



# Understanding The Relationship Between Organisational Commitment And Locus Of Control In Business And Service Sectors: A Comparative Analysis

Ruchika Chhetri, Dr. Shruti Dutt

Student (M.A.Organisational Psychology), Associate Professor AIPS

Amity University, Noida, India

**Abstract:** The objective of the present study was to understand the relationship between organisational commitment and locus of control in the service and business sector. Organizational commitment is defined as a view of an organization's member's psychology towards his/her attachment to the organization that he/she is working for, while, locus of control refers to the extent to which individuals believe that they can control events that affect them. Individuals with a high internal locus of control believe that events result primarily from their own behaviour and actions. It was hypothesized that a statistically significant difference was found between business and service sector on the measure of locus of control and organisational commitment. Also, it was hypothesized that significant relation between the above constructs. A two-group design was followed, sample, questionnaires, data was analysed with the help of descriptive and inferential statistics such that t test and correlation were used as a method of analysis. Result indicated no statistically significant difference on the measure of locus of control and organisational commitment between service and business sector. Also, there was no significant relationship between the two variables. The study also posed some limitations and suggested future directions

**Index Terms:** *Organisational Commitment, Locus of Control, Business, Service*

## I. INTRODUCTION

### Organisational commitment

Organisational commitment is defined as the employee's perception of his or her relationship to the organisation for which they work. Organisational commitment plays a significant role in determining whether a representative will stay with the organisation for a longer period of time and work diligently to achieve the organization's goal. If a hierarchical problem is addressed, it forecasts representational fulfillment, worker commitment, the delegation of power, task execution, task unpredictability, and similar qualities. According to an administration's perspective, a representative's level of responsibility towards his or her job is extremely important to be aware of in order to have the option to know their commitment to the tasks given to them on a daily basis. Mill operator and Lee (2001) characterized "hierarchical responsibility as a condition, in which authoritative individuals are limited by their activities and convictions that support their exercises and their own contribution in the association."

Cohen (2003) characterized "responsibility as a power that ties a person to a game-plan of significance to at least one target".

Mill operator (2003) characterized hierarchical responsibility as "a state wherein a representative relates to a specific association and its objectives, and wishes to keep up with participation in the association". Authoritative responsibility is hence, how much a representative will keep up with enrollment because of interest and relationship with the association's objectives and values.

### Locus of Control

Rotter J.B. (1954) first proposed the concept: "Locus of control is a word in brain study that refers to an individual's belief about what causes the fortunate or bad results in his day-to-day life, either generally or in a particular area like wellbeing or academics. The concept of locus of control refers to how much people acknowledge that they have some influence over external circumstances. High interior locus of control individuals accept that their own actions and behaviour are mostly what cause events to occur. People with a high outside locus of control believe that powerful others, fate, or chance ultimately determine events.

## II. NEED OF THE STUDY

Locus of control and organizational commitment are crucial components that significantly impact how workers act in an organization. Locus of control refers to an individual's belief in their impact on environmental factors, while hierarchical responsibility refers to a worker's connection to and contribution to their organization. Understanding the relationship between hierarchical responsibility and locus of control is crucial in the business and administration sectors, as worker performance and responsibility are crucial for organizational growth. Previous research has shown an association between hierarchical responsibility and locus of control, such as work fulfillment, execution, turnover goals, and work stress. A quantitative study approach can examine the relationship between these factors and provide new insights into the relationship between hierarchical responsibility and locus of control in business and administration.

### III. RESEARCH METHODOLOGY

A quantitative research of two-group design was done and a sample of participants was gathered using purposive sampling. Participants completed a Google form questionnaire, informed consent was sought, and their responses were recorded truthfully and in confidence. Instructions for questionnaires were provided to those meeting inclusion/exclusion criteria. The study also included an organizational commitment and work locus of control scale for each participant.

#### 3.1 Population and Sample

The study population consisted of the service sector and business sector. For the quantitative research, there was a sample of 87 service sector participants and 83 business sector participants making the total sample to be of 170 participants. Purposive sampling method was used to collect the data.

*Table : Demographic Characteristics of the participants*

Demographics	Service Sector		Business Sector	
	Number	Percentage	Number	Percentage
<b>Gender</b>				
Male	46	52.87	47	56.62
Female	41	47.13	36	43.37
<b>Present Organization</b>	87	51.11	83	48.89
<b>Years of Experience (in present job)</b>				
Less than 4 years	20	22.98	15	18.07
4-7 years	33	37.93	29	34.93
Less than 7 years	12	13.79	14	16.86
More than 7 years	22	25.28	25	30.12

#### 3.2 Data and Sources of Data

For this study, data has been collected through offline survey method. The sample for the current study included 170 participants, of whom 87 were from service sector and 83 were from business sector.

#### 3.3 Theoretical framework

Variables of the study contain dependent and independent variable. The study used pre-specified method for the selection of variables. The study used the two variables organisational commitment as dependent variable and locus of control as independent variable to check their relationship in two mentioned sectors

Suherlan, Wahyuni, and Hazairin (2017) conducted an analysis research on the relationship between locus of control and hierarchical responsibility and found a strong negative correlation between the two. This suggests that employees who tend towards internal locus of control will frequently have high hierarchical responsibility and that employees who tend towards external locus of control will typically have low authoritative responsibility.

Syahputr (2014) oversaw a review that sought to determine the influence of hierarchical responsibility and locus of control on representatives' work fulfilment and suggestions on work execution using the hierarchical culture in the workplace as a balancing variable. Information was gathered by conducting a survey of 200 respondents in the chaotic working environment of the Aceh local government in Indonesia. Design Condition Displaying (SEM), a type of speculation testing, is used. The findings of this investigation showed that having a lot of responsibility might increase job satisfaction. However, locus of control has an impact on job satisfaction. The starkly unfavourable relationship between responsibility and workplace culture serves as evidence for this. Culture just serves as a sign of how the location of authority and responsibility in the workplace collaborate to increase work fulfilment.

Chhabra B. (2013) led a review to investigate the immediate relationship of occupation fulfillment and locus of control (LOC) on hierarchical responsibility. The motivation behind the review was likewise to check whether locus of control directs the connection between work fulfillment and authoritative responsibility. The review was directed involving organized polls for estimating the previously mentioned factors. The example of the review was 449 Indian IT experts. Progressive various relapse showed that work fulfillment and inner locus of control was emphatically connected with hierarchical responsibility. Likewise, locus of control was found to direct the connection between work fulfillment and authoritative responsibility to such an extent that the relationship was more grounded for internals than for facades.

PN Hamid et al. (1998) emphasised the link between locus of control and perceived anxiety. The relationship between locus of control and professional life stress in people will be examined in this paper. The goal of this study is to determine whether a person's locus of control is internal or external since this affects how they perceive and respond to their environment and potentially life-changing events, as well as how focused they are as a result. It is hypothesised that those with a strong external locus of control experience higher amounts of detailed pressure. This analysis examined this theory by putting this effect to the test on 186 participants. It saw that the relationship was flimsy but pleasant and that the result was not crucial.

Ghost (1982) led a concentrate on conduct in associations as a component of worker's locus of control. The review proposed that locus of control is connected with inspiration, exertion, execution, fulfillment, impression of the gig, consistence with power, and administrative style. Besides, locus of control might direct the connection among motivators and inspiration and among fulfillment and turnover.

Mottaz (1988) conducted one additional review on the factors that influence hierarchical responsibility. It was shown that whereas work values have a more susceptible negative impact, work rewards affect responsibility. The results further show that intrinsic rewards are inherently more noteworthy responsibility determinants than extrinsic rewards.

Ghost (1982) led a concentrate on conduct in associations as a component of worker's locus of control. The review proposed that locus of control is connected with inspiration, exertion, execution, fulfillment, impression of the gig, consistence with power, and administrative style. Besides, locus of control might direct the connection among motivators and inspiration and among fulfillment and turnover.

### 3.4 Descriptive Tool

The Organisational Commitment Scale (ACS), which measures feelings of commitment, continuity, and regulating responsibility, has 24 items divided into three aspects: Full of Feeling Responsibility (ACS), Continuous Responsibility Scale (CCS), and Regulating Responsibility Scale (NCS). The scale has switch scoring and an internal consistency of  $\alpha = .67, .53$ , and  $.67$ . The Work Locus of Control Scale-Short form assesses an individual's concerns and convictions about positions, with 16 items and a six-point Likert scale. Both scales have switch scoring and an internal consistency of  $\alpha = .80$ .

## IV. RESULTS AND DISCUSSION

### 4.1 Independent Sample t test

**Table 2: Results of mean, standard deviation, t-value and p value on the measures of Locus of Control and Organizational Commitment (df=168)**

Measures	Service(n=87) Mean± SD	Business(n=83) Mean± SD	t-value	p-value
Locus of Control	46.03±10.60	44.07±12.00	1.131	0.260
Organizational Commitment	62.55±13.80	64.21±9.84	-0.902	0.368

Table 2 shows that the t value for the dimensions of locus of control and organisational commitment is not statistically significant. According to these two measurements, there is no discernible difference between the two groups.

### 4.2 Pearson's Correlation

**Table 3 shows summary of coefficient of correlation among Locus of Control and Organizational Commitment in service and business sector. (N=170)**

Sample	Locus of Control	Organizational Commitment
Locus of Control	---	-0.139
Organizational Commitment	-0.139	---

\*Correlation is significant at the 0.05 level (2-tailed)

\*\* Correlation is significant at the 0.01 level (2-tailed).

The aforementioned table makes clear that there is no meaningful connection between organisational commitment and locus of authority.

The study aimed to understand the relationship between organisational commitment and locus of control in the service and business sectors. Locus of control refers to the degree to which people believe they have control over events that impact them, while organisational commitment is defined as an organization's member's

psychology towards their attachment to the organization. A total of 170 individuals participated in the quantitative research, with 83 from the business sector and 87 from the service sector. Data was collected using purposive sampling, and participants were informed of the study's purpose and informed consent.

Hypothesis 1 states that there is a significant difference between business and service sector employees in terms of organizational commitment. However, the T test revealed insignificant differences between the two groups, suggesting that there is not much difference between the means for service and business employees. This may be due to a collective approach in India, where loyalty is valued, and employees may report higher continuance commitment due to the skewed person-to-job ratio.

Hypothesis 2 states that there is a significant difference between business and service sector employees in terms of locus of control. However, the analysis found no significant correlation between the two measures, contradicting previous literature where results of both positive and negative relationships were found.

Hypothesis 3 suggests a significant relationship between organizational commitment and locus of control. However, analysis found no correlation between the two measures in this sample, contradicting previous literature. The sample's mixed belief and lack of difference may have led to an insignificant correlation.

Ahluwalia, A. K., & Preet, K. (2018). Work motivation, organizational commitment and locus of control vis-a-vis work experience amongst university teachers. *Samvad*, 14, 26-33.

Ali, Amir. (2019). Impact of Locus of Control (LOC) and Organizational Commitment on Employee Performance-Study of Service Sector, Pakistan. 6. 1-6. 10.5281/zenodo.2660275.

Coleman, D. F., Irving, G. P., & Cooper, C. L. (1999). Another look at the locus of control– organizational commitment relationship: It depends on the form of commitment. *Journal of Organizational Behaviour*, 20(6), 995-1001.

Dhar, U., Mishra, P., Srivastava, D.K.(2001) *Manual for Organisational Commitment Scale* Lucknow: VEDANT Publications.

Fatoni, M., Prihatini, D., & Suryaningsih, I. B. (2018). The role of OCB in mediating the effect of employee engagement and organisational commitment on employee performance: contract vs permanent employees. *International Journal of Scientific Research and Management*, 6(8),568-579.

Hsia, J. W., & Tseng, A. H. (2015). Exploring the relationships among locus of control, work enthusiasm, leader-member exchange, organizational commitment, job involvement, and organizational citizenship behaviour of high-tech employees in Taiwan. *Universal Journal of Management*, 3(11), 463-469.

Kamasanthi, T., & Kunci, K. (2008). Hubungan locus of control dengan komitmen organisasi pada karyawan yang berumah tangga di PT. X Tangerang. *Jurnal Psikologi*, 6(2), 63-69.

Lee, A. V., Vargo, J., & Seville, E. (2013). Developing a tool to measure and compare organizations' resilience. *Natural Hazards Review*, 14(1), 29–41.

Li, J. Y., Sun, R., Tao, W., & Lee, Y. (2021). Employee coping with organisational change in the face of a

- pandemic: The role of transparent internal communication. *Public Relations Review*, 47(1), 101984.
- Lolitha, C. V., & Johnson, J. (2015). Employee engagement and organisational commitment among it sector employees in Kerala. In *Twelfth AIMS International Conference on Management*(pp. 1602-1607).
- Luthans, F. (2002), 'Positive Organisational Behaviour: Developing and Managing Psychological Strengths,' *Academy of Management Executive*, 16, 1, 57–72.
- Lyu, H., Yao, M., Zhang, D., & Liu, X. (2020). The relationship among organisational identity, psychological resilience and work engagement of the first-line nurses in the prevention and control of COVID-19 based on structural equation model. *Risk Management and Healthcare Policy*, 13, 2379.
- Malik, P., & Garg, P. (2017). Learning organization and work engagement: the mediating role of employee resilience. *The International Journal of Human Resource*, 1- 27.
- Mangundjaya, W. (2019). Testing the Role of Charismatic Leadership, Psychological Climate, and Organisational Citizenship Behaviour on Resilience. *Advances in Social Science, Education and Humanities Research*, 431, 44-51.
- Mueller K., Straatmann T. (2014) Organizational Commitment. In: Michalos A.C. (eds) Encyclopedia of Quality of Life and Well-Being Research. Springer, Dordrecht. [https://doi.org/10.1007/978-94-007-0753-5\\_2030](https://doi.org/10.1007/978-94-007-0753-5_2030)
- Ryff, C. D., & Singer, B. (2003). Flourishing under fire: Resilience as a prototype of challenged thriving. In C. L. M. Keyes & J. Haidt (Eds.), *Flourishing: Positive psychology and the life well-lived* (pp. 15–36)
- Sari, A. D., & Wahyuni, S. (2019). Eeffect of Employee Resilience against OCB: The role of organisational commitment mediation. *International Journal of Education and Social Science Research*, 2(6), 27-38.
- Schaufeli, W.B. and Bakker, A.B. (2011), 'Defining and Measuring Work engagement: Bringing Clarity to the Concept,' *Work engagement: A handbook of essential theory and research*, Psychology Press: New York, pp.10–24.
- Schaufeli, W. B., Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study.*Journal of Occupational Behaviour*, 25(3), 293–315.
- Schaufeli, W. B., Salanova, M., Gonzalez-Roma, V., Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, 3(1), 71–92.
- Shin, J., Taylor, M. S., & Seo, M. G. (2012). Resources for change: The relationships of organisational inducements and psychological resilience to employees' attitudes and behaviours toward organisational change. *Academy of Management Journal*, 55(3), 727–748.
- Srimindarti, C., & Widati, L. W. (2015). The effects of locus of control and organizational commitment to acceptance of dysfunctional audit behavior based on the theory of planned behavior. *International Journal*, 27-35.



Suherlan, Qonita & Wahyuni, Sri & Hazairin Z., Arie Gunawan. (2018). Relationship Between Locus of Control and Organizational Commitment (Study on Employee of Multifinance Company PT.X Makassar Branch). 10.2991/icaaip-17.2018.49.

ul Haque, A., Aston, J., & Kozlovski, E. (2018). The impact of Stressors on organizational commitment of managerial and non-managerial personnel in contrasting economies: Evidences from Canada and Pakistan. *International Journal of Business*, 23(2), 166-182.

Wang, W., Albert, L., & Sun, Q. (2020). Employee isolation and telecommuter organizational commitment. *Employee Relations: The International Journal*.

Wang, W., Mather, K., & Seifert, R. (2018). Job insecurity, employee anxiety, and commitment: The moderating role of collective trust in management. *Journal of Trust Research*, 8(2), 220-237.

Wang, Y. F., Chiang, M. H., & Lee, Y. J. (2014). The relationships amongst the intern anxiety, internship outcomes, and career commitment of hospitality college students. *Journal of Hospitality, Leisure, Sport & Tourism Education*, 15, 86-93.

Yücel, A., Doğanalp, B., & Kaya, Ş. D. (2013). The relation between organizational health and organizational commitment. *Mediterranean journal of social sciences*, 4(10), 781.

Zhou, J., Yang, Y., Qiu, X., Yang, X., Pan, H., Ban, B., ... & Wang, W. (2018). Serial multiple mediation of organizational commitment and job burnout in the relationship between psychological capital and anxiety in Chinese female nurses: A cross-sectional questionnaire survey. *International journal of nursing studies*, 83, 75-82.