

# Investigating the Impact of Psychological Ownership on Organizational Performance and Organization Citizenship Behaviours in Gold Industry in Saudi Arabia

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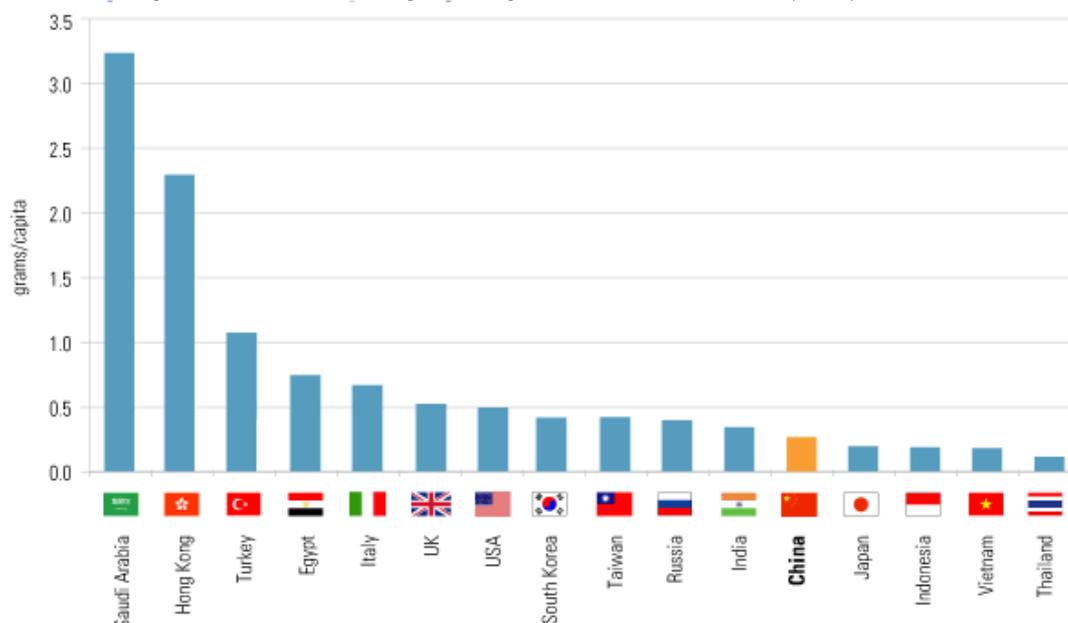
## Abstract

The purpose of this paper is to focus on the impact of psychological ownership on both organizational performance and organization citizenship behavior in gold industry in Saudi Arabia. Accordingly, this paper reviews the previous studies concentrated on the relationship among psychological ownership, organizational performance, and organization citizenship behavior. Organizations are eager in effective methods in order to increase the efficiency of their associations. This study presents a conceptual framework for the importance of effective factors to enhance organizational performance and organization citizenship behaviour. **Keywords:** psychological ownership, organizational performance, organization citizenship behaviour.

## 1. Introduction

Saudi Arabia is well-known as No. 1 in Gulf Arab regarding trading gold and jewellery; in fact, gold has a great root in the culture of the people who live there. Thus, gold industry is considered very significant in Saudi Arabia. In this regard, In Table 1.1 shows that Saudi Arabia is at the top of in terms of consumption of gold jewellery per capita around the world due to factors of peoples' culture, customs, and traditions.

**Table 1.1 Consumption of Gold Jewellery Per Capita Around The World (2009)**



With regard to the important contribution of gold industry in the economy of the country, the main concern of this study is to focus on gold industry of Saudi Arabia. Accordingly, this study concentrates on enhancing the organizational performance and OCB within gold industry in Saudi Arabia. Studying organizational performance as well as organization citizenship behaviour (OCB) and especially the factors that can enhance them brings about various advantages for organizations; for example, it provides useful insights for understanding how a company is performing currently and how it can be more successful.

In today's competitive world, there is always a need for improvement regarding the performance of businesses. Thus, enhancing organizational performance is necessary and profitable for every industry all around the world; particularly, for gold industry within Saudi Arabia. Because the gold industry has been shining not only in the country but also in the Gulf Arab. In addition, studying organization citizenship behaviour brings about many advantages for organizations. Case in point, organizations that have good citizenship behaviours are more interesting places to work and are able to employ and retain the best people, and enable to allocate scarce resources efficiently by simplifying maintenance functions and freeing up resources to achieve maximize the efficiency and productivity of both employee and organization (Ozturk, 2010; Lara & Rodriguez, 2007; Borman

& Motowidlo, 1993).

In addition, this study attempts to present the elements that have the potential impact on enhancing organizational performance and organization citizenship behaviour (OCB) within gold industry in Saudi Arabia. Therefore, this research seeks to answer if psychological ownership can have potential impact on organizational performance as well as organization citizenship behaviour within gold industry in Saudi Arabia. According to Van Dyne & Pierce (2004), psychological ownership asks the question to what extent the employee feels that the organization is his/her own. A feeling of ownership is innately human toward tangible and intangible targets. Accordingly, the target can be enhancing the OCB as well as organizational performance.

Therefore, the importance of studying the concepts namely psychological ownership, organizational performance, and organization citizenship behaviour hinders our ability to determine the degree of relationship that exists between psychological ownership as the independent variable of this study and two dependent variables namely organizational performance and organization citizenship behaviour in the context of gold industry in Saudi Arabia.

## 2. Literature Review

### 2.1 Organizational Performance

This section of the study reviews the construct of organizational performance; in this regard, the research in the field of organizational performance has drawn on a wide cross section of disciplines, from operations and production management to accounting and management control (Neely et al., 1995; Neely, 2005). Over the last two decades, the focus has moved from organizational performance (Neely et al., 1995) to the design and deployment of enterprise performance management systems (Neely, 2005). With academic and practitioner interest in the balanced scorecard (BSC), there has spawned a literature around the design (Kaplan and Norton, 1992; Neely et al., 1996; Bititci et al., 1998), implementation (Bourne et al., 2003a, b, 2005; Bititci et al., 2006) and use of performance measures to manage performance (Widener, 2007; Wouters and Wilderom, 2008) together with a more critical interest in whether scorecards work (Norreklit, 2000, 2003) and whether they have a positive impact on performance (Griffith and Neely, 2009). Next part discusses organizational performance from various aspects.

### 2.2 Organization Citizenship Behaviour

With regard to the objective this study; thus, this study places an important consideration for enhancing organizational citizenship behaviour. Accordingly, this part of the study reviews the studies which have been done so far regarding the construct of organization citizenship behaviour as bellow.

Since the 1980s, organization citizenship behavior (OCB) has attracted many scholars' close attentions. Yet related studies mainly focus on the positive side of OCB, which suggest that such behavior contributes to the effective operation of whole enterprise (Organ, 1997; Farh et al., 1997). It implies three basic assumptions: OCB motives are selfless or altruistic; OCB promotes the effectiveness of organizational operation; OCB is ultimately beneficial to the staff (Wu et al., 2005). However, OCB not only refers to selfless and voluntary behavior, but also contains a variety of self-interest behavior.

Regarding the organizational managers' concern about growth and survival in today's competitive environment, and the point that the number of people showing organizational citizenship behaviour is low. This recognition has more importance for small organizations as an effective factor on economic development of country, because such behaviour provides necessary flexibility in the face of unpredictable conditions and helps employees of the organization to unite (Foote and Tang, 2008).

### 2.3 Psychological Ownership

In this study, psychological ownership is considered as the independent variable in which could have positive impact on both organizational citizenship behaviour and organizational performance. In this regard, this section reviews the studies related to psychological ownership as below:

Psychological ownership is concerned with the feelings of possession. In that sense it is distinct from other cognitive-affective constructs such as commitment and satisfaction (Pierce et al., 2001; Van Dyne and Pierce, 2004). Feeling of possession is assumed to be characteristically individual in nature. Accordingly, psychological ownership can be job based or organization based depending on what an individual feels like "MINE" (Mayhew et al., 2007). Targets of ownership can be diverse and may vary from individual to individual. Of late, collective-level psychological ownership construct is also introduced where people in a group feel something as collectively theirs (Pierce and Jussila, 2010).

The preventive focus can make individuals overly possessive and territorial about their organizational targets of ownership (Avey et al., 2009; Pierce et al., 2001). Promotive PO-Org is a higher-order construct comprising four sub-constructs: self-efficacy, belongingness, self-identity, and accountability (Avey et al., 2009; Pierce et al., 2001). Self-efficacy refers to people's general self-confidence and beliefs that they can succeed

with given tasks. People need to feel that they belong to their organizations. When they feel an organization as theirs, it becomes a part of their self-definitions and identity. Such people can hold themselves as well as others accountable for the way they influence the organization.

### 3. Conceptual Framework

#### 3.1 Psychological Ownership and Organizational Performance

This section reviews the studies which have been done for the relationship between psychological ownership and organizational performance. While psychological ownership theory (Pierce et al., 2003) posits a dark side to this psychological state, the “when” and “how” the dark side manifests itself remains somewhat tenuous. The need for control, for example, is assumed to be a cause for such clinically observed possessive behaviors as: refusal to share objects (e.g. tools) and the exercise of excessive control over the target of ownership. Thus, one might predict that control plays an occasional role promoting counterproductive work behaviors (e.g. knowledge withholding) in relation to targets of ownership.

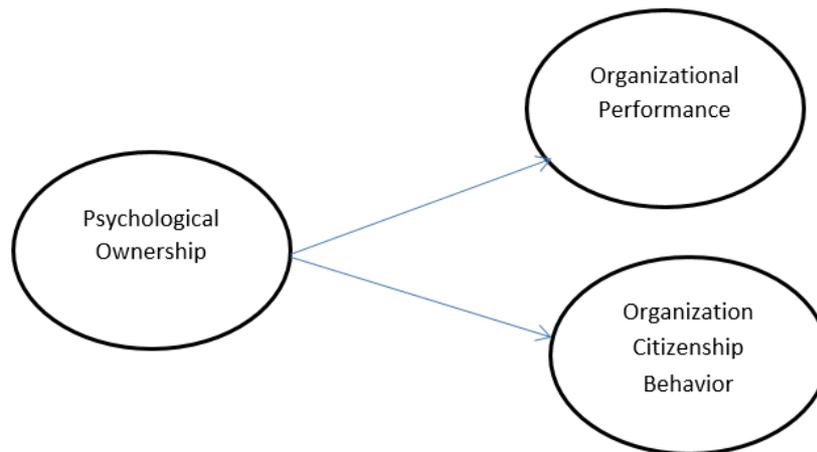
Furthermore, the psychology of mine literature posits that targets of ownership become a part of the extended self (Dittmar, 1992), and when coupled with self-enhancement theory (Dipboye, 1977) it is assumed that advancement of the target of ownership will result in an enhancement of the sense of self. Similarly, loss or destruction of the target of ownership is likely to lead to a diminution of the sense of self (Cram and Paton, 1993). Thus, feelings of “mine” cause proactive behaviors which are aimed at assuming responsibility for, protecting and enhancing the target of ownership (Pierce et al., 2003). Hence, we might propose the “light side” of the sense of ownership and a negative relationship between psychological ownership and Counter productive work behaviors (e.g. knowledge withholding).

*H1: psychological ownership will have a positive influence on organizational performance.*

#### 3.2 Psychological Ownership and Organization Citizenship Behavior

This section reviews the studies which have been done for the relationship between psychological ownership and organization citizenship behaviour. For example, Chang et al., (2010) investigated the process of internal brand management that makes employees identify with the corporate brand and produce positive attitudes and behaviors, thus contributing to customer satisfaction. Three constructs, brand-centered HRM, brand psychological ownership, and brand citizenship behaviors, are utilized to examine the process of internal brand management. The first construct, brand-centered human resource management (HRM), represents managerial practices that improve brand cognitions and brand attitude of employees. The second construct, brand psychological ownership, explains the psychological experiences that make employees feel brand ownership and then express altruistic spirit of the brand. The third construct, brand citizenship behaviors, shows that employees live the brand. This multilevel research of collecting data from 453 employees, 172 supervisors, and 933 customers from 26 hotels demonstrates the results of different levels. Hierarchical linear modeling is utilized to investigate the relationships among these constructs. Results at the individual level show that brand psychological ownership of employees has positive effects on brand citizenship behaviors, and all factors of these two constructs are also correlated positively. Results at the cross level demonstrate that brand-centered HRM has positive effects on brand psychological ownership and brand citizenship behaviors. Organizational-level brand citizenship behaviors positively affect customer satisfaction. Furthermore, brand psychological ownership partially mediates the relationship between brand-centered HRM and brand citizenship behaviors. This paper explores the conception, measurement, and explanatory power of the new research construct (i.e. brand psychological ownership) on the effectiveness of internal brand management. Pan et al., (2014) to explore the effect of organizational psychological ownership (OPO) and organization-based self-esteem (OBSE) on positive organizational behaviors (POBs). Based on empirical survey, 2,566 employees from 45 production enterprises in China were surveyed by a self-designed questionnaire on OPO, OBSE and POB. Then, the methods of correlation analysis, multiple regressions, impact effect and path analysis were used to verify the research hypothesis. The results showed that POB is positively related to OPO and OBSE, and that OPO and OBSE are positive predictors of POBs. The results also demonstrated that OBSE has partial mediating effects on OPO and POB. In particular, psychological ownership has a significant impact on each sub-factor of POB, while OBSE has a remarkable effect on the behavior of devotion and interpersonal harmony. This is a non-experimental field study and as such inferences about causality are limited, and there is a possibility that the results may be influenced by common method variance.

*H2: psychological ownership will have a positive influence on citizenship behaviour.*



#### Conceptual Framework

This study suggests that psychological ownership could have a positive effect on both organizational performance and organization citizenship behaviour in the area of gold industry in Saudi Arabia. In this regard our conceptual frame work provides a big picture regarding the relationship among the variables of the study.

#### 4. Discussion

This study attempts to investigate the factors that can enhance organization citizenship behaviour (OCB) as well as the performance of gold industry in Saudi Arabia. In this regard, the literature was reviewed and accordingly psychological ownership was discovered as a potential positive factor on both (OCB) and organizational performance.

Regarding enhancing the organization citizenship behaviour as well as organizational performance in the area of gold industry in Saudi Arabia, psychological ownership was identified affecting positively on organizational performance and organization citizenship behaviour. Because psychological ownership makes employee develop possessive feelings for the organizational goal” (Van Dyne & Pierce, 2004). The goal can be increasing the organizational citizenship behaviour or organizational performance. Accordingly, in recent years, psychological ownership (PO) has been a growing interest for numerous authors and researchers. Furthermore, there is a lack of empirical studies regarding causes and consequences of PO, and a mediating role of PO in Arab countries; especially, in Saudi Arabia (Sayed Ibrahim, 2016).

Therefore, this study brings about a gap in the literature review for the relationship between psychological ownership, organizational performance, and organization citizenship behaviour. In this regard, this study determines psychological ownership as an independent variable for its potential effect on both dependent variables namely organization citizenship behaviour and organizational performance. Additionally, based on the literature, there is a lack for studying psychological ownership regarding its causes and consequences in Arab countries especially in Saudi Arabia. Thus, this study considers psychological ownership for its potential causes and consequences as an independent variable.

#### 5. Conclusion

In conclusion, organizations attempt to find out appropriate kind of approaches in order to enhance their efficiency. Organizational performance and organization citizenship behaviour are considered as the major element inside every business. Accordingly, research has shown that psychological ownership is could contribute to organizational performance and organization citizenship behavior. Future researchers are advised to focus on the variables that are relevant to psychological ownership which eventually leads to enhancing organizational performance as well as organization citizenship behaviour.

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