Locus of Control and its Relation to Organizational Role Stress: An Empirical Study Among Retail Employees in Bangalore

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Abstract: The degree to which a person perceive contingencies to affect outcome i.e. the locus of control affects many work perceptions like Job satisfaction, role stress, role efficacy. Researches have been conducted to understand whether there is a relation between Internal/External loci of employees with that of organizational role stress. The present study aims to study the relationship between locus of control and organizational role stress among retail employees of a prominent retail brand in Bangalore. The objectives of the present study is to (1) identify the type of locus of control present among managerial and non managerial employees (2) to identify the type of role stresses present among the employees and (3) to analyse the relationship between locus of control and Organizational role stress. The Primary data was collected by a survey using a structured questionnaire among the employees (Managerial and Non Managerial) in a prominent retail firm in Bangalore. The Loco Inventory questionnaire was used to find the type of LOC present in employees and the ORS scale developed by Udai Pareek was used to study the type of role stresses present in employees. The Questionnaire was distributed among 100 employees (both managerial and non managerial) and the researcher received 76 questionnaires i.e 36 managerial employees and 40 non managerial employees. Mean, ratio analysis, correlation were used for statistical analysis.

The results indicate that the majority of employees among the sample was externally locused i.e. external others. Among the ten role stresses Role Erosion (RE) and Inter role distance (IRD) appeared more among the employees. It was also found that there was a high negative correlation between Internality and organizational role stress i.e. as internality increases, role stress decreases. It was found that there was a high positive correlation between external locus of control (External – others and external – chance) with organizational role stress i.e. as externality increases, role stress increases.

Keywords: Organizational role stress, Locus of control, retail Industry.

Introduction

Role is a position one occupies in a social system and is defined by the functions one performs in response to the expectations of the significant members of a social system and one’s own expectations from that position or office. It is said that role and office are separate concepts but two sides of the same coin.

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According to Katz and Kahn “office is essentially a relational concept, defining each position in terms of its relationships to others and to the system as a whole. “While office is a relational and power related concept, role is an obligatory concept. An organization is defined as a system of roles. There are two types of role systems ie role space which is the system of various roles that the individual carries and performs and role set which is the system of various roles of which his role is a part of.

As organization’s become more complex, the potential for stress also increases. Stress is an inevitable result of changing socio economic and technological changes. Beehr and Newman had identified stress as a situation which will force a person to deviate from normal functioning due to the change in his /her psychological and physiological condition such that the person if forced to deviate from normal functioning. According to Kahn and Quinn, role stress means anything about an organizational role that produces an adverse consequences for the individual and includes role ambiguity and role conflict. Several terms have been used synonymous with stress. It is said that stressor is the stimuli that induce stress and stress is the affective or emotional part.

Organizational Role Stress

Organizational role stress has two role systems ie role space and role set. Under this are three variables ie self role distance, Inter role distance and Role stagnation. Self role distance arises from the conflict between the self concept and the expectations from the role as perceived by the role occupant. Role stagnation arises when an individual occupies a role for a long time and enters another role which is less secure to him. The new role which the individual occupies demands that he outgrows the previous one and takes charge of the new role effectively and this produces stress in an individual. Inter role distance occurs when an individual finds a conflict between his organizational role as an employee in the organization and non organizational roles and his/her familial role.

The role set conflict takes the form of role ambiguity conflicts, role expectation conflict, role overload, role erosion, resource inadequacy, personal inadequacy and role isolation. Role ambiguity results when an individual is not clear about the various expectations that people have from his/ her role. Role expectation conflict arises when there are conflicting expectations by different role senders. This conflicting expectations may be from the boss, subordinates, peers or clients. Role overload occurs when the role occupant feels that there are too many expectations from significant others in his / her role set. Role erosion occurs when a role occupant feels that the functions he would like to perform are being done by some other role. Resource inadequacy stress occurs when the resources required for performing the role like information, people, materials, finance and facilities are not available. Personal Inadequacy stress occurs when a role occupant feels that he does not have the knowledge, skills, or training to undertake a role effectively. Role Isolation arises when the role occupant feels that certain roles are psychologically closer to him while others are at a much greater distance.

Locus of control

LOC has become one of the most popular personality variables in the Psychological literature. It is one of the most prominent personality variables studied in various work and organizational settings.

LOC refers to the generalized expectancy of reinforcement in which the individual perceives the events in his life as being dependent on his behaviour and thus under his control (Internals) or unrelated to his behaviour and thus beyond his control (externals). The theory of loc derives from Julian Rotter’s study of social learning theory. LOC is defined as the potential for a behaviour to occur being a function of the expectancy of the reinforcements for that behaviour and the value of that reinforcement to the person (Rotter 1966, Levenson 1972)

According to Rotter, certain people believe that the extent of reinforcements lies within themselves are referred to as internals and those people who believe that the reinforcements they receive are due to luck, chance or powerful others are called as externals. Rotter believes that internals and externals are in a continuum that changes with time and situation. Rotter’s conceptualization viewed locus of control as one dimensional ie internal or external According to another researcher Levenson Locus of control concept consists of three dimensions. Levenson (1972) divided the external portion of the scale into two ie chance and powerful others. Several Researches has been conducted on the concept of locus of control. LOCO inventory is an instrument developed to measure Locus of control. This instrument has been developed for use in organizations. The concept of Locus of control by Levenson (1972) was used to develop Loco inventory.

Review of Literature

Locus of control

Hamid (1994) has found that people from a collectivistic society like China has more of an external
locus of control than people from Individualistic countries like New Zealand. Studies conducted by Spector et al 2001 found that in comparison to 24 different countries, Taiwanese people were found to have more external locus of control and have the sixth largest loc score surveyed.

Spector PE (1982) has made the point that personality variables play a very important role in predicting a range of behaviours in workplace.

Studies conducted by O’Brien Cummins, 1988, Kobasa, 1979, Kobasa, Maddi & Courington 1981 has provided support to the fact that LOC personality characteristics moderate the adverse effects of stress or modify the relationship between stress and strain.

Rahim and Psenicka in 1996 conducted a study to understand the moderating effect of locus of control and social support on stress and strain. The study revealed that it was the personality variable locus of control explained the variance between stress and strain than social support. They suggested that organization’s should try to employ people with more internal locus of control in stressful jobs.

Andrisani & Nestel (1976) set out to study the influence of internal – external control on individual skills, abilities, and selected demographic characteristics in 2972 respondents from National Longitudinal surveys in the US. Results revealed that internals were in better and higher status occupations, earn more and tend to be more satisfied in their work than externals.

Spector and O’connell (1994) studied the effect of personality variables with job stressors.

Their respondents were 109 recent alumni of the University of South Florida.

The results show that internals experienced lower level of job stressors. They also found that internals were significantly more satisfied with their job than externals.

Srivastava S. (1979) conducted a study to understand the moderating effect of Locus of control on the relationship between organizational role stress and managerial effectiveness. It was found that organizational role stress was negatively correlated with managerial effectiveness and Internal locus of control moderated the relationship between organizational role stress and managerial effectiveness.

Rahim (1996) concluded that a person with internal locus of control can cope with stress more functionally than a person with external locus of control.

O’Brien (1983) and Spector (1982) have conducted reviews on how the personality concept of Locus of control is related to work context. Their findings suggest that internals tend to be more satisfied with their jobs than externals. They perceive less role stress, perceive more autonomy and control and tend to favour long job tenure.

Locus of control is a personality variable which is interesting to study as many people have been raised to believe that fate plays a big part in their success.

Organizational Role stress:

Ivancevich and Matteson (1980) has proposed a model of organizational stress and they found that individual differences will act as moderators of stress.

A number of aspects of working life have been linked to stress. Studies conducted by Defrank and Ivancevich, 1998, Sparks and Cooper in 1999, Taylor et al, 2005 has found that work overload, lack of power, role ambiguity and role conflict (Burke, 1988; Nelson and Burke, 2000) can lead to stress.

Studies by Cummins (1988) and Kobasa and Pucti (1983) supports that the relationship between stress and strain is moderated by LOC personality.

In the past three decades empirical research on the theme of stress has increased manifold. Researchers have conducted studies on the causal factors of stress, stress manifestations, moderators of stress and strain relationship, types of stress experienced by diverse groups and the types of coping strategies (Pestonjee, 1992)

Pareek (1983) has pioneered work on role stress and has identified as many as 10 organizational role stresses namely Inter role distance (IRD), Self role distance (SRD), Role stagnation (RS), Role expectation conflict (REC), Role Isolation (RI), Role overload (RO), Role erosion (RE), Role Ambiguity (RA), Resource Inadequacy (Rln) and Personal Inadequacy (Pln).

Research has frequently demonstrated that internals tolerate role ambiguity and role conflict better than externals and experience less stress (Organ and Greene 1974, Jackson and Schuler, 1985).

Springer (2000) has found that external locus of control leads to job dissatisfaction and Psychological distress.

Malik and Sabharwal in 1999 has found that externally controlled subjects experienced more stress in role expectation conflict, role overload and role ambiguity.
Statement of Problem:

The study aims to understand the locus of control and the various role stresses affecting the employees in the retail group ie among managerial and non managerial employees. The study also aims to understand the relationship between organizational role stress and locus of control i.e. both internal and external locus of control (Powerful others and luck, chance etc)

Research Questions:

In this research several questions were asked to find a relationship between the variables to be studied. Based on this a theoretical model was developed. Figure 1 is a theoretical diagram of these variables and the relationship of these variables. The research questions posed in this study are as follows:

1. To what degree is there a relationship between the employees in the retail group with that of Locus of control?
2. To what degree does the various role stresses affect the employees in their respective roles in the organization?
3. To what degree is there a relationship between organizational role stress and Locus of control?

Objectives

- To identify the type of Organizational role stress present among managerial and non-managerial employees in a prominent retail outlet in Bangalore.
- To identify the type of locus of control present in employees
- To identify the relationship between locus of control and organizational role stress.

- There is a negative correlation between internal locus of control and organizational role stress.
- There is a positive correlation between external locus of control ie chance and powerful others with organizational role stress.

Method

The number of employees, both managerial and non-managerial employees working in the retail firm was around 200. Due to time and budget constraints, the target sample chosen for the study was 100 employees i.e. 50 managerial and 50 non managerial. But at the end the researcher received 76 completely filled questionnaires i.e. 36 managerial and 40 non managerial employees.

The retail organization had multiple locations in Bangalore and each retail outlet had both managerial and non managerial employees. Managerial employees were of various designations like Assistant Managers, Department Managers, Store Managers of varied experience levels. Non managerial employees were of the designation levels of customer sales associate, senior sales associate and team leaders.

The data was collected by administering the questionnaire mainly during office hours with the consent of the HR department. There were 10 retail outlets of the group in Bangalore, out of which 7 retail outlets were covered for the study. The participants were chosen based on the convenience and the respondents belonged to different outlets of the retail group. Also the questionnaires were distributed among the managerial and non managerial employees at the head office of the retail firm.

Measures

Questionnaires were used to measure the two variables taken for the study i.e. the Organizational role stress and locus of control. In this study Locus of control is taken as an independent variable and organizational role stress as dependent variable. Organizational role stress was measured using a questionnaire developed by Udai Pareek. This questionnaire consisted of 50 items which is divided into 10 dimensions. It is a 5 point scale ranging from 0 to 4, containing 5 items each for the 10 role stresses. The scale is reported to have adequate validity and reliability.

Locus of control was measured using the LOCO inventory. LOCO inventory has been used in organizations. The concept of Locus of control by Levenson (1972) was used to develop the LOCO inventory. Levenson divided the externality dimension
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Mean, correlation analysis were used as statistical tool for analysis.

**Results of the analysis**

**Demographic analysis**

In this research work demographic variables like gender, age and income was used. Questionnaires were distributed among both genders out of which 57% of males and 43% of females have returned the fully filled questionnaires.

45% of the employees were having monthly income of less than fifteen thousand, 41% of the employees were between the monthly income of fifteen thousand to thirty thousand rupees and 14% of the employees were having a monthly income of more than thirty thousand rupees.

32% of the employees were between the age group of 20-25 years 45% were between 26-30, 18% of the employees 31-35 and 4% of the employees were more than 40 years of age.

**Analysis of Research Question 1 and 2**

The aim of this objective is to find the type of locus of control present in employees and also to find the prominent role stresses among the employees. The statistical tools used to find the type of locus of control existing in the employees are mean and Ratio analysis, whereas mean was used to find the type of role stresses existing in employees.

**Mean**

Mean was used to find out the type of locus of control and Organizational role stresses present in employees of the retail group. After analyzing the data (Refer Table 1) it was found that most of the employees out of a sample of 76 employees belong to externality (others) with the highest mean of 109.83.

Since the mean of externality (others) is greater than internality (Mean -42.29) and externality – chance (Mean – 33.70), we can conclude that most of the employees in the retail group are externally locusced and more of externality – powerful others.

**Ratio Analysis:**

In this method 3 ratios are calculated to understand the type of locus of control present in employees ie I/E-O, I/E-C and I/Total E. The answers to these ratios were 0.38, 1.25, 0.29. As out of 3 answers, two answer is less than 1, we can say that majority of the employees in the sample group are externally locusced.

Mean of the 10 role stresses in the ORS scale (Udai Pareek ) was also found. After analysing the data (Table 2) it was found that Role erosion ad Inter role distance emerged as prominent role stresses among the sample with a mean of 10.37 and 10.11 respectively.

**Analysis of Research Question 3 (Testing of Hypotheses 1 and 2)**

The aim is to find the relation between Organizational role stress and Locus of control – Internal, external others and external chance

**Correlation between Internality and Organizational role stress (ORS)**

From the table 3 we can see that there is a high negative correlation (- 0.944) at a significant level of less than 0.01 ie the probability of this not being true is less than 1%. That is over 99% of time we can expect the correlation between the two variables to exist. This means that as internality increases, organizational role stress (ORS) decreases.
**Correlation between externality (others) and Organizational role stress (ORS)**

From the table 4 we can say that there is a positive correlation (0.983) between ORS and External (Others) at a significance level of less than 0.01 (i.e., the probability of this not being true is less than 1%). That is over 99% of the time we can say that the correlation between the two variables to exist. The positive correlation between the two variables means that as employees in the organization become more externally focused and become more dependent on powerful others, Organizational role stress increases.

**Correlation between externality (Chance) and Organizational role stress (ORS)**

From the table 5 we can say that there is a positive correlation (0.925) between ORS and External (Chance) at a significance level of less than 0.01 (i.e., the probability of this not being true is less than 1%). That is over 99% of the time we can say that the correlation between the two variables to exist. The positive correlation between the two variables means that as employees in the organization become more externally focused and believes in chance and luck, organizational role stress increases.

**Discussion**

The study conducted has found that there exists more of external locus of control among the employees of the retail group (as per ratio analysis) and more particularly external – others locus of control (Mean).

It was found that among the type of role stresses present in the employees, Role erosion and Inter role distance emerged as the most prominent role stresses.

It was found that there was a negative correlation between Internal LOC and Organizational role stress i.e., as internality in an individual increases role stress decreases. Previous research conducted by Hendrix, 1989, Newton and Keenan, 1990; Spector and O’Connell 1994 has found that employees with an internal locus of control reported lower levels of anxiety and stress in the workplace.

The research has revealed that there exists a positive correlation between external – others LOC and external – chance LOC with organizational role stress (ORS) indicating that externals experience more role stress than internals. Previous research conducted by Rahim (1996) has found that internals perceive less stress than externals.

**Conclusion**

It is evident from the study that the employees in the retail group sample are more of externally focused i.e. external – others. Employees with Internal loc tend to have higher role efficacy, experience less role stress, use the problem solving approach for stress and conflict that they experience. They use more persuasive bases of power in working with others. Externals exhibit lower interpersonal trust. They want more of coercive power especially external others use more coercive power while working and external chance use less persuasive power.

It was also found that Role erosion and Inter role distance emerged as the prominent role stresses.
among the sample respondents. Majority of the respondents feel that the functions that they would like to perform are being done by some other role. Also they experience role stress due to inter role distance i.e. the respondents believe that they are not able to maintain a balance between organizational and non organizational roles.

References