

ORGANIZATIONAL IDENTIFICATION IN EXECUTIVES OF A STEEL COMPANY IN CENTRAL INDIA

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Abstract:

Organizational identification is a psychological construct that links the employees with their organization when they identify with beliefs, values and principles practiced by the organization. The construct Organizational identification is gaining importance in organizations to predict employee behavior and intentions. Through this paper a study of organizational identification of executives of a steel company in central India has been presented. The study was conducted across three variables- age, designation of executives and their experience in the current organization. A brief literature review on organizational identification has also been presented.

Keywords: Organizational identification, Positive identification, Neutral identification, Ambivalent identification, Disidentification.

Introduction:

Organizational identification (OID) is a key concept that helps in understanding, explaining and predicting employees' work related attitudes and behaviors in organizations. Current Business environment demands work force which is motivated, efficient and works for the benefit of the organization. For an Organization's well being, it is necessary that the employees identify with the Organization. An employee is more likely to identify oneself with the organization if it provides opportunities for meaningful self definition and self development. A person will identify him or herself with an organization only if the identification is relevant for a person's self-interest. Organizational identification is likely to exist when an employee finds his membership relevant, fulfills personal motivations and thus satisfies himself in doing so.

Literature review:

OID is a psychological construct that links the employees with the organization they work for. Employees identify with the organization when the beliefs, values and principles espoused and practiced by the organization become self-referential or self-defining and become an integral part of their self- identity (Pratt, 1998; Van Knippenberg and Sleebos, 2006). OID involves self-categorizing oneself as a member of the organization in order to define one's self concept and thereby achieve and maintain one's self-esteem (Hogg and Terry, 2000).

High degree of OID among employees is the most desirable and healthy state for any organizations. The cognitive attachment with organizations leads to emotional attachment in the form of sense of belongingness and commitment which further lead to behaviors in the form of citizenship behavior (Van Dick et al, 2006). Employees with high OID show low turnover intentions (Van Dick et al, 2004; Cole and Bruch, 2006); show high job satisfaction and well being (Wegge et al, 2006); develop positive attitude towards supervision, pay, promotion, and co-worker, show high task

involvement and invest more effort in job performance (Efraty and Wolfe, 1988); show high customer orientation (Wieseke et al, 2007). Leaders' OID influences followers' OID and increases followers' job satisfaction and their willingness to exert extra effort on behalf of organization (Van Dick et al, 2007). OID is shown to facilitate suggestion making behavior for organizational improvement (Lipponen, et al, 2008; Tangirala and Ramanujam, 2008), and increase organizational learning activities (Walumbwa et al 2009).

If OID leads to such favorable consequences then the understanding of the antecedence of OID will help management to improve organizational efficiency by creating conditions that foster high degree of OID among its employees. Researchers have identified individual, group and organizational variables influencing OID. Personal alienation is found to decrease OID by decreasing need deprivation, job satisfaction and job involvement (Efraty, Sirgy and Claiborne, 1991). Interest for outdoor work, dependable and non-delinquent life style, preference for group attachment, and involvement in intellectual pastime are found to increase OID (Mael and Ashforth, 1995). Need for group affiliation and work based social support produce stronger OID among virtual workers (Wiesenfeld, Raghuram and Garud, 2001). Team diversity is found to increase OID when differences among team members are congruent with norms and expectation of the organization (Rink and Ellemers, 2007). Hot-desking is found to impact work group identification (Millward, Haslam and Postmes, 2007). Organizational prestige and construed external image show positive relationship with OID (Mael and Ashforth, 1992; Fuller et al, 2006; Bartels et al, 2007). Perceived social responsibility and organizations diversity climate (Gonzalez and Denisi, 2009) are shown to affect OID.

Organizational identification is an expression of one's congruence between the individuals' self definition and being a member of the organization (Mael & Ashforth, 1995). However, Hall et al. (1970) defined organizational identification as "the process by which the goals of the organization and those of the individual become increasingly integrated and congruent". In the organizational context, identification is related to similarities in beliefs of members towards the meaning and values espoused by the organization. The more the employee identifies him or herself with the organization, the more likely the employee makes decisions that are consistent with organizational objectives. When they identify strongly with the organization, the employees define the organization in terms of how they would define themselves (Dutton et al. 1994). A member's organizational identification has significance in terms of whether an organization's members will be inclined to act in the best interests of the organization (Wiesenfeld, Raghuram, & Garud, 2001).

Research Objective:

To study the level of Organizational identification in the executives of a steel company based on their demographic variables such as age, experience in the organization and designation.

Research Methodology:

Variables under study:

- Organizational identification
- Age
- Designation
- Experience

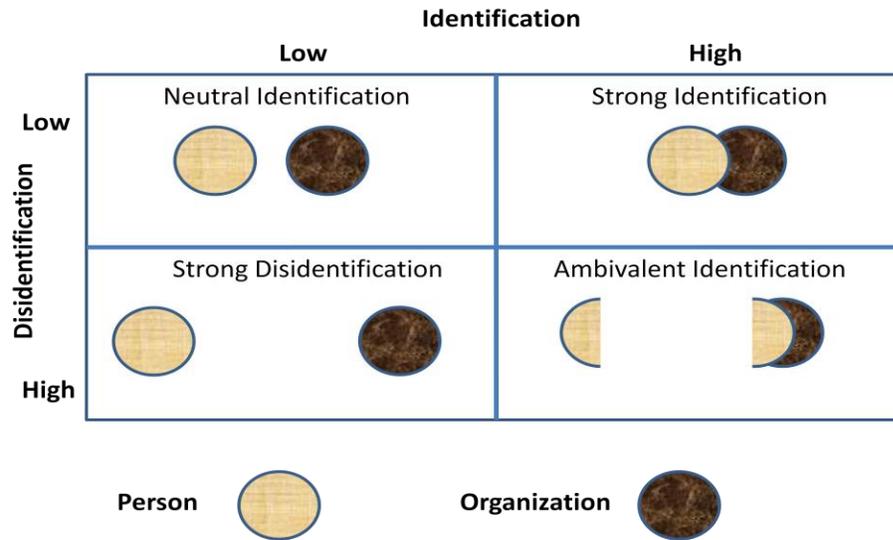


Figure1 : Organizational Identification

- When there is a positive value fit between the employee and organization then it results in Positive identification (POID).
- Ambivalent identification (AOID) arises when the value fit is not total but fragmented , certain aspects fit and certain other do not and as a result the employee partially identifies with the organization.
- Neutral identification (NOID) results when the values do not fit but employee is indifferent about the mismatch and for various reasons wants to continue the membership with the organization.
- When work values of the employee do not fit and are totally opposite to that of the organization and the employee is highly concerned about the mismatch, then it results in Disidentification (DOID).

Sample:

A sample of 69 permanent male employees from a steel company was taken for the study. Stratified Random Sampling method was used to collect the sample.

- The percentage of senior level managers was 31.9%, middle level managers 24.6% whereas junior level managers 43.5%.
- The sample consisted of 42% respondents having age less than 40 whereas the remaining 58% were above 40 years of age.
- 27.5% respondents had more than 20 years experience in the organization, 18.8% had 10 to 20 years of experience while the remaining 53.6% had less than 10 years of experience.

Instrument:

Organizational Identification Questionnaire (Kreiner and Ashforth, 2004) was used to assess Organizational Identification (OID). The questionnaire was administered in a classroom setup with

formal introduction of research to three groups. The questionnaire along with questions on demographic details and instructions on how to fill the questionnaires was distributed to the sample during office hours after obtaining necessary permission from the authorities. Respondents were told about the general purpose of the research. Respondents were assured of confidentiality of the responses. Mentioning of name was made optional. Response to this instrument was collected on a 6-point Scale, ranging from 1 (not at all) to 6 (always).

Data Analysis:

Data collected through the questionnaires was analyzed with the help of a statistical software SPSS. The Z-scores for the data were calculated and graphs were plotted for the same. Two groups were considered according to age. One group was with age less than 40 years and the other with age more than 40 years. As per the designation, the sample was divided into three groups. First group constituted of senior level executives, second group was that of middle level executives and the third group was of junior level executives. Experience in current organization was another variable under study. The sample was categorized into three categories. One with experience less than 10 years, second group with experience between 10 and 20 years and the third group with experience more than 20 years in the steel company.

Findings:

1. Organizational Identification according to age:
 - The executives in the age group of less than 40 years showed Ambivalent identification and not Positive identification while the other group with age more than 40 years showed Positive identification with the organization.

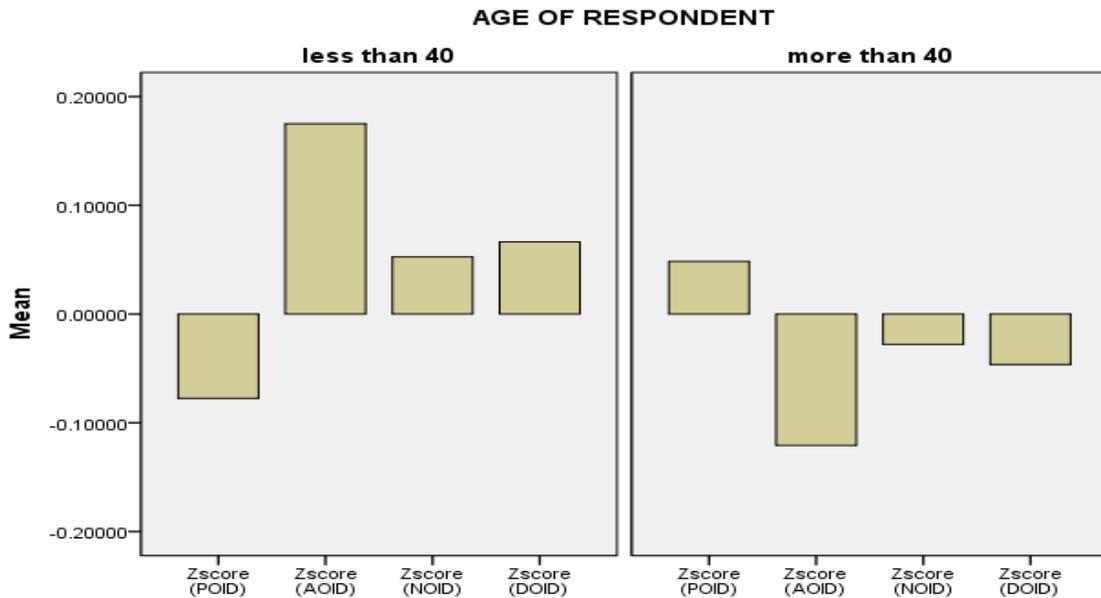


Figure 2: Organizational identification age wise

2. Organizational Identification according to designation:
 - Senior level executives showed positive identification.
 - Some of the middle level executives showed Neutral identification whereas some even showed Disidentification whereas they did not show Positive identification.
 - Junior level executives showed Ambivalent identification and did not at all show Positive identification.

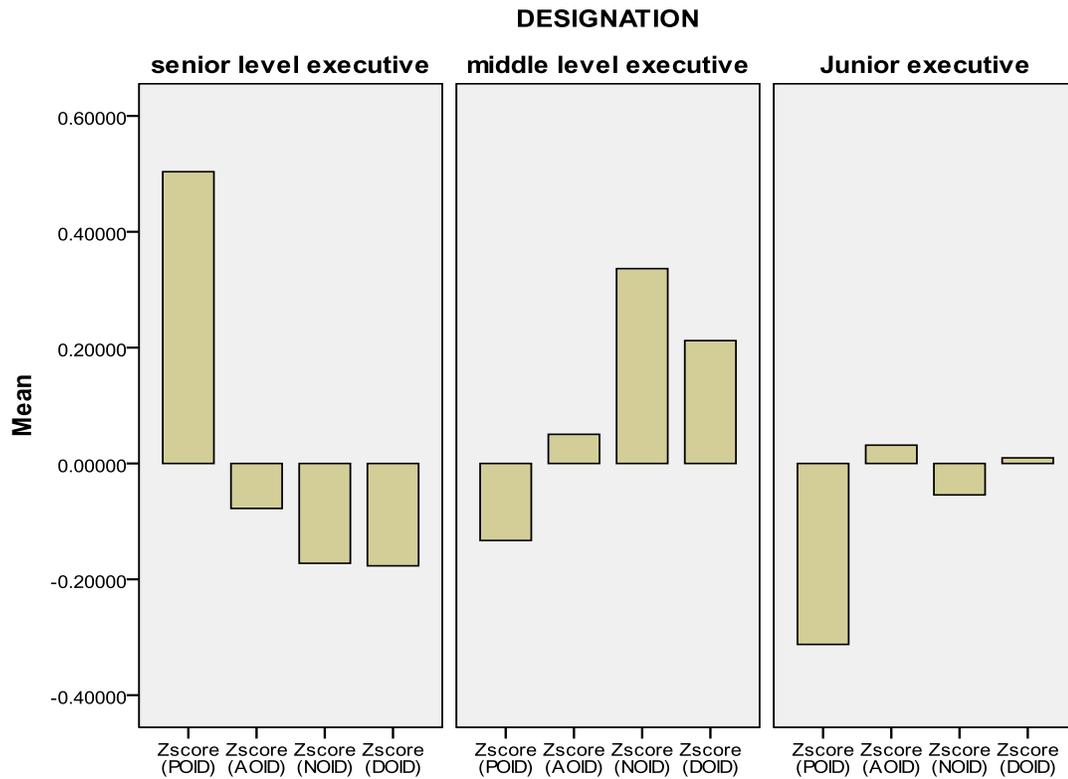


Figure 3: Organizational identification according to designation

3. Organizational Identification according to experience:
 - Executives with more than 20 years of experience showed Ambivalent identification and to a certain degree even Disidentification whereas they did not show much Positive identification.
 - Executives with 10-20 years of experience showed Neutral identification but not Disidentification.
 - Executives with less than 10 years of experience did not show any form of identification. There is no clarity of identification built in this group of executives.

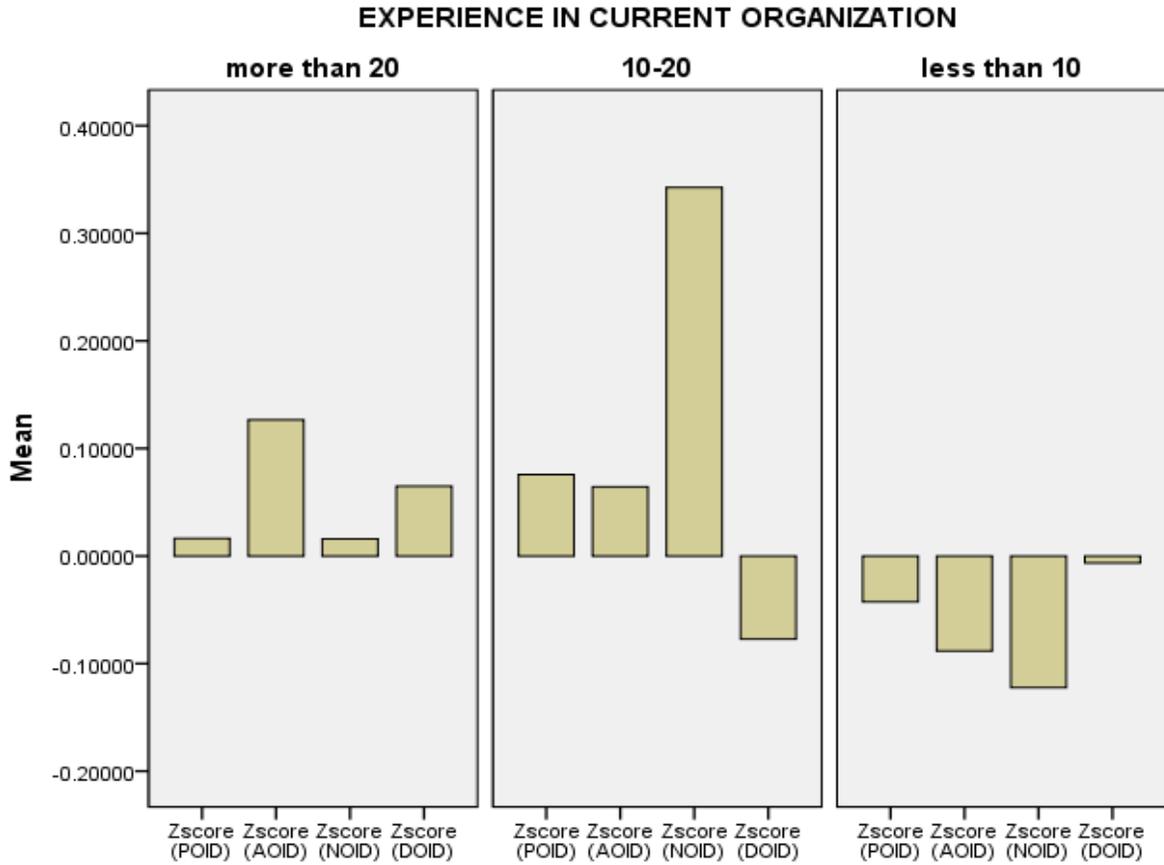


Figure 4: Organizational identification according to experience

Summary of results:

Table 1: Organizational Identification

ORGANISATIONAL IDENTIFICATION	POID	NOID	AOID	DOID
AGE	>40		<40	<40
DESIGNATION	SENIOR	MIDDLE		JUNIOR
EXPERIENCE		10 TO 20 YEARS	>20 YEARS	<10 YEARS

Conclusions:

1. Senior level executives with experience more than 20 years reflected Positive Identification.
2. Middle level executives with experience 10-20 years showed Neutral identification.
3. Junior level executives with experience less than 10 years showed Disidentification.

Limitation:

1. The sample was taken only from one plant of the company.

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