



Locus of Control and Its Relationship with Age and Education: A Study of Automobile Industry

Ms. Vijeta Sharma

Research Scholar,

Department of Commerce, Faculty of Business Study, Punjabi University Patiala

Dr. Baldeep Singh

Department of Basic Applied Sciences, Punjabi University Patiala

ABSTRACT

This study made an attempt to find out the relationship between Locus of Control with the age and education of sales executives in Punjab and Union Territory of Chandigarh. The sample consists of 300 sales executives from automobile sector located at Punjab and Union Territory of Chandigarh. Locus of Control Scale developed by Julian Rotter was used to measure the Locus of Control of sales executives. Mean and One Way ANOVAs were used to test the research question in the study. The majority of respondents (284, 95.3%) had an internal locus of control, and the age factor related with internal Locus of Control but education had no relation with internal Locus of Control.

Keywords: Locus of Control; Age; Education; Demographic; Personality; Automobile.

Introduction:

Locus of control is a well-known personality variable generally practiced in context of predicting workplace behavior, such as work performance, job satisfaction, job stress, turnover intention. One of the important aspect of personality attribute revealed that with the organization change, perceptions of internal and external control reinforcement are also changes. Due to organization change, it is generally accepted that employees losing control over situations at their workplace and resulting negative outcomes such as intention to quit, lying offs, decreased salaries etc. Locus of control developed from **Julian Rotter's (1954)** social learning theory of

personality. It is related to learned behavior and reinforcement of such behavior. In simple words locus of control measures the outlook about the nature of the fundamental relationship between one's own behavior and its consequences. **Arsenault et al. (1991)** externals had tendency to report more negative moods when encountered with stressful events on the contrary internals had tendency to perceive less stress and had better coping skills. **Peacock et al. (1993)** internals were more likely to deal with stresses and conflicts in a positive way while they were emotionally controllable. **Hyatt and Prawitt (2001)** auditor job performance was positively related with individual auditors' locus of control. The performance of internally oriented auditor's was found to be higher in unstructured firms than structured firms, while auditors who had external locus of control performed better at structured than at unstructured firms. **Nair and Yuvraj (2000)** Private sector male managers who were internally controlled positively and significantly higher level of overall managerial effectiveness as compared to externally controlled managers. **Miller (1982)** top chief executives with internal locus of control inclined to hunt for more product-market innovation, assumed greater extent of risk, believed in future oriented market strategies and act as a leader rather than following the moves of rivals. **Rasch and Tosi (1992)** Locus of control had a straight relationship with software development productivity. **Ng et al. (2006)** internal locus was positively associated with favorable work outcomes, such as well-being, greater motivation level, and better social relation. **Anderson and Schneier (1978)** Internals displayed task-oriented style in their behavioral characteristics. **Aube et al. (2007)** examined the moderating effect of locus of control and work autonomy on perceived organizational support and organizational commitment. The results of the hierarchical multiple regression analyses support the moderating effect of locus of control and work autonomy in respect to the relationship between perceived organizational support and affective commitment.

REVIEW OF RELATED LITERATURE:

Vijayashree and Jagdishchandra (2011) gender, and education had no relation with internality. Further no significant relationship had been found between externality (others) and socio-demographic factors gender, age and education. Externality (chance) also had no relation with gender and education. **Payne and Payne (1989)** found that internal locus of control increased with age. **Kiskinov, C. and Velichkov, A. (1984)** as there is an increase in age, people



developed great degree of internal locus of control orientation as compared to the young age individuals. On the contrary, **Asiedu-Appiah and Addai (2014)** discussed that age factor, had no significant correlation with locus of control. **Piatek and Pinger (2010)** persons with internal locus of control found talented enough in earning higher wages and influence education. Locus of control extensively raises the possibility of choosing higher education and locus of control created impact on wages through schooling. **Coleman and Deleire (2003)** locus of control as one of personality trait that considerably affects education decisions because of the related fact of once personal beliefs about how education create impact on expected wages, discussed in their model of locus of control and education decisions. **D'souza et al. (2014)** Male employees and their higher educational levels (postgraduates) established internal locus of control when comparison made among other demographic groups.

Problem Statement:

Earlier literatures and other articles reviewed which could not be cited here reveals that lack of evidence in the area of automobile sector with regard to Locus of Control and its relationship with demographic variable age and education with special reference to Punjab and Union territory of Chandigarh, therefore is undertaken in the present study. Usually the demographic variables over and over again not included in the literatures that effected the development of internal and external locus of control orientation. The findings of the study are expected to be highly useful to the researchers interested in the field of study and to the management and policy makers in automobile sector in formulating their strategies in relation to importance of locus of control and role of age and education while selecting the sales personnel in their organization.

Scope and Objective of the Study:

- a) To measure the Locus of Control of Sales Executives &
- b) To identify the relationship of Locus of Control with age and education of the sales executives in automobile industry in the area of Punjab and Union territory of Chandigarh (India).

The present is restricted to identify the relationship of Locus of Control only with two demographic variables i.e. age and education.



Research Hypotheses:

H01a: There is significant relationship of Locus of Control with age of the respondents.

H01b: There is no significant relationship of Locus of Control with age of the respondents.

H02a: There is significant relationship of Locus of Control with education of the respondents.

H02b: There is no significant relationship of Locus of Control with education of the respondents.

Sample Profile:

A sample size of 300 sales executives were taken for the purpose of the study. Data was analyzed on sample size of 298 after removing two outliers cases. The respondents were related to the automobile industry of Punjab and Chandigarh. The information in relation to age of respondents revealed that 53.7% sales executives had age between 20 to 29 years, 38.3% sales executives had age between 30-39 years, and 8.0 % sales executives had age between 40-49 years. And the information in relation to the education of the respondents revealed that 11% sales executives had an education level of plus two, 53.3% sales executives were graduates and 35.7% were post-graduates.

Data Collection:

Accordingly, the primary as well as secondary data were used. The primary data was collected with the help of pre-tested structured questionnaire. The locus of control of sales executives was measured through Rotter's Locus of Control Scale. The scale consisted of 29 items out of which 6 items were merely the filler items and 23 items constituted the true scale and were used for the analysis.

Results:

a) The majority of respondents (284, 95.3%) had an internal locus of control, whereas only around (14, 4.7%) sales executives had external locus of control. The average score of internal locus of control category was 6.72 (SD = 2.21) and for external locus of control category was 12.57 (SD = 0.94).

b) The variation in Locus of Control with respect to the age and education of the sales executives has been examined using One- Way ANOVA.

1. Variation in Locus of Control with the Age of the Sales Executives:

Table No.1 exhibits the descriptive statistics of the LOC of sales executives with respect to their age. The LOC was found to be highest among sales executives in the age group 20-29 years (7.42, SD = 2.80), followed by the age group 40-49 years (6.88, SD = 2.19) and then by the age group 30-39 years (6.43, SD = 2.45). The average LOC scores were found to be significantly different as F-statistics = 5.29, $p = 0.006$ was highly significant ($p < .01$) suggesting that the LOC changes significantly with the age of the sales executives. As age increased, the sales executives were expected to have more of internal LOC (refer table no.1). Hence, hypothesis H01a, was accepted which explained that there is significant relationship of Locus of Control with age of the respondents.

Further post-hoc test revealed that the mean LOC scores of age groups 20-29 years and 30-39 years were significantly different from each other.

Table No. 1
Effect of age on LOC of sales executives

Age	Mean	Std. Deviation	F	Sig.
20 to 29 years	7.47	2.80		
30 to 39 years	6.43	2.45	5.29	0.006
40 to 49 years	6.88	2.19		

Table No.1 exhibits the mean plots of LOC with age of sales executives. As it can be seen from the positions of the points that the mean LOC scores of age group 20-29 years and 30-39 years are distant apart, whereas the mean LOC score of age group 40-49 is somewhere in between both and therefore was not significantly different from others.

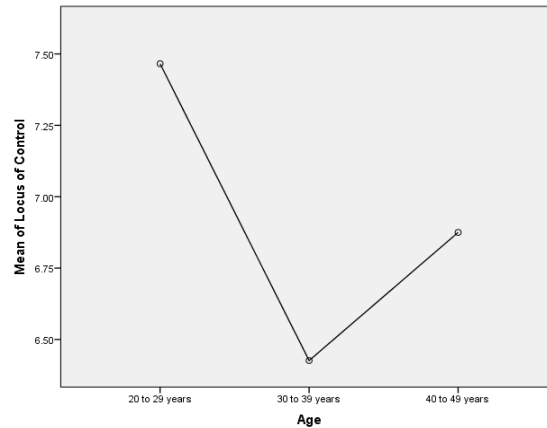


Figure1: Mean plots of LOC with the age of sales executives

2. Variation in Locus of Control with the Education Level of the Sales Executives:

Table No. 2 exhibits the descriptive statistics of the LOC of sales executives with respect to their education level. The LOC was found to be highest among the graduates (7.35, SD = 2.68), followed by sales executives educated up to +2 (6.88, SD = 2.57) and the lowest average LOC score was observed for sales executives having PG qualification (6.57, SD = 2.63). The average LOC scores were not found to be significantly different as F-statistics = 2.83, $p = 0.061$ was insignificant ($p > .05$) suggesting that the LOC did not change significantly with the change in the education level of the sales executives. Whatever differences were observed may be associated with chance. Hence, hypothesis H02b was accepted which explained that there is no significant relationship of Locus of Control with education of the respondents.

Table No. 2
Effect of education on LOC of sales executives

Education	Mean	Std. Deviation	F	Sig.
Plus2	6.88	2.57		
Graduate	7.35	2.68	2.83	.061
Post Graduate	6.57	2.63		

Figure 2 exhibits the mean plots of LOC with the education levels of the sales executives. The mean LOC of graduates was highest, whereas of PG it was least. But the means were not significantly different from each other.

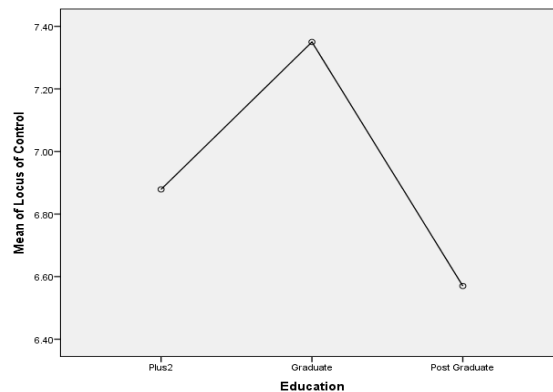


Figure 2: Mean plots of LOC with the education of sales executives

Discussions and Conclusion:

As per the necessity in our world and specifically at professional place, the education consider as an key factor that impacts and acts as helping hand to the individual for recognizing his\her potential. As per the survey data the majority i.e. 53.3% of the sales executives were graduates. The average LOC was found to be highest among the graduates (7.35, SD = 2.68) and it appears that the sales representatives with a college educational background believes in their competencies and skills to deal with real life situations than other groups. The result of One-Way ANOVA revealed that average LOC scores were not found to be significantly different as F-statistics = 2.83, $p = 0.061$ was insignificant ($p > .05$) suggesting that the LOC did not change significantly with the change in the education level of the sales executives. Whatever differences were observed may be associated with chance. The result of the study is in line with the literature like Vijayashree and Jagdishchandra (2011) where education had no relation with internality, externality (chance) and externality (others). The LOC was found to be highest among sales executives in the youngest age group 20-29 years (7.42, SD = 2.80) of survey data. It means at young age, people believe in their own capability and efforts and less dependent on external factors (such as luck, karma and fate etc.).The average LOC scores were found to be



significantly different as F -statistics = 5.29, $p = 0.006$ was highly significant ($p < .01$) suggesting that the LOC changes significantly with the age of the sales executives. As age increased, the sales executives were expected to have more of internal LOC. The result of the study is in line with the literature like Kiskinov, C. and Velichkov, A. (1984) as there is an increase in age people developed great degree of internal locus of control orientation. The behavioral models may be guide through some of the personality attribute like locus of control in different manner. And the behavior of an individual may vary due to the nature of the dissimilarities in the nature of goals, requirements, and some of the demographic factors such as age of employees, gender, family background, marital status, social status, income, educational background, and work experience. However the present study is restricted to study the age and education of sales executives in relation to locus of control. As per the finding of the study majority of the sales executives had internal locus of control and as per the results of earlier studies the employees with internal locus of control were more satisfied with their respective jobs, deal better with stress (Arsenault et al.; 1991), emotionally stable (Peacock et al.; 1993), exhibited better managerial effectiveness (Nair and Yuvraj; 2000).

References:

1. **Anderson, C.R.; and Schneier, C.E. (1978)**, “Locus of Control, Leader Behavior and Leader Performance among Management Students”, *The Academy of Management Journal*, Vol.21, No. 4, pp. 690-698
2. **Arsenault, A.; Dolan, S.; and Ameringen, M. (1991)**, “Stress and mental strain in hospital work”, *Journal of Organizational Behavior*, Vol. 12, No. 6, pp. 483-493.
3. **Asiedu-Appiah, F. and Addai, H. (2014)**,”An investigation into the causal relationship between employees’ locus of control and contextual performance”, *Journal of Business and Behavior Sciences*, Vol. 26, No. 2, pp. 94-118.
4. **Aube, C.; Rousseau, V.; Morin, E.M. (2007)**,”Perceived organizational support and organizational commitment: The moderating effect of locus of control and work autonomy”, *Journal of Managerial Psychology*, Vol. 22 (5), pp.479-495.



5. **Coleman, M. and Deleire, T. (2003)**, “An Economic Model of Locus of control and the Human Capital Investment Decision”, *Journal of Human Resources*, Vol. 38, No.3, pp.701-721.
6. **D’souza, K.C.; Agarwal, U.A.; and Chavali, U. (2014)**,”Demographic Profiling of the Locus of Control of Employees”, *Management and Labour Studies*, Vol. 38, No. 4, pp. 44-52.
7. **Hyatt, T. A; and Prawitt, D.F. (2001)**, “Does Congruence between Audit Structure and Auditors’ Locus of Control Affect Job Performance?”, *The Accounting Review*, Vol. 76, No. 2, pp. 263-274.
8. **Kiskinov, C. and Velichkov, A. (1984)**,”Locus of Control in the individual behavior”, *International Bibliography of the Social Sciences (IBSS)*, Vol. 17(2), pp. 64-75.
9. **Miller, D.; Vries, MFRK DE. ; and Toulouse, J.M. (1982)**, “ Top Executives Locus of Control and its Relationship to Strategy-Making, Structure, and Environment”, *The Academy of Management Journal*, Vol. 25, No. 2, pp. 237-253.
10. **Nair, S.K.; and Yuvraj, S. (2000)**, “Locus of Control and Managerial Effectiveness: A study of Private Sector Managers”, *Indian Journal of Industrial Relations*, Vol. 36, No. 1, pp. 41-52.
11. **Ng, T.W.H.; Sorensen, K.L.; and Eby, L.T. (2006)**, “Locus of Control at Work: A Meta-Analysis”, *Journal of Organizational Behavior*, Vol. 27, No.8, pp. 1057-1087.
12. **Payne, B.D.; and Payne, D.A.; (1989)**,”Sex, race and grade differences in the locus of control orientations of at risk elementary students”, *Psychology in the Schools*, Vol. 26 (1), pp. 84-88.
13. **Peacock, E.J.; Wong, P.T.P.; and Reker, G.T. (1993)**, “Relations Between Appraisals and Coping Schemas: Support for the Congruence Model”, *Canadian Journal of Behavioural Science*, Vol. 25 (1), pp. 64-80.
14. **Piatek, R.; and Pinger, P. (2010)**,”Maintaining (Locus of) Control? - Assessing the impact of locus of control on education decisions and wages”, *German Socio Economic Panel study papers on Multidisciplinary Panel Data Research*, Berlin, No. 338, pp. 1-51.
15. **Rasch, R.H.; and Tosi, H.L. (1992)** Factors affecting software developer’s performance: An integrated approach”, *MIS Quarterly*, Vol.16, No. 3, pp. 395-413.



16. **Rotter, J.B. (1954)**. Social learning theory and clinical psychology, New York, Prentice-Hall, ISBN 0384521606.
17. **Vijayashree, L.; and Jagdishchandra, M. K. (2011)**,“Locus of control and Job Satisfaction”, *Serbian Journal of Management*, Vol. 6(2), pp. 193-203.