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The Influence of Internal Locus of Control on Personal and Job Oriented Factors

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Abstract: This paper investigates the impact of Internal Locus of Control on personal variables and job related factors. The primary research strategy employed was the survey strategy. In this study the standard tool developed by Terry Pettijohn was used to find out the level of Locus of Control among employees of private sector banks. Participants were asked to fill in a questionnaire that was designed to test the level of locus of control, cluster analysis is used to cluster the employee in two three groups. The reliability (internal consistency) of the scale items measuring Locus of Control is first examined with Cronbach's alpha reliability coefficient. Kruskal Wallis test was used to test the data for significance relationship on the personal variables and job related factors.

Keywords: Internal locus of control, Cluster analysis, Personal variables and Job related factors

INTRODUCTION

Locus of Control (LOC) is a person's perception of the source of his or her fate. That is, the Locus of Control is the degree to which people believe they are master of their own fate. Individuals who believe that they control what happens to them are 'Internals' or internally motivated and have an Internal Locus of Control. Those who believe that outside factors such as luck or chance controls their fate are 'Externals' or externally motivated and have an External Locus of Control (Robins 2003). It is said that people who perform better in most employment situations generally possess a moderately strong internal rather than external Locus of Control. They tend to be more successful in their careers and earn more money than their external counterparts. Therefore, the control of outcomes can be perceived as located in one's own behaviours or skills or as residing in luck or chance (Rotter, 1966).

According to Howell et al, internals are particularly well suited to leadership positions and other jobs requiring initiative, independent action, complex thinking and high motivation. Internals have also been

found to be more satisfied with their jobs and cope better in stressful situations, and they are more motivated by performance-based reward systems (Andrisani & Nestel, 1976; Howell & Avolio, 1993; Spector, 1982). Similarly, the internals were found to be interested more in research and development, introducing new products more quickly than the competition as such, and making more drastic product line changes. Furthermore, internals tend to be more involved in their jobs, show greater satisfaction, cope better with stress, and rise to leadership positions more frequently than people who are externals (Anderson, 1997; Lefcourt et al., 1984). There were many research works in the developed countries on Locus of Control and its impact on various job related aspects of employees in different industries. But in India, such research works are limited, particularly to banking sector. In this scenario, here an attempt has been made to elicit the impact of personal factors and job related factors on internal Locus of Control among private sector bank employees.

METHODS

Materials

Respondents receive two paged questionnaire that begins with a letter of information outlining the importance of employee participation in the research study. It was followed by a consent form. Each booklet includes Rotter Locus of Control scale which will determine the level of locus of control of the participants. The status of Locus of Control among bank employees was measured using 20 statements in the questionnaire. The respondents were asked to indicate their degree of agreement with each statement, using a 5-point Likert scale ranging from '1' for "strongly disagree" to '5' for "strongly agree" and '2' for "disagree", '3' for "no opinion" (neither agree nor disagree) and '4' for "agree" in between.

Procedure

After getting permission from the manager questionnaire were circulated to employees after the working hours. Employees were given one week time to submit the filled in questionnaire. Participants were assured of the confidentiality of the response. Cronbach reliability test proves that the data were highly reliable and valid for further analysis.

Participants

Survey method was adopted for the study and the study uses both primary and secondary sources of data. The study covers four private sector banks in Vellore district, Tamil nadu - HDFC Banks - ICICI Banks Ltd - Karur Vysya Bank Ltd - Axis Bank. The desired samples were selected from private sector banks. Simple Random sampling is used to select desired sample size. Employees were stratified into Officers and Managers. Cluster analysis is used to label the employees as Internal, External and Neither internal nor external. Employee coming under Internal locus of control group (with high means score) is considered for this study.

The Kruskal-wallis Test

The Kruskal Wallis test, sometimes called H test, is an alternative procedure to a one-way ANOVA. The Kruskal-Wallis test assumes that the population variances are equal. Unlike an ANOVA test, the

Kruskal-Wallis nonparametric alternative can be used with ordinal or ranked data. The Kruskal Wallis test calculates ‘H’ value as test statistics. In order to calculate, H value using Kruskal Wallis test, first place the combined observations, y_{ij} , into order of magnitude and replace with their ranks, R_{ij} . Then calculate the sum of the ranks for the responses to each treatment, R_i and then calculate H using the following formula:

$$H = \frac{1}{S^2} \left[\sum_{i=1}^a \frac{R_i^2}{n_i} - \frac{N(N+1)^2}{4} \right]$$

Where

$$S^2 = \frac{1}{N-1} \left[\sum_{i=1}^a \sum_{j=1}^{n_i} R_{ij}^2 - \frac{N(N+1)^2}{4} \right]$$

N = Number of total observations.

RESULT AND DISCUSSION

The Internal Locus of Control of Private Sector Bank is analyzed across age, sex, marital status, education and family size and the results is presented in the following tables.

Table 1
Association between Age and Internal Locus of Control

Age	N	Mean	KWANOVAH value	P value
Up to 21	9	88	1.91	0.59
26-35	11	87		
36-45	5	85		
Above 45	3	88		
	28			

Ho: There is no significant influence of Age on internal Locus of Control

The above table shows that Internal Locus of Control seems to be at lesser among employees aged between 36-45 years (Mean LOC = 85.00), but Locus of Control is comparatively higher among age group up to 21 and above 45 years. It shows that young persons and high age group employees trust more on hard work. KH anova test is conducted to check the association between age and internal locus of control; it shows that there is no significant relationship between age and internal locus of control.

Table 2
Association between Sex and Internal Locus of Control

Sex	N	Mean	KWANOVAH value	P value
Male	19	87.21	0.0004	0.98
Female	9	88		

Ho: There is no significant influence of Sex on internal Locus of Control

The above tables shows that the mean score of internal LOC is almost same between male and female employees in the private sector banks as KW H is almost zero (KW H = 0.0004, $p = 0.98 > 0.10$). It shows that female employes believe more on hard work. The P value shows that there is no significant relationship between sex and internal locus of control.

Table 3
Association between Marital status and Internal Locus of Control

<i>Marital status</i>	<i>N</i>	<i>Mean</i>	<i>KWANOVAH value</i>	<i>P value</i>
Married	10	86		
Unmarried	18	87.89	0.52	0.47

Ho: There is no significant influence of marital status on internal Locus of Control

The above table shows that mean score is higher among unmarried employees (87.89) and mean score is 86 for married employees which almost same. It shows that married women with lot of family commitment rely more on hard work not on fate, There is a strong evidence from p value that there is no significant relationship between marital status and internal locus of control

Table 4
Association between Education and Internal Locus of Control

<i>Education</i>	<i>N</i>	<i>Mean</i>	<i>KWANOVAH value</i>	<i>P value</i>
Graduate	11	89.64	2.97	0.23
PG	13	85		
Higher to PG	4	86.25		

Ho: There is no significant influence of Education on internal Locus of Control

The above table shows that mean score is higher among Graduate working in private sector banks and mean score is lower among employees posses Post graduation degree. But employees holding higher degree have mean score of 86.25 which is slightly higher than the post graduation employees. It shows that graduates focus on hardwork to get promotion than others. P value shows that there is no significant relationship between education and internal locus control.

Table 5
Association between family size and Internal Locus of Control

<i>Family member</i>	<i>N</i>	<i>Mean</i>	<i>KWANOVAH value</i>	<i>P value</i>
Upto 3	20	87		
3-4	8	88	0.02	0.88
Above 6	–	–		

Ho: There is no significant influence of family size on internal Locus of Control

The above table shows that mean score is almost very close between family member upto 3 and 3-4 and KW value is almost comes to zero. It is shows from the P value that there is no significant influence of family size on Internal Locus of Control.

Table 6
Association between designation
and Internal Locus of Control

<i>Designation</i>	<i>N</i>	<i>Mean</i>	<i>KWANOV/AH value</i>	<i>P value</i>
Officers	7	87.86		
Managers	21	87.24	0.34	0.56

Ho: There is no significant influence of designation on Locus of Control

The above table shows that the mean score for the officer is 87.86 and for manager is 87.24 and KH value is 0.34 and the statistical test shows that there is no significant relationship between designation and internal locus of control. It also shows that both officer and managers are having strong internal locus of control

Table 7
Association between Monthly income
and Internal Locus of Control

<i>Monthly income</i>	<i>N</i>	<i>Mean</i>	<i>KWANOV/AH value</i>	<i>P value</i>
Less than 20,000	12	88.50		
20,000 – 30,000	14	86.71	1.21	0.55
Above 30,000	2	85.50		

Ho: There is no significant influence of monthly income on internal Locus of Control

From the examination of the table, it is understood that the level of internal Locus of Control is higher for private sector bank employees with income up to Rs. 20000 per month (Mean LOC = 88.50) and it lower for the employees who are earning salary of Rs.30,000 and above. It is evident from the P value that there is no significant relationship between income and internal locus of control.

Table 8
Association between Experience
and Internal Locus of Control

<i>Experience in present position</i>	<i>N</i>	<i>Mean</i>	<i>KWANOV/AH value</i>	<i>P value</i>
Up to 5 years	15	87.27		
6 -10	6	89.17	0.84	0.66
11 -15	7	86.14		
Above 15	–	–		

Ho: There is no significant influence of experience on internal Locus of Control

Internal Locus of Control seems to be higher for employee groups with 6-10 years of experience in the present position (Mean LOC = 89.17) and lower for employees who are having experience of 11 -15 year. P value shows that there is no significant relationship between experience and internal locus of control.

Table 9
Association between Job Oriented Factors and Internal Locus of Control of Private Sector Bank Employees

<i>Bank experience</i>	<i>N</i>	<i>Mean</i>	<i>KWANOV/AH value</i>	<i>P value</i>
Up to 5 years	10	88.90		
6 -10	6	85.83		
11 -15	6	85.83	2.73	0.43
Above 15	6	88.00		

Ho: There is no significant influence of job oriented factors on Locus of Control

The above table shows that Locus of control is higher for the employees up to 5 years of bank experience and for employees with experience of above 15 years for other it is lower and it is evident from the P value there is no significant relationship between bank experience and internal locus of control.

Table 10
Association between nature of job and internal Locus of Control

<i>Nature of job</i>	<i>N</i>	<i>Mean</i>	<i>KWANOV/AH value</i>	<i>P value</i>
Mutual fund	9	87.33		
Insurance	8	87.25	0.03	0.99
Banking	11	87.55		

Ho: There is no significant influence of nature of job on Locus of Control

It is observed from the above table that locus of control is also same for all the employees irrespective of nature of jobs. P value shows that there is no significant relationship between nature of job and internal locus of control.

CONCLUSION

Though there seems to be difference in the internal Locus of Control due to across categories by age, marital status, education and family size, the differences are likely due to chance (sampling error) as the obtained H values for the above variables are insignificant statistically. So, it is concluded from entire inferences of the results that there is no relationship between personal characteristics and the internal Locus of Control of the private sector bank employees. Hence the hypothesis “there is no significant influence of personal variables on Internal LOC” is accepted. But the above differences in the level of internal Locus of Control across various categories under different job oriented characteristics are not at mentionable level as all H values obtained from KW ANOVA test are not statistically significant. Hence, it can be concluded that there is no impact of job related factors on the internal Locus of Control among private sector bank employees. Hence the hypothesis “there is no significant influence of job oriented factors on Internal LOC” is accepted.

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