2). Hence the relationship between job autonomy and turnover intention is mediated by psychological ownership.

VI. Discussion

As mentioned earlier, the primary objective of this study was to explain the relationship between job autonomy and employee turnover intention through underlying psychological processes. To the best of our knowledge, the framework presented in this paper has never been proposed and validated.

We tested the mediation role of psychological ownership between autonomy and turnover intention. The results suggest a partial mediation. Also we found a significant and positive relationship between job autonomy and psychological ownership, and a significant negative relationship between psychological ownership and turnover intention. Further, employee's age and tenure was not found to be significant predictor of turnover intention which finds support in both Western and Asian literature (cf. Mitchel, 1981; Khatri et al., 2001). Though the mean scores (Table 1) for job autonomy and psychological ownership were rather low in absolute terms, it were significantly ($p < .01$) above the mean scale score. It shows that the employees of this particular organization had overall sanguine perceptions about these variables.

As per our expectations, we found significantly positive (negative) relationship between autonomy and psychological ownership (turnover intention). We can compare our results with the studies conducted on same pair of variables in a different context. Mayhew et al. (2007) also found moderately positive relationship between autonomy and organization based psychological ownership. Their reported effect size was smaller probably due to sample characteristics. They conducted research in an accounting firm where nature of job is more routinized and less complex as compared to a telecom firm. More autonomy can be extended by supervisors and easily discernible by subordinates in a complex job. The autonomy dimension of such job enables the individual to personalize the job and its context (Pierce et al., 2009). In another study, Bernhard and O'Driscoll (2011) reported a similar correlation between organization-based psychological ownership and turnover intention from an industrial sample which is quite comparable with our finding. This way our results also supports the stability of construct of ownership as the results are comparable with those found in Western settings. The finding of moderate to high effect sizes between ownership and other variables of organizational relevance and its suggested state-like nature accords psychological ownership a status of desideratum. Perhaps this is the reason why Sparrow and Cooper (2003) delineated supremacy of psychological ownership over other similar constructs. They suggested three forms of cognitive-emotional linkages

between employee and organization namely, commitment, identification and psychological ownership. They further maintained that ownership exists beyond and independent of the other two states. Another important observation made by the authors is that formal employee ownership produces favourable attitudinal and behavioural effects only in the presence of psychological ownership.

A. Practical Implications

The study offers some useful insights for managers. Every organization provides its employees a certain degree of job autonomy by its standard job description and which varies according to hierarchical level. Thus largely the degree is bound by norms, yet managers can "push" it further by reducing micromanagement. We do not suggest an across-the-board laissez-faire approach but frequent intervention and monitoring may result in feelings of anger and frustration towards supervisor (Leary et al., 2013).

Another step would be to take measures for protecting and promoting employees' ownership feelings. It can be materialized by improving employees' skill and knowledge about aspects related to their jobs and organization ("by knowing the target intimately"). Managers should put in place proper channels through which employees' developmental needs can be identified. In addition, they must be apprised about major strategic decision and the reasons behind it. Managers should make efforts to convey a clear task identity (to the extent possible) so as to generate a feeling of fulfilment in employees ("by investing energies"). Literature suggests that this particular facet of JCM is most strongly related to job performance (Fried & Ferris, 1987). It is well acknowledged that employee turnover is a reality and a certain level is even desirable for maintaining "matching" human resources. However a high quit rate can certainly be a cause of worry. Apart from organization wide HR practices, the aforementioned measures are expected to yield positive results in curbing the problem of turnover.

VII. Conclusion

The study provides empirical evidence that the inclusion of psychological ownership can set-up new pathways for solving the issue of turnover. Being conceptualized as a state-like construct, it is open to change and development in response to organizational inputs. It means suitable antecedents (e.g. job autonomy in present context) will change its degree and it will have a domino effect on subsequent consequences (e.g. turnover intention). We would like to conclude by making a few suggestions for the follow-up studies. Predicting power of the proposed framework could be further enhanced by introducing other variables from positive organizational behaviour literature, like authentic leadership and psychological capital. Likewise the impact of other job characteristics (e.g. task identity and task significance) on psychological ownership and subsequent outcome variables may be ascertained. The encouraging results obtained here should motivate researchers to undertake similar (under varying contexts) and more intensive studies in future.

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