IJACT 19-6-12

# The Influence of the Locus of control of the Global Public Enterprises on the Job Involvement and Turnover Intention

Kim, Boem Soo<sup>1</sup>, Choi, Pil Ho<sup>2</sup>, Kim, Il Sik<sup>3</sup>, Hwang, Il Yeong<sup>4</sup>\*

<sup>1</sup>School of Business Administration, Kwangwoon University, Seoul 01897, Republic of Korea
 <sup>2</sup>Ph.D Student of marketing, Kwangwoon University, Seoul 01897, Republic of Korea
 <sup>3</sup>Ingenium College, Kwangwoon University, Seoul 01897, Republic of Korea
 <sup>4</sup>\*Institute of Information Technology, Kwangwoon University, Seoul 01897, Republic of Korea
 *E-mail : hiy516@kw.ac.kr*

#### Abstract

The purpose of this study is to reduce the costs required to proactively prevent the turnover intention by the results of personality type of locus of control, which is the behavioral outcome of the members of the organization. Based on this problem consciousness, the present study focused on the personal characteristics of the members of the organization in the enterprise. Among the individual characteristics, the intentions, which are distinct from others, are called personality, Focusing on the locus of control among these types of characteristics of the organization members, the study about how these control positions affect their job involvement and their turnover intention. The results validated in this study are summarized as follows. Among the personality types of the organization's members, internals are found to have higher job involvement than externals. In addition, it was found that internals among the personality types of the members of the organization lower the meaning of turnover intention than external member. In order to overcome uncertain management environment and create and sustain a competitive advantage in the organization, management has a weight-oriented trend and Increasing job involvement in organizational members and lowering their turnover intention will lead to continued productivity, among other things, important management items that managers and managers should pursue. Given these aspects, it is deemed necessary to analyze the personality aspects of the members of the organization and to transform and manage a new management mindset that leads to the enhancement of the personality as an internal rather than an external one and the task immersion of the members of the organization based on it.

Keywords: Core word: Locus of Control, Externals, Internals, Job Involvement, Turnover Intention.

### 1. Introduction

In modern society, the complexity, specialization, and diversity of the world of work raises interest in the job. The modern society is rapidly changing into a highly industrialized society, and is in the midst of a major shift into a knowledge society. The problems of choosing jobs, which are a means of preparing for life, and wisely applied in the future society, such as the reduction of the employment workforce due to automation and mechanization, and the confusion of job values[1]. However, we have to think about the task performance within in the organization after choosing a job. In particular, the rigidity of the corporate structure resulting

Corresponding Author: Hwang, Il Yeong

Manuscript received: April 26, 2019 / revised: May 12, 2019 / Accepted: June 05, 2019

Tel:+82-10-8932-6580, Fax: +82-2-940-8388

Institute of Information Technology, Kwangwoon University

from the current economic downturn and the responsibility for the jobs they perform will also come with a very heavy weight.

It is inferred that there will be a predictable interaction between a person's personality and his behavior. Response to this expectation of consistency between personality and behavior, psychologists and organizationalists are trying to establish the link between personality and human behavior based on real-life situations[2]. Among many personality theories, this study was intended to focus on the locus of control position among the personality types of the members of the organization in the rapidly changing and diverse business environment in which the corporate organization is currently. "Locus of control" is a concept that shows how much people believe they can influence the results of their lives. Based on this concept of control position, the research was conducted with an interest in how members of the corporate organization believed that they could influence the task performance they performed, thus influencing the job involvement and the turnover intention as a result of the job performance in the organization.

Efforts are being accelerated to secure corporate competitiveness and to make human resources a key competence in competition with competitors. Given these aspects, it is a serious problem that excellent member are trying to leave the corporate structure. The purpose of this study is to reduce the costs required to proactively prevent the turnover intention by the results of personality type of locus of control.

Based on this problem consciousness, the present study focused on the personal characteristics of the members of the organization in the enterprise. The personality is the sum of the inherent characteristics and the fixed characteristics that are distinct from others, Focusing on the locus of control among the personality types of these organizational members, we studied how these control positions affected their job involvement and turnover intention.

#### 2. A Study on the Characteristics of Locus of Control

#### 2.1 Locus of Control

If an individual is perceived to have followed his or her actions but not entirely his or her actions, it is common for us to assume that it came for good luck, fate, or that it is under the control of another powerful person, or that the power and complexity surrounding it are so numerous and so complex that we cannot predict it at all.

When an individual interprets an event as such, this idea is called a belief in external control. On the other hand, if a person considers the incident to be his or her own fixed character, he or she calls it "belief in internal control." Rotter uses the term "locus of control" to describe such an individual's belief system. To the extent that each individual inherits success and failure as a result of his or her own life, he or she inherits internal factors such as his or her actions, abilities and efforts[3]. Therefore, it is the extent to which each individual believes in how much influence he or she can exert and control over his or her life or future. Many studies show that individuals form generalized expectations about whether the progress of each situation they encounter is inherently controlled or externally, which is one of the important human personality variables [4] Depending on the extent to which one believes to be located on this internal and external control line, one can be distinguished by an outsider and an internalist [5].

Internals believe that they can control their fate as a relatively intrinsic control believer, and attach a high value to an individual's behavior because they believe in the determination of their actions or efforts for the outcome of a situation. Externals, on the other hand, are relatively foreign-controlled, and the successes and failures in their lives are independent of their own actions, their abilities and their efforts, and therefore cannot affect them, They believe they are under the control of opportunities, luck or powerful others who are not related to their own internal factors, and do not value their actions or efforts because they do not believe in the determination of an individual's actions.

According to Julian & Karabenick, internals prefer situations where they are judged by their own judgment and are able to exercise more control over their performance than externals[6]. And while Srull and Karabenick believe that internals value the performance of their own task of deciding and acting on their own to show their skills or skills, externals value the situation that is determined by opportunity or luck[7]. Doherty & Baldwin argued over 78 years of longitude analysis that women who experienced limitations in their ability have experienced structural discrimination, such as gender discrimination in wages and promotions have sharply increased their external behavior while man who have not experienced limitations in their own abilities have slightly increased their internal behavior[8].

Pandy & Ram found that the environmental conditions under which the reinforcement or compensation is determined by their actions or performance increased their internal propensity. And an undesirable career experience increases the belief in external control, which undermines the willingness to participate voluntarily[9]. A study by Anderson found that a locus of control affects performance through the selection of actions to respond to an individual's environment, and that performance affects control positions by acting as feedback again. Based on this study, locus of control not only affect human behavior about the environment, but also are affected by the environment. It would be important to promote positive work experience and active efforts for success in order to develop an internal belief to pursue organizational goals and personal wellbeing[10][11].

#### 2.2 Job Involvement

Saleh & Hosek defined theoretical concepts by classifying job involvement into two categories. First, job involvement is defined as the resulting effect of self-esteem that is affected by the level of performance of a task, and the other is the degree to which members equate overall with the core of the task in their overall self[12]. Lodahi & Kejner defined job involvement as such that members feel a sense of unity about their work. Or, it was defined as the importance of work in one's image, and job involvement was analyzed to the extent that it was affected by performance and level of work[13]. Lawler & Hall defines job involvement 'the job situation is central to members or identity, and the essence and psychologically united in one's job's definition, from the standpoint of organizing the theoretical concept definitions presented above. The degree to which a member is interested in his or her job is defined as a job involvement[14]. This is consistent with the view that an employee defines a status of being absorbed and satisfied with his or her job as a job involvement. Vroom defined the concept of job involvement as seeking a position in one's respective duties to find an incentive for status pursuit of self-involvement, and defined job performance as having an influence on the self-esteem of the members of the organization[15][16].

Based on prior studies, job involvement is a condition of perception that a member experiences in relation to his or her job, when he or she enjoys working hours and actively participates in his or her job, feels that performance is consistent with his or her self-concept when focusing on performance on his or her self-interest.

#### 2.3 Turnover Intention

The importance of turnover intention is that attitudes toward moving jobs that are formed by individual workers are likely to lead to actual action[17]. In other words, it is not necessary to determine the intention of a turnover equally, but there is a high probability that the intention of a turnover will lead to actual turnover. Empirical studies have shown that, on average, the relationship between turnover intention and actual turnover is a substantial correlation of 0.50, Research on the meaning of turnover is necessary in terms of maintaining the human resources of the organization through turnover intention. The intention of turnover intention is the best predictor of moving out than other factors, and the correlation between moving and moving is very high[18][19].

According to Kang In-Joo, the intention usually implies a motivational factor in an action as if trying to act with the idea of performing a particular action to achieve a goal when an opportunity or condition is formed[20][21]. Thus, turnover intention refers to the attitude or consciousness of an organizational member to leave the organization, which is a concept that expresses the intention of an employee to escape from the current undesirable state[22][23].

### 3. The Design of a Research

#### 3.1 Research model

This study is a study on the effect of personality type, which is the locus of control position of members of a corporate organization, on their job involvement and turnover intention. Through prior research, I believe that the psychological factors will affect the job intention and the intention of turnover of the members of the organization.

First, this study assumes that job involvement and turnover intention will vary depending on the locus of control position of the members of the organization. These personality traits affect a person's life. This is one of the immediate realities of individuals in explaining the lives of members of the organization and their lives through it, as well as the absolute background for job performance in the workplace.

Second, these personality traits work on a person's life on a personal level through factors that mediate an individual's actions. Individuals will be revealed through these variables of character as psychological types of members of the organization that have significant social implications, resulting in actions within the organization.

From this background, the study model for this study was set up as shown in Figure 1.





#### 3.2 Study Hypothesis

Locus of Control is a type of personality classification. This character is generally understood to be the sum of individuals' unique psychological qualities that determine their behavior consistently over the longer term without being significantly affected by environmental conditions.

Andrisani & Nestel conducted a study of 2,972 middle-aged men using Rotter's measurement tools to investigate the impact of internal/external control of job experience. The study found that success in the professional world is affecting the position of internal and external control[24]. It was supported by the hypothesis that a person with an inherent locus of control is more successful in his or her job. Michell & Smyser & Wood stated in an empirical study of 900 people who work in public institutions that people with internal control position generally perform better at self-control are more satisfied with their jobs, are more active and participatory, are more emotionally stable, and have a greater capacity for stress better than people who are external[25]. Blau also found that externals were less satisfied with their jobs, higher absenteeism, and a lower level of job involvement than internals[26].

Through these prior studies, the hypothesis for this study was established as follows.

Hypothesis I. Types of characteristics of control positions of organizational members, the internals will have a more significant effect on the job involvement of the members of the organization than on externals.

Hypothesis II. Types of characteristics of control positions of organizational members, the internals will have a more significant effect on the meaning of turnover intention among organizational members than on externals.

#### **3.3 Measuring Tools**

The sources of measurement questionnaire by parameter used in this study are summarized in Table 1.

Measurement Variables			source	
Locus of Cotrol	Internal	I-2, 6, 7, 8		
	External	I-1, 3, 4, 5	Levenson(1981),	
Subordination	Job Involvement	II- 1, 2, 3, 4, 5, 6	Kanungo(1982)	
variable	Turnover Intention	III-1, 2, 3, 4	Michael & Spector(1982)	

Table 1. Composition and source of survey items

#### 3.4 Research subject and research method

This study is a study was designed to verify the hypothesis on the effect of personality type, which is the locus of control position of members of a corporate organization, on their job involvement and turnover intention. The sample targets were selected by selecting organizations located in the Seoul area, Gangwon Province, Chungcheong Province, Jeollanam-do and Jeju provinces and surveyed the members of the organization. This survey focuses on the hypothesis test established for how the personality type of the locus of control of an organization member affects the intent of job involvement and turnover intention, Self-reporting method of surveying was done by the self-reporting method of questionnaire built. The survey was distributed and collected from 1 August 2017 to 30 and was conducted through a direct visit with the cooperation of members who worked in the organization.

## 4. Verification of research analysis and hypotheses

### 4.1 Reliability and Feasibility Analysis

To analyze the reliability of the measured variables used in the study, a cronbach's alpha coefficient was calculated to represent the internal consistency of the variables. The Cronbach's  $\alpha$  value was analyzed based on a confidence level of 0.6 or higher proposed by Nunnally [27].

Tuble 2. Rehubility and Feasibility Multiplis regulating Locus of Control				
` Division	component			
Division	external	internals		
What happens in my life mostly depends on the people around me.	.867	042		
I don't think it's wise to make long-term plans because most things depend on luck.	.845	104		
I think success or failure depends more on luck than human effort.	.831	112		
The idea that everyone is born with fixed destiny.	.777	037		
If I got what I wanted, I think it was because I always worked hard for it, rather	071	.860		
than luck.				
I think my life is determined by my own actions.	186	.809		
I think my main achievements are the result of my effort and ability.	.039	.795		

#### Table 2. Reliability and Feasibility Analysis regarding Locus of Control

I Think that you can succeed as long as you try hard	079	.718
Eigen value	2.808	2.569
Variance %	35.1	32.11
KMO(sig)	.919(.000)	
Cronbach's a	0.637	7

Table 3. Reliability and Feasibility Analysis regarding Job Involvement		
Division	component	
Most of my personal goals are related to my work.	.883	
I have a strong connection with my work	.858	
Most of my interests and interests are related to my work.	.856	
I believe my work is central to my existence	.851	
I like to devote most of my time to my work.	.848	
All the important things I do now are related to my work.	.729	
eigenvalue	4.22	
Variance %	70.361	
KMO(sig)	.919(.000)	
Cronbach's α	.915	

# Table 4. Reliability and Feasibility Analysis regarding Turnover Intention

Division	component
If conditions are worse than they are now, I will leave this company.	.936
Looking for a new job sooner or later	.926
I want to work for another company.	.904
I often feel like quitting this company.	.902
eigenvalue	3.365
Variance %	84.132
KMO(sig)	.857(.000)
Cronbach's α	.936

#### 4.2 Verification of Hypothesis

In this study, for the purpose of investigating causal relationship between variables, a regression analysis was performed to verify the effect of independent variables on the dependent variables, respectively, for the purpose of hypothesis.

Hypothesis I. Types of characteristics of control positions of organizational members, the internals will

have a more significant effect on the job involvement of the members of the organization than on externals.

If you look at the regression analysis results for Hypothesis I, The R<sup>2</sup> values considered to verify the suitability of the regression model are .282, indicating how well the population fits. The adjusted R<sup>2</sup> is also an amendment to R<sup>2</sup> to best fit the model in the population, which can be determined by the F value. This regression formula is considered to be a linear regression formula, since the F value is statistically significant at the level of P <.05. Also, consider the beta value and the t-value of the regression coefficient, which are the standard regression coefficients that have shown significance of the regression coefficients by standardizing the input data with mean = 0, and standard deviation = 1. The Beta values for externals and internals are .254 and .513 respectively, and the t-values are 5.224 and 10.578 respectively. It is shown to be significant at the level of 05. The analysis results showed that internals were more likely to cause organizational members to engage in their duties than externals. Thus hypothesis I is adopted.

Division	Non-standardization factor		standardized factor	t	p-value
	В	standard error	β	t	p vulue
External	.818	.256		3.194	.002
Internal	.193	.037	.254	5.224	.000

Table 5. Regression Analysis on the Control Location and Job Involvement

subordination variable: job involvement

Hypothesis II. Types of characteristics of control positions of organizational members, the internals will have a more significant effect on the meaning of turnover intention among organizational members than on externals.

If you look at the regression analysis results for Hypothesis II, The  $R^2$  values considered to verify the suitability of the regression model are .172, indicating how well they match the population. The Adjusted  $R^2$  is also an amendment to  $R^2$  to best fit the model in the population, which can be determined by the F value. The F value is 22.927 at the level of P < .05. This regression formula is considered to be a linear regression formula because it is statistically significant at the level of 05. Also, consider the beta value and the t-value of the regression coefficient, which are the standard regression coefficients that have shown significance of the regression coefficients by standardizing the input data with mean = 0, and standard deviation = 1, The Beta values for externals and internals are <.184 and -273 and the t-values are 3.436 and -5.083 respectively. It is shown to be significant at the level of 05. The analysis shows that internals lower the degree of turnover intention of organizational members than externals. Thus hypothesis II is adopted.

Table 6. Regression Analysis on the	e Control Position and turnover intention
-------------------------------------	---

Non-standardization factor		standardized factor	t	p-value
В	standard error	β		
3.315	.414		8.009	.000
.205	.060	.184	3.436	.001
	B 3.315	B standard error 3.315 .414	B         standard error         β           3.315         .414	B         standard error         β         t           3.315         .414         8.009

subordination variable: job involvement

### 5. Conclusion

In this study, a regression analysis was performed to verify the effects of independent variables on the dependent variables, each of which was established and extracted to verify causal relationships between variables. Summary of the validated results is as follows: Verification of hypothesis I showed that among the types of characteristics of members working in the L organization, internal make the job involvement higher than external. Verification of hypothesis II showed that among the personality types of the members working in the L organization, internal lower the degree of turnover intention among members of the external. It would be an important management item that managers and managers should pursue, among other things, to increase productivity by increasing the job immersion of their organization members in current management, which has a weight-oriented trend in overcoming uncertain management environment and creating and sustaining the organization's competitiveness. Given these aspects, it is believed that a new management mindset and management system will be necessary to analyze the personality aspects of the members of the organization and to guide the job involvement of the members of the organization based on the analysis of the characteristics of the members of the organization rather than the externals. Moreover, it would be self-evident that the development of a move by frequent turnover of key personnel would have a negative impact on the productivity of the organization. In addition to securing key personnel, the key management items will be management of the turnover intention. Considering that the transfer of key personnel is an important issue directly linked to the continuous improvement of productivity of the organization, it is deemed that managing the transfer through the identification and management of members is a very important management item.

As a result of this study, I would like to present the implications and implications of the following research. First, it is meaningful that we looked at the aspect of human productivity with a variable called locus of control, which is a type of person's personality that sees the outcome of an action among the personality types. In particular, we looked at the personality type of the lower members and the type of personality that affects job involvement and turnover intention in the organization of state-run companies. Second, while previous research on the nature of many studies currently being conducted in Korea highlights theoretical considerations and psychological aspects, it is meaningful that this research has examined how the type of characteristics of members of public corporations has an effect on the job involvement and turnover intention that have a causal relationship with the productivity of the organization. Third, if we emphasize current organizational management in our country and consider the educational aspects of the members, Existing member education had a weight-oriented trend in the tasks performed by members. However, based on the results of the verification of this study, it is believed that the development of systematic training will be necessary to elicit forward, positive minds and actions that will lead to the improvement of the organization's productivity, taking into account the personality aspects established by members' individuals in order to increase the productivity of the organization.

This study has the following limitations and, in addition, intended to present the direction of more advanced research as follows: First, because the data collection method of this study utilizes closed questionnaires among the survey methods, I think there may be a lack of subjective evaluation in accurately reflecting the actual level of perception of the respondents as the survey data by subjective self-inputs of the respondents. In addition, this study did not produce a longitudinal analysis. Longitude studies will need to be re-verified in future studies as they facilitate causal inferences about causes and outcomes compared to cross-sectional studies like this one. Second, the limits of sampling set for the study are given. For all environmental reasons of practical research, this study did not use radio samples for sample selection, but rather a convenient sample. As a result, the results showed a biased distribution in the work place, membership, gender, and academic background of the respondents, limiting the possibility of generalizing the research results. Therefore, it is deemed necessary to expand the study target to various samples for future research. Third, the measurement tools used in this study

were developed in a foreign country and used by other researchers, so they were refined and used accordingly, Logic cannot be guaranteed in response questions between scales. It is thought that research activities will be needed to develop measures and standardize on the basis of future research subjects or variables. Fourth, the demographic variables set as the control variables were excluded from this study, but the preceding studies show that differences in the impact of demographic variables are obvious. In this regard, future research is expected to take place on demographic variables.'

### References

- Dae-woon Chang, Jean-hyun Park, Tong-jon Na, Young-Sik Rhee, "A Preliminary study of a major-adjustment program for college students with major-aptitude discrepancy", Student Life Institute, Chonbuk National University, 14. pp.1109-1154, 1988
- [2] Joo-Yup Kim, Kye Chung Song, Byum Goo Jung, Sang- Eon Park, Organizational Behavior, Seoul, Changminsa. 2015
- [3] J. B. Rotter, "Generalized Expectancies for internal versus external control of reinforcement", Psychological Monographs, 80, pp.11-20, 1966
- [4] V. C. Joe, "Review of the Internal-External Control Construct as Personality Variable", Psychological Reports, Vol. 28, pp.619-629, 1971
- [5] Hammer, W. C., & Organ, D. W, Organizational Behavior : An Applied Psychological Approach(Dallas, Texas : Business Publication Inc., 1978
- [6] Julian, J. W., & Karabenick. B.(1968), "Internal Versus External Control and Value of Reinforcement", Journal of Personality and Social Psychology, Vol.8. pp.89-91, 1968.
- [7] Srull, T. K., & Karabenick, S. A "Effects of Personality and Situational Locus of Control Congruence", Journal of Personality and Social Psychology, Vol.30, No. 4. pp.618-635, 1975,
- [8] Doherty, W. J., & Baldwin, C, "Shifts and Stability in Locus of Control during the 1970's: Divergence of Sexes", Journal of Personality and Psychology, Vol.48, No.4, pp.1048-1053, 1985.
- [9] Pandy, J., & Ram. N., "Change in Locus of Control of Upper and Lower Caste Students", Journal of Social Psychology, Vol.104, pp.297-298, 1978.
- [10] Anderson, C. A., "Locus of Control, Coping Behavior, and Performance in a Stress Setting: A Longitudinal Study", Journal of Applied Psychology, Vol.62, No.4, pp.446-451, 1977.
- [11] Levenson, H., "Differentiation among internality, Powerful Others, and Change", In Lefcourt ed, Research with the Locus of Control Construct. Vol.1, pp.15-66, 1981.
- [12] Saleh, S. D., & Hosek, J, "Job Commitment: Concepts and Measurement", Academy of management Journal, Vol.34, pp.213-215, 1976.
- [13] Lodahi, J. M., & Kejner, M., "The Definition and Measurement of Job Commitment", Journal of Applied Psychology, Vol.49, pp.24-33, 1965.
- [14] Lawler, E. E., & Hall. D.T., "Relationship of job characteristics to Job Commitment, Satisfaction and Intrinsic Motivation", Journal of Applied Psychology, Vol. 54, pp. 305-312, 1970.
- [15] Kanungo, R. N., "Measurement of Job and Work Involvement", Journal of Applied Psychology, Vol. 67, pp.341-349, 1982.
- [16] Vroom, V. H., "Ego-Involvement, Job Satisfaction and Job Performance", Personal Psychology, Vol.22, pp.425-435, 1962.
- [17] Fishbein M., & Ajzen, I., Belief, Attitude, Intention and Behavior, Reading, M.A Addison-Wesley, 1975.
- [18] Steel, R. P., & Ovalle, N. K., "A review and meta-analysis of research on the relationship between behavioral intentions and employee turnover", Journal of Applied psychology, Vol. 64, No.9, pp.673-686, 1984.
- [19] Jin Kyung Jung, "A Study on Four Types of Turnover Intention" University of Seoul, Thesis for a MD, 2009.
- [20] In-Joo Kang, "The Relationships among Turnover Intention, Career related Learning, Career Motivation, Perceived Organizational Support, Organizational Commitment, Career Commitment and Employability of Office Workers in Large Corporations" Seoul National University, Thesis for a Ph.D., 2015.
- [21] Young-joo Moon, "Effects of Individual Motivation on Turnover Intention among Social Workers : with a focus

on the mediation effects of multiple commitment" Seoul National University, Thesis for a PhD. 2010.

- [22] Joo-Yup Km, Sang- Eon Park, Hye-Jung Ji, "An Empirical study on the Relationships among Work-Life Balance, Job Satisfaction, and Turnover Intention", Korean Association of Human Resource Development, Vol.14, No.1, pp.1-29, 2011.
- [23] Michaels, C. E., & Spector, P. E., "Causes of Employee Turnover : A Test of the Mobley, Griffet, Hand and Meglino model", Journal of Applied Psychology, Vol.67, pp. 53-59. 1982.
- [24] Andrisani, P. J., & Nestel, G., "Internal-External Control as Contributor to and Outcome of Work Experience", Journal of Applied Psychology, Vol.61, No.2, pp.156-179, 1976.
- [25] Michell, T. R., Smyser, C. M., & Wood. E., "Locus of Control: Supervision and Work Satisfaction", Academy of Management Journal, Vol.18, No.3, pp.623-631, 1975.
- [26] Blau, G. J., "Locus of Control as a Potential Moderator of the Turnover Process", Journal of Occupational Psychology, Vol.60, No.1, pp. 21-29, 1987.
- [27] Nunnally, Psychometric theory, New York, McGraw-Hill series in psychology, 1967.