Who is in control of your employee’s behavior?

The Locus of Control Impact

"Only those who will risk going too far can possibly find out how far they can go."

-- T.S. Eliot

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Numerous studies and research supporting our industry, confirms that there are different ways people are motivated - individuals respond differently to the same situation. The 20-60-20 rule suggests that 20% of people will continue to do what they do because they are intrinsically motivated; 60% can go either way and respond to stimuli; and 20% probably won’t budge. To this end and in order to insure a company’s long-term success and ability to positively impact the middle 60% and retain the top 20%, it is important to understand how one’s locus of control (LOC) impacts human behavior and the workplace - from leadership and job satisfaction to motivation, job performance and life balance. Do you know what locus controls your employee’s behavior?

I. Locus of Control

This theory originally developed by Julian Rotter in the 1950’s, refers to an individual’s perception about the causes of events in his/her life. One’s locus, Latin for “place or location”, can either be internal or external. Internals tend to attribute outcomes of their events to their own control. Externals attribute outcomes of events to external circumstances. In other words people who develop an internal LOC believe they are responsible for their own success. Those with external LOC believe that fate, luck or outside influences determine their success. Examples: Internal LOC “The more I study, the better grades I get” (Gershaw, 1989). Where as an external LOC example would be “It doesn't matter how hard I study. The teacher just doesn't like me, so I know I won't get a good grade.”
II. **Personality Orientation**

Lack of competence, confidence, and motivation can keep people from taking control of their lives... If we don’t have a skill to perform an activity we should find someone to teach us. If afraid of failing, we should set realistic goals. If unwilling to change or move forward we should look at reasons that have greater importance.

Within the field of psychology LOC is considered to be an important aspect of personality. Since its origin in the 1950’s there have been numerous studies regarding the impact of LOC.

Those with an internal LOC perceive greater control and often seek out situations personally and professionally in which control is possible. According to a study of leisure time activities among internals and externals by Kabanoff and O’Brien in 1980, there is a strong tendency for internal to engage in leisure activities that require greater skill and allowed more personal control. Because internals believe in and seek personal control they exhibit less social influence than do externals. This is best supported by a study conducted by Crowne and Liverant in 1963 which found more conformity for externals and later supported by Hjelle and Couser in 1970 where studies revealed internals exhibit less attitude change after exposure to a persuasive message.
III. Effect on performance in the workplace

Recognizing that employees operate from an internal or external LOC which transcends to different levels of self-accountability behavior and performance results across employees will vary. LOC in the workplace differentiates employees who believe they can exercise control over their work and their environment through their own actions—employees who are more or less self-reliant. The distinguishing difference in the belief of personal control between internals and externals, will affect performance levels. Studies support the direct impact of LOC on individual behaviors that impact job performance and satisfaction in the workplace.

Job Satisfaction

Timothy Judge of The University of Iowa conducted a study in 1997 that supported his hypothesis that Internal LOC is positively related to job satisfaction. Similarly in 1982 Spector suggested that individuals with internal LOC should be more job satisfied because they are less likely to stay in a dissatisfying job and are more likely to be successful in an organization. Recognizing that job satisfaction is predictive of job turnover, it should come as no surprise that internals take action and would be expected to look for other opportunities (either internally or with another company) if in a dissatisfying job. While externals

<table>
<thead>
<tr>
<th>Internal</th>
<th>External</th>
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<tr>
<td>• Do better in jobs where they can set the pace</td>
<td>• Tends to stay in jobs that they are dissatisfied with longer</td>
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<tr>
<td>• Males tend to be more internal than females</td>
<td>• Works better when pace is automated</td>
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<td>• As people get older they tend to become more internal</td>
<td>• Feel victimized by illness or stress</td>
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<tr>
<td>• People higher up in an organization structure tend to be more internal</td>
<td>• Tends to be negative</td>
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<td>• Have a more participative management style</td>
<td>• Gives up easily, does not try hard</td>
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<td>• Generally more inquisitive</td>
<td>• Are more influenced by social surroundings</td>
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<td>• Engage in activities that will improve their situation</td>
<td>• Believes success or failure is a result of luck, fate or chance</td>
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<tr>
<td>• Are more likely to attempt to influence other people</td>
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on the other hand tend not to take action and therefore even if they are dissatisfied they may stay on
the job until environmental factors force them to leave.

Job Performance
One could predict that because of the value placed on expectancies (effort $\rightarrow$ good performance $\rightarrow$
reward) and the seeking out of information to achieve more, that internals would perform better. There
have been a few studies that support this notion – Heisler (1974), Valecha (1972) ans Nestel (1976).

The existing evidence suggests that internals do perform better than externals. We must keep in mind
that internals will only display better performance if they perceive their effort will lead to valued
rewards, whether those rewards are intrinsic or extrinsic. According to research gathered from a study
conducted by Weiss and Sherman in 1973, when individuals with an internal LOC are faced with
discrepancies between acceptable standards of performance and actual performance, they tend to
increase their efforts to match their actual performance to the standards. Internals perform better in
learning and problem solving situations, in part due to their use of information. In an attempt to control
their environment, collecting relevant information is a vital part of the process.

Conversely people who are externals tend to lower their standards or completely withdraw from the
task or blame someone/something else when given negative feedback.

Benefits of an Internal LOC

In general, people with an internal LOC:

- Engage in activities that will improve their situation
- Emphasize striving for achievement
- Work hard to develop their knowledge, skills and abilities
- Are inquisitive and try to figure out why things turned out the way they did
- Take note of information that they can use to create positive outcomes in the future
• Have a more participative management style

**Benefits of External LOC**

In general, people with an external LOC will display some of these tendencies:

• Usually humble and agreeable
• Acknowledges and shows praise to others
• Laid-back and easy going
• Usually stay with a job that they are dissatisfied with longer
• Tend to like and follow detailed directions

**Management**

Recognizing that internals look to themselves for direction and externals look to others, externals have been found to be more compliant followers or subordinates than internals. It is important to keep in mind however that those with a strong internal LOC have a tendency to want to control everything and as such can be perceived as arrogant. With a tendency to greater compliance, externals would probably be easier to supervise and more likely to follow direction. However externals can also tend to be compliant with social demands of co-workers which may sometimes conflict with management.

Runyon in 1973 studied the effect of LOC on the relation between supervisory style and satisfaction with supervision. Externals seem to prefer supervisors who are directive and they themselves rely more on coercion with their subordinates. Internals prefer participative approaches from their supervisors, rely more on personal persuasion with their own subordinates and seem more task oriented and less socially oriented.
When placing employees in positions and to insure success, organizations should be conscious of the fact that roles which require more initiative and independence of action are better suited for the internal employees and when the role requires more routine compliance, the external employees would be the more appropriate fit.

*Managing the drawbacks of a strong internal LOC*

Employees with an internal LOC are generally more successful, for very good reason. However there can be times when having an external LOC can be an advantage, especially in situations where employees need to be more considerate and easy going. Employees with a strong internal LOC tend to be very strong minded, achievement-oriented, over ambitious and can leave some around them feeling a little trampled on or inferior. Regular reminders should be given to the stronger internal LOC’s to remember to be considerate to the feelings of others around them. A person with an internal LOC can also push themselves to the point of being over stressed or anxious.

*Managing the drawbacks of a strong external LOC*

Those with an external LOC are many times described as whiny and tend to excuse bad behavior by pointing to and blaming outside influences. A person who is late to a meeting, for example, may blame the weather, traffic, road-construction, family or any number of external factors. Individuals with an external LOC also exhibit lower levels of self-motivation and are not as likely to achieve the same levels of success as those with an internal LOC. Externals are best managed when they are given clear and detailed directions and timelines. Frequent meetings providing feedback and project touch points are important to externals.

IV. **Ways to measure**
The most widely used and referenced tool to measure LOC is Rotters I-E scale (Internal – External). This measurement tool consists of 23 LOC questions in a forced choice format. Scores range from 0-23 with low scores representing internality and high scores representing externality.

Here are a few example questions that determine if you are primarily operating from an internal or external LOC:

1. a.) Many of the unhappy things in people’s lives are partly due to bad luck  OR  b.) People’s misfortunes result from the mistakes they make; *

2. a.) Without the right breaks, one cannot be an effective leader  OR  b.) Capable people who fail to become leaders have not taken advantage of their opportunities.*

3. a.) I have often found that what is going to happen will happen  OR  b.) Trusting to fate has never turned out as well for me as making a decision to take a definite course of action. *

If you think about each person working for you, are they operating from an internal or external LOC? When it comes to self-accountability, how does this affect their behavior and performance results?

*J.B. Rotter (1966)

V. Link to Motivation

In the case where behavior is largely guided by reinforcements, rewards or punishments individuals come to hold beliefs about what causes individuals actions. This belief then guides behaviors that people adopt. This fact is upheld by the Reinforcement Model linking back to BF Skinner which is based on the assumption that behavior is influenced by consequences. The focus is on specific behaviors not intangibles such as needs and values. This model incorporates the ABC’s – Antecedents to Behavior to Consequences which leads to feedback/reinforcement

The challenge and subsequent opportunity for managers is to understand the uniqueness of their employees in order to uncover the best combination of motivation and engagement techniques to yield
desired behavior. Research has proven that motivated employees are happier, healthier and more engaged in their personal success and the success of their company - ultimately being more productive.

Many of the job motivation studies incorporating LOC have attempted to validate the expectancy theory hypothesis developed by Vroom in 1964. This theory proposes that an individual can perform well if he/she makes the effort and that good performance will be rewarded. To further explain how behavior is energized and directed is the Expectancy model, one of the process theories of motivation. The Expectancy Model looks at how likely it is that the performance and outcome will occur. The individual makes choices – can the job be accomplished? Will the outcome occur from my performance? And is the outcome desirable - EFFORT $\rightarrow$ PERFORMANCE $\rightarrow$ OUTCOME

It should come as no surprise that internals would display greater job motivation than externals because they perceive themselves to have greater control over the environment. Internals will exhibit greater efforts toward acquiring rewards or achieving goals because they believe their efforts will result in success. Keep in mind however that the appropriate performance reward contingencies must be presented. Internal will exhibit more task orientation and goal orientation behavior and for that reason will exhibit more job motivation. In order to motivate or control the performance of externals, direct supervision would be most effective method.

Those with an internal LOC tend to be self-motivated and need less external approval and reward, according to Lin Grensing-Pophal, author of "Human Resource Essentials." Those with a higher external LOC respond more readily to external praise.
• Intrinsic Process Motivation – these people are indifferent to feedback, respond best to a sense of task value

• Internal Self Concept – these people are driven more by their own perceptions of success, pat on the back may have the most impact

• Extrinsic Instrumental Motivation – these people respond best to incentives, reward and recognition counts the most

• External Self Concept – these people thrive on public recognition, they respond when they feel accountable for success or failure

VI. Hone employees internal LOC

One of the main characteristics of internal LOC is self-agency and personal control. Employers should look to create an environment to help nurture and hone employee’s internal LOC.

Below are a few suggestions that an employer can implement to help empower employees which positively impacts an individual’s internal LOC. First and foremost it begins with the acknowledgement of the power of choice... we always have a choice. In fact making no choice is a choice to allow other people or event to decide your outcome. Over time the act of seeing new possibilities will become more of a habit

• Remind employees, periodically, that they are in control of their own destiny within the company

• Establishing and communicating clearly defined roles and responsibilities – schedule status updates meetings on a regular basis to help employees stay on track
• Setting realistic goals – the act of working toward goals and achieving them demonstrates a person’s control over what happens and builds self confidence

• Create an environment that supports supplemental training on decision making and problem solving – education, skill building training, etc..

• Encourage the sharing of ideas and the act of brainstorming to uncover alternate courses of action

• Adoption of a companywide Wellness Program to support employees overall wellbeing

• Incent recognize and reward in a timely and relevant manner

• Encourage employees to create and present their own processes

• Create a high achievement culture

• Develop an “internal locus of control” attitude

Go from this; To this;

VII. Summary

People who develop an internal LOC believe they are responsible for their own success. So it should come as no surprise that the internal locus is linked with higher levels of Need for Achievement. A more internal LOC is viewed as more desirable as they tend to be more achievement oriented, and get better paying jobs. Employers should give careful consideration to this fact as internals will need to be
challenged or alternatively they will move to what they perceive as greener pastures. Internals are sensitive to reinforcement contingencies, and when effort on the job does not lead to rewards, internals may adopt a more external perspective. An understanding of one’s LOC could prove helpful as a variable for employee selection and alignment for specific positions.

"All the world’s a stage, and all the men and women merely players."

~William Shakespeare

VIII. Work Cited

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