

Importance of Locus of Control as a Personality Attribute for Decision Making in Organisation

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Article Type: Research

Article Citation: S. Pradheep Raj, Dr. Meera Uday, Importance Of Locus Of Control As A Personality Attribute For Decision Making In Organisation, M.S.Ramaiah Management Review. 2022; 13(01), 12-17. DOI: 10.52184/msmr.v13i01.133

Received date: March 15, 2022

Accepted date: April 15, 2022

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Abstract

Locus of control is a factor which affects all spheres of individuals' efforts as a variable that explains differences in individuals' behaviour in his /her working environment and also in predicting such behaviours. Of late it has been considered as an important influencing variable in employee motivation which in turn influences their commitment to their organization. Level of employee motivation and commitment to organisation is a prime success factor as it determines effectiveness and efficiency of the working of the employees. The current research aims to study the correlation between the locus of control of nurses, work motivation factors, and their organizational commitment. Primary data is collected by administering questionnaire to 101 employees of different organisations

Keywords: Decision Making, Personality Attribute, Internal and External Locus of Control, Cultural Humility, Employee Performance, Employees Psychology.

Introduction

Research in the LOC revealed its contents The local LOC is as important as this employee takes responsible for all credits and claims, taking risks as well Encourage him to achieve his goals and be an employee with an external control area wait for the external status to come by his grace. It is a great responsibility for the ark to assist their employees in their understanding and training control area because the control

area can be replaced with proper training and effective communication.

Internal control space is often used in the same way as “optional” and “personal center.” Some studies suggest that men tend to have a higher internal control position than women⁶ while others suggest the opposite: that women have a greater internal control area compared.⁷ Other studies report a shift to more internal control as people grow older. ⁸ Experts have found that, in general, people with internal control tend to be better.⁵ However, it is important to remember that the internal control area is

not always “good” and the external control area is not always stable. equals “evil.” In some cases, having an out-of-control position can be a good thing — especially when the situation threatens to overwhelm you or is beyond human control.

Review of literature

Spector P E (1982) concluded in his study using Rotter’s internal and external Locus of control scale concluded that locus of control was related to motivation, effort satisfaction, performance, perceptions about the job, compliance with authority and also the supervisory style.

Wallston and Wallston in their study found that individual differences construct from social learning theory has relevance in predicting and explaining health related behaviours.

Maureen and Harris in their literature review on relationship between locus of control and academic performance found that more internal beliefs lead to greater academic achievement.

Research Objectives:

1. To have insights about locus of control in Decision Making
2. To study the importance of the Locus of control in decision making in organisation
3. To determine how it helps in organisational effectiveness
4. To study the widely used Locus of control frame work and models regarding Locus of control in Organisation

Instrumentation for data collection

Data is collected through administering questionnaire to the respondent which is designed exclusively for the research work. Data has been collected from 101 employees from different organization. Responses were collected from the employees through Google Doc forms, and the same tool is used to prepare the questionnaire.

Data Analysis Technique

In this study, questionnaire is distributed online. To minimize the homogeneity deviation, we first revised some prompted words in the questionnaire and some inductive words in the items. Second, we disrupted the sequence of some items. The basis of Interpretations and analysis has been done with the help of tables and charts using the software MS EXCEL

Hypothesis:

- Null Hypothesis (H_0): Personality attribute of employees are less practical in decision making, if Locus of control is External
- Alternative Hypothesis (H_1): Personality attribute of employees are more practical in decision making, if Locus of Control is Internal

Tables and Figures

TABLE-1:

- a. Many of the unhappy things in people's lives are partly due to bad luck.
- b. People's misfortunes result from the mistakes they make

Choices	A	B	Total
Response in percentage	33.7	66.3	100%
Response	34	67	101

Interpretation

From the above question out of 101 responses 34 people have choose option A (33.7%) and 67 people have choose option B (66.3%)

TABLE-2:

- a. One of the major reasons why we have wars is because people don't take enough interest in politics.
- b. There will always be wars, no matter how hard people try to prevent them.

Choice	A	B	Total
Response in percentage	54.5%	45.5%	100%
Response	55	46	101

Interpretation

From the above question out of 101 responses 55 people have choose option A

(54.5%) and 46 people have choose option B (45.5%)

Statistical tool Correlation

Correlation analysis in research is a statistical method used to measure the strength of linear relationship between two variables and compute their association. Correlation are useful because they can indicate a predictive relationship that can be exploited in practice. Simply put correlation analysis calculate the level of change in other It determines the relationship between two variables consider variables X and Y and when X increases with increase of Y then the variables have Positive relationship (Correlation $r=1$) and when X increases with decrease of Y then variables have inverse relationship (Correlation $r=-1$). When there is no relationship between the variables then correlation $r=0$ and if there is a slight positive relation then correlation r lies between 0 and 1 ($0 < r < 1$).

Where,

X = 11.7 (Variable 1)

Y = 13314.85 (Variable 2)

n = 101 (Sample size)

$$\begin{aligned}
 \text{Correlation } r &= \frac{n\epsilon xy - \epsilon x \epsilon y}{\sqrt{(n\epsilon x^2 - (\epsilon x)^2) * ((n\epsilon y^2 - (\epsilon y)^2))}} \\
 &= \frac{(101) * (155783.745) - (11.7) * (113314.85)}{\sqrt{((101 * 136.89) - 136.89) * ((101 * 177285230.5) - 177285230.5225)}}
 \end{aligned}$$

$$\begin{aligned}
&= \frac{(15734158.245) - (155783.745)}{\sqrt{((13825.89) - 136.89) * ((17905808280.5) - 177285230.5225)}} \\
&= \frac{15578374.5}{\sqrt{13689 * 17728523049.9775}} \\
&= \frac{15578374.5}{\sqrt{242685752031141.9975}} \\
&= \frac{15578374.5}{15578374.5} \\
&= 1
\end{aligned}$$

Therefore the employees generally believe that their successes or failure results from external factors beyond their luck. The Locus of control indicates external

TABLE-4:

SI.NO	Choice	Male	Female	Total
1	External	52	31	83
2	Internal	13	5	18
3	Total	65	36	101

Chi-Square test

Here I'm relating whether Locus of control and personality attributes of employees have any relation like decision making capacity of the employees can be identified by their level of Locus of Control.

- **Null Hypothesis H0:** Personality attribute of employees are less practical in decision making, if Locus of Control is External
- **Alternative Hypothesis H1:** Personality attribute of employees are more practical in decision making, if Locus of Control is Internal

Observed frequency

$$\begin{array}{cc}
52 & 31 \\
13 & 5
\end{array}$$

Expected frequency

$$\left(\frac{83 * 65}{101} \right) = 53.4$$

$$\left(\frac{83 * 36}{101} \right) = 29.25$$

$$\left(\frac{18*65}{101}\right) = 11.58 \left(\frac{18*36}{101}\right) = 6.41$$

53.4 29.25
11.58 6.41

$$\chi^2 = \left(\frac{(52 - 53.4)^2}{53.4}\right) + \left(\frac{(31 - 29.58)^2}{29.58}\right) + \left(\frac{(13 - 11.58)^2}{11.58}\right) + \left(\frac{(5 - 6.41)^2}{6.41}\right)$$

$$= \left(\frac{1.96}{53.4}\right) + \left(\frac{2.0164}{29.58}\right) + \left(\frac{2.0164}{11.58}\right) + \left(\frac{1.9881}{6.41}\right)$$

$$= 0.0367 + 0.0681 + 0.1741 + 0.3101$$

$$= 0.589$$

And degree of freedom (df) = K-1 = 3-1 = 2

And $\alpha = 0.05$

The tabulated Chi square value when df = 2 and $\alpha = 0.05$ is 5.991

0.589 < 5.991

I.e., calculated value is less than tabulated value

Through probability: - P ($\chi^2 \geq 0.589$) > 10%

* It is greater than the significance level ($\alpha = 5\%$)

I.e., it is failed to reject null hypothesis

Null Hypothesis is accepted

* Personality attribute of employees are less practical in decision making, if Locus of Control is External

Conclusion:

As a result the learning style and Locus of Control levels can be considered as having a partial effect on Personality attribute and the decision making styles. External factors like pandemic made every employee's

and employer to believe in external factors because many things were changed in their life in a certain period of time. The respondents which collected through the questionnaire tends to prove that most people believe in external factors whatever happens to them.

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