

An Investigation of the Relationship between Organizational Justice, Job Autonomy, Workplace Trust and Psychological Ownership: The Role of Ethical Leadership

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Abstract

This study investigates the effect of “organizational justice, job autonomy, organizational trust, and ethical leadership” on psychological ownership. It also examines the moderating role of ethical leadership on psychological ownership. The study used a survey method to obtain the data from the respondents of the banking sector. Our results support six direct and one moderating relationship. The study suggests that organizational, distributive, interpersonal, and informal justice do not affect psychological ownership. At the same time, we found that job autonomy, workplace trust, trust in co-workers, trust in organizations, trust in immediate manager, and ethical leadership affects psychological ownership. The study also found that ethical leadership moderates organizational justice and psychological ownership. But psychological ownership does not moderate (1) job autonomy and psychological leadership, and (2) workplace trust and psychological ownership.

Keywords: *Organizational justice, job autonomy, workplace trust, ethical leadership style, psychological ownership.*

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Introduction

The extant literature has documented that “organizational ownership” influences individual attitude and behavior. Whitfield, Pendleton, Sengupta, and Huxley (2017) also argue that employees, investors, and management who believe in organizational ownership tend to have high involvement in the organization. Past studies have examined the association between employees’ tangible ownership (shareholding) and their behavior. In contrast, this paper is related to psychological ownership. Psychological ownership refers to individuals’ possessive feelings about an object or entity. Individuals refer to such entities or objects as ‘Mine’ or ‘Ours’ (Imamoglu, Ince, Turkcan, & Atakay, 2019). Individuals usually establish intimate relationships with the objects they find in their surroundings. To establish an intimate relationship, it is not necessary to legally or physically own an object. Many individuals develop an intimate relationship with the object, whether it is legal or abstract ownership. Abstract ownership refers to psychological ownership, personal attachment, perceived psychological closeness, and attachment (Baxter, Aurisicchio, & Childs, 2015; Silitonga et al., 2020). Psychological ownership from the organizational context satisfies three basic human needs: ‘home’, efficacy, and self-identity. Moreover, employees feel psychological ownership when they associate their needs with the organization and consider them as ‘theirs’. They create a positive or negative judgment about the job (Weiss & Russell, 1996).

It is also important to study justice perception developed by individuals because of its strong personal influence and impact on organizational outcomes (Akram, Lei, Haider, & Hussain, 2020). Justice is necessary for the smooth functioning of organizations. Employees’ perceptions about organizational justice promote job satisfaction and sustainable relationship between organizations and employees. Organizational justice and psychological ownership are correlated because they significantly affect self-perception. However, very few researchers have examined the relationship between these two constructs (Atalay & Ozler, 2013). Many past studies have documented that psychological ownership enhances employee productivity and organizational growth (Silitonga et al., 2020). Baxter et al. (2015) argue that literature subtly supports the association between psychological ownership and organizational performance, but they also believe no empirical studies support this association. Also, we found very little empirical on the antecedents of psychological ownership and organizations.

The prevailing competitive environment has forced organizations to enhance productivity and organizational performance (Farid, Iqbal, Ma, Castro-González, Khattak, & Khan, 2019). Thus, many firms use psychological ownership to increase employee attitude towards work and productivity (Baxter et al., 2015). Organizational productivity significantly depends on employee motivation and turnover intentions.

Thus, organizations focus on enhancing motivation and reducing turnover intentions by creating an environment that promotes psychological ownership (Atalay & Ozler, 2013). This study investigates the effect of organizational justice, job autonomy, workplace trust, and ethical leadership on psychological ownership. It also examines the moderating roles of ethical leaders.

Literature Review

The concept of organizational justice or fairness in the organization has emerged from the social-psychological literature. Researchers suggest that organizational justice can lead to favorable outcomes like positive attitude and behavior by the employees, which is beneficial for the organization itself (Rupp, Shapiro, Folger, Skarlicki, & Shao, 2017). Justice refers to stakeholder perception in dealing with them fairly (Wu & Wang, 2008). Employees tend to have a positive attitude towards procedures and practices that they believe are fair and significantly influence work-related outcomes (Karam, Hu, Davison, Juravich, Nahrgang, Humphrey, & Scott- DeRue, 2019). Extant literature has divided organizational justice into three categories which are (i) procedural justice, (ii) distributive justice, and (iii) interactional justice. These types of organizational justice have different types of impact on work-related outcomes (Atalay & Ozler, 2013; Cohen-Charach, & Spector, 2001). Psychological ownership refers to employees' emotional attachment with several items of an organization (Pierce, Kostova, & Dirks, 2003). Employees protect organizational tangibles because of this possessive state of mind (Atalay & Ozler, 2013). Thus, this mindset promotes psychological ownership, leading to responsible behavior (Kaarsemaker & Poutsma, 2006).

Hypothesis Development

Organizational Justice and Psychological Ownership

Employees expect fair treatment in an organization. Extant literature suggests firms that treat their employees fairly are attractive to new employees, build a sustainable relationship with existing ones, and promote positive feelings (Hameed, Khan, Sheikh, Islam, Rasheed, & Naeem, 2019). Organizational justice builds a sustainable relationship between an organization and employees. Employees working in such organizations appreciate and acknowledge for being treated fairly and are highly motivated. Consequently, employees become more responsible and start caring for the organization, promoting psychological ownership (Ali, 2021; Butt & Atif, 2015). Many past studies found a positive association between organizational justice and psychological ownership (Ladan, Nordin, & Belal, 2017a). Hameed et al. (2019) found that when employees psychologically own an organization, they often spend personal resources (time and energy) to achieve organizational goals (Atalay & Ozler,

2013; Gomam, Vem, & Panshak, 2017; Ladan, Nordin, & Belal, 2017b). Organizational ownership, both legal or psychological, creates self-identity, leading towards increased organizational performance and a sustainable relationship between employees and employers (Ghani et al., 2020).

H1: Organizational justice has a significant effect on psychological ownership.

Procedural Justice and Psychological Ownership

Initially, researchers on organizational justice have focussed on fairness in the procedures and their outcomes (Cohen-Charach & Spector, 2001). However, subsequent research suggests that employee perception about fairness in the procedures is also important (Ghani et al., 2020). Ladan, Nordin, and Belal (2017b) argue that procedural justice refers to employees' perception of the procedures and rules that control employees' dealing process. Important aspects of procedural justice are the impartiality of the process and the creditability of decision-makers.

H1a: Procedural justice has a significant effect on psychological ownership

Distributive Justice and Psychological Ownership

The concept of distributive justice entails fair distribution of resources and outcomes. Employees assess distributive justice by comparing their inputs (i.e., experience and educational qualifications) with their output (i.e., salary and compensation) (Ghani et al., 2020). Employees also compare their inputs and outputs with other employees within and outside the organization. If they find their input and output ratios comparable, they would have faith in the distributive justice system of the organization (Butt & Atif, 2015).

Because distributive justice deals with the perceived fairness of outcomes, it strongly impacts organizational outcomes. Distributive justice can impact employees' cognitive and affective behavior and organizational outcomes (Cohen-Charach & Spector, 2001). Employees' perception of distributive justice affects their emotions (anger, happiness, pride, or guilt). If they find it unfair, it adversely affects their attitude towards work, reducing efficiency and organizational performance (Ghani et al., 2020).

H1b: Distributive justice has a significant effect on psychological ownership.

Informational Justice and Psychological Ownership

Interactional justice is an extension of procedural justice (Cohen-Charach & Spector, 2001). The first dimension of interactional justice is interpersonal justice, which relates to treating employees with respect and dignity. The second dimension of interactional

justice is informational justice. It conveys to the employees why the organization took a certain action and its mode for distributing rewards and resources (Butt & Atif, 2015). It also affects employees' cognitive, affective and behavioral reactions of employees. Employees' perception of unfairness in interactional justice promotes negative attitudes towards management and organizations.. In procedural injustice, an employee might develop a negative feeling towards the supervisor or manager, but not about the overall organization (Hameed et al. 2019; Cohen-Charach & Spector, 2001).

H1c: Informational justice has a significant effect on psychological ownership.

Job Autonomy and Psychological Ownership

Job autonomy occurs when employees have the options and liberty to design and adopt the methods to complete their tasks (Kim & Beehr, 2017). Job autonomy gives employees the freedom to select job-related assignments, build their team and modes of operation within the prescribed scope of work (Curcuruto & Griffin, 2018). Extant literature suggests that job autonomy promotes employees and organizational outcomes (Liu, Chow, Zhang, & Huang, 2019). Since autonomy gives employees freedom and independence, they are less frustrated and more productive at work (Xiong, So, Wu, & King, 2019).

Job autonomy reflects the degree of freedom, independence, and discretion provided to the employees to perform their duties. It also gives liberty to the employees to select whatever procedure they want to employ for completing their tasks (Curcuruto & Griffin, 2018; Xiong, So, Wu, & King, 2019; Hackman & Oldham, 1975). A higher autonomy increases organizational motivation and promotes psychological ownership, resulting in sustainable growth (Dawkins, Tian, Newman, & Martin, 2017). Extant literature suggests a positive association between job autonomy and employee motivation. Job autonomy makes employees more responsible and reduces undue stress leading to psychological ownership (Kim & Beehr, 2017; Sargih, 2015).

Job design characteristics, including significance, job autonomy, job feedback, and job identity, enhances employees' motivational levels. Job autonomy gives confidence to employees, and they feel they can make a significant contribution. It also makes employees highly responsible and promotes attachment (Curcuruto & Griffin, 2018). The organizational attachment has positive consequences, including a low turnover ratio and a positive attitude towards work.

H2: Job autonomy has a significant effect on psychological ownership.

Workplace Trust and Psychological Ownership

Management trust enhances employee performance and progressive behavior (Curcuruto & Griffin, 2018). It acts as a catalyst in related organizational outcomes and fosters and nourishes social systems and integrative mechanisms, leading to efficiency and organizational effectiveness (Hameed et al., 2019; Ladan, Nordin, & Belal, 2017b). Extant literature suggests a positive association between social interaction and trust. It gives employees the confidence to make decisions without fear (Lee, Yang, & Koo, 2019).

Workplace trust is a crucial element that enhances psychological ownership among employees and promotes a positive attitude resulting in effective outcomes (Avey et al., 2012). Workplace trust creates an environment in which employees trust each other leading towards psychological ownership. This trusted environment contributes positively to teamwork, job satisfaction, employee commitment, better communication, motivation, and psychological ownership (Olckers & Enslin, 2016). The workplace environment fosters a sense of organizational commitment and belongingness, promoting a culture of psychological ownership. Since workplace trust is part of the workplace environment, it positively influences psychological ownership (Pierce & Dyne, 2004). Extant literature also suggests that workplace trust influences perceived psychological ownership and employee turnover intentions (Olckers & Enslin, 2016).

H3: Workplace trust has a significant effect on psychological ownership.

Trust in Organization

Individuals feel proud to be associated with the organization they have faith in (Esterhuizen & Martins, 2008; Ozyilmaz, Erdogan, & Karaeminogullari, 2018). Researchers argue that a trustworthy environment in an organization positively affects employee optimism and security. Thus, trust affects job satisfaction and enhances organizational outcomes (Werbel & Henriques, 2009; Ozturk & Karatepe, 2019). Trust between co-workers and leaders negatively affects employees' intentions to quit. Trust promotes teamwork, social interaction, job satisfaction, and organizational commitment (Cho & Song, 2017). Due to mutual trust, employees consider themselves part of a team, due to which they work collectively to solve problems and achieve difficult goals (Fretwell, Osgood, O'Toole, & Tsouroufli, 2018).

Trust between management and employees enhances productivity in individuals, groups, and organizations (Dirks & Ferrin, 2002). Managers should promote a culture of trust in an organization, as it helps productivity, enhances motivation, and increases organizational performance (Ozturk & Karatepe, 2019). However, trust is important in all organizations, its significance increases in organizations where the job requires

supportive and shared working. A positive correlation exists between trust in immediate supervisors and employee behavior (Peng & Kim, 2020).

H3a: Trust in the organization has a significant effect on psychological ownership.

H3b: Trust in co-workers has a significant effect on psychological ownership.

H3c: Trust in immediate supervisor has a significant effect on psychological ownership.

Role of Ethical Leadership

Ethical leadership is critical for maintaining organizational standards and achieving organizational goals (Kim & Beehr, 2017). Ladan, Nordin, and Belal (2017a) suggest that ethical leadership aligns motivation and results. An ethical leader enhances employee satisfaction, improves the leader-member relationship, due to which employees put extra efforts into achieving organizational goals (Yoo, Sanders, & Cerveney, 2018). Ethical leaders also promote a culture of trust and confidence, due to which employees feel comfortable reporting problems to the management (Qing, Asif, Hussain, & Jameel, 2020). Ethical leaders also promote psychological ownership, which is necessary for motivation and organizational performance (Ko, Ma, Bartnik, Haney, & Kang, 2018). Ethical leaders' personal and professional conduct is exemplary, motivating employees to follow the same behavior, resulting in a culture of ethical values.

Peng and Kim (2020) argue that ethical leaders influence the norms and behavior of their followers, as ethical leaders stress the three core values associated with psychological ownership. These core values are belongingness, equity, and accountability (Dust et al., 2018). Ethical leaders promote belongingness by promoting an environment of belongingness among employees. Qing, Asif, Hussain, and Jameel (2020) believe that ethical leaders pay more attention to employees by listening to them and giving them a voice in their organization. This behavior stimulates a sense of belonging, a core component of psychological ownership (Brown et al., 2005; Avey et al., 2012). The second core value is "equity." Ethical leaders create "equity" by being fair in delegating duties and giving rewards to employees. This aspect promotes psychological ownership as employees believe that the leader is responsible for protecting and nurturing them. It is argued that the "equity" aspect creates a strong attachment with the follower (Pierce & Dyne, 2004; Peng & Kim, 2020). The third core value of psychological ownership is "accountability."

Ethical leaders are more likely to promote accountability among followers and are more likely to take strict actions against violators. According to the social learning

theory, employees learn accountability based on direct and indirect organizational experiences (Qing, Asif, Hussain, & Jameel, 2020). Direct learning occurs when an ethical leader punishes an employee for violating ethical values. Indirect learning occurs by observing how ethical leaders deal with violators (Brown et al., 2005). This study attempts to determine the influential impact of ethical leadership on creating psychological ownership and how it influences the relationship of job autonomy, organizational justice, and workplace trust with psychological ownership.

H4: Ethical leadership style has a significant association with psychological ownership.

H4a: Ethical leadership style moderates the relationship between job autonomy and psychological ownership.

H4b: Ethical leadership style moderates the relationship of organizational justice and psychological ownership.

H4c: Ethical leadership style moderates the relationship of workplace trust and psychological ownership.

Conceptual Framework

The study has proposed a conceptual model that has several variables. The model is illustrated in Figure 1.

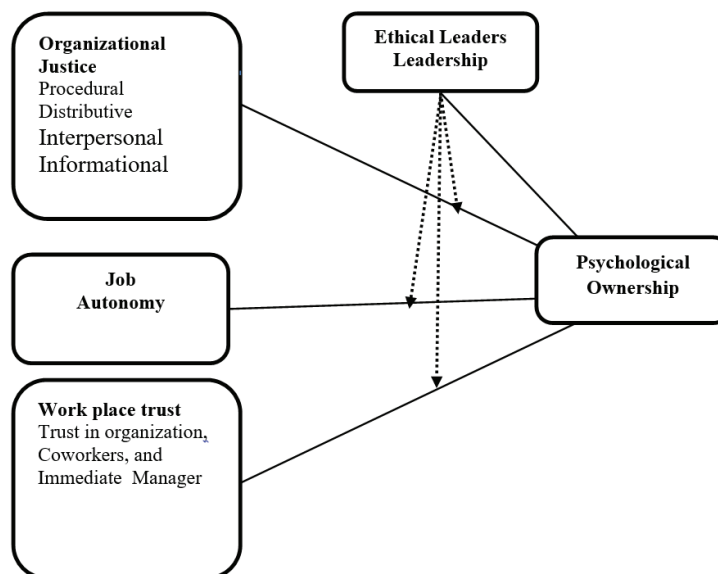


Figure 1: Conceptual Model

Research Methodology

Sample

The study aims to understand the role of organizational justice, job autonomy, and workplace trust in creating psychological ownership. It also examines the moderating roles of ethical leadership. The study has focused on the banking professionals of Karachi. The reason for selecting only one sector was that the sample characteristics would be similar, and their demographic and other characteristics would not influence our results. We distributed 520 questionnaires and received 500 filled-in questionnaires.

Respondents Profile

The respondent profile is depicted in Table 1.

Table 1: Respondent Profile

	Details	Frequency	Percent
Gender	Male Demography	402	80.4 %
	Female	98	19.6 %
Age Groups	1 - 24 years	146	29.2 %
	25 - 35 years	296	59.2 %
	Over 35 years	58	11.6 %
Work Experience	1 - 11 months	80	16 %
	1 year - 3 years	148	29.6 %
	4 years - 7 years	130	26 %
	8 years - 10 years	78	15.6 %
	Over 10 years	64	12.8 %
Education	Intermediate	0	0 %
	Bachelor	245	49 %
	Masters	255	51 %
Job Level	Top	16	3.2 %
	Middle	152	30.4 %
	Junior	332	66.4 %
	Total	500	100 %

In Table 1, the results indicate that males constitute 80.4 % and females 19.6% of the sample. For age, three categories were defined (1-24, 25-35 & more than 35 years). The results for age are as follows, i.e., 1-24 years (29.2%), 25-35 years (59.2%), and more than 35 years (11.6%). For experience, five categories were defined (1-11 months, 1-3 years, 4-7 years, 8-10 years, and more than 10 years). The results for experience are as follows i.e. 1-11 months (16%), 1-3 years (29.6%), 4-7 years (26%), 8-10 years (15.6%) and more than

10 years (12.8%). For education, three categories were defined (Intermediate, Bachelor, and Masters). The results for education are as follows, i.e., intermediate (0%), bachelor (49%), and Masters's (51%). For job level, three categories were defined (Top, Middle, and Junior). The results for job level are as follows, i.e., top (3.2%), middle (30.4%), and junior (66.4%).

Instrument

Psychological Ownership (PO) was measured from the instrument of Pierce and Dyne (2004) having 7 items with reliability ($\alpha = .875$; CR=0.907). Ethical leadership was measured from the instrument of Brown et al. (2005) having 10 items with reliability ($\alpha = 0.908$; CR = 0.924). Job autonomy (JA) was measured through the instrument of the Job Diagnostic Survey (Hackman & Oldham, 1975) having 5 items with reliability ($\alpha = 0.849$; CR = 0.892). Work place trust (WPT) was measured through the instrument of Ferres (2002) having 32 items in three sub scales (a) trust of the supervisor (9 items) with reliability ($\alpha = 0.902$; CR = 0.920), (b) trust of co-workers (12 items) with reliability ($\alpha = 0.929$; CR = 0.940), and (c) trust of the organization (11 items) with reliability ($\alpha = 0.908$; CR = 0.923). Organizational Justice (OJ) was measured from the instrument of Colquitt (2001) having 20 items in four sub scales (a) procedural justice (7 items) with reliability ($\alpha = 0.887$; CR = 0.912), (b) distributive justice (4 items) with reliability ($\alpha = 0.813$; CR = 0.878), (c) interpersonal justice (4 items) with reliability ($\alpha = 0.863$; CR = 0.907) and (d) informational justice (5 items) with reliability ($\alpha = 0.867$; CR = 0.905).

Statistical Analysis

We have used Smart PLS Version 3.3 for statistical analyses inclusive of reliability, confirmatory, and factor. We also generated measurement and structural models. Reliability analysis helps to find the consistency of the data. The measurement model helps find the model's predictive power, and the structural model helps identify the impact of different variables on the dependent variable.

Results

Measurement Model

Besides approximating path models with latent variables using the PLS-SEM algorithm, the software calculates standard results assessment criteria (e.g., for the reflective and formative measurement models, the structural model, and the goodness of fit). Further, it has provisions like additional statistical analyses (e.g., importance-performance map analysis). A greater than 0.6-factor loading is satisfactory and acceptable in the measurement model. Therefore, PO7 and WC23 were eliminated from analysis as their factor loadings were below 0.5, suggesting they are not associated with or connected

to the main constructs. The factor loadings, Cronbach's Alpha, composite reliability, and AVE are presented in Table 2.

Table 2: Measurement model

Constructs	Items	Factor Loadings	Cronbach's Alpha	Composite reliability	AVE
Ethical leadership (EL)	EL1	0.650	0.908	0.924	0.549
	EL2	0.725			
	EL3	0.764			
	EL4	0.754			
	EL5	0.749			
	EL6	0.771			
	EL7	0.690			
	EL8	0.791			
	EL9	0.792			
	EL10	0.711			
Job autonomy (JA)	JA1	0.813	0.849	0.892	0.623
	JA2	0.816			
	JA3	0.802			
	JA4	0.756			
	JA5	0.757			
Distributive justice (OD)	OD10	0.828	0.813	0.878	0.643
	OD11	0.713			
	OD8	0.815			
	OD9	0.845			
Informational justice (OIF)	OIF16	0.807	0.867	0.905	0.656
	OIF17	0.883			
	OIF18	0.830			
	OIF19	0.840			
	OIF20	0.674			
Interpersonal justice (OIT)	OIT12	0.865	0.863	0.907	0.711
	OIT13	0.881			
	OIT14	0.877			
	OIT15	0.742			
Procedural justice (OP)	OP1	0.664	0.887	0.912	0.598
	OP2	0.809			
	OP3	0.810			
	OP4	0.777			
	OP5	0.831			

Table 2: Measurement Model (Continued)

Constructs	Items	Factor Loadings	Cronbach's Alpha	Composite reliability	A V E
OP6	0.785				
	OP7	0.727			
	PO1	0.810			
Psychological ownership (PO)	PO2	0.860			
	PO3	0.759	0.875	0.907	0.622
	PO4	0.818			
	PO6	0.625			
	WC14	0.748			
Trust in Co-workers (WC)	WC15	0.723			
	WC16	0.769			
	WC17	0.821	0.929	0.940	0.587
	WC18	0.765			
	WC19	0.740			
	WC20	0.789			
	WC21	0.772			
	WC22	0.788			
	WM24	0.755			
Trust in immediate Manager (WM)	WM25	0.768			
	WM26	0.684			
	WM27	0.804	0.902	0.920	0.562
	WM28	0.770			
	WM29	0.809			
	WM30	0.777			
	WM31	0.689			
	WM32	0.676			
Trust in organization (WO)	WO1	0.682			
	WO10	0.718			
	WO11	0.626			
	WO2	0.724			
	WO3	0.716			
	WO4	0.731	0.908	0.923	0.522
	WO5	0.751			
	WO6	0.785			
	WO7	0.715			
	WO8	0.723			
	WO9	0.767			

In this study, the authors have examined internal consistency based on Cronbach's alpha values. A desirable value of Cronbach's alpha is 0.70 or above (Park & Chen, 2007). The results show that all the Cronbach's alpha values are greater than 0.70 suggesting a high level of consistency. Convergent validity refers to the correlation of items within a construct. According to many authors Grace, et al. (2012) and Esmaeili and Eydgahi (2014), the convergent validity depends on AVE (should be greater than 0.5) and composite reliability (should be greater than 0.70). The results suggest that AVE is greater than 0.50 and composite reliability is greater than 0.70.

Discriminant Validity

The discriminant validity analysis results are summarized in Table 3.

Table 3: Discriminant validity analysis

Variables	OD	EL	OIT	JA	OP	PO	WC	WM	WO	OIF
Distributive justice (OD)	0.802									
Ethical Leadership (EL)	0.602	0.741								
Interpersonal justice (OIT)	0.635	0.572	0.843							
Job autonomy (JA)	0.587	0.517	0.582	0.789						
Procedural justice (OP)	0.675	0.642	0.628	0.652	0.774					
Psychological Ownership (PO)	0.490	0.527	0.373	0.463	0.368	0.788				
Trust in Co-workers (WC)	0.433	0.606	0.556	0.538	0.543	0.360	0.766			
Trust in Organization (WO)	0.597	0.629	0.516	0.566	0.629	0.579	0.609	0.723		
Trust in immediate Mgr.(WM)	0.591	0.695	0.640	0.613	0.632	0.443	0.700	0.625	0.750	
Informational justice (OIF)	0.728	0.661	0.761	0.580	0.728	0.429	0.558	0.618	0.620	0.810

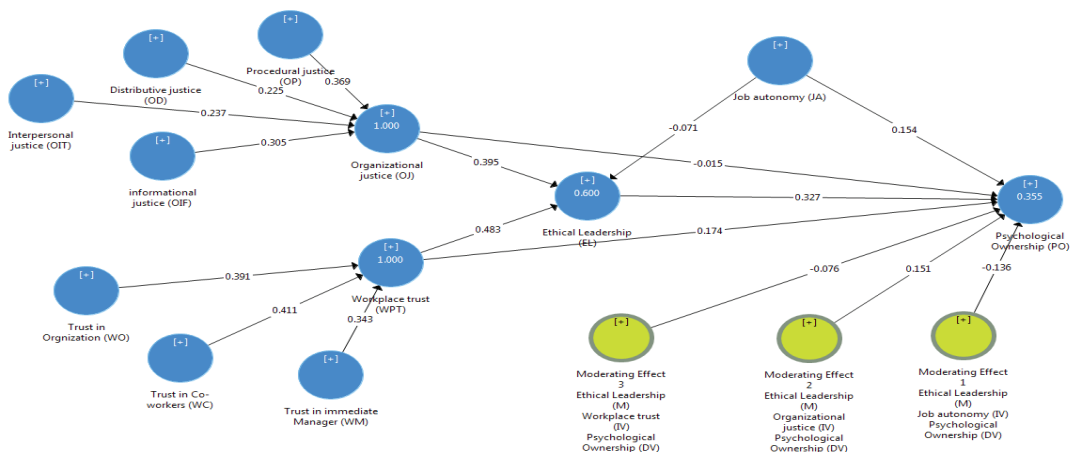
DeVellis (2011) states that discriminant validity is established when the variables are not correlated and different. It means that the items of the same construct should be highly correlated but should be less correlated with the items of another construct. For this study, the SmartPLS path modeling technique has been utilized for testing discriminant validity. The results show that AVE square values are greater than the Pearson correlation values, suggesting that the constructs are unique and distinct.

Model Fit Criteria

The coefficient of determination (R^2) for the Psychological Ownership (PO) variable is 0.355. Besides assessing the magnitude of the R^2 values as a measure of predictive accuracy, the study has also assessed Stone-Geisser's (1974) Q^2 value which is 0.20, suggesting that the model has adequate predictive power.

The generated results related to the proposed hypothesis are presented in Table 4.

	Beta	T-stat	P-values	Results
Direct Relationship				
Org. justice > Psy. Ownership (H1)	-0.015	0.202	0.840	Insignificant
Distributive justice > Psychological Ownership (H1a)	-0.003	0.204	0.839	Insignificant
Interpersonal justice > Psychological Ownership(H1b)	-0.003	0.201	0.841	Insignificant
Procedural justice > Psychological Ownership(H1c)	-0.005	0.203	0.840	Insignificant
Informational justice > Psychological Ownership (H1d)	-0.004	0.202	0.840	Insignificant
Job autonomy > Psychological Ownership (H2)	0.154	2.901	0.004	Significant
Workplace trust > Psychological Ownership (H3)	0.174	2.394	0.017	Significant
Trust in Co-workers > Psychological Ownership (H3a)	0.071	2.416	0.016	Significant
Trust in Organization > Psychological Ownership (H3c)	0.068	2.369	0.018	Significant
Trust in Immediate .Mgr. > Psychological Ownership(H3c)	0.060	2.420	0.016	Significant
Ethical Leadership > Psychological Ownership (H4)	0.327	4.159	0.000	Significant
Moderating Relationship				
Job Autonomy> Ethical Leadership> Psy. ownership (H4a)	-0.136	1.503	0.134	Insignificant
Org. justice> Eth. Leadership> Psy. Ownership (H4b)	0.151	2.174	0.030	Significant
Workplace trust> Eth. Leadership> Psy. Ownership (H4c)	-0.076	0.537	0.591	Insignificant



Conclusion

Sense of ownership significantly affects employee attitude and behavior. Given its significance, the study has examined the impact of organizational justice, job autonomy, organizational trust, and ethical leadership on psychological ownership. The study has focused on the banking sector of Karachi. We have proposed 14 hypotheses, including 11 direct and three moderating. Our results support six direct and one moderating relationship. The study suggests that organizational, distributive, interpersonal, and informal justice do not affect psychological ownership. At the same time, we found that job autonomy, workplace trust, trust in co-workers, trust in organizations, trust in immediate manager, and ethical leadership affects psychological ownership. The study also found that ethical leadership moderates organizational justice and psychological ownership. But psychological ownership does not moderate (1) job autonomy and psychological leadership, and (2) workplace trust and psychological ownership

Managerial Implications

Human capital is an asset that gives a competitive edge to a firm. Thus, the banking sector in Pakistan needs to revisit how they treat their human capital (Marquardt & Berger, 2003). In most organizations, resources are not utilized effectively and efficiently, which results in declining performance. Human resource management is also an important resource that firms should utilize efficiently (Satkunasingam & Ndubisi, 2006). Otherwise, firm performance may decline and may not be attractive for existing and new employees.

Organizations should focus on hiring and retaining employees who develop a psychological association with them. Employees who psychologically own an organization are more concerned about it. Such employees' attitude and behavior towards their work is positive, resulting in sustainable growth. The study found that job autonomy, workplace trust, and ethical leadership promote psychological ownership. Thus, firms should give more autonomy to their employees. Employees with job autonomy feel motivated and have less stress, due to which their performance increases significantly. Firms that invest in building a culture of trust benefit from such an environment. Employees in such organizations are not afraid of making necessary decisions that might have a little chance of adverse consequences, as the employees have confidence in the organization's management. They are fully aware that the management would support them irrespective of the consequences of their decisions. If all the major and minor decisions had to be approved by one person, the organization's efficiency would decrease significantly. Therefore, researchers believe in giving the maximum possible job autonomy. Extant literature suggests that job autonomy reduces turnover intentions, increases motivation and job satisfaction, and

promotes psychological ownership. Ethical leaders can be role models for employees and inspire them with exemplary behavior. The firm should hire and develop ethical leaders. Employees generally trust ethical leaders since they believe that such leaders will be fair in delegating job-related duties and rewarding employees.

Limitations and Further Studies

The study examines the impact of organizational justice, job level, workplace trust, and ethical leadership on psychological ownership in the banking sector of Pakistan. We advise future researchers to use other variables that impact psychological ownership. While we have used ethical leadership in our conceptual framework, other studies may use other leadership styles. The target audience for the current study was the banking sector employees of Karachi. The avenues for future research can be other cities and other sectors. Pakistan is a culturally rich country. Therefore the inclusion of cultural variables may bring an interesting dimension in future studies.

Annexure

Constructs and items used in the study

Psychological Ownership

PO1. This is MY organization.

PO2. I sense that this organization is OUR company.

PO3. I feel a very high degree of personal ownership for this organization.

PO4. I sense that this is MY company.

PO5. This is OUR company.

PO6. Most of the people that work for this organization feel as though they own the company.

PO7. It is hard for me to think about this organization as MINE.

Ethical Leadership

E1. Conducts his/her personal life in an ethical manner.

E2. Defines success not just by results but also the way that they are obtained.

E3. Listens to what employees have to say.

E4. Disciplines employees who violate ethical standards.

E5. Make fair and balanced decisions.

E6. Can be trusted.

E7. Discusses business ethics or values with employees.

E8. Sets an example of how to do things the right way in terms of ethics.

E9. Has the best interests of employees in mind.

E10. When making decisions, leader asks, "what is the right thing to do?"

Job Autonomy

JA1. I am allowed to decide how to go about getting my job done (the methods).

JA2. I am able to choose the way to go about my job (the procedures to utilize).

JA3. I am free to choose the methods to use in carrying out my work.

JA4. I have control over the scheduling of my work.

JA5. Have some control over the sequencing of my work activities (when I do what).

JA6. My job is such that can decide when to do particular work activities.

Trust for Organization

WO1. There is a widely held belief that X is moving forward for the better.

WO2. I have positive feelings about the future direction of X.

WO3. I honestly express my opinion at X with the knowledge that employee views are valued.

WO4. I think that X offers a supportive environment.

WO5. I believe that X recognizes and rewards employees' skills and abilities.

WO6. It is generally accepted that X takes care of employee interests.

WO7. I perform knowing that X will recognize my work.

WO8. I think that processes within X are fair.

WO9. Employees commonly believe that they are treated fairly at X.

WO10. I act on the basis that X follows plans with action.

WO11. I feel that information can be shared openly within X.

Trust for Manager

WM24. I feel that my manager at X listens to what I have to say.

WM25. I proceed on the basis that my manager will act in good faith.

WM26. I act on the basis that my manager displays integrity in his/her actions.

WM27. I think that my manager appreciates additional efforts I make.

WM28. I act knowing that my manager will keep his/her word.

WM29. I believe that my manager follows words through with action.

WM30. I feel that my manager is available when needed.

WM31. I feel that my manager keeps personal discussions confidential.

WM32. I feel that my manager trusts his/her employees to work without excessive supervision.

Trust in Colleagues

WC11. I feel that I can trust my co-workers to do their jobs well.

WC12. I proceed with the knowledge that my co-workers are considerate of my interests.

WC13. I believe that my co-workers support me if I have problems.

WC14. Most employees at X believe that co-workers are reliable.

WC15. I feel confident that my co-workers appreciate my good work.

WC16. I feel that my co-workers are truthful in their dealings with me.

WC17. I think that my co-workers act reliably from one moment to the next.

WC18. I will act on the foundation that my co-workers display ethical behavior.

WC19. Most employees at X believe that co-workers will be supportive if problems arise.

WC20. I believe that my co-workers give me all the information to assist me at work.

WC21. Employees at X generally feel that co-workers appreciate their quality performance.

WC22. Behave on the basis that my co-workers will not disclose personal information.

Procedural Justice

OP1. Have you been able to express your views during those procedures.

OP2. Have you influenced the (outcome) arrived by those procedures.

OP3. Have those procedures been applied consistently.

OP4. Have those procedures been free of bias.

OP5. Have those procedures been based on accurate information.

OP6. Have you been able to appeal the (outcome) arrived by those procedures.

OP7. Have those procedures upheld ethical and moral standards.

Distributive Justice

OD8. Does your outcome reflect the efforts you have put into your work.

OD9. Is your outcome appropriate for the work you have completed.

OD10. Does your outcome reflect what you have contributed to the organization.

OD11. Is your output justified given your performance.

Interpersonal Justice

OIT12. Has (he/she) treated you in a polite manner.

OIT13. Has (he/she) treated you with a dignity.

OIT14. Has (he/she) treated you with a respect.

OIT15. Has (he/she) refrained from the improper remarks or comments?

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