PSYCHOLOGICAL OWNERSHIP AND EMOTION DURING CHANGE PROCESS: CASE STUDY IN PUBLIC SERVICE ORGANISATIONS

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Abstrak

This study aims to investigate the dynamics of organisational change in public sector organisations. More specifically, this study aims to explore the idea of psychological ownership and emotion taking place during change process. The study itself took place in three different public organisations in the Province of East Java, including one-stop-service for licencing as well as that of vehicle registration, taxing and insurance and also from local health authority. Qualitative method was employed to analyse information gathered through semi-structured interviews with 35 respondents. Data was analysed by using an approach informed by grounded theory. The study unveiled that people involvement toward change determine their psychological ownership as well as reflect their emotion toward the change process. Those with high involvement showed rather different dynamics compared to those with less involvement. More specifically, this study contributes to the idea that psychological ownership and emotion may reflect people acceptance as well as resistance, not only to the existing changes, but also to the subsequent change initiatives.

Keywords: Organisational Change, public service, Indonesia, psychological ownership, emotion

1. Introduction

Reform movement that has been started since 1980s in many Western countries, including the United Kingdom (UK), the United States of America (USA) and also New Zealand (NZ) offers a new way of managing public service, in a way that public sector organisations (PSOs) need to manage the public as their customers (Bouckaert, 2008). Since then, topics related to public service change become major themes for studies in public sector organisations.

Based on accessible literature from 2000-2014, there are several topics commonly emphasised by the existing studies, namely how change and innovation are related to reform movement (i.e. Kraemer and King, 2006 about information technology and administrative reform; Nieto Morales et al., 2013 about changes after reform in the Netherland), factors triggering change and innovation (i.e. Beerepoot and Beerepoot, 2007 about the roles of government regulation in driving innovation and change), as well as the factors contributing to the successfulness or even failure of change implementation (i.e. Bartlett and Dibben, 2002 about innovation in local government and entrepreneurship) and the impact of change and innovation to public sector organisations (see for example, Worrall et al., 2000 on the impact of change on public sector managers). Small numbers, yet, challenging works on organisational change and corruption are also worthy to note. An example is the work of Martin et al. (2009) that focuses on exploring deinstitutionalisation of normative control in organisations that leads to the occurrence of corruptions. These works are mostly written on the Anglo-American (European, American or Western) context (Batley, 1999b) and small, yet growing numbers are conducted in Eastern and/or Asian context along with emerging reform movement in Asia (Beeson, 2012).
2001). It is worthy to note that whilst reform movement is universal, its impact on organisational reform is argued to be influenced by locality issues, including local interests and circumstances (Batley, 1999a).

In 1998, as a nation, Indonesia had gone through a significant event, a regime change, which contributed to the changes in various aspects of governance and government in both national and local levels (Masduki, 2007). Reformation process ended the 32-year-long Soeharto’s regime, which was considered responsible for social and political crisis for issues of ‘Korupsi (corruption), Kolusi (collusion) dan Nepotisme (nepotism)’, or in Indonesian acronym, KKN, which was believed to become major source of poor performance of public service organisations as well as for economic problems (that is, high dependency on foreign debt) (LintasTerkiniNews, 2013).

Various changes have been proliferated since that time. Many studies on government changes and innovation initiatives have been conducted. Altogether, as network governance and collaboration became an interesting way to manage public organisation (Agranoff, 2007), it is then intriguing to explore how the reform brought changes to that type of organisations, from an organisational perspective. It is also important to explore how interorganisational collaboration, especially those having longer collaboration time frame, experience changes, considering that there are multi organisations with different lines of commands.

This study is interested to capture this dynamic through the perspective of psychological ownership and emotional attachment. This, to some extent, represents territorial behaviour, in which people express their defending and marking mechanism toward one’s perceived territories or objects, both symbolic and materials. In light of this matter, this study aims to investigate how changes in public sector organisations can be understood from these perspectives in order to explore how people or individuals in organisations attach their emotions toward change initiatives and how their emotions and psychological attachment/ownership affect how they felt toward changes.

The rest of the paper delineates both review of relevant literature in the area of the management of changes, psychological ownership and also emotions.

2. Literature Review

This section discusses relevant literature related to public service changes, interorganisational collaboration and also psychological ownership as well as emotion. While management of change literature helps in understanding the major reasons why changes and also innovation take place in organisations, both interorganisational collaboration, psychological ownership and emotions are expected to assist in framing the phenomena occuring in organisations.

2.1. Changes and Innovation in Public Services

There is a notably increase in public expectation (and also decrease in public satisfaction) toward the performance of public organisations in delivering services (Borins, 2001; Flynn, 2007; Pollitt, 2003). This implies that public get more awareness toward the quality of services that they receive from public organisations, and compare them to services they enjoy from private organisations. As an impact of rising public expectation, some authors agree that there is urgency for the advancement of information technology in public organisations’ practices (Dunleavy and Margetts, 2000; Greer, 1994; Pollitt, 2003). Indeed, as stated by Pollitt (2003), that public services can be provided in faster and cheaper ways—that leads to cost efficient ways of doing things—by employing relevant information technology tools (Dunleavy and Margetts, 2000; Pollitt, 2003).

Bringing it into the context of public services, most of public sector organizations understand that only by conducting changes and innovation, they will strive to grow and develop (Thompson and Riccucci, 1998; Thompson and Ingraham, 1996; Vigoda-Gadot et al., 2005). This leads to the need for public sector
organisations to have flexibility, routinisation and adaptation to change, innovation and entrepreneurial activity (Frederickson, 1996; Hartley, 2006; Walker et al., 2002). Meanwhile, some studies assert that innovation in public service is very much laden with administrative/political belief at particular time (Kling and Iacono, 1989; Kraemer and Dedrick, 1997; Kraemer and King, 1986, 2006; Kraemer and Perry, 1989; Niehaves, 2007), Peled (2001, p. 200) argues that ‘innovation in the public sector is a highly politicised process’. His study provides insight for the critical roles of issue network, coalition around innovation and also institutionalisation. This aspect contributes to establish a difference between private and public sector innovation as well as the question of why some public organisations innovate better than others within similar institutional context.

2.2. Interorganisational Collaboration

An organisation, as a social unit, can be considered as a part of a social system, which its existence can only be understood or examined by considering the existence of other or related to other entities within such social system (Durkheim, 1947, as cited in Negandhi, 1980). It means that no organisation can actually live on their own right and that to some extents, organisations are actually part of a social network or relationship (Gray and Wood, 1991). There are various perspectives can be employed to understand interorganisational collaboration. By this, the emphasis should be given on the need to shift the focus from mono-organisation or organisation itself to the interorganisational or multiorganisational setting. Each perspective offers rather different way to understand the dynamic of interorganisational collaboration.

Resource dependence theory is one of the main perspectives commonly used to comprehend interorganisational collaboration. It emphasises on the importance of dependency of an organisation engaging in a relationship. Collaboration can help organisations to have better access to resources, yet, in an interorganisational level, such easeness may lead to dependency creation, which to some extent, can potentially reduce organisation’s freedom of action (Pfeffer and Salancik, 2003).

Compared to resource dependence theory, another major perspective, political perspective of interorganisational collaboration emphasises on the existence of power and resources. This political perspective is rather similar to the resource dependence, yet, different as it focuses on the political process. Recalling Benson (1975), the dynamic of interorganisational collaboration or network is determined by interactions amongst actors, players’ vested interests and/or values, and also power dynamics amongst actors that determine different strength of influence between players. However, as argued by Knights et al. (1993), perspectives emphasising on rather critical aspects of collaboration are often neglected in the interorganisational collaboration literature. Authors, such as Hardy and Phillips (1998) suggest that it is important to also focus on differences amongst collaborating organisations, regarding their interest, goals and even power as it help to comprehend the dynamics of collaboration and potentials of conflicts within a collaboration. For other authors, understanding power within collaborations is important as it helps to define whether power is shared equally amongst collaborating organisations. Although equal distribution of power seems to be an ideal state and is commonly aimed by collaborations (Gray, 1989); such condition might be difficult to achieve in practices (Chen, 2008).

2.3. Psychological Ownership

In general, psychological ownership refers to the feeling of attachment or sense of ownership to any objects. Pierce et al. (2001, p. 229) define psychological ownership as ‘state in which individuals feel as though the target of ownership (material or immaterial in nature) or a piece of it is ‘theirs (i.e., ‘It is MINE!’)’. With regard to territoriality, Brown et al. (2005, p. 578) indicate that being attached to a certain object is different from having a territorial behaviour as territoriality “is centrally concerned with establishing, communicating, and maintaining one’s relationship with that object relative to others in the social environment”.

There are several points can be drawn from this definition. The first one is that psychological ownership involves a feeling implying that possession of objects may not be necessary for an individual to have attachment feeling. The second one is that the objects can be both physical and non-physical objects, which
means that people can feel attach to virtually anything. The third one is that attachment involves claiming behaviour to convey that a particular object is belonged to an individual. Similar to that of Sack (1983), territoriality involves defensive actions toward certain areas or objects. In this context, objects do not necessarily mean physical ones, as they can also non-material objects, such as works, roles, or even other organisational aspects (Brown et al., 2005). It is argued that this sense of attachment or ownership is driven by three aspects. The first aspect is the need for individuals to have self-efficacy. In this sense, psychological ownership provides individual with the feeling that they are able to control their environments (Pierce et al., 2001). The second aspect is the need to establish a self-identity that distinguishes an individual from others. Individuals communicate their identities through their attachment to particular groups, objects, or any aspects of life (Brown et al., 2005). The third need that drives individuals to establish ownership is the need to have the feeling of security, both psychologically or physically that is usually provided through a place called ‘home’ or the need to dwell on their own place (Brown et al., 2005; Pierce et al., 2001, 2003).

Although attachment is studied heavily as part of psychological perspective on territoriality, the notion of attachment is already acknowledged as part of environmental orientations in social ecology, which are instrumental, territorial, sentimental and symbolic orientations (Cohen et al., 1976). The purpose of instrumental orientation is on the importance of environment as resources for individuals to achieve their objectives, which means that environment serves as means to an objective. As for territorial orientation, it emphasises that human imposes control over their environment or spaces they consider as their territories. Symbolic orientation refers to symbolic function of environment for individuals, groups or societies. It emphasises on the perceived meaning of the environment. It implies that a particular environment might be meaningful for some individuals and not for the other. Meanwhile, the sentimental orientation refers to the idea that individuals or groups maybe sentimentally attach to their environments, such as their towns, cities, or neighbourhoods.

2.4. Emotion

Emotion can be understood as body reactions when facing particular situations (Prezz, 1979). The nature and intensity of emotions are closely related to cognitive activities of individuals as the results of how they perceive some situations. Meanwhile, according to Chaplin (1989), emotion reflects how individuals respond to particular situations, in which such responses involve changes, including behavioural changes. In addition to this, Goleman (2002) emphasizes that emotions also involve spontaneous responses from individuals. Hence, it can be concluded that emotion is a psychological state that can affect and attach to how individuals adapting to changes or any experienced situation, and such emotion can be understood to have the ability to stimulate changes in behavioural, mental and also physical.

The oldest theory on emotion is introduced by James (1884) and Lange (1887). While these scholars develop this theory individually, they have similar understanding on emotion. In short, their theories understand that emotion is not directly influenced by individual perception toward a particular incident or situation, but more about individual body responses caused by or stimulated by that particular incident or situation. This means that in experiencing emotion, individuals need to experience body responses that reflect their emotion (such as, short breath, speedy heartbeats, and sweaty palms). For example, when a criminal faces a police investigation, his or her heart beats intensively, and this response will be understood by his/her brain as being nervous or afraid. However, further development on emotion theory finds that similar body responses can represent different emotions. Such as, intense heart beats can mean both being angry and also being happy. Hence, bodies can respond both for happy and frightening situation in the same ways (Cannon and Bard, 1927). This implies that emotions and body responses take place independently.

In general, there are two types of emotions experienced by individuals, positive emotions and negative emotions. Positive emotion involves aspects of happiness and excitement (Liu & Perrew, 2005). This positive emotion improves commitment and emotional engagement toward organisations (Staw & Barsade, 1993). Such engagement and commitment to organisations are believed to induce employee loyalty,
especially when there are organizational problems or crises (Anderson & Guerrero, 1998; Liu & Perrewe, 2005 dalam Klarner, 2011). On the other hand, negative emotions, including fear and sadness as well as jealousy/envy are believed to lead to deviant behavior in workplaces (Liu & Perrewe, 2005; Robbins & Judge, 2008).

3. Method

In exploring the research question, this study purposively approached an organisation, which represented the context of interorganisational collaboration. This choice of determining the research setting aligns with the idea that the objective of this study is not to seek for generalisation or ‘universal rules’ (Aaltio and Heilman, 2010, p. 68). Instead, the objective is to explore the organisational phenomena, which is important to comprehend the case and its specific environmental characteristics. Furthermore, as argued by Bleijenbergh (2010, p. 61), ‘case selection is the rational selection of one or more instances of a phenomenon as the particular subject of research’. Therefore in employing this rational selection, some aspects of the organisation were considered, including first, its characteristics of being a public institution; second, the organisations involved interorganisational collaboration; and third, the organisation was understood to engage with several change initiatives. On this consideration, two organisations, were chosen as it was able to provide the most relevant setting for understanding the dynamics of changes in an inter-organisational context. However, for ethical reasons, this study committed to maintain anonymity of both individuals and organisations involved in this research. Hence, the three organisations were identified only as ILGa (for the public institution responsible for vehicle registration and taxing) and ILGb (for the licencing institution).

To help with the investigation, this study employed a qualitative method, by using an approach informed by grounded theory. A qualitative method was chosen as the most suitable method to approach the phenomena as it helps to explore contextual explanation as well as situated meaning and reveal prominent issues (Tracy, 2013). By employing a qualitative method, a more holistic view is expected to be gained as well as a comprehensive understanding of the situation (Huberman and Miles, 1994). In breaking down collected information and mapping the results, the method informed by grounded theory approach helped to ask questions on who, what actions, what context, what aims, how they did it and also how the conduct was. Data was collected through the use of semi-structured interviews with 35 informants, who were contacted through a snowballing mechanism. These informants included head and staff from three collaborating organisations, who were involved in change programs. Supporting documents were also collected from the organisations involved, as well as publicly available documents, to help with the analysis.

4. Findings and Discussion

In general, there are several findings can be withdrawn from the analysis. The study found that there were emotional shifts from negative emotions to a more collaborative and appreciative kind of emotions during change process, from the beginning to later stages of the process. Such negative emotions can also be associated with resistance to change. The resistance was found not as an overt action, but expressed more in terms of uneasiness, as people were worried that a change could disrupt their control over their territories. An example from ILGa, during change process, computerisation and electronic data recording had caused internal staff to worry that they might not be able to retain authority over their territories, within which they had been able to gain personal benefits such as possible additional income. Yet, there were no reports of overtly dysfunctional actions from the members of the constituent organisations, nor any open protest. People stayed with the uneasy feeling that resulted from their inability to predict the opportunities of getting additional income with becoming more radical. An interviewee shared his opinion.

"Computerisation was rather difficult as that was new to people. People were afraid of not being able to get additional and yes, illegal income as the chance was lessened through"
Moreover, respondents reported that during the transitional period, staff showed some frictional resistance in intentionally delaying the transfer of documents between stages of operation. This reflects territorial behaviour in which staff aimed to mark their territories through their deliberate actions and imposed control toward outsiders. This was considered to be an unintended negative side effect. Similar to ILGA, respondents from ILGB also share the same experience. They reported that it was difficult to set a change program at the beginning, and people need to be pushed to participate to the initiation.

I think the same goes for us, in a way that people found themselves hard to change. They showed anger and reluctance in following the initiatives at the beginning. By time, I think they cannot say no and finally, just accept the changes (ILGB2).

From the perspective of change processes, the perceived magnitude of change seems to depend on the position of such program in ‘organisational time’, which is socially constructed by its members as they experienced moments or events that they considered as being critical for them (Poole, 2004, p. 22). Time is not only about physical calendar, but also remarks important values in human life (McGrath and Rotchford, 1983). In this sense, time has its own meaning as well as affects how people construct the meaning of the changes.

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The changes at this point of time are not considered to be significant, aren’t they? We think that the one such as our investment on information technology and database was the foundation of such consequent changes (ILGA11).

This brings about the notion of nostalgia, in a way that people become emotionally attached to the past compared to the present times as they have more involvement to the past actions than the current ones. Poole (2004, p. 27) states that nostalgia can be considered as ‘a common reaction’ to any change program in organisations. Individuals react to change by comparing the present situation with the past, in which the past is considered to possess better characteristics than the present. During change process, nostalgia may be manifested through resisting change.

In addition, psychological attachment or ownerships toward jobs and their roles within jobs, the attachment also represent territorial behaviour, in a way that people became very attached to their roles that they marked their contribution to the organisation by putting forward what they thought was important for the organisation, which is –in this case- the technological development.

I got disappointed when I found out that the head of the organisation changed the system we used for database. If I may say, I did not really fond for it, as it was me who initiated the previous change at the first place (ILGA11).

Stronger ownership or attachment to some change programs seems to influence the way individuals assessed the importance of change programs conducted by the organisation. It is found that they compared to the ones which they were directly involved to other changes resulted in different perceptions about the magnitude of the changes.
In this sense, some changes were perceived to be less significant than others as it took place in different times. Some changes were considered more important while others were perceived to be less meaningful as they were conducted as succeeding changes. The sense of newness and difficulties faced in implementing the change in the past was considered to be more challenging than the present. Following this context of ‘newness’, some authors emphasise that the sense of newness is subjective, in a way that each organisation may experience the newness differently (Aiken and Hage, 1971; Damanpour and Evan, 1984; Walker et al., 2002). In this case, the changes, --for examples, the first time computerisation and network installation, were considered to be considerable steps for some people, while the continuing changes --although they involved much advanced technologies-- were considered not as quantum leaps as previous changes as there were less challenges involved in the implementation.

Psychological ownership, emphasising on the attachment of individuals to various aspects of life, especially in organisational context, has increasingly gained concerns from scholars in the field of organisational studies (Pierce et al., 2001). In general, ownership or attachment is established as individuals have invested their resources to the particular objects that they feel the particular targets or objects become ‘theirs’ (Pierce et al., 2003, p. 86). Such investment of resources does not refer only to financial resources but also involve less physical investment such as involvement with particular target/object or even time spent. While such investment made, it is important to note that the feeling of ownership does not necessarily need legal claims of particular objects; instead, ‘mere association’ representing a sense of belongingness is suffice (Mayhew et al., 2007, p. 478).

This case shows that indirect involvement, which means that the person considered his or her role was important to facilitate the change to take place. A role as a leader, for example, plays important part in ensuring that a change can take place or not. This point supports the idea that a change in the structure of leadership affected the way the changes conducted in the organisation. Leaders are to be able to make differences with changes that they decide to take on (Gill, 2002). The leaders’ decisions to pursue particular changes were based on their judgments. Besides indirect attachment such as facilitation of change, attachments were shown by those with direct involvement to change programs. Direct involvement may require people to invest more on their jobs by giving their skills, time and energy. This results in stronger attachment or ownership as such investment may fulfill self-identity motive that people see their jobs as their extended self (Brown et al., 2013b).

5. Conclusion and Suggestion

Based on the discussion, it can be concluded that the affective aspect of the changes, such responses to the changes can also be seen as representation of territorial feeling that is rooted from strong psychological ownership. This finding supports what Poole (2004, p. 27) points out that organisational change has emotional aspect as people may put a lot of effort in conducting change that they become ‘passionate’ about it. This also reflects the notion of psychological ownership as people become attached to the changes, without necessarily having formal ownership (Brown et al., 2013a). However, this study has not been able to find any existing literature capturing such dynamic from the perspective of territoriality, which while it shares the attachment, territorial feeling and behaviour take more than the feeling of attachment. People become very attached to the changes in which they were involved that they marked it through clearly stated their involvement and showed their defensive behaviour toward the changes by presenting that the changes conducted in the past had better features or characteristics compared to the present ones.

It is suggested for further study that the study could be expanded to involve more organisations and different sorts of collaboration. While it is not intended to make generalisation of the findings, having a greater set of respondents would be beneficial to gather better understanding toward the context and the idea of change.
6. References


Author Bio

Dian Ekowati, earned her Sarjana Ekonomi in Management from Universitas Gadjah Mada Yogyakarta in 1998. She was granted a Master of Science from the School of Post Graduate Studies, Universitas Gadjah Mada, Yogyakarta in 2000. In 2002, she got her Master of Applied Commerce in Organisational Change (M.AppCom(OrgCh)) from the University of Melbourne, Australia and her Ph.D from University of York UK in 2015. She is currently a lecturer in the Department of Management, Faculty of Economics and Business, Universitas Airlangga, Surabaya.