

Chapter 1

The History of Psychological Ownership and its Emergence in Consumer Psychology

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Chapter 1

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This chapter is about the history of the construct psychological ownership, and its migration into consumer psychology. The emergence of the construct in the organizational sciences is largely one of ‘serendipity’ followed by our ability to “stand upon the shoulders of giants”ⁱ whose prior reflections on the concept of ownership, and especially its manifestation as a psychological phenomenon was extremely illuminating. We start with comments on what we believe to be the origins of the construct psychological ownership. This is followed by an overview of the theory of psychological ownership as both an individual- and collective phenomenon. Finally, we conclude this chapter with a discussion of the emergence of the construct into the realm of consumer psychology.

Psychological Ownership: History and Theory

Reflections by Jon L. Pierce

There is a long standing and rich literature that is focused on the psychology of possession, property, and mine. Whether or not psychologist William James (1890, pp. 291-292) was the first to lay the foundation for the construct, his words played a very instrumental role, when he wrote, *“A man’s Self is the sum total of all that he CAN call his, not only his body and his psychic powers, but his cloths and his house, his wife and children, his ancestors and friends, his reputation and work, his land and yacht and bank account. All these things give the emotions. If the wax and prosper, he feels triumphant, if they dwindle and die, he feels cast down -not necessarily in the same degree for each thing, but in much the same way for all.”* Not all of the influential work leading up to the emergence of the construct psychological ownership was conducted within the realm of psychology, as one can find rich references to the psychology of mine, possession and property in literatures dealing with anthropology, animal behavior, child development, geography, philosophy, sociology, social psychology, as well as, studies of the elderly and other life stages.

My journey into psychological ownership began in the mid-to-late 1980s, a time during which there was a surge of interest (both in practice and the academy) in employee ownership as an organizational arrangement. At the time my research interests were largely focused on job design, alternative work schedules (e.g., staggered start, flexible working hours, shift work), coupled with an emerging interest in organization-based self-esteem (OBSE), which continues to be an area of inquiry for which I remain passionately interested in to this day. My interest in

OBSE revolves around the identification of those work experiences that results in the emergence of a deep seated belief that ‘I COUNT around here,’ and ‘I am an IMPORTANT PART OF THIS PLACE (two items employed in the measurement of OBSE; Pierce, Gardner, Cummings, & Dunham, 1989), and its work (e.g., organizational citizenship behavior) and non-work-related (e.g., subjective well-being / happiness) effects. This research stream has also explored the role of OBSE as a carrier of the effects of other organizational phenomena (e.g., perceived organizational support, trust in management) on personal and organizational effects, thereby illuminating ‘how’ these relationships unfold.

The emergence of my interest in the ownership as a psychological state finds its origin in employee ownership as an organizational arrangement. Scott Harrison, a friend, and a small group of investors decided to reopen a recently closed, family owned meat processing plant. It was their plan to operate the organization under an employee ownership scheme that had become popularized as a result of federal legislation spawned during the late 1970s early 1980s, by the late Senators Russell Long (a conservative Republican) and Ted Kennedy (a liberal Democrat) – two unlikely colleagues to co-sponsor federal legislation. Conservatives like Senator Long saw the Employee Stock Ownership Plan (ESOP) as a way of strengthening the capitalist system by involving employees in an ownership arrangement that makes them owners of the business that employs them. He envisioned the ESOP as a way to enhance organizational commitment and employee productivity, while dampening union activity. Senator Kennedy saw the ESOP arrangement as a way of creating an incentive to get employees organizationally involved, by giving them, as an employee owner, a voice in the organizational affairs that impacted their day-to-day organizational life.

Scott, a finance person and venture capitalist, inquired as to my willingness to monitor the ‘psychological climate’ of the organization during the first few years of operation, as he wanted to make sure that the employee ownership scheme that they were putting into place was having, what he intuitively believed would be its positive attitudinal (e.g., job satisfaction) and behavioral (e.g., performance, and a reduction of absenteeism) effects amongst those who were, from day-one, to be the employee owners. It was Scott’s intention to create an ownership trust fund for the employees of Elliott Meat Packing. The plan was to place approximately one third of the firms stocks in the employee trust fund, with the prospect that the employees’ share would eventually be increased in size.

While my research interests were elsewhere, Scott was a friend asking for assistance, and the project coincided with my interests in the interface between the organization and the employee as an organizational member, with a specific interest in the psychological relationships that connect the individual to work and organizations. Specifically, both my teaching and research interests centered on the effects that organizations have upon employees and their work-related attitudes (e.g., job satisfaction), motivation (e.g., intrinsic work motivation), and behavior (e.g., work attendance and performance). This was, in essence, what my research into flexible working hours was all about –addressing questions such as: Is there a relationship between the amount of flexibility employees have in scheduling when they work and don’t work, and its personal and organizational effects. Similarly, my interest job design primarily revolved around its effects on employee attitudes, motivation, and work-related behaviors.

I agreed to help Scott as I envision this involvement as an opportunity to inform my teaching organizational behavior, while opening the door for a new stream of research --one focused on organizational ownership arrangements and their effects upon employee morale and

behavior. At the start of this journey, ‘ownership’ was not a construct that I understood outside of the fact that I knew that I owned land, a house, and a variety of physical objects. I recognized that ownership was a legal right of possession, a pillar of a capitalistic system that gives people the right to private property and the right of private enterprise. I also recognized that these rights and associated responsibilities were defined and protected by the host country’s legal system. I was quick to learn that there existed a scientific literature that compared employee owned organizations with their conventionally owned counterparts, as well as a literature that traced organizational conversions from conventional ownership to an employee ownership scheme. This was a literature that I needed to familiarize myself with if I was going to be of any real assistance to Scott, his co-investors, and the employees of Elliott Meat Packing, and if organizational ownership was going to potentially emerge into my teaching and research activities.

Shortly after I agreed to provide Scott with some assistance I partnered in the Elliott Meat project with Steve Rubinfeld, a friend from our graduate school days at the University of Wisconsin and a colleague here at the University of Minnesota Duluth, and Susan Morgan an undergraduate student who was studying in our School of Business and working as a student assistant in our Department of Management Studies. Our first task consisted of an extensive review of the employee ownership literature. This review provided us with a rich insight into employee ownership as an organizational arrangement, issues pertaining to design and design differences, individual and organizational effects, and perspectives into the differences between employee owned enterprises and their conventionally owned counterparts. Our research findings were shared with Scott and his colleagues, and subsequently published in the *Academy of Management Review (AMR)* in 1991.

This literature review revealed that unlike conventional wisdom as espoused by advocates, practitioners, and a few scholars there was no simple and direct ownership effect,ⁱⁱ whereby giving the employee an ownership stake in the organization would increase morale, reduce absenteeism, and enhance organizational effectiveness. In fact, employee owners were not necessarily more motivated, satisfied, nor productive than their counterparts in conventionally owned organizations. In the *AMR* paper we suggested that unless employees *feel* as though they are owners the full and positive intended effects (i.e., increased job satisfaction, work motivation and performance) are unlikely to be realized. We went on to note that the *sense of ownership* was unlikely to take root unless the design of the employee ownership scheme more-or-less paralleled the rights traditionally associated with ownership as it is routinely experienced outside of the employment context. Ownership of one's home, for example, means and entails more than having a financial stake in a building on a plot of land. At the time, giving employees a financial stake in the business was a central feature of most employee ownership arrangements (i.e., ESOPs) that were spawned by the Long/Kennedy legislation. The exception seemed to be those ownership arrangements referred to as 'worker/producer cooperatives' which were exclusively employee owned, employee controlled and managed. Fueling the 20th century emergence of the worker/produce cooperatives was Olympia Veneer. In 1921, 125 lumber workers, carpenters, mechanics pooled their money and built their own plywood mill. Olympia Veneer's experiment with as a worker-owned and controlled mill prompted the formation of numerous plywood companies in the Pacific Northwest and other such ventures throughout North America.

While ownership is the legal right of possession, there is a bundle of rights (e.g., right of control, right to information, right to an equity stake in the owned object) that accompanies this

institution. In our *AMR* review of the employee ownership literature we stated that ownership is “multidimensional in nature, existing as both a formal (objective) and as a psychologically experienced phenomenon” (Pierce, Rubinfeld, & Morgan, 1991, p. 124). We offered, without elaboration, the notion that **psychological ownership** is an important condition shaping the relationship between a formal employee ownership arrangement and its work-related effects. That is, unless the formal ownership arrangement leads to a sense of ownership (i.e., psychological ownership) for the organization, its favorable individual (e.g., organizational commitment, work motivation) and organizational (e.g., careful working, work attendance) effects are unlikely to be realized. In addition, we speculated on some of the design features of an employee ownership arrangement that should influence the sense of ownership. More specifically, we indicated that the same bundle of rights (i.e., an influence/control right, and informational right, and a right to an equity stake) that are associated with the legal right of possession need to be designed into an employee ownership arrangement if the full range of positive effects are to be realized. Specifically, the employee owner needs to have a voice in the affairs of the organization, they need timely access to organizational information, as well as having an equity stake in the organization (see also Pierce & Rodgers, 2004). Each of these features characterizes the ownership experiences in employees’ lives away from work, and they were a central feature in many of the worker/producer cooperatives like Olympia Veneer.

While Scott Harrison’s venture into employee ownership launched my inquiry into the ownership construct, it was a single comment by an anonymous reviewer of our *Academy of Management Review* paper that served as the catalyst to my exploration of the psychology of mine, possession and property literature. Quite simply, this reviewer indicated that one of the most intriguing parts of our manuscript, which we said very little about, and that should be

developed, was the notion of ownership as a psychological phenomenon. This reviewer's comment gave rise to numerous questions, such as: What is psychological ownership, where does it genesis lay, what types of experiences give rise to the sense of ownership, what does it attach itself to, and what are among its personal and work-related effects? This reviewer's comment was powerful, as it spawned for me an inquiry that continues to this day. The efficacy of the construct is also revealed by the fact that it has also found a home in other disciplines such as education, health care, environmentalism, small and family owned businesses, sustainability, and **consumer psychology**.

Inspired by this anonymous reviewer's comment and encouragement I took a sabbatical from Minnesota, and accepted a visiting scholar appointment in the Department of Psychology at The University of Waikato, in Hamilton, New Zealand for the fall of 1995. I had discovered that there were a number of scholars, working in numerous disciplines, who had focused their attention on the psychology of possessions, property, and mine, and its central role as a part of the human condition. It was my intention to devote my leave to defining and to the elaboration of the construct psychological ownership. To this end I buried myself in the child development, animal territoriality, anthropology, geography, philosophy, sociology, social and environmental psychology literatures in an attempt to come to understand the role played by possessions in human development and function, and the psychology associated with this condition. The University Waikato Library became my 'home away from home' with its holdings providing great insight into this psychological phenomenon.

The contemporary focus on the sense of ownership may have originated with the Etzioni's (1991) notion that the concept of ownership is a "dual creation, part attitude, part object, part in the mind, part 'real'" (Etzioni, 1991, p. 466), Wilpert's (1991) suggestion that that

which is experienced as mine is a major aspect of the affective experience of ownership, and Pierce et al.'s (1991) suggestion that ownership is “multidimensional in nature, existing as both a formal (objective) and as a psychologically experienced phenomenon” (p. 124) which they called psychological ownership. It is clear that this work was enabled by our ability to “‘stand’ on the shoulders of giants” (e.g., Beaglehole, 1932; Dittmar, 1991, 1992; Duncan, 1981; Furby, 1976, 1980, 1991; James, 1890; Litwinski, 1942, 1947; Sartre, 1943, among others) who proceeded us in their thought about the psychology of possession, property, and mine. Furby (1976, 1991), for example, in her discussion of the sense of ownership emphasized the use of the possessive pronoun. Isaacs (1933), Heider (1958), and Rudmin and Berry (1987) noted that it is common place for people to have ‘attitudes of ownership’ for objects that are physical and non-physical in nature. Sartre (1943/1969, pp. 591-592) noted that “the totality of my possessions reflects the totality of my being ... I am what I have ... What is mine is myself.”

This work led to the conceptual definition of **psychological ownership** as the “*state in which individuals feel as though the target of ownership or a piece of that target is ‘theirs’ (i.e., ‘It is MINE!’)*”; Pierce, Kostova, & Dirks, 2001, 2003, p. 86). Among some of its most defining characteristics are: a sense of possessiveness serves as its conceptual core; it answers the question ‘What do I feel is mine and a part of me’; it reflects being psychologically tied to the target of ownership; it is a unidimensional construct; it reflects conditions whereby the individual experiences the target of ownership as part of the extended self. The state of psychological ownership is complex. It is a condition in which one is aware through intellectual perception. It reflects an individual’s awareness, thoughts, and beliefs regarding the target of ownership. This cognitive state, however, is coupled with an emotional or affective sensation. Feelings of ownership are said to be pleasure producing *per se*, accompanied by a sense of efficacy and

competence. The psychological state of ownership is associated with numerous personal and organizational effects some of which are positive (e.g., job satisfaction, organizational commitment, promotion of organizational change [e.g., change that is self-initiated and directed], assumption of responsibility, protective territorial behaviors), while other effects are negative in nature (e.g., resistance to organizational change [e.g., change that is imposed by others], information/knowledge hoarding, stress and a burden of responsibility).

After the introduction of the construct, efforts were undertaken to develop and validate an instrument for the measurement of psychological ownership, as well as, field studies directed toward the testing of different components (i.e., antecedents and effects) of the theory of psychological ownership that were presented in the work of Pierce and his colleagues (2001, 2003). As a part of my prior job design research, and having been influenced by Hackman and Oldham's (1975) Job Characteristic Theory, I came to believe that psychological ownership may be a more robust and parsimonious mediating condition than the three critical psychological states that they had positioned in their model of job design. More specifically, Hackman and Oldham proposed that 'experienced meaningfulness of work,' 'experienced responsibility for work outcomes,' and 'knowledge of results' were three critical psychological states that mediate the relationship between the five core job design dimensions (i.e., skill variety, autonomy, task identity, task significance, and feedback) and a set of personal and work outcomes (e.g., work motivation, work satisfaction, quality performance, and work attendance). My thinking was that the same job design dimensions will give rise to feelings of job-based ownership, which when manifest would be accompanied by each of the three critical psychological states. Thus, a revision of Hackman and Oldham's model employing psychological ownership may be a

meaningful step forward aiding our understanding of ‘how’ the critical job design dimensions produce their work and personal effects.

Joining me in the conceptual examination of the relationship between job design and psychological ownership were Iiro Jussila and Anne Cummings. Our conceptual work laying out this relationship between how jobs were designed for the individual employee, psychological ownership, and several effects appeared in the *Journal of Organizational Behavior* in 2009.ⁱⁱⁱ Once again, it was an anonymous reviewer’s comment that spawned another stage in the development and expansion of the construct psychological ownership. This reviewer quite simply indicated that with the rapid increase in the organizational use of work teams, we should give consideration to psychological ownership as a group-level phenomenon.

For the second time, it was a casual comment by a reviewer that spawned an interest in thinking about collective attitudes and action, and the development of the construct collective psychological ownership. Once again, we were greatly enabled by our ability to build upon the work of others. There had been numerous occasions, where scholars working in several different disciplines called our attention to the fact that ownership manifests itself collectively. Furby (1980), for example, noted the existence of a collective psychology of possession. Similarly, Druskat and Pescosolido (2002) suggested that collective notions of ownership are commonplace, and that the presence of “shared mental models among the members of a work team has a positive effect on team processes and effectiveness” (p. 284; cf. Klimoski & Mohammed, 1994; Levine & Moreland, 1991; Mathieu et al., 2000). They went on to note that a shared mental model (i.e., a collective cognition) pertaining to ownership simply involves the collective belief, by all members of a group, that a target of ownership is collectively ‘theirs.’ Observations of this nature can also be found in studies of neighborhoods, urban graffiti, street

gangs, territoriality, and amongst flight deck operators on aircraft carriers (Altman, 1975; Brown & Crossley, 2008; Ley & Cybriwsky, 1974; Thrasher, 1927; Weick & Roberts, 1993; Yablonsky, 1962).

Informed by the psychology of possession and property, and studies of collective thought and action, Pierce and Jussila (*Journal of Organizational Behavior*, 2010) provided a theory of collective psychological ownership. They conceptually defined *collective psychological ownership* (CPO) as “*the collectively held sense (feeling) that this target of ownership (or a piece of that target) is collectively ‘ours’*” (p. 812). As acknowledged above, scholars (e.g., Cooke, 2015; Gibson, 2001; Gibson & Earley, 2007; Weick & Roberts, 1993) have acknowledged that under certain conditions a group can develop a ‘mind of its own.’ As such, CPO is seen as an intersubjective sense of possession, revealing the way that group members (e.g., work teams), as a collective, have come to sense their possessive reality.

Several years later and following the recommendations of Kozlowski and Klein (2000) for the measurement of variables involving shared unit properties, we developed and validated an instrument for the measurement of collective psychological ownership (Pierce, Jussila, & Li, 2017). This instrument was patterned after the instrument for the measurement of individual-level psychological ownership which was developed and validated by Van Dyne and Pierce (2004). At the time of this writing, we have just completed a field study involving 54 diverse work teams consisting of two to 10 members. In this work we examined the emergence of collective psychological ownership influenced by team work complexity and team self-management, as they operate through each of the three routes (i.e., the collective experience of control over, intimate knowing of, and investment of the collective’s selves into the target of ownership) to the collective’s sense of ownership (Pierce, Li, Jussila, & Wang, 2017).

Before turning to the emergence of psychological ownership in consumer psychology, we provide a brief overview of the theory of psychological ownership as it operates at the individual-level, and similarly an overview of the theory of collective psychological ownership as a group-level phenomenon.

The Theory of Psychological Ownership: An Overview

The theory of psychological ownership as articulated in the work of Pierce and his colleagues (Kostova and Dirks, 2001, 2003), argues that the genesis of personal feelings of ownership are most likely socio-biological in nature. As suggested by Dittmar (1992) the sense of ownership is likely to be a combination of an innate tendency to collect and take possession, which gets reinforced by socialization practices (e.g., mother's instructions 'don't touch not yours, go and get your ball') to which one is exposed. Four human motives underpin (i.e., serve as the 'roots') the sense of ownership, they are: 1) effectance motivation (i.e., the desire to interact effectively with one's environment, and to produce desired outcomes which gives rise to feelings of efficacy and pleasure stemming from 'being the cause'; White, 1959), 2) self-identity (i.e., possessions helps people define themselves, express their self-identity to others, and to maintain the continuity of the self across time; Mead, 1932), 3) home (i.e., the anchoring of the self in time and space, and having a place in which to dwell, thereby providing the self with a sense of familiarity, comfort and security; Heidegger, 1927/1967; Duncan, 1981; Weil, 1952; Porteous, 1976), and 4) stimulation (i.e., the human need for arousal/activation; Darling, 1937; Duncan, 1981). These motives are seen as the reason for the existence of the psychological state of ownership, as opposed to being its cause. When a person experiences a sense of ownership for a particular target one or more of these motives are believed to be satisfied.

There exist three ‘routes’ (i.e., key experiences) that give rise to the sense of ownership. A person can derive the sense of ownership as a result of their travels down any one or any combination of these three routes. The first is the *exercise of control* over the target of ownership. Furby (1978a) argued that the more control that a person can exercise over a potential target of ownership the more they will psychologically experience that target as a part of the self, whereby targets of ownership are experienced as ‘one with the self’ or a part of the ‘extended self’ (Belk, 1988). The second route to feelings of ownership is *intimate knowing* the target of ownership. James (1890) suggested that through a living relationship with objects, individuals come to develop feelings of ownership for those objects. A similar observation was offered by Beaglehole (1932) when he noted that when an object is known passionately (intimately), it becomes a part of the self. The third route to psychological ownership is through the *investment of the self* into the target. Locke (1690) argued that a person owns his/her self, as well as their labor, and as a consequence one is likely to feel they own that which that which they create. Similarly, Sartre (1943) suggested that ‘much like our words, thoughts and emotions that which stems from one’s labor is a representation of the self.’ This investment can come from implanting one’s ideas, time, effort, creative juices into the target of ownership. In doing so the target comes to house and reflect a part of the individual giving rise to a sense of it being a part of me and mine.

Psychological ownership theory also addresses the question –What can be psychologically owned. It is apparent that people do not come to a sense of ownership for each and every target with which they come into contact. It is also clinically apparent that the sense of ownership can develop for objects that are both material (e.g., i-phone) and non-material (e.g., ideas) in nature. Target attributes that can satisfy the motives that underpin the sense of

ownership (e.g., effectance, self-identity, home) are among the most viable candidates. The target needs to be both visible and attractive so as to catch and hold the psychological owner's attention. The target must be manipulable, because only then will it be capable of potentially serving effectance motivation, as well as the individual's need for stimulation. It also needs to be attractive, socially esteemed, and self-revealing if the individual is going to use it to serve their self-identity motive. In addition, the target also needs to be open (available, receptive, hospitable) to enable the individual to find a home (place in which to dwell) within that target.

It is important for us to see that legal and psychological ownership are distinct concepts. While it is possible for both to exist simultaneously, each can exist without the presence of the other. In addition, legal ownership and its accompanying rights and responsibilities are defined by the host country's legal system. The rights and responsibilities that accompany psychological ownership are defined by the psychological owner, existing without any form of legal protection. To the extent that its manifestation involves others, it is their willingness to acknowledge the psychological owner's claim that legitimizes the existence of this psychological state.

The final component of the theory addresses the effects of psychological ownership. The state is characterized as having a set of positive and negative effects. On the 'light' side such outcomes as: caring, protection, stewardship, assumption of responsibility, job satisfaction and organizational commitment, and identification are presumed to be common place. On the 'dark' side such effects as: refusal to share, burden of responsibility, anxiety, and stress may not be uncommon.

In closing, current theorizing suggests that psychological ownership emerges at the confluence of: a) a target possessing attributes (e.g., attractiveness, malleability) which permit

the fulfillment of one or more of these motives (e.g., effectance), b) one or more motives (e.g., home) being in an aroused (active) state, and c) finally, the experience of control over, intimate knowing of, and/or the investment of the self into the target of ownership. Therefore, each of the motives is positioned as an antecedent, though not a causal condition.

The Theory of Collective Psychological Ownership: An Overview

As a result of the rapid rise in organizational use of work teams and the emergence of the post bureaucratic organization, there emerged an expansion of the psychological ownership construct from the individual- to the collective level. Psychological ownership at the individual-level can manifest itself in terms of personal feelings of exclusive ownership (e.g., that fly rod is MINE!), and in terms of the personal recognition (acknowledgement) that others may feel a sense of ownership for the same object (e.g., this is OUR home). In the later instance the possessive pronoun ‘our(s)’ is a dual possessive pronoun, and thus inclusive of ‘mine.’ As such, that which is our home is simultaneously experienced as my home. As explained below, collective psychological ownership (CPO) is phenomenologically different and distinct from the personal experiences of ownership for a particular target which is independently experienced and expressed as mine (or ours) by two or more individuals (e.g., members of the Department of Management Studies referring to the departmental commons as ‘our commons’).

In order for feelings of shared ownership as a collective structure to emerge, two conditions need to simultaneously exist --each member of the group needs to experience themselves as a psychological owner, coupled with the awareness that through their interdependent experiences they are party to a shared, possessive mind-set (i.e., a collective cognition) toward a particular object. More specifically, it is through collective action and

interactive dynamics (i.e., explicit communications; “group processes involving the acquisition, storage, transmission, manipulation, and use of information”; Gibson, 2001, p.122; cf. Chan, 1998; Gibson & Earley, 2007; Morgeson & Hofmann, 1999) around a shared object-experience relationship that the collective sense of ownership for a particular target (e.g., a job --a set of tasks assigned to a team for its accomplishment) amongst team members emerges. Cooke (2015, p.416) in her discussion of team cognition, describes the emergence of this shared mental model as taking place through team members’ interactions where they “coordinate cognitively with one another, integrating ideas and creating new knowledge.” Unlike psychological ownership at the individual-level which resides in the mind of the psychological owner, CPO resides at the intersection of experiences, shared in both time and space among members of a collective around a particular target of ownership (e.g., tasks performed). Thus, CPO by its very nature is inextricably tied to context where group members (e.g., a work team), sharing their collective experiences cognitively congeal with one another in their coming to a collective sense of possession (cf. Cooke, 2015). Similar to communications and marriage, two relational phenomena, CPO cannot be meaningfully understood at the individual-level as the collective is the unit of analysis (cf. Cooke’s 2015).

In addition, Kozlowski and Klein (2000), as a part of their discussion of variables consisting of shared unit properties, also provided us with insight into the dynamics associated with the emergence of a collective cognition. Their work suggested that through interactive group processes (e.g., explicit communications around a shared object-experience relationship) a collectively held mind-set (i.e., a single and shared cognition) that transcends individual senses emerges, and the target of ownership becomes a part of the group’s extended sense of itself. The ‘I’ and ‘me’ inherent in psychological ownership at the individual-level transitions to an ‘us’ and

‘ours,’ as the target of ownership morphs from being an ‘extended part of the self,’ to it concomitantly being a part of the ‘group’s extended sense of itself’ in feelings of ownership at the collective-level.

With the exception of the social-identity motive, the human need to see oneself, and at the same time the need to be seen by others as a part of a social group (Tajfel, 1981), CPO finds its genesis anchored in one or more of the four motives (i.e., effectance, home, self-identity, and stimulation) that underpin feelings of ownership at the individual level. These four motives are theorized as important, because being party to a collective sense of ownership presumes that each member of the collective also experiences a sense of mine for the target of ownership.

The theory of CPO identifies three ‘routes’ to this psychological state, placing each experience as a direct determinant to the emergence of CPO. For CPO to manifest, it is assumed that the paths traveled to a personal sense of ownership when taken by an organized body of individuals becomes experienced as a path that is jointly traveled as opposed to traveled solo. More specifically, CPO emerges as members of a social system (e.g., work team) collectively recognize and experience that they 1) share and jointly experience control over a target of ownership (e.g., the job or work to be performed), 2) have collectively come to negotiate the meaning and intimately know the target, and/or 3) they have collectively invested their related selves into the target.

It has also been suggested that a group does not come to a sense of ownership for every target with which it comes into contact. Theory suggests that the target, material or non-material in nature, needs to be visible and attractive so as to catch the attention of the yet to be psychological owners. In addition, such attributes as manipulability, self-revealing, open

(hospitable), self- and socially-esteemed relate to the activation and satisfaction of the effectance, home, stimulation, and self- and social-identity motives for each member of the collective.

Finally, current theorizing links CPO with a reduction in social loafing, along with a positive association with group efficacy, performance effectiveness, psychological safety, citizenship behaviors, protective territorial behaviors (e.g., claiming, marking), and group learning.

Psychological Ownership and Consumer Psychology

Reflections by Joann Peck

The construct and theory of psychological ownership has found both a home, as well as utility in the area of consumer psychology/behavior. In the discussion that follows Joann Peck explains her interest in psychological ownership and its emergence in consumer psychology.

Jon Pierce is one of the giants of psychological ownership and I have benefitted directly from his research in this area. As a Ph.D. student at the University of Minnesota, I was exploring the sense of touch, or haptics, and its influence in consumer psychology as my dissertation topic. A fellow Ph.D. student and friend, Don Ferrin (now at Singapore Management University) and I were discussing research. Don was taking a Ph.D. seminar in management lead by Professor Larry Cummings. As part of that seminar, Larry invited Jon Pierce, a former student of his at the University of Wisconsin and subsequently a colleague and close friend, to present some of his work on psychological ownership.

Around the same time, Don Ferrin and I were talking about research and I was explaining why buying products through a non-touch media such as on-line could be problematic for some

products and for some people, based on haptics. Don mentioned that control was an antecedent of psychological ownership as identified by Jon Pierce (Pierce, Kostova and Dirks, 2001; 2003). Since the sense of touch literally controls a target, we speculated that perhaps the sense of touch was linked to a feeling of ownership. As sometimes happens, this germ of an idea remained dormant for about ten years.

After graduating with my Ph.D., I spent a year as a visiting faculty member at the University of Chicago where I was fortunate to meet Suzanne Shu, who was finishing up her Ph.D. under the direction of Dick Thaler. Suzanne was focused on behavioral economics and had done a lot of work on the endowment effect. We started talking at an Association of Consumer Research conference on potential research ideas. While the endowment effect finds that ownership increases valuation of an object, we began to discuss whether touch could also influence target valuation. Since control is an antecedent of psychological ownership (Pierce, Kostova, & Dirks 2001, 2003) as Don had reminded me, and touch allows for physical control of an object, Suzanne and I did a series of studies linking physical touch to psychological ownership, and ultimately, to valuation (Peck & Shu, 2009; Shu & Peck, 2011). We also explored some aspects of imagery and found that imagining ownership also had the potential to increase target valuation (Peck & Shu 2009).

One issue with working in the touch area is that it is impossible to collect data online since having participants actually touching a target is usually essential. Victor Barger, a Ph.D. student (now a faculty member at the University of Wisconsin-Whitewater), and with a computer science background, was eager to find a way to collect data about touch without requiring actual touch. If we could do this, we could collect data online. Because of this, we began a project examining imaging touch and its relationship to psychological ownership and valuation. Andrea

Webb (now Andrea Luangrath, a faculty member at the University of Iowa) joined the project where we measured physical control and illustrated the process of touch leading to control which increases psychological ownership and increased valuation (Peck, Barger, & Webb, 2013).

In the meantime, Suzanne Shu and I continued our discussions on psychological ownership. We decided to manipulate the antecedents of psychological ownership. In addition, also we wanted to extend the research to begin to examine the consequences of psychological ownership. An issue first identified in economics as the tragedy of the commons (Ostrom, 1990; Poteete & Ostrom, 2010) where care of a shared resource is neglected. Pierce and colleagues identified that an increase in psychological ownership results in an increase in stewardship as people want to take care of targets of which they feel ownership.

Through a series of studies, we found that if we increased individual psychological ownership of a shared resource, we could also increase stewardship (Shu & Peck, 2017). As one example, in a field study, we had kayak renters either think of a nickname for a local lake or not. A second antecedent of psychological ownership is investment of the self, and coming up with a nickname is an example of this. Then we planted trash on the lake, anchored so that we could control the location of the trash, and situated so that each kayak would have to pass close to a piece of trash either going out from the rental location or returning. We observed attempts to pick up the trash with binoculars and found that those who had nicknamed the lake, made significantly more trash pick-up attempts compared to the no nickname condition. We also measured psychological ownership of the lake as a manipulation check and found that it was the mediator in the nickname-stewardship relationship. In other words, thinking of a nickname, an investment of the self, increased psychological ownership of the lake and resulted in kayakers

taking better care of the lake by picking up trash. Thus, we documented a positive effect of increasing psychological ownership; stewardship.

Another influential event in my psychological ownership journey was being invited to Vienna in 2013 for an Ownership conference organized by Bernadette Kamleitner and Stephan Dickert. It was there that I had the pleasure of meeting many other authors of the chapters in this volume. One of those people was Colleen Kirk who began discussing with me some ideas around psychological ownership and territoriality. Jon Pierce had cautioned about some of the downsides of psychological ownership in the context of the work environment. As he cautioned, too much ownership may result in negative behaviors akin to a small child who refuses to share (see Pierce, Kostova & Dirks, 2003).

Together with Scott Swain, Colleen and I explored the ideas of infringement and territoriality in the consumer domain (Kirk, Peck, & Swain, forthcoming). We found that if someone feels psychological ownership of a target, but also realizes that someone else feels psychological ownership over the same target, they may feel infringement and may react territorially. While research had looked at territorial responses in the work domain (Brown, 2009; Brown, Lawrence, & Robinson, 2005) we documented different types of anticipatory and reactionary territorial responses observed in the consumer domain. For example, a customer who feels a waitperson has infringed on them will likely leave a smaller tip and may exhibit nonverbals such as a negative facial expression. An infringed upon diner may also create a barrier with their body to avoid future infringements. Infringed upon customers are also more likely to leave quickly and to not return to an establishment. We find these reactions with both tangible (a coffee cup, a sweater) and non-tangible (a design, space) targets of psychological

ownership. And we find that the infringer can be an employee or another customer. This research has clear implications for the consumer behavior domain.

In my relatively short time exploring psychological ownership as it relates to consumers, more questions than answers arise. It should be evident from the many chapters in this book that the study of psychological ownership in consumer research is in its infancy. I have stood on the shoulders of Jon Pierce, using his theory to inform my research. Standing on his shoulders has enabled consumer researchers to view a vast landscape of potential theoretical extensions and applications involving psychological ownership. Next, we discuss the broader implications of ownership.

Discussion

The concept ‘ownership’ appears to have several conceptualizations. In the middle 1700s, Rousseau noted that ‘civil society most likely began when a person fenced off a plot of ground and took it into his/her head to claim it as theirs, and others accepted the assertion.’ Acts of this nature suggest that ownership might be cast as a social relationship (cf. Heider, 1958; Rudmin, 1991). Possibly dating back before Rousseau’s (1776) observation, nomadic people (e.g., the Sami people of the far north) were of the belief that one could only own that which they carried with them, while others (e.g., native Americans) were of the belief that the only thing that a person could claim his/her own was one’s soul, as it was the only thing that could be taken into the next world. In many of the world’s contemporary cultures ownership is portrayed as the legal right of possession, or a bundle of rights (e.g., the right to control; cf. Monks & Minow, 2001), whereby these rights and accompanying responsibilities are defined by the prevailing legal system. Scholars (e.g., Friedman, 2008; Friedman & Neary, 2008; Shaw, Li & Olson,

2012) working in the realm of child development have noted that by age of three children frequently employ first possession to ascribe ownership. Finally, it is commonplace to witness a young child exclaiming ‘mine’ in reference to a sand castle that she had just constructed upon it being touched by another child, suggesting that ownership can also be portrayed as a psychological state.

Scientific inquiry across numerous disciplines has focused on the psychology of possession, property and mine. It was out of this work that the construct and current theorizing on psychological ownership (cf. Pierce, Kostova, & Dirks, 2001, 2003) finds its origin. To date, the majority of the psychological ownership literature in has appeared in the organizational sciences, followed closely by the work of scholars (e.g., Joann Peck, Suzanne Shu, Bernadette Kamleitner, Colleen Kirk) in consumer psychology. Other disciplines that have found interest and utility in the construct include, but are not limited to: health care, environmentalism, small and family owned businesses, and entrepreneurship.

A recent review of the literature has identified over 200 papers that have been published addressing issues pertaining to psychological ownership. Approximately 100 of the published papers were quantitative in nature, drawing upon samples from more than a dozen different countries (e.g., China, England, Finland, Korea, India, Israel, Jordan, Malaysia, Singapore, South Africa, Turkey, United States) reveals a widespread interest in the construct.

We are in agreement with Rudmin (1994, p.55) where he wrote “Mine” is a small word ... It is deceptive in its power and importance ... It controls our behavior, but we rarely notice, as we move about our world restricting ourselves to narrow walkways and to those places for which we have keys.” Targets of ownership do become one with (i.e., a part of) the individual’s self.

As James (1890, pp.291-292) noted when they “wax and prosper, he feels triumphant, if they dwindle and die, he feels cast down –not necessarily in the same degree for each thing, but in much the same way for all.” Not only did James see the loss or destruction of one’s possessions capable of causing an erosion of the self, there have been frequent observations of serious debilitating effects that are associated with the movement of the elderly from their homes and possessions into nursing homes (Cram & Paton, 1993; Kamptner, 1989). It is the implicit power that accompanies this psychological state that, in our opinion, makes it an important construct linking people with objects that surround them throughout all facets of their lives.

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ⁱ From Isaac Newton's letter to Robert Hooke, February 5, 1676. Some of the giants that have aided this work on psychological ownership include Helga Dittmar, Lita Furby, William James, Susan Isaacs, Leon Litwinski, and Floyd Rudmin to name just a few.

ⁱⁱ Catherine Webb (1912, p. 138) speculated that "by making [an employee] a shareholder in the business employing him ... it stimulates his zeal and careful working." A similar observation was made in a *U. S. News and World Report* article stating that "when a worker is given a piece of the action, he will be motivated to work harder, grip less. Turnover, absenteeism, and grievances all might diminish" (1976, p. 68). It had also been claimed that worker alienation and organizational effectiveness problems could be ameliorated by the implementation of an employee ownership arrangement (Derrick & Phipps, 1969; Vanek, 1975).

ⁱⁱⁱ Following this work Brown and his colleagues (Brown, Pierce, & Crossley, 2014) explored in more detail the emergence of the job design – psychological ownership relationship. To achieve this end, they developed scales for measuring two of the three routes (i.e., intimate knowing and investment of the self; while a scale for the measurement of experienced control was available from the work of Tetrick and LaRocco, 1987) to psychological ownership. They observed the mediating effects of the three route variables in the job complexity – psychological ownership relationship, thereby providing the first empirical support for prior theorizing on the 'routes' to the emergence of this sense of ownership.