The role of psychological ownership in retaining talent: 
A systematic literature review

Orientation: Managing psychological ownership can have positive attitudinal and behavioural effects, promote organisational effectiveness and support talent retention.

Research purpose: This paper seeks to explore and describe psychological ownership, distinguish it from other work-related attitudes and clarify the role that psychological ownership can play in retaining talent.

Motivation for the study: Previous studies of human resource practices and organisational characteristics that affect organisational commitment and the retention of talent have reported that absent variables could be responsible for varied results. Psychological ownership could be one of them.

Research design, approach and method: Based on a systematic review of the literature published over the last 20 years, the authors synthesised various research perspectives into a framework of psychological ownership and its links to retaining talent.

Main findings: The authors found that psychological ownership was a comprehensive multidimensional construct. It is distinct from other work-related attitudes and seems capable of enabling organisations to retain the talents of skilled employees.

Practical/managerial implications: Organisations can benefit from psychological ownership because it leads employees to feel responsible towards targets (like organisations) and to show stewardship. It can help organisations to retain talent and influence the intentions of skilled employees to remain with their organisations.

Contribution/value-add: Psychological ownership, as an integrated multidimensional construct, has expanded the existing theory about the organisational commitment and work-related attitudes that organisations need to retain talent in the 21st century.

Introduction

Key focus of the study

Psychological ownership has recently received attention from many researchers. They hypothesise that formal ownership can have positive attitudinal and behavioural effects through psychologically experienced ownership and that a psychological sense of ownership may form integral parts of employees’ relationships with their organisations. They suggest that psychological ownership amongst members of organisations can have positive effects on organisational effectiveness and can promote staff retention. Psychological ownership is a situation where employees feel as though the object of ownership, or a piece of it, belongs to them ('It is mine!').

The present study aims, firstly, to explore the literature and describe psychological ownership and its defining elements, because the phenomenon has links with positive behavioural and social-psychological consequences. Secondly, it aims to examine how psychological ownership is distinct from other related constructs. Thirdly, it aims to explore the role that psychological ownership can play in retaining the talents of skilled employees.

Background to the study

To compete in today’s highly competitive business market (Arnold & Randall, 2010), organisations must recruit top talent and retain talented employees who have psychological connections with their work and organisations. Locally and internationally, skilled employees can choose from a larger pool of jobs in the contemporary world of work. As the ‘war for skilled talent’ escalates, according to De Villiers (2006), it becomes increasingly important to explore the psychological factors that influence employees’ commitment and loyalty so that organisations can retain their skilled employees.
In 2002, the Hay Group conducted a survey amongst employees who worked in 330 companies in 50 countries. One third of them reported that they intended to resign from their jobs within the next two years (Hay, 2002). Many of the world’s most admired companies acknowledge that they will lose half their senior executives in the next five years.

Human Capital at Deloitte conducted research amongst a wide range of companies across all industry sectors in South Africa and published it in *The South African guide to executive remuneration and reward*. It showed that South African businesses lose up to 50% of their executives every four to five years (Rich stay comfortably rich, 2008). More than a third (35%) of executives gave better employment opportunities as their reason for leaving their present organisations (Rich stay comfortably rich, 2008). Therefore, organisations have to face the major challenge of retaining their best and most talented staff. Employee turnover, especially in difficult economic times, can drain the intellectual capital of organisations badly. Furthermore, increasing job mobility in the global knowledge economy, where employees average six employers in a career (O’Neal, 2005), exacerbate the retention challenge.

**Trends from the research literature**

Based on a study of human resource practices and other organisational characteristics that affect organisational commitment, Fiorito, Bozeman, Young and Meurs (2007) suggest that psychological ownership may be one of the variables that can serve as a predictor of organisational commitment.

In their development of a model of employee ownership, Pierce, Rubenfeld and Morgan (1991) posit that employee ownership leads to social-psychological and behavioural outcomes. However, in her study of the employee attitudes of 37 Employee Stock Ownership Plan (ESOP) companies, Klein (1987) found no significant relationship between the percentage of stock that the ESOP employees owned and their levels of job satisfaction or commitment. Pendleton, Wilson and Wright (1998) found that most ESOP shareholders did not seem to have a strong sense of ownership and most believed that nothing had changed in the organisation because of employee ownership. In a longitudinal study, Dunn, Richardson and Dewe (1991) found little difference between the attitudes of owners and those of non-owners. In one of the two firms in his case study, Kruse (1984) actually found evidence of lower levels of commitment over time. Long (1982) found a significant decrease in employee satisfaction following a conversion to employee ownership.

These findings suggest that, if actual ownership remains unchanged between the two points of investigation, some mediating and/or extraneous variable other than ownership must be driving attitudinal change. Pierce *et al.* (1991) have identified an intervening variable, ‘psychological ownership’, which could play a role in the interface between share ownership and employee commitment.

In later work, Pierce, Kostova and Dirks (2001, 2003) drew on studies in sociology, philosophy, human development and psychology to introduce a theory of psychological ownership in organisations. It defined psychological ownership as a construct that is separate and distinct from the legal or equity ownership of an organisation. Mattila and Ikaivalko (2003) argue that ownership connects to the relationships between human beings and the things and objects with which they surround themselves. This shows that ownership is a much broader concept than a particular legal regime and the status that follows it. Pierce *et al.* (1991) suggest that ownership is multidimensional and that it functions as a formal (objective) and as a psychologically experienced phenomenon.

Pierce *et al.* (1991) suggest that, regardless of the type of ownership (social ownership, worker-producer cooperatives, direct ownership and ESOPs), psychological ownership will lead to the integration of the employee-owner with the organisation and the ownership experience. O’Reilly (2002) notes that:

> when managers talk about ownership, what they typically want to instil is not financial ownership but psychological ownership – a feeling on the part of the employees that they have a responsibility to make decisions that are in the long-term interest of the company. (p. 19)

Therefore, Pierce *et al.* (2001) suggest that, if ESOP employees feel a greater sense of ownership, their commitment to their organisations is likely to increase. Conversely, if they do not experience psychological ownership, their level of organisational commitment is likely to remain unchanged, whatever their level of share ownership.

Therefore, it is important to have a closer look at the mediating and/or extraneous variable of psychological ownership because it is associated with positive behavioural and social-psychological consequences.

**Research objectives**

The study had the objectives that follow:

- to explore and describe psychological ownership and its defining elements because it has associations with positive behavioural and social-psychological consequences
- to distinguish psychological ownership from other work-related attitudes (like organisational commitment, organisational identification, internalisation, psychological empowerment and job involvement)
- to explore the role that psychological ownership could play in retaining skilled talent

**Potential value of the study**

The study aims to expand on the existing theory of organisational commitment and the work-related attitudes that organisations need to retain talent by presenting a multidimensional framework of psychological ownership that distinguishes psychological ownership from its antecedent and consequent conditions. It intends to show how organisations can benefit from psychological ownership
because psychological ownership can lead employees to feel responsible towards targets (like organisations) and to display stewardship. Furthermore, this ownership could play a role in retaining talent and could influence employees’ intentions to remain with their organisations.

**Research design**

**Research approach**

The researchers conducted a systematic review of the literature. According to Tranfield, Denyer and Smart (2003), a systematic review identifies the key scientific contributions relevant to a subject by using extensive literature searches of published and unpublished studies. By using transparent and reproducible procedures, systematic reviews improve the quality and outcomes of review processes.

Review processes generally consist of three parts: data collection, data analysis and synthesis. In this study, the authors conducted a critical analysis of the work of seminal authors in order to explore and describe psychological ownership and its defining elements, to distinguish psychological ownership from other work-related attitudes and to explore the role that psychological ownership can play in retaining talent.

**Research method**

**Location of the data**

In this study, the systematic approach entailed extensive searches of relevant management databases. These were EBSCOhost, JSTOR, Business Source Premier, ProQuest, SAGE and InterScience. The authors used these databases because they contain comprehensive data from accredited international and national multidisciplinary journals that specialise in human resource management, social, personnel and applied psychology as well as general management and organisational behaviour – the disciplines within which this research study resides. The authors conducted manual searches as well as Internet searches to identify secondary references and other publications of the researchers the authors identified in their original searches.

**Search terms and selected criteria**

In order to explore and describe psychological ownership, the authors used the key words *psychological ownership* in their literature search. They limited their search to English language publications between 1991 and 2010 that dealt specifically with psychological ownership.

They chose 1991 as the starting date because the first scientific article that they could find that referred to the concept of ‘psychological ownership’ appeared in that year.

The original search identified more than 67 scientific papers, unpublished conference papers and reviews of the literature. However, the authors chose only published scholarly journals that defined psychological ownership and examined psychological ownership in an organisational context. This resulted in 12 articles.

In order to distinguish psychological ownership from other work-related attitudes, the authors used these keywords: *commitment, empowerment, identification, internalisation and job involvement*. It is important to note that the search for *commitment* alone identified more than one million papers, commentaries and literature reviews. However, the focus of the study was to conceptualise *psychological ownership* and to distinguish it from related concepts. Therefore, the authors chose only the articles, published between 1987 and 2010, that enabled them to define the core of the concepts (commitment, empowerment, identification, internalisation and job involvement), that gave the motivational basis of the concepts, that discuss the psychological state of the concepts and indicate the consequences of particular concepts. The search on work-related attitudes resulted in 13 papers.

To explore the role that psychological ownership can play in retaining talent, the authors initially used these keywords in their literature search: *talent, retaining talent, talent retention, retention to stay and employee retention*. They conducted this search to define the concept of *talent* and to highlight the importance of retaining talent for organisations. Of the 14 scientific articles that were relevant to this study and were written between 2000 and 2010, eight remained. The authors eliminated five articles because they were not relevant to the purpose of the study. The authors then used combinations of the key words *talent, retaining talent, talent retention, retention to stay and employee retention* with the key words *psychological ownership*. This search resulted in only one published paper for more detailed scrutiny from 10 citations. However, this one article did not focus specifically on retaining talent, but on psychological ownership as a predictor of intentions to leave.

Table 1 contains the list of all the journals from which the authors sampled the 34 articles in this study.

**Analysis and presentation of the data**

The authors used thematic analysis for analysing and reporting. This, according to Tranfield *et al.* (2003), summarises what one knows already and focuses on the extent to which there is consensus across various themes.

The authors evaluated the articles in terms of:

- the purposes of the studies
- whether they were qualitative or quantitative
- their methods of collecting data
- their key findings.

The authors categorised common themes that emerged from the data to achieve the three objectives of the study: to explore and describe psychological ownership and its defining elements, to distinguish psychological ownership from other work-related attitudes and to explore the role that psychological ownership could play in retaining talent.
Tables 2, Table 3 and Table 5 summarise the key features of the papers the authors used for this study.

**Results**

**Study objective 1: To define and explain psychological ownership**

Research on the psychology of possession links feelings of ownership with positive attitudes about the targets of ownership, self-concept and a sense of responsibility to the targets. Pierce et al. (2001) conclude that:

- the feeling of ownership is innately human
- employees develop feelings of ownership of both tangible and intangible objects
- ownership has important emotional, behavioural and attitudinal consequences for those who experience it.

Many researchers and scholars have recognised and commented on the relationship between a sense of possession on the one hand and work and organisational contexts on the other. Brown (1989) suggests that psychological ownership may be a key to organisational competitiveness in the 21st century, whereas Kubzansky and Druskat (1993, cited in Pierce et al., 2003), propose that psychological senses of ownership may be integral parts of employees’ relationships with their organisations. What is psychological ownership and how can one define it?

Pierce et al. (2003, p. 86) link feelings of possession with a sense of ownership. They define psychological ownership as ‘that state where an individual feels as though the target of ownership or a piece of that target is “theirs”’. In their discussion of the construct, they highlight a number of distinguishing features.

**The concept of ‘mine’**

Firstly, they suggest that a sense of ownership manifests in the meanings and emotions one usually associates with ‘my’ or ‘mine’ and ‘our’. The conceptual core of psychological ownership is a feeling of possessiveness (Wilpert, 1989) and of having a psychological link with specific objects or targets (the products of one’s labour, one’s home, one’s country or others). Therefore, psychological ownership answers the question: ‘What do I feel is mine?’

**Relationship with targets**

Secondly, psychological ownership reflects a relationship between employees and targets: objects that can be either material (like work or tools) or immaterial (like workspace or ideas). In this relationship, employees see the objects as having close connections with themselves, becoming parts of the ‘extended self’. Isaacs (1933, p. 225) explains that ‘what is mine becomes a part of me’.

**The cognitive and affective core**

Thirdly, Pierce et al. (2003) have noticed that psychological ownership (the feeling that things are ‘mine’ or ‘ours’) has many facets. It includes a cognitive and affective core, as the model in Figure 1 shows. The cognitive aspect reflects employees’ awareness, beliefs and thoughts about the targets of ownership. Affectively, feelings of ownership produce pleasure and give the owners feelings of efficacy.
### TABLE 2: Psychological ownership.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key findings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>To determine the factors that influence psychological ownership.</td>
<td></td>
<td>- Psychological ownership reflects a relationship between a person and an object.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>To propose the positive and negative consequences of psychological ownership.</td>
<td></td>
<td>- Psychological ownership comprises a cognitive and effective core.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- ‘Roots’ refer to efficacy and effectance, self-identity and having a place.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- ‘Routes’ refer to controlling targets, intimately knowing them and investing the self in targets.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Factors are targets, employees, processes and contextual factors.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- The positive consequences are citizenship, personal sacrifice and assumption of risk, experienced responsibility and stewardship.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- The negative consequences are unwillingness to share and deviant behaviours.</td>
</tr>
<tr>
<td>Pierce, J.L., Kostova, T., &amp; Dirks, K.T. (2001)</td>
<td>Towards a theory of psychological ownership in organizations.</td>
<td>To define psychological ownership, identify its motives (‘roots’) and ‘routes’ through which it develops and to propose organisational outcomes.</td>
<td>Qualitative review of the literature</td>
<td>- Psychological ownership is a state in which employees feel as though the target of ownership is ‘his or her’.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>To determine the distinctiveness of psychological ownership from other related constructs.</td>
<td></td>
<td>- Its ‘roots’ are efficacy and effectance, self-identity and having a place.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Its ‘routes’ are to control targets, intimately knowledge of targets and investing the self in targets.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- The organisational outcomes are felt responsibility, stewardship and altruistic behaviours.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Psychological ownership is distinct from commitment, identification and internalisation.</td>
</tr>
</tbody>
</table>

**Types of psychological ownership**

|                                                               |                                                                                           | To determine the effect of autonomy as an antecedent to psychological ownership. |                                | - Psychological ownership mediates the relationship between autonomy and these work attitudes. |
|                                                               |                                                                                           | To determine the consequences of psychological ownership. |                                |                                |

**Factors influencing the emergence of psychological ownership**

| Pierce, J.L., Jussila, I., & Cummings, A. (2009) | Psychological ownership within the job design context: Revision of the job characteristics model. | To determine the connection between job design and psychological ownership. | Qualitative Theoretical modification of the Hackman and Oldham Job Characteristics Model | - Psychological ownership is a plausible substitute for other proposed mediating psychological states in the job design-employee response relationship. |
|                                                   |                                                                                           |                                                                          |                                |                                |

**Consequences of psychological ownership**

|                    |                                                                                                       |                                                                          |                                | - Job satisfaction and organisational commitment have negative relationships with intentions to leave. |
|                    |                                                                                                       |                                                                          | Self-ratings                  | Psychological ownership links to, but is not completely redundant in terms of, affective organisational commitment. |
|                    |                                                                                                       | To examine the extent to which psychological ownership influences organisational citizenship behaviours and organisational commitment. |                                | - The longer employees work in organisations, the more ownership they feel towards their organisations. |
|                    |                                                                                                       |                                                                          |                                | - Psychological ownership increases organisational citizenship behaviours and organisational commitment. |


Table 2 continues on the next page →

TABLE 2 (Continues…): Psychological ownership.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>VandeWalle, D., Van Dyne, L., &amp; Kostova, T. (1995)</td>
<td>Psychological ownership: An empirical examination of its consequences.</td>
<td>• To determine the consequences of psychological ownership.</td>
<td>• Quantitative and Questionnaires</td>
<td>• Psychological ownership has a positive relationship with extra-role behaviour.</td>
</tr>
<tr>
<td>Van Dyne, L., &amp; Pierce, J.L. (2004)</td>
<td>Psychological ownership and feelings of possession: Three field studies predicting employee attitudes and organizational citizenship behaviors.</td>
<td>• To examine the relationships of psychological ownership with work attitudes and behaviours.</td>
<td>• Quantitative and Questionnaires</td>
<td>• Psychological ownership predicts extra-role behaviour better.</td>
</tr>
<tr>
<td>Wagner, S.H., Parker, C.P., &amp; Christanson, N.D. (2003)</td>
<td>Employees that think and act like owners: Effects of ownership beliefs and behaviors on organizational effectiveness.</td>
<td>• To develop a model of the psychological experience of employee ownership in work groups to investigate the antecedents and consequences of psychological ownership.</td>
<td>• Quantitative and Survey data from two questionnaires and Organisational records</td>
<td>• Participation and a climate of self-determination promote ownership beliefs.</td>
</tr>
</tbody>
</table>


and competence. Therefore, psychological ownership of organisations consists, in part, of emotional attachments to them. It transcends merely cognitive evaluations of organisations.

A multidimensional framework of psychological ownership

Researchers have proposed several motivational models (Kanungo, 1982) to help predict employees’ behaviour in organisations. Roodt (2004) proposed a motivational model based on a meta-theoretical analysis for explaining states of commitment. The authors adapted this model to develop a multidimensional framework of psychological ownership that distinguishes between the antecedents and consequences of psychological ownership. The authors prefer the term ‘framework’ to that of ‘model’ in this study because frameworks are untested, whereas researchers have proved empirically that models present phenomena in particular ways.

According to the framework the authors used here, salient needs, followed by salient values and then by salient goals, trigger employees’ actions. Emotional (affective) and cognitive content influence these actions. Satisfying salient needs will lead to particular levels of psychological ownership that can result in either positive or negative behaviours. These behaviours then lead to particular outcomes for organisations.

Figure 1 illustrates the proposed multidimensional framework of psychological ownership.

It is important to note that psychological ownership has psychological theories of possession as its basis. In addition, according to Avey, Avolio, Crossley and Luthans (2009), one may associate psychological ownership with Positive Organisational Behaviour (POB). Luthans (2002, p. 59) defines POB ‘as the study and application of positively oriented human resource strengths and psychologically orientated practices that can be measured, developed, and effectively managed for performance improvement in today’s workplace’.

According to Avey et al. (2009), psychological ownership has much in common with more widely recognised POB constructs and approaches like psychological capital (Luthans, Youssef & Avolio, 2007), psychological well-being (Quick & Quick, 2004; Wright, 2005), positive organisational scholarship (Cameron, Dutton & Quinn, 2003) as well as character strengths and virtues (Peterson & Seligman, 2004). All have positive orientations towards organisations and associations with accomplishment and success. Psychological ownership also meets the specific POB criteria that Luthans (2002) and Luthans et al. (2007) suggested because its basis is theory and research, one can measure it, it is open to change and development and affects the performance of organisations.

The authors discuss Roodt’s (2004) proposed adapted model, which the authors used in their framework (see Figure 1) below.

1. Needs

Why do employees develop feelings of psychological ownership? What lies beneath this psychological condition? The answers lie in the motives or reasons for, or ‘roots’ of, psychological ownership. According to Pierce et al. (2001), psychological ownership exists because it satisfies three basic human needs: self-efficacy, self-identity, and having a home.

1.1 Motives for, or the roots of, psychological ownership

Pierce, Jussila and Cummings (2009) suggest that each of these motives facilitates the development of the state of psychological ownership, rather than being the direct cause of its occurrence. They add that if feelings of ownership have their roots in this set of motives, one can assume that employees could develop feelings of ownership for a variety of objects as long as they allow this set of motives to operate and to be satisfied.
The authors discuss each of the three motives for psychological ownership in detail.

1.1.1 Self-efficacy
According to Isaacs (1933), the motive that underlies possession is, in large part, a desire to be in control. According to Furby (1978), controlling objects through ownership produces pleasure and leads to perceptions of personal efficacy. Furby concludes that possessions become part of the extended self and are, therefore, important to employees because possessions help them to exercise control over the physical environment as well as over other employees.

1.1.2 Self-identity
The second motivation that underpins psychological ownership is the need for self-identity. Pierce et al. (2003) proposed that employees use ownership to define themselves, to express their self-identities to others and to maintain their continuity across time.

Employees experience pleasure and find comfort in their interactions with objects. Therefore, they internalise the socially shared meaning they ascribe to those objects and they become part of their self-identities (McCracken, 1986).

Dittmar (1992, p. 86) concludes that it is through our interactions with our possessions, coupled with reflections about their meaning, that ‘our sense of identity, our self-definition, are established, maintained, reproduced and transformed’.

Rousseau (1998) notes that employees establish, maintain, reproduce and transform their self-identities by interacting with intangibles like organisations, missions or purposes. Therefore, it is important to ensure that all employees have well-defined goals and that they know exactly what their organisations expect of them.

1.1.3 Having a home
Having a ‘home’ in which to live is the third motive for feelings of ownership. According to Weil (1952, p. 41), having a place of one’s own is an important ‘need of the human soul’. Employees need to ‘own’ specific spaces.

Having a home or a place in which to live is a fundamental human need that goes beyond physical concerns and satisfies

FIGURE 1: Multidimensional framework of psychological ownership.
1.2 Routes to psychological ownership

Pierce et al. (2001) proposed that the phenomenon of psychological ownership has its roots in a set of human motives (self-efficacy, self-identity and having a home) and that employees can develop feelings of ownership for a variety of objects as long as the objects allow these motives to operate and to be satisfied. They examined how members of organisations come to feel ownership and identified three main routes through which psychological ownership emerges:

- controlling the targets (objects)
- getting to know the targets intimately
- investing in the targets.

Therefore, when employees exercise greater control, get to know the targets (organisations) intimately, and invest themselves in the targets of ownership, a sense of responsibility takes root and possessive feelings develop. Although the authors examined these routes separately, they could be interrelated.

The authors discuss these ‘routes’ to psychological ownership in more detail below.

1.2.1 Controlling the ownership targets

Control over objects gives rise to feelings of ownership of them (Furby, 1978; McClelland, 1951; Rochberg-Halton, 1984). Furby (1978) argues that the greater the amount of control employees can exercise over objects, the more they experience the objects psychologically as part of themselves. McClelland (1951) believes that employees begin to regard material objects that they can control as a part of themselves and that the greater the amount of control, the more they experience the objects as part of themselves.

According to Pierce et al. (2001), organisations can provide their members with numerous opportunities to exercise varying degrees of control over a number of factors, each of which is a potential target of psychological ownership. For example, job design is such a factor (Hackman & Oldham, 1980; Kanungo, 1992). More complex tasks and jobs, which provide greater autonomy, imply higher levels of control and increase the likelihood that feelings of ownership of targets will emerge (Pierce et al., 2009). Conversely, some organisational factors, like centralisation and formalisation, decrease the possibility that employees can exert control. Therefore, these factors may impede the development of psychological ownership. In these situations, employees learn that nothing is ‘theirs’, because power vests in the structures and they have limited control over their organisations or any part of them (Pierce et al., 2001).

Researchers, like O’Driscoll and Beehr (2000), as well as Parker (1998), found that the extent to which employees believe that they have control is a key determinant of their effective responses like job satisfaction, work involvement and organisational commitment. Empirical evidence supports the relationship between autonomy and control, control and psychological ownership, as well as autonomy and psychological ownership (Pierce, O’Driscoll & Coghlan, 2004; Tanaka & Yamauchi, 2000; Yamauchi, Kumagai & Kawasaki, 1999).

1.2.2 Getting to know the targets intimately

Beaglehole (1932) argues that intimate knowledge of objects, employees or places enables a union with them to occur. Sartre (1969 [1943]) posits that the more information employees have about, and the more knowledge they have of, objects, the deeper is the relationship between the objects and themselves and the stronger their feelings of ownership. Therefore, employees find themselves psychologically linked to things because of their active participation in, or association with, those things.

Pierce et al. (2001) propose that, by various processes of association, organisations can provide their members with a number of opportunities for getting to know potential targets of ownership like work, jobs, projects and teams. For example, when members of organisations receive information about possible organisational targets of ownership (like the missions of their organisations, their goals and performance), they tend to feel that they know their organisations better and may develop senses of psychological ownership of them. However, information alone may not be enough to create senses of ownership. The intensity of the associations, like the number of interactions between employees and their targets, also influences outcomes. Longer associations with targets (like long tenures) are more likely to lead to perceptions of knowing targets better and, as a result, to senses of ownership. Making information more accessible and less costly to acquire can also promote intimate knowledge.

1.2.3 Investing in targets

According to Durkheim (1957), employees own the objects they have created in much the same way that they own themselves. The investment of employees’ energy, effort, time and attention in objects causes them to become one with the objects and to develop feelings that they own them (Rochberg-Halton, 1984).

Pierce et al. (2001) note that organisations provide a wealth of opportunities for their members to invest in different aspects of their organisations, like their jobs, projects, products, assignments or work teams, and therefore to feel ownership of these targets. According to Beaglehole (1932), workers can develop senses of ownership of their work, their machines and the products of their labour. The investment occurs in
several forms, including investing employees’ time, skills, ideas as well as their psychological, physical, and intellectual energies. As a result, employees may begin to feel that the target of ownership comes from them. Pierce et al. (2001) suggest that employees’ psychological ownership of targets becomes stronger the more they invest in the targets.

Several activities in organisations may require different levels of self-investment. One can illustrate this by the example that follows. Non-routine technologies and jobs that are more complex allow employees to use their own judgement. They will then probably invest more of their own thoughts, personal styles and distinctive knowledge. Creating objects is one of the most apparent and powerful means through which employees invest in objects (Pierce et al., 2001). Creation involves investing one’s values and identity as well as one’s time and energy. Pierce et al. (2001) illustrate this by the examples that follow. Engineers may feel that they own the goods they design, politicians that they own the bills they write and entrepreneurs that they the organisations they establish. Academics may feel strong ownership of the outcomes of their academic pursuits.

2. Values
Pelham (1995) states that personal values make some objects more or less valued. Pierce et al. (2003) also claim that different attributes are important to different employees and that they seek different types of objects. To increase their self-concepts, employees may attempt to increase feelings of self-worth by striving to possess, psychologically or legally, the objects that hold the greatest importance for them. Ownership is one way of boosting employees’ self-esteem, which is why they are probably likely to feel that they own the objects they consider most important according to their personal values.

Pierce et al. (2003) illustrate this with the example that follows: … individuals whose perceptions of self-worth are predicated on intellect, or who are part of cultures that value intellect, may seek to feel ownership over targets that reinforce this attribute (e.g., books, pieces of art). (p. 20)

In contrast, it is possible that employees legally own some objects, yet never claim them as their own. This could be the case when the objects are not sources of efficacy and effectance and have no associations with the employees’ self-identities and/or the places in which they live, even though, according to Pierce et al. (2003, p. 20), they ‘might have been earned with hard cash and is controlled and known’.  

3. Goals
According to Liberman, Idson, Camacho and Higgins (1999), theorists distinguish between two important categories of desired goals: those that relate to advancement and growth and those that relate to safety and security. Therefore, employees have two self-regulatory systems that are concerned with acquiring either nurture or security. Employees’ self-regulation in relation to their hopes and aspirations (ideals) satisfies their needs for nurture. Their goal is accomplishment and the regulatory focus is promotion. In contrast, employees’ self-regulation of duties and obligations (‘oughts’) satisfies their security needs. Their goal is safety and their regulatory focus is prevention. Both promotion and prevention motivations are important for human survival. Therefore, the one approach is not necessarily more desirable than the other is. Avey et al. (2009) have applied these two approaches to examining psychological ownership. Therefore, psychological ownership takes two forms: promotion-orientated and prevention-orientated psychological ownership.

4. Actions
Positive attitudes towards targets, improved self-concepts and senses of responsibility are the three fundamental outcomes associated with feelings of possession (Furby, 1978). A ‘bundle of rights’ also frequently defines ownership. Ownership is associated with the right to information about the targets of ownership and the right to have a voice in decisions that affect employees. However, responsibility should balance all rights associated with ownership.

Van Dyne and Pierce (2004) suggest that this sense of possession, which allows employees to satisfy their basic needs for efficacy and effectance, self-identity and place, is a key to work-related attitudes, self-concepts, and behaviours. Therefore, psychological ownership has links with positive motivational, attitudinal and behavioural consequences.

5. State of psychological ownership
Several factors influence the emergence of psychological ownership. The potential for developing psychological ownership resides in both targets and employees and situational forces influence its emergence and manifestation.

5.1 Target factors
Pierce et al. (2001) suggest that targets must be visible and attractive to employees in order to capture their interest and attention. Targets must also have particular characteristics that fulfil the motives for efficacy and effectance, self-identity, and/or the need for a place or home. Organisations could reveal their goals and expectations in their newsletters and display them in posters on notice boards in break rooms, display their mission statements at workstations and talk regularly to employees about them. This will have dual benefits: when organisations establish and monitor their goals, employees see visible achievements and feel that their organisations acknowledge and recognise them.

5.2 Individual factors
According to Pierce et al. (2003), there are differences in the strengths of the motives over time. Personality also has an effect. Winter, Steward, Klohen and Duncan (1998) point out that personality traits affect how employees express motives in their behaviour.

5.3 Process factors
Therefore, the processes through which psychological ownership emerge link to complex interactions between the
‘roots’, the ‘routes’, target factors and individual factors. The three roots of psychological ownership (efficacy and effectance, identity and having a home) depend to some extent on each other. Ownership may emerge as the result of any one, or any subset of, these needs (Pierce et al., 2003). Similarly, the three routes to psychological ownership (control, intimate knowledge and self-investment) are complementary, additive and distinct. Any single route may result in feelings of ownership that are independent of the others.

5.4 Contextual factors

Although many contextual elements affect the emergence of psychological ownership, the focus in this review was on two aspects: structural and cultural aspects. The authors found that the structural aspects of the social context, like norms, rules, laws and hierarchies, might promote or prevent employees from developing feelings of ownership, whilst the cultural aspects of the social context also have a significant influence on the phenomenon of psychological ownership (Pierce et al., 2003).

Therefore, states of psychological ownership, whilst they could be latent in each employee, do not necessarily always occur and are not equally strong across employees, targets and situations. Complex interactions between a number of intra-individual, object-related and contextual factors determine psychological ownership.

6. Behavioural consequences of psychological ownership

Psychological ownership can result in either positive or negative behaviours. Psychological ownership has been associated with:

- greater commitment to organisations (VandeWalle, Van Dyne & Kostova, 1995)
- greater accountability (VandeWalle et al., 1995)
- greater job satisfaction (Avey et al., 2009; Buchko, 1993; Mayhew, Ashkanasy, Bramble & Gardner, 2007; Pierce et al., 1991; VandeWalle et al., 1995; Van Dyne & Pierce, 2004)
- better organisational performance (Van Dyne & Pierce, 2004; Wagner, Parker & Christianson, 2003)
- better organisation-based self-esteem (Avey et al., 2009; VandeWalle et al., 1995; Van Dyne & Pierce, 2004)
- more effort from employees to engage in organisational citizenship behaviours (Avey et al., 2009; VandeWalle et al., 1995; Van Dyne & Pierce, 2004)
- increases in extra-role behaviour (VandeWalle et al., 1995): employees with higher levels of psychological ownership are more likely to engage in extra-role behaviours
- intentions to remain with organisations (Avey et al., 2009; Buchko, 1993).

Scholars like Dirks, Cummings and Pierce (1996) and Pierce et al. (2001) have also discussed the causal relationship between psychological ownership and resistance to organisational change, feelings of responsibility, willingness to take personal risks and make personal sacrifices. Unfortunately, psychological ownership could lead to other dysfunctional organisational behaviours. Deviant behaviours are other possible outcomes of psychological ownership that might lead to violations of organisational norms. However, according to Pierce et al. (2003), psychological ownership does not necessarily lead to dysfunctional behaviours, although it might lead to them in particular circumstances.

7. Outcomes

Employees’ behaviour leads to particular outcomes for organisations. According to Bernstein (1979, p. 483), ‘ownership instils a sense of pride in employees and acts as a motivator of greater performance’. Therefore, it is likely that ownership will encourage employees to think and behave like owners. This will improve the performance and effectiveness of organisations. Buchko (1993) maintains that ownership may influence employees’ behaviours mainly through its effects on the intentions of employees to remain with their organisations (and retention from the organisations’ points of view).

Study objective 2: To distinguish psychological ownership from other work-related attitudes

According to Pierce et al. (2001), the concept of psychological ownership raises questions about its conceptual distinctiveness because a number of constructs in organisational behaviour theory describe the psychological relationships that employees develop with their organisations. Morrow (1983) argued that it is important to distinguish between work-related attitudes (like organisational commitment, organisational identification, internalisation, psychological empowerment, job involvement and, in this case, psychological ownership) to avoid construct proliferation because all these attitudes involve a sense of attachment to, or resonance with, organisations.

Three constructs that are particularly interesting, when one considers psychological ownership, are organisational commitment, organisational identification and internalisation.

Organisational commitment refers to feelings and/or beliefs about why employees want to remain with particular organisations (Meyer & Allen, 1991). Mael and Ashforth (1992) and Dutton, Dukerich and Harquil (1994) define organisational identification as a perceived oneness with an organisation and experience that organisation’s successes and failures as one’s own. Internalisation is the incorporation of values and assumptions with the self as guiding principles (Mael & Ashforth, 1992).

Although commitment, identification and internalisation describe different types of psychological relationships with organisations, they could coexist with psychological ownership, especially when its targets are organisations (Pierce et al., 2001). Commitment, identification and internalisation are neither necessary nor sufficient conditions for psychological ownership. However, they are likely to have reciprocal relationships with it (Pierce et al., 2001).
TABLE 3: Related constructs: Commitment, identification, psychological empowerment, internalisation and job involvement.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meyer, J.P., &amp; Allen, N.J. (1991)</td>
<td>A three-component conceptualization of organizational commitments.</td>
<td>To illustrate that organizational commitment consists of three components.</td>
<td>Qualitative • Review of the literature</td>
<td>The three components are: Affective commitment (a desire), continuance commitment (a need) and normative commitment (an obligation) to maintain employed by the organisation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Development of a model</td>
<td>The outcomes are: personal responsibility, low turnover and better on-the-job behaviour, better performance, less absenteeism, citizenship.</td>
</tr>
<tr>
<td>Hackett, R.D., Lapierre, L.M., &amp; Hausdorf, P.A. (2001)</td>
<td>Understanding the links between work commitment constructs.</td>
<td>To investigate the conceptual distinctiveness and causal links between organisational commitment (OC), occupational commitment (OCc), job involvement (JI), work involvement (WI), and intentions to withdraw from organisations and occupations.</td>
<td>Quantitative • Questionnaires</td>
<td>WI, OCc and JI are separate constructs; WI affects both OC and OCc indirectly through its effect on JI.</td>
</tr>
<tr>
<td>Roodt, G. (2004)</td>
<td>Concept redundancy and contamination in employee commitment research: Current problems and future directions.</td>
<td>To introduce the current state of commitment research in five employee commitment domains (commitment terminology, research approaches, research streams, research foci and measures).</td>
<td>Qualitative • Review of the literature</td>
<td>A motivational approach as an integrating mechanism on a meta-theoretical level is presented to provide a sound theoretical foundation for operationalising commitment as a cognitive predisposition to work.</td>
</tr>
<tr>
<td>Dutton, J.E., Dukerich, J.M., &amp; Harquail, C.V. (1994)</td>
<td>Organisational identification: A conceptual and operational review.</td>
<td>To define OI. To determine how OI relates to OC.</td>
<td>Qualitative • Review of the literature</td>
<td>There is an underlying bond between employees and their organisations. OC is a broader and more general construct than OI, which has a more specific focus.</td>
</tr>
<tr>
<td>Edwards, M.R. (2005)</td>
<td>Organisational identification: A motivational construct.</td>
<td>To develop a model to explain how images of the person’s work organisation shape the strength of the person’s identification with organisations.</td>
<td>Qualitative • Review of the literature</td>
<td>The consequences for organisations are support for them.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Opinions from management consultants</td>
<td>The causes and outcomes of OI and OC are different.</td>
</tr>
<tr>
<td>Mael, F., &amp; Tetrick, L.E. (1992)</td>
<td>Identifying organisational identification.</td>
<td>To define identification and to describe the antecedents and consequences of identification.</td>
<td>Quantitative • Questionnaires</td>
<td>The organisations for support are for them.</td>
</tr>
</tbody>
</table>

Identification

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The causes and outcomes of OI and OC are different.</td>
</tr>
<tr>
<td>Mael, F., &amp; Tetrick, L.E. (1992)</td>
<td>Identifying organisational identification.</td>
<td>To define identification and to describe the antecedents and consequences of identification.</td>
<td>Qualitative • Questionnaires</td>
<td>Organisational identification is a subset of identification.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The antecedents of OI are: What are organisations and what do they stand for.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The antecedents of OC are: What do organisations do and how do they treat their employees?</td>
</tr>
</tbody>
</table>

Psychological empowerment

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanungo, R.N. (1992)</td>
<td>Alienation and empowerment: Some ethical imperatives in business.</td>
<td>To examine the issue of worker alienation and empowerment.</td>
<td>Qualitative • Review of the literature</td>
<td>Worker alienation is a relational and motivational construct.</td>
</tr>
</tbody>
</table>


Table 3 continues on the next page →
Pierce et al. (2001) theorise that one can distinguish psychological ownership from other constructs on the basis of factors like its conceptual core (possessiveness), its focus, the motive it serves, its development, the type of state, the selected consequences as well as rights and responsibilities (see Table 4).

These notions undoubtedly share a number of similarities. However, the specifics of the different definitions suggest that the conceptual core differs from one concept to the next. Table 4 focuses primarily on the distinctiveness of psychological ownership and the other constructs rather than the similarities and links between them.

There may be overlaps between the observed effects of psychological ownership and those of other constructs. For example, theorists suggest that identification and psychological ownership both produce positive effects (like organisational citizenship behaviour) and negative effects (like deviance). However, the processes through which these effects occur are different. Commitment, identification and internalisation have references to the self in common. However, they differ in their theoretical anchoring. The concept of psychological ownership has its base in psychological theories of possession, whilst social identity theory is the basis of identification and social membership is the basis of commitment (Pierce et al., 2001). From Table 4, point 2, it is clear that the question each of these constructs answers is different.

Therefore, feeling a sense of ownership of an organisation, feeling possessiveness and that the organisation is ‘mine’ or ‘ours’ differs fundamentally from the need, the desire or the obligation to remain with the organisation, that is, organisational commitment (Meyer & Allen, 1991). Ownership differs from:

- using unique and admired characteristics of organisations to define the self or identify with them (Edwards, 2005; Mael & Tetrick, 1992)
- association-based goal equivalence or internalisation (O’Reilly & Chatman, 1986)
- feeling competent and intrinsically motivated at work, or psychological empowerment (Spreitzer, 1995; Stander & Rothmann, 2010)
- being consumed by work and having work as the central life interest (Blau & Boal, 1987; Hackett, Lapierre & Hausdorf, 2001; Lawler & Hall, 1970).

Therefore, Pierce et al. (2001) conclude that it is reasonable to suggest that psychological ownership may predict:

- certain effects that existing theoretical models of other constructs do not explain
- criterion variance that any of the other constructs currently do not explain.

Many studies confirm the existence of a construct like psychological ownership. Mayhew et al. (2007) and Avey et al. (2009) have shown that there is a strong association between affective organisational commitment and psychological ownership. Van Dyne and Pierce (2004) have provided discriminant validity evidence for the distinctiveness of psychological ownership items from the items they used to measure commitment, identification, internalisation, job satisfaction and involvement. Their observation of the unique ability of psychological ownership to predict worker attitudes and behaviours over and above the effects of demographic characteristics, affective organisational commitment, organisational identification, internalisation, job involvement and job satisfaction is important because it demonstrates the unique contribution of the psychology of possession to the understanding of relationships between employees and their organisations.

Olzer, Yılmaz and Ozler (2008) also found that psychological ownership variables account for 50.1% of changes in organisational commitment variables. VandeWalle et al. (1995) report that organisational commitment mediates the effects of psychological ownership on extra-role behaviour. Therefore, psychological ownership makes a difference, because possessive feelings about organisations (psychological ownership) lead to increases in organisational commitment. Committed employees are prepared to engage in extra-role behaviours (constructive work efforts that


---

**TABLE 3 (Continues...): Related constructs: Commitment, identification, psychological empowerment, internalisation and job involvement.**

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internalisation</strong></td>
<td>• Organizational commitment and psychological attachment. The effects of compliance, identification and internalisation on pro-social behavior.</td>
<td>• To investigate relationships between the dimensions of commitment, prescribed and extra-role activities.</td>
<td>Quantitative Questionnaires</td>
<td>• Definition of internalisation: Values of employees and organisations are the same.</td>
</tr>
<tr>
<td>O'Reilly, C.E., &amp; Chatman, J. (1986)</td>
<td></td>
<td></td>
<td></td>
<td>• Compliance, identification and internalisation may predict psychological attachment.</td>
</tr>
<tr>
<td>Job involvement</td>
<td>Blau, G.J., &amp; Boal, K.B. (1987)</td>
<td>• Conceptualizing how job involvement and organisational commitment affect turnover and absenteeism.</td>
<td>Qualitative Literature review</td>
<td>• Identification and internalisation have positive relationships with pro-social behaviours and negative relationships with turnover.</td>
</tr>
</tbody>
</table>

http://www.sajhrm.co.za
doi:10.4102/sajhrm.v10i2.415
benefit their organisations and go beyond the required work activities) and extra-role behaviours contribute to higher performance. Therefore, earlier research has shown that there is a relationship between extra-role behaviours and performance. Organisations that value organisational commitment and extra-role behaviours may want to increase the incidence of these behaviours by increasing psychological ownership.

**Study objective 3: To explore the role that psychological ownership could play in retaining skilled talent**

From the background to this study, it is clear that it is a challenge for organisations to keep their best and most talented staff.

Although some employees may try to sit out a downturn, the best are always employable and can go elsewhere. This creates a ‘war for talent’. Kotzé and Roodt (2005) argue that the demand for, and difficulties in retaining, talent are challenges that are not unique to South African employers. However, they show that three additional factors compound them in South Africa.

Firstly, skilled people have emigrated and continue to do so at an astonishing rate. For example, according to Grant Thornton’s 2008 International Business Report (IBR), 32% of respondents, who took part in a survey amongst 300 privately-owned businesses that employed between 100 and 400 members of staff, confirmed that they had seriously considered leaving South Africa permanently (‘Third of workers null emigration’, 2008). Secondly, there is a relative scarcity of specialist and managerial employees because of an over-supply of unskilled labour and an under-supply of skilled labour. Thirdly, the national drive to address employment equity has fuelled a war for talent amongst employees from designated groups.

Consequently, organisations need to consider how to keep their best employees – particularly given the huge costs they incur when valuable employees depart. Employees, who leave organisations, often take with them valuable knowledge and expertise they have gained through experience. In addition to these indirect costs, organisations may also face many costs that relate directly to turnover. Experience. In addition to these indirect costs, organisations may also face many costs that relate directly to turnover. They include exit interview time and administrative requirements, paying unused vacation leave, the cost of employing temporary workers or paying overtime for co-workers, which organisations ask to fill in, and training costs. Replacement costs include advertising, headhunting and selection fees. Training costs, both formal and informal, add to the overall burden (Mitchell, Holtom & Lee, 2001). Losing good employees is also costly because of its effect on morale. The employees who remain often feel demotivated or disheartened. This causes decreased productivity and job satisfaction. If staff members see their colleagues snapping up new job opportunities, they could leave (Hay, 2002).

Kotzé and Roodt (2005) suggest that employers have two options to succeed in the war for talent. The first is to become

---

**TABLE 4: Comparing psychological ownership to commitment, identification, internalisation, psychological empowerment and job involvement.**

<table>
<thead>
<tr>
<th>Dimensions of distinctiveness</th>
<th>Psychological ownership</th>
<th>Commitment</th>
<th>Identification</th>
<th>Internalisation</th>
<th>Psychological empowerment</th>
<th>Job involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Conceptual core</td>
<td>Possessiveness</td>
<td>Desire to remain affiliated</td>
<td>Use elements of organisation’s identity to define oneself</td>
<td>Shared goals or values</td>
<td>Achieve orientation to work role</td>
<td>Psychological identification with one’s job</td>
</tr>
<tr>
<td>2. Questions of employees</td>
<td>What do I feel is mine?</td>
<td>Should I maintain membership?</td>
<td>What am I?</td>
<td>What do I believe?</td>
<td>Can I shape my work role and context?</td>
<td>How important is my job to me?</td>
</tr>
<tr>
<td>3. Motivational bases</td>
<td>efficacy or effectance</td>
<td>security</td>
<td>attractions</td>
<td>need to be right beliefs and values.</td>
<td>self-efficacy</td>
<td>self-esteem</td>
</tr>
<tr>
<td>4. Development</td>
<td>Active imposition</td>
<td>Decision to maintain membership</td>
<td>categorisation of self with organisation</td>
<td>Adoption of organisation’s goals or values</td>
<td>value work in terms of ideas and standards</td>
<td>psychological importance at work</td>
</tr>
<tr>
<td>5. Type of state</td>
<td>Affective or cognitive</td>
<td>Affective</td>
<td>Cognitive or objective</td>
<td>affective or perceptual</td>
<td>affective or perceptual</td>
<td>affective or attitude</td>
</tr>
<tr>
<td>6. Select consequences</td>
<td>rights and responsibility</td>
<td>OCB intention to leave</td>
<td>support for organisation and participation in activities</td>
<td>OCB intention to leave in-role behaviour</td>
<td>effectiveness – role performance</td>
<td>intrinsic motivation</td>
</tr>
<tr>
<td>7. Rights</td>
<td>right to information</td>
<td>none</td>
<td>none</td>
<td>none</td>
<td>meaningful work</td>
<td>meaningful work</td>
</tr>
</tbody>
</table>

and remain a ‘employer of choice’. This will attract and retain employees with the profile they require (Cappelli, 2000). The second is to develop, retain and use their existing talent pool efficiently.

The second option is the preferred one in this study. Rossi (2000), who suggests that the best method of filling important vacancies is to ensure that current qualified employees remain, also recommends the second option. Organisations

### TABLE 5: Talent retention.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Title</th>
<th>Purposes</th>
<th>Methods</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birt, M., Wallis, T., &amp; Winternitz, G. (2004)</td>
<td>Talent retention in a changing workplace: An investigation of variables considered important to South African talent.</td>
<td>To determine the extent to which extrinsic and intrinsic variables are important to talented employees in the South African context.</td>
<td>Quantitative</td>
<td>Both intrinsic and extrinsic variables are crucial.</td>
</tr>
<tr>
<td>Bernthal, P.R., &amp; Wellins, R.S. (2001)</td>
<td>Retaining talent: A benchmark study.</td>
<td>To examine the challenges that organisations face in retaining employees in an increasingly competitive labour market.</td>
<td>Quantitative Questionnaires</td>
<td>Retention is an organisation's ability to keep the employees it has already employed.</td>
</tr>
<tr>
<td>Kotze, K., &amp; Roodt, G. (2005)</td>
<td>Factors that influence the retention of managerial and specialist staff: An exploratory study of an employee commitment model.</td>
<td>To investigate the main factors that affect the retention of managerial and specialist staff, and whether there are retention factor differences between demographic groupings.</td>
<td>Quantitative Questionnaires</td>
<td>Factors that affect retention relate to organisational commitment, employer of choice perceptions, organisational climate and employee well-being.</td>
</tr>
<tr>
<td>Hay, M. (2002)</td>
<td>Strategies for survival in the war of talent.</td>
<td>To explore why employees change jobs and identify how companies can retain their best employees.</td>
<td>Report</td>
<td>Employees leave because their organisations do not develop their talents or skills; they are unhappy with their bosses; there is a lack of clear direction from managers; and there is no scope for development.</td>
</tr>
<tr>
<td>Kaye, B., &amp; Jordan-Evans, S. (2002)</td>
<td>Retention in tough times.</td>
<td>To explore the challenges that affect organisations. To retain talent, present best practices for building talent management systems.</td>
<td>Qualitative Discussion groups</td>
<td>The challenges employers face are talent shortages, mergers, reorganisation, high turnover, low global unemployment, recruiting costs, salary freezes and managing generations.</td>
</tr>
<tr>
<td>Cappelli, P. (2000)</td>
<td>A market-driven approach to retaining talent.</td>
<td>To determine how to target particular employees.</td>
<td>Opinion from management consultant</td>
<td>Companies should look at compensation, designing better jobs, tailoring jobs to the needs of employees, encouraging the development of social ties, look at their locations and employing people they can train.</td>
</tr>
<tr>
<td>Rankin, M.J. (2000)</td>
<td>Winning the war for talent: How to become an employer of choice.</td>
<td>To determine how to become an employer of choice.</td>
<td>Opinion from management consultant</td>
<td>Retention strategies include treating employees as clients, balancing financial with emotional needs, offering new challenges and building training and development.</td>
</tr>
<tr>
<td>Jeswani, S., &amp; Dave, S. (2011)</td>
<td>Conceptual framework on psychological ownership as predictor of turnover intentions.</td>
<td>To investigate and examine the various predictors of psychological ownership using an exhaustive literature review. To draw an outline of conceptual research for further empirical testing to predicate relationships between feelings of ownership and employees’ intention to leave or stay.</td>
<td>Literature review</td>
<td>Conceptualising psychological ownership may be a foundation for a more systematic examination of contextual factors.</td>
</tr>
</tbody>
</table>

know their current employees. In addition, they are familiar with the internal workings of their organisations. They have already established the formal and informal networks they need to help them remain productive in their organisations and their organisations have trained them to use many of their methods and systems.

In the effort to win the war for talent, organisations have shifted their attention to determining the intrinsic and extrinsic reward variables that help them to retain talent. Previous studies, like those of Bernthal and Wellins (2001) as well as Cappelli (2000), have identified several intrinsic and extrinsic factors.

Different studies attach differing levels of importance to these factors. A study by Towers Perrin (HR Focus, 2003), for example, emphasises extrinsic rewards like performance-based pay. However, Kaye and Jordan-Evans (2002) report that, despite the importance of extrinsic variables, like compensation, for retaining talent, intrinsic factors, like having good supervisors, significant and challenging work and opportunities to develop are more important.

In a study on 745 employee responses to a retention survey that Bernthal and Wellins (2001) conducted, employees rated the retention factors that follow as very important:

- the quality of their relationships with supervisors or managers
- the ability to balance work and home life
- the level of cooperation with co-workers
- a clear understanding of work objectives
- the level of challenging work and autonomy – the freedom to direct work.

Jamrog (2004) explains:

The best people are not motivated by and do not stay for the money alone. They stay because they are engaged and challenged by work that makes them better at what they do. They want to work for more than just the pay check. (p. 11)

In his article ‘Hunting for black executives’, Bruce Whitfield (2007) observed that many South African companies struggle to retain upwardly-mobile black talent, even though companies under pressure to transform are prepared to pay large salaries to attract the right skills. However, although human resource directors acknowledge the importance of competitive salaries when it comes to attracting and retaining talented staff, they realise that ‘it’s not all about the money’.

Meyer and Allen (1991) observed that organisations that focus on intrinsically important variables benefit by eliciting greater affective commitment from their talented employees. Behaviours and attitudes, like strong beliefs in, and acceptance of, the values and goals of their organisations, the willingness to work hard to benefit their organisations and the desire to remain with them, illustrate this. Birt, Wallis and Winternitz (2004) have found that organisations with high levels of employee commitment outperform those with low levels by 200%. Rankin (2000) advises that focusing on intrinsic variables in order to increase commitment amongst talented employees seems to make good business sense.

Buchko (1993) found that ownership could influence employee behaviours, mainly through its effect on the intentions of employees to remain with their organisations. This effect is both direct and indirect. It operates through increased organisational commitment to tie employees to their organisations and decrease the effects of turnover. Consistent with much of the previous research on turnover (like that of Mobley, 1982), Buchko (1993) found that the intention to leave mediates the effects of commitment on turnover.

According to him, the direct and indirect effects of ownership are significant. In fact, previous research (French & Rosenstein, 1984; Klein, 1987; Long, 1982) has suggested that the effects of attitudinal variables on ownership are strong enough to influence turnover independently of their effects on intentions to leave. In their study, Jeswani and Dave (2011) proposed a conceptual framework of psychological ownership as a predictor of intentions to leave. Avey et al. (2009) and Olickers (2011) found a positive relationship between psychological ownership and employees’ intentions to remain with their organisations.

It seems clear that psychological ownership could affect the intentions of employees to remain with their organisations. Therefore, it can probably play a role in retaining talent.

**Discussion**

Here, the authors elaborate on the achievement of the three study objectives and the implications of psychological ownership for human resource practitioners and managers.

**Study objective 1**

The authors have achieved their first study objective: ‘to explore and describe the concept of psychological ownership’.

Psychological ownership is ‘that state where an individual feels as though the target of ownership or a piece of that target is “theirs”’ (Pierce et al., 2003, p. 86). According to Pierce et al. (2001), employees can direct psychological ownership at several objects (including organisations, jobs or work projects). It is a sense of possessing objects where the objects become extensions of themselves and link closely to employees’ identities (Pierce et al., 2001).

Therefore, this study determined that psychological ownership provides an answer to the question ‘What do I feel is mine?’

Organisations can benefit from managing psychological ownership because, according to Pierce et al. (1991) and Mayhew et al. (2007), psychological ownership can motivate employees to perform at high levels and even inspire them to engage in extra-role behaviours. Beaglehole (1932) and Furby
(1978) theorise that feelings of possession create a sense of responsibility that influences behaviour.

According to Hall (1966), feelings of responsibility include a responsibility to invest time and energy to advance the cause of organisations by being protective, caring and nurturing. When employees identify closely with their organisations, the desire to maintain, improve and protect that identity results in an improved sense of responsibility for work outputs (Kubzansky & Druskat, 1993, cited in Pierce et al., 2003). According to Pierce et al. (2001), one can see several organisational effects, including stewardship, as responsibilities and as the products of psychological ownership. According to Rogers and Freundlich (1998), employees who feel that they own their organisations believe that they have the right to influence the directions of their organisations and that they have a ‘deeper responsibility’ than those who do not feel ownership.

According to Pierce et al. (2001), it is possible to facilitate the development of psychological ownership in organisations because organisations can satisfy the motives of psychological ownership (self-efficacy and effectance, self-identity and having a place), although managers cannot control these motives. However, managers can work on the so-called ‘routes’ to psychological ownership by organising work so that employees become more psychologically tied to the targets (like organisations) and the targets become extensions of themselves.

The authors finally achieved their first study objective by introducing a multidimensional framework of psychological ownership that distinguishes the antecedents from the consequences of psychological ownership because it links with positive behavioural and social-psychological consequences.

**Study objective 2**

The authors achieved their second study objective, which was ‘to distinguish psychological ownership from other related constructs’ by clearly indicating its distinctiveness.

It is important to pay attention to psychological ownership because it is conceptually distinct from organisational commitment, identification, internalisation, psychological empowerment and job involvement. It describes a unique aspect of the human experience in organisations. The particular ability of psychological ownership to predict worker attitudes and behaviours, over and above the effects of demographic characteristics, affective organisational commitment, organisational identification, internalisation, job involvement and job satisfaction, is important. It shows the unique contribution of the psychology of possession to understanding the individual-organisation relationship (Van Dyne & Pierce, 2004).

Table 4 makes it clear that one can distinguish psychological ownership from other work-related constructs. These factors are its conceptual core (namely possessiveness), its focus, its motive, its development, its type of state, its selected consequences as well as rights and responsibilities.

**Study objective 3**

The authors also achieved their third study objective, which was ‘to explore the role that psychological ownership could play retaining skilled talent’.

It is clear from the literature that it is a challenge for organisations to retain their most talented and skilled staff. Therefore, the managers in organisations are responsible for creating work environments that engage and retain employees. If organisations can develop and foster a sense of psychological ownership amongst employees by addressing the factors in the framework, they could become better workplaces where sustainable performance and retaining talent is not a problem but a competitive differentiator. Organisations can benefit from psychological ownership because it leads employees to feel responsible towards targets (like organisations) and to show stewardship. It can help organisations to retain talent and influence the intentions of skilled employees to remain with their organisations.

Therefore, it is clear that psychological ownership, which is a multidimensional construct, could help organisations to retain the talents of skilled employees.

**Conclusion**

This study determined that psychological ownership provides an answer to the question: ‘What do I feel is mine?’ If talented employees do not feel that parts of their organisations are theirs, they might not mind leaving. Traditional retention strategies, like benefits, incentives and development opportunities, will become ineffective. The pivotal role that psychological ownership plays is obvious. Human resource practitioners and managers must understand that they cannot always retain talent using tangible means. The intangible psychological phenomenon is also important and often ignored.

**Limitations of the study**

The construct of psychological ownership, like most social constructs, is complex. This might pose a limitation to the framework if it has omitted some variables. The researchers have done their best to be objective in developing the framework of psychological ownership and in considering the construct’s relation to retaining talent. Nevertheless, some subjectivity is a possibility.

**Suggestions for future research**

The authors have made theoretical recommendations to increase psychological ownership in organisations. They have not ruled out the possibility of building onto the framework as a topic for future research because there could be other variables that apply in different contexts.
The current environment calls for the development of a survey instrument that organisations can use to understand whether, and how, employees interpret their psychological ownership of their organisations and to help organisations to retain their most valuable employees. Such an instrument should determine the extent to which employees (especially given their diversity) feel that they own their organisations, whether employees feel that they identify with them, have a sense of responsibility towards them and feel that they have some control over their work environments.

Furthermore, a study into the links between psychological ownership and attitudes to work in different generations could also be useful for retaining talent and could reveal possible differentiating factors.

Acknowledgements


Competing interests

The authors declare that they have no financial or personal relationship(s) that may have inappropriate influenced them when they wrote this paper.

Authors’ contributions

The authors contributed equally to this article.

References


Dittmar, H. (1992). The social psychology of material possessions: To have is to be. New York: St Martin’s.


Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.

Paul.