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Business School

Organizational Behaviour

I SEMESTER

(Approved by Alagappa University)

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Stephen P. Robbins, Organizational Behavior, Concepts, controversies and applications, Prentice Hall of India, 13th Edition, 2008

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Module I: Introduction

Defining Organizational Behavior

With a rich historical background such as the Hawthorne studies and using an accepted scientific methodology as briefly outlined above, the field of organizational behavior is now an accepted academic discipline. As with any other relatively new academic endeavor, however, there have been some rough spots and sidetracks along the way.

Besides the healthy academic controversies over theoretical approach or research findings, perhaps the biggest problem that organizational behavior had to overcome was an identity crisis. Early on, the field of organizational behavior had to answer questions such as: Is it an attempt to replace all management with behavioral science concepts and techniques? How, if at all, does it differ from traditional applied or industrial psychology? Fortunately, these questions have now been answered to the satisfaction of most management academicians, behavioral scientists, and management practitioners.

Figure 1.2 shows in very general terms the relationships between and emphases of organizational behavior (OB) and the related disciplines of organization theory (OT), organization development (OD), and human resource management (HRM). As shown, OB tends to be more theoretically oriented and at the micro level of analysis. Specifically, OB draws from many theoretical frameworks of the behavioral sciences that are focused on understanding and explaining individual and group behavior in organizations. As with other sciences, OB accumulates evidence and tests theories by accepted scientific methods of research. In summary, organizational behavior can be defined as the understanding, prediction, and management of human behavior in organizations.

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THEORETICAL FOUNDATION FOR ORGANIZATIONAL BEHAVIOR

Although organizational behavior is extremely complex and includes many inputs and dimensions, the cognitive, behavioristic, and social cognitive theories can be used to develop an overall framework for an evidence-based approach. After the major theories are briefly summarized, the last section of the chapter presents a model that is used to conceptually link and structure the rest of the text.

Cognitive Framework

The cognitive approach to human behavior has many sources of input. The micro-oriented chapters in the next part provide some of this background. For now, however, it can be said simply that the cognitive approach gives people much more “credit” than the other approaches. The cognitive approach emphasizes the positive and freewill

aspects of human behavior and uses concepts such as expectancy, demand, and intention. Cognition, which is the basic unit of the cognitive framework, can be simply defined as the act of knowing an item of information. Under this framework, cognitions precede behavior and constitute input into the person's thinking, perception, problem solving, and information processing. Concepts such as cognitive maps can be used as pictures or visual aids in comprehending a person's "understanding of particular, and selective, elements of the thoughts (rather than thinking) of an individual, group or organization."

Contemporary psychologists carefully point out that a cognitive concept such as expectancy does not reflect a guess about what is going on in the mind; it is a term that describes behavior. In other words, the cognitive and behavioristic theories are not as opposite as they appear on the surface and sometimes are made out to be—for example, Tolman considered himself a behaviorist. Yet, despite some conceptual similarities, there has been a controversy throughout the years in the behavioral sciences on the relative contributions of the cognitive versus the behavioristic framework. As often happens in other academic fields, debate has gone back and forth through the years.

Behavioristic Framework

The behavioristic theory in psychology and its application to organizational behavior. Its historical roots can be traced to the work of Ivan Pavlov and John B. Watson. These pioneering behaviorists stressed the importance of dealing with observable behaviors instead of the elusive mind that had preoccupied earlier psychologists.

They used classical conditioning experiments to formulate the stimulus response (S-R) explanation of human behavior. Both Pavlov and Watson felt that behavior could be best understood in terms of S-R. A stimulus elicits a response. They concentrated mainly on the impact of the stimulus and felt that learning occurred when the S-R connection was made. Modern behaviorism marks its beginnings with the work of B. F. Skinner. Deceased for a number of years, Skinner is widely recognized for his contributions to psychology.

For example, a recent study drawing from publication citations and a large survey of psychologists ranked Skinner as the most influential psychologist of the twentieth century.56 He felt that the early behaviorists helped explain respondent behaviors (those behaviors elicited by stimuli) but not the more complex operant behaviors. In other words, the S-R approach helped explain physical reflexes; for example, when stuck by a pin (S), the person will flinch (R), or when tapped below the kneecap (S), the person will extend the lower leg (R). On the other hand, Skinner found through his operant conditioning experiments that the consequences of a response could better explain most behaviors than eliciting stimuli could. He emphasized the importance of the response-stimulus (R-S) relationship. The organism has to operate on the environment (thus the term operant conditioning) in order to receive the desirable consequence. The preceding stimulus does not cause the behavior in operant

conditioning; it serves as a cue to emit the behavior. For Skinner and the behaviorists, behavior is a function of its contingent environmental consequences.

Social Cognitive Framework

The cognitive approach has been accused of being mentalistic, and the behavioristic approach has been accused of being deterministic. Cognitive theorists argue that the S-R model, and to a lesser degree the R-S model, is much too mechanistic an explanation of human behavior. A strict S-R interpretation of behavior seems justifiably open to the criticism of being too mechanistic, but because of the scientific approach that has been meticulously employed by behaviorists, the operant model in particular has made a significant contribution to the study and meaning of human behavior58 and in turn an evidence-based approach to organizational behavior. The same can be said of the cognitive approach.

Much research has been done to verify its importance as an explanation of human behavior in general and organizational behavior in particular. Instead of polarization and unconstructive criticism between the two approaches, it now seems time to recognize that each can make an important contribution to the understanding, prediction, and control of organizational behavior. The social cognitive approach tries to integrate the contributions of both approaches and serves as the foundation for an evidence-based approach to organizational behavior.

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SCT explains organizational behavior in terms of the bidirectional, reciprocal causation among the organizational participants (e.g., unique personality characteristics such as conscientiousness), the organizational environment (e.g., the perceived consequences such as contingent recognition from the supervisor or pay for increased productivity), and the organizational behavior itself (e.g., previous successful or unsuccessful sales approaches with customers). In other words, like social learning, in an SCT theoretical framework, organizational participants are at the same time both products (as in the behaviorism approach) and producers (as in the cognitive approach) of their personality, respective environments, and behaviors. Bandura goes beyond social learning with SCT by explaining the nature of the bidirectional reciprocal influences through the five basic human capabilities

Obviously, this conceptual framework gives only a bare-bones sketch of organizational behavior rather than a full-blown explanation. Nevertheless, it can serve as a point of departure for how this text is organized. It helps explain why particular chapters are covered and how they relate to one another. As the chapters unfold, some of the fine points will become clearer and some of the seemingly simplistic, unsupported statements will begin to make more sense.

Module II: Personality and Perception

The Meaning of Personality

Through the years there has not been universal agreement on the exact meaning of personality. Much of the controversy can be attributed to the fact that people in general and those in the behavioral sciences define “personality” from different perspectives. Most people tend to equate personality with social success (i.e., having a “good or popular personality,” or having “a lot of personality”) and to describe personality by a single dominant characteristic (i.e., strong, weak, or polite). When it is realized that thousands of words can be used to describe personality this way, the definitional problem becomes staggering. Psychologists, on the other hand, take a different perspective. For example, the descriptive-adjective approach commonly used by most people plays only a small part. However, scholars also cannot agree on a definition of personality because they operate from different theoretical bases.

Some of the historically important definitions come from trait theory (observable patterns of behavior that last over time), Freud’s psychoanalytic or psychodynamic theory (the unconscious determinants of behavior), and Carl Rogers and Abraham Maslow’s humanistic theory (self-actualization and the drive to realize one’s potential). More recently, and the position taken in this chapter, is a more integrative theoretical approach drawing from all the historical theories, but more importantly, the self-concept including nature (heredity and physiological/biological dimensions) and nurture (environmental, developmental dimensions), dispositional traits, the social cognitive interactions between the person and the environment, and the socialization process.

In this text personality will mean how people affect others and how they understand and view themselves, as well as their pattern of inner and outer measurable traits and the person-situation interaction. How people affect others depends primarily on their external appearance (height, weight, facial features, color, and other physical aspects) and traits. For example, in terms of external appearance, a very tall worker will have an impact on other people different from that of a very short worker. There is also evidence from meta-analysis that there are gender differences in certain personality characteristics. However, of more importance to the physiological/biological approach in the study of personality than the external appearance is the role of heredity and the brain.

Self-Esteem

People’s attempts to understand themselves are called the self-concept in personality theory. The self is a unique product of many interacting parts and may be thought of as the personality viewed from within. This self is particularly relevant to the widely recognized self-esteem and the emerging self-variables of multiple intelligences, emotion, optimism, and, especially, efficacy, which are all relevant to the field of

organizational behavior. These and other newly emerging self-variables and positive psychological capacities. The more established, recognized self-esteem has to do with people's self-perceived competence and self-image. Applied to the analysis of personality, the research results have been mixed, and there is growing controversy about the assumed value of self-esteem. For example, one study found that people with high self-esteem handle failure better than those with low self-esteem. However, an earlier study found that those with high self-esteem tended to become egotistical when faced with pressure situations18 and may result in aggressive and even violent behavior when threatened. After reviewing the research literature, Kreitner and Kinicki conclude, "High self esteem can be a good thing, but only if like many other human characteristics—such as creativity, intelligence, and persistence— it is nurtured and channeled in constructive and ethical ways. Otherwise, it can become antisocial and destructive."

Self-esteem has obvious implications for organizational behavior. Although it is considered a global concept, there are attempts to specifically apply it to the organization domain. Called organization-based self-esteem (OBSE), it is defined as the "self-perceived value that individuals have of themselves as organization members acting within an organization context." Those who score high on OBSE view themselves positively, and a meta-analysis found a significant positive relationship with performance and satisfaction on the job.

Also, both early and the more recent studies indicate that self-esteem plays at least an important moderating role in areas such as emotional and behavioral responses and stress of organizational members. As has been noted, "Both research and everyday experience confirm that employees with high self-esteem feel unique, competent, secure, empowered, and connected to the people around them." By the same token, as the author of the book, Self-Esteem at Work, notes: "If your self-esteem is low and you aren't confident in your thinking ability, you are likely to fear decision making, lack negotiation and interpersonal skills and be reluctant or unable to change." One study found that leaders can overcome such self-esteem problems of their people by practicing procedural fairness and rewarding for a job well done.

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Person-Situation Interaction

The dimensions of enduring traits and the self-concept add to the understanding of the human personality. The person-situation interaction dimension of personality provides further understanding. Each situation, of course, is different. The differences may seem to be very small on the surface, but when filtered by the person's cognitive mediating processes such as perception (covered next), they can lead to quite large subjective differences and diverse behavioral outcomes. In particular, this dimension suggests that people are not static, acting the same in all situations, but instead are ever changing and flexible. For example, employees can change depending on the particular situation they are in interaction with. For instance, it should be understood that even everyday work experience can change people. Especially today, with

organizations transforming and facing a turbulent environment, those that can find, develop, and retain people who can fit into this dynamically changing situation will be most successful. Specifically, there is evidence that the employee's personality will influence interpersonal behavior and the perception and the outcomes of organizational support.30 The next section dealing with the socialization process is especially relevant to today's important person-organization interaction.

The Socialization Process

Study of, and research on, the development of personality has traditionally been an important area for understanding human behavior. Modern developmental psychology does not get into the argument of heredity versus environment or of maturation (changes that result from heredity and physical development) versus learning. The human being consists of both physiological and psychological interacting parts. Therefore, heredity, the brain, environment, maturation, and learning all contribute to the human personality.

At least historically, the study of personality attempted to identify specific physiological and psychological stages that occur in the development of the human personality. This "stage" approach was theoretical in nature. There are many well-known stage theories of personality development. However, as with most aspects of personality, there is little agreement about the exact stages. In fact, a growing number of today's psychologists contend that there are no identifiable stages. Their argument is that personality development consists of a continuous process and the sequence is based largely on the learning opportunities available and the socialization process.

There is increasing recognition given to the role of other relevant persons, groups, and, especially, organizations that greatly influence an individual's personality. This continuous impact from the social environment is commonly called the socialization process. It is especially relevant to organizational behavior because the process is not confined to early childhood; rather, it takes place throughout one's life. In particular, evidence is accumulating that socialization may be one of the best explanations for why employees behave the way they do in today's organizations. As Edgar Schein notes: "It is high time that some of our managerial knowledge and skill be focused on those forces in the organization environment which derive from the fact that organizations are social systems which do socialize their new members. If we do not learn to analyze and control the forces of organizational socialization, we are abdicating one of our primary managerial responsibilities."

A study found that the socialization tactics that organizations employ can have a positive, long-run impact on the adjustment of newcomers (i.e., lower role conflict and ambiguity, less stress, and higher job satisfaction and commitment) and related recent research has found that social processes facilitate job search behavior and advancement in management from entry level to upper management. Socialization

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starts with the initial contact between a mother and her new infant. After infancy, other members of the immediate family (father, brothers, and sisters), close relatives and family friends, and then the social group (peers, school friends, and members of the work group) play influential roles. As the accompanying OB in Action: Using Information Technologies to Nurture Relationships indicates, the way these socialization processes are being done is changing, but the impact is still dramatic. However, of particular interest to the study of organizational behavior is Schein's idea that the organization itself also contributes to socialization. He points out that the process includes the learning of those values, norms, and behavior patterns that, from the organization's and the work group's points of view, are necessary for any new organization member.

Specific techniques of socializing new employees would include the use of mentors or role models, orientation and training programs, reward systems, and career planning. Specific steps that can lead to successful organizational socialization would include the following:

1. Provide a challenging first job
2. Provide relevant training
3. Provide timely and consistent feedback
4. Select a good first supervisor to be in charge of socialization
5. Design a relaxed orientation program
6. Place new recruits in work groups with high morale

Such deliberate socialization strategies have tremendous potential impact on socialization. Evidence shows that those new employees attending a socialization training program are indeed more socialized than those who do not and have better person-organization fit. In summary, personality is very diverse and complex. It incorporates almost everything covered in this text, and more. As defined, personality is the whole person and is concerned with external appearance and traits, self, and situational interactions. Probably the best statement on personality was made many years ago by Kluckhohn and Murray, who said that, to some extent, a person's personality is like all other people's, like some other people's, and like no other people's.

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The "Big Five" Personality Traits

Although personality traits, long-term predispositions for behavior, have been generally downplayed and even totally discounted, in recent years there is now considerable support for a five-factor trait-based theory of personality. Many years ago no less than 18,000 words were found to describe personality. Even after combining words with similar meanings, there still remained 171 personality traits. Obviously, such a huge number of personality traits is practically unusable, so further reduction analysis found five core personality traits. Called the Five-Factor Model (FFM), or in the field of organizational behavior and human resource management, the "Big Five,"

these traits have held up as accounting for personality in many analyses over the years and even across cultures. Importantly, not only is there now considerable agreement on what are the core personality trait predispositions, but there is also accumulated research that these five best predict performance in the workplace. The Big Five have also been extended through meta-analytic studies to also demonstrate a positive relationship with performance motivation (goal setting, expectancy, and self-efficacy, all given detailed attention in later chapters) and job satisfaction. Although the five traits are largely independent factors of a personality, like primary colors, they can be mixed in countless proportions and with other characteristics to yield a unique personality whole. However, also like colors, one may dominate in describing an individual's personality. The real value of the Big Five to organizational behavior is that it does bring back the importance of predispositional traits, and these traits have been clearly shown to relate to job performance. Importantly, it should also be noted that these five traits are quite stable. Although there is not total agreement, most personality theorists would tend to agree that after about 30 years of age, the individual's personality profile will change little over time.49 This does not intend to imply that one or two of the Big Five provide an ideal personality profile for employees over their whole career, because different traits are needed for different jobs. The key is still to find the right fit. The following sections examine the research to date on the relationships of the various Big Five traits to dimensions of performance in organizations.

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The Positive Impact of Conscientiousness

There is general agreement that conscientiousness has the strongest positive correlation (about .3) with job performance. From this level of correlation (1.0 would be perfect), it should be noted that less than 10 percent (the correlation squared, or R2) of the performance in the studies is accounted for by conscientiousness. Yet, it should also be noted that this is still significant and conscientious employees may provide a major competitive advantage. As a meta-analysis concluded, "individuals who are dependable, persistent, goal directed, and organized tend to be higher performers on virtually any job; viewed negatively, those who are careless, irresponsible, low achievement striving and impulsive tend to be lower performers on virtually any job." Put in relation to other organizational behavior areas as a personality trait per se, conscientious employees set higher goals for themselves, have higher performance expectations, and respond well to job enrichment and empowerment strategies of human resource management. As would be expected, research indicates that those who are conscientious are less likely to be absent from work, and a study found in international human resource management that conscientiousness of expatriates related positively to the rating of their foreign assignment performance. Yet, there are also recent studies with nonsporting and mixed results pointing to the complexity of this personality trait. For example, in a recent study conscientiousness was found not to be influential in determining managerial performance and in another

study of Middle Eastern expatriate managers, conscientiousness was related to home-country ratings of the expats' performance, but not the host-country ratings of the same expats. In addition, studies had indicated that the individual's ability moderates the relationship between conscientiousness and performance (positive for high ability but zero or even negative for low ability), but a more recent study found no such moderator.55 Another study found the relationship of conscientiousness to job performance was strong when job satisfaction was low, but was relatively weak when satisfaction was high.

Applied to peer evaluations, as hypothesized, a study found the raters' conscientiousness was negatively related with the level of the rating. In other words, conscientious raters did not give inflated evaluations, but those with low conscientiousness did. Such multiplicative relationships with variables such as culture, ability, and job satisfaction indicate, like other psychological variables, that conscientiousness is complex and is certainly not the only answer for job performance. This has led to a recent research stream that supports the hypothesized interactive effects between conscientiousness and extraversion58 and agreeableness on performance and the interaction of conscientiousness and openness to experience and creative behavior. The same is true of research on the mediating and moderating effects of conscientiousness when influenced by various organizational behavior dynamics. In other words, without getting to the depth of these analyses, it can simply be said that there is considerable complexity involved with the impact of the personality trait of conscientiousness on various work-related variables. However, this is one area of personality where there is enough research evidence to conclude that conscientiousness should be given attention in understanding the impact that personality traits can have on job performance, job satisfaction, and work motivation, and pragmatically for personnel selection for most jobs.

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The Impact of the Other Traits

Although conscientiousness has been found to have the strongest consistent relationship with performance and thus has received the most research attention, the remaining four traits also have some interesting findings. For example, a large study including participants from several European countries, many occupational groups, and multiple methods of measuring performance found both conscientiousness and emotional stability related to all the measures and occupations. Yet, the absenteeism study found that conscientiousness had a desirable inverse relationship: but, undesirably, the higher the extraversion trait the more absent the employee tended to be.

The other traits have a more selective but still logical impact. For example, those with high extraversion tend to be associated with management and sales success; those with high emotional stability tend to be more effective in stressful situations; those with high agreeableness tend to handle customer relations and conflict more effectively; and those open to experience tend to have job training proficiency and make better

decisions in a training problem solving simulation. Another study found that those with a strategic management style were most characterized by conscientiousness and openness to experience, while those with a strong interpersonal management style were most characterized by extraversion and openness. Interestingly, with groups rather than individuals becoming more important in today's workplace, the Big Five may also be predictive of team performance.

A study found that the higher the average scores of team members on the traits of conscientiousness, agreeableness, extraversion, and emotional stability, the better their teams performed. In other words, depending on the situation, all the Big Five traits should be given attention in the study and application of organizational behavior.

Myers-Briggs Type Indicator (MBTI)

Whereas the Big Five has recently emerged from considerable basic research and has generally been demonstrated to significantly relate to job performance, the MBTI is based on a very old theory, has mixed at best research support, but is widely used and very popular in real-world career counseling, team building, conflict management, and analyzing management styles. The theory goes back to pioneering Swiss psychiatrist Carl Jung in the 1920s. He felt people could be typed into extraverts and introverts and that they had two basic mental processes—perception and judgment. He then further divided perception into sensing and intuiting and judgment into thinking and feeling. This yields four personality dimensions or traits: (1) introversion/extraversion, (2) perceiving/judging, (3) sensing/ intuition, and (4) thinking/feeling. He felt that although people had all four of these dimensions in common, they differ in the combination of their preferences of each. Importantly, he made the point that one's preferences were not necessarily better than another's, only different. About 20 years after Jung developed his theoretical types, in the 1940s the mother daughter team of Katharine Briggs and Isabel Briggs-Myers developed about a 100-item personality test asking participants how they usually feel or act in particular situations in order to measure the preferences on the four pairs of traits yielding 16 distinct types. Called the Myers-Briggs Type Indicator or simply MBTI, the questions relate to how people prefer to focus their energies (extraversion vs. introversion); give attention and collect information (sensing vs. intuiting); process and evaluate information and make decisions (thinking vs. feeling); and orient themselves to the outside world (judging vs. perceiving). For example, the ESTJ is extraverted, sensing, thinking, and judging. Because this type likes to interact with others (E); sees the world realistically (S); makes decisions objectively and decisively (T); and likes structure, schedules, and order (J), this would be a manager type. The MBTI Atlas indicates that most managers studied were indeed ESTJs.

As Jung emphasized when formulating his theory, there are no good or bad types. This is a major reason the MBTI is such a psychologically nonthreatening, commonly used (millions take it every year) personality inventory. Although the MBTI has shown to have reliability and validity as a measure of identifying Jung's personality types and

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predicting occupational choice (e.g., those high on intuition tend to prefer careers in advertising, the arts, and teaching), there still is not enough research support to base selection decisions or predict job performance. Yet, the use of MBTI by numerous firms such as AT&T, Exxon, and Honeywell for their management development programs and Hewlett-Packard for team building seems justified. It can be an effective point of departure for discussion of similarities and differences and useful for personal development. However, like any psychological measure, the MBTI can also be misused. As one comprehensive analysis concluded, “Some inappropriate uses include labeling one another, providing a convenient excuse that they simply can’t work with someone else, and avoiding responsibility for their own personal development with respect to working with others and becoming more flexible. One’s type is not an excuse for inappropriate behavior.”

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THE PERCEPTION PROCESS

Besides personality covered so far, another important cognitive, personal construct is one’s perceptual process. The key to understanding perception is to recognize that it is a unique interpretation of the situation, not an exact recording of it. In short, perception is a very complex cognitive process that yields a unique picture of the world, a picture that may be quite different from reality. Applied to organizational behavior, an employee’s perception can be thought of as a filter. Because perception is largely learned, and no one has the same learnings and experience, then every employee has a unique filter, and the same situations/ stimuli may produce very different reactions and behaviors. Some analyses of employee behavior place a lot of weight on this filter: Your filter tells you which stimuli to notice and which to ignore; which to love and which to hate. It creates your innate motivations—are you competitive,

altruistic, or ego driven? . . . It creates in you all of your distinct patterns of thought, feeling, and behavior. . . . Your filter, more than your race, sex, age, or nationality, is you. Recognition of the difference between this filtered, perceptual world and the real world is vital to the understanding of organizational behavior. A specific example would be the universal assumption made by managers that associates always want promotions, when, in fact, many really feel psychologically forced to accept a promotion. Managers seldom attempt to find out, and sometimes associates themselves do not know, whether the promotion should be offered. In other words, the perceptual world of the manager is quite different from the perceptual world of the associate, and both may be very different from reality. One of the biggest problems that new organizational leaders must overcome are the sometimes faulty or negative perceptions of them. If this is the case, what can be done about it? The best answer seems to be that a better understanding of the concepts involved should be developed. Direct applications and techniques should logically follow complete understanding. The place to start is to clearly understand the difference between sensation and perception and have a working knowledge of the major cognitive subprocesses of perception.

Sensation versus Perception

There is usually a great deal of misunderstanding about the relationship between sensation and perception. Behavioral scientists generally agree that people's "reality" (the world around them) depends on their senses. However, the raw sensory input is not enough. They must also process these sensory data and make sense out of them in order to understand the world around them. Thus, the starting point in the study of perception should clarify the relationship between perception and sensation.

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The physical senses are considered to be vision, hearing, touch, smell, and taste. There are many other so-called sixth senses. However, none of these sixth senses, such as intuition, are fully accepted by psychologists. The five senses are constantly bombarded by numerous stimuli that are both outside and inside the body. Examples of outside stimuli include light waves, sound waves, mechanical energy of pressure, and chemical energy from objects that one can smell and taste. Inside stimuli include energy generated by muscles, food passing through the digestive system, and glands secreting behavior-influencing hormones. These examples indicate that sensation deals chiefly with very elementary behavior that is determined largely by physiological functioning. Importantly, however, researchers now know that ears, eyes, fingers, and the nose are only way stations, transmitting signals that are then processed by the central nervous system. As one molecular biologist declares, "The nose doesn't smell—the brain does." In this way, the human being uses the senses to experience color, brightness, shape, loudness, pitch, heat, odor, and taste.

Perception is more complex and much broader than sensation. The perceptual process or filter can be defined as a complicated interaction of selection, organization, and interpretation. Although perception depends largely on the senses for raw data,

the cognitive process filters, modifies, or completely changes these data. A simple illustration may be seen by looking at one side of a stationary object, such as a statue or a tree. By slowly turning the eyes to the other side of the object, the person probably senses that the object is moving. Yet the person perceives the object as stationary. The perceptual process overcomes the sensual process, and the person "sees" the object as stationary. In other words, the perceptual process adds to, and subtracts from, the "real" sensory world. The following are some organizational examples that point out the difference between sensation and perception:

1. The division manager purchases a program that she thinks is best, not the program that the software engineer says is best.
2. An associate's answer to a question is based on what he heard the boss say, not on what the boss actually said.
3. The same team member may be viewed by one colleague as a very hard worker and by another as a slacker.
4. The same product may be viewed by the design team to be of high quality and by a customer to be of low quality.

SOCIAL PERCEPTION

Although the senses and subprocess provide understanding of the overall perceptual process, most relevant to the study of organizational behavior is social perception, which is directly concerned with how one individual perceives other individuals: how we get to know others. Characteristics of Perceiver and Perceived A summary of classic research findings on some specific characteristics of the perceiver and the perceived reveals a profile of the perceiver as follows:

1. Knowing oneself makes it easier to see others accurately.
2. One's own characteristics affect the characteristics one is likely to see in others.
3. People who accept themselves are more likely to be able to see favorable aspects of other people.
4. Accuracy in perceiving others is not a single skill.

These four characteristics greatly influence how a person perceives others in the environmental situation. Interestingly, this classic profile is very similar to our very new approach that we call an "authentic leader." for now it can be simply said that authentic leaders are those who know
themselves (are self-aware and true to themselves) and true to others. In other words, the recognition and understanding of basic perceptual profiles of social perception can contribute
to complex processes such as authentic leadership.

There are also certain characteristics of the person being perceived that influence social perception. Research has shown that:

1. The status of the person perceived will greatly influence others' perception of the person.
2. The person being perceived is usually placed into categories to simplify the viewer's

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perceptual activities. Two common categories are status and role.
3. The visible traits of the person perceived will greatly influence others' perception of the
person.
These characteristics of the perceiver and the perceived suggest the complexity of social perception. Organizational participants must realize that their perceptions of another person are greatly influenced by their own characteristics and the characteristics of the other person. For example, if a manager has high self-esteem and the other person is pleasant and comes from the home office, then the manager will likely perceive this other person in a positive, favorable manner. On the other hand, if the manager has low self-esteem and the other person is an arrogant salesperson, the manager will likely perceive this other person in a negative, unfavorable manner. Such attributions that people make of others play a vital role in their social perceptions and resulting behavior.
Participants in formal organizations are constantly perceiving one another. Managers are perceiving workers, workers are perceiving managers, line personnel are perceiving staff personnel, staff personnel are perceiving the line personnel, frontline employees are perceiving customers, customers are perceiving frontline employees, and on and on. There are numerous complex factors that enter into such social perception, but most important are the problems associated with stereotyping and the halo effect.

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Stereotyping

The term stereotype refers to the tendency to perceive another person (hence social perception) as belonging to a single class or category. The word itself is derived from the typographer's word for a printing plate made from previously composed type. In 1922, Walter Lippmann applied the word to perception. Since then, stereotyping has become a frequently used term to describe perceptual errors. In particular, it is employed in analyzing prejudice. Not commonly acknowledged is the fact that stereotyping may attribute favorable or unfavorable traits to the person being perceived. Most often a person is put into a stereotype because the perceiver knows only the overall category to which the person belongs. However, because each individual is unique, the real traits of the person will generally be quite different from those the stereotype would suggest.
Stereotyping greatly influences social perception in today's organizations. Common stereotyped groups include managers, supervisors, knowledge workers, union members, young people, old people, minorities, women, white- and blue-collar workers, and all the various functional and staff specialists, for example, accountants, salespeople, computer programmers, and engineers. There may be a general consensus about the traits possessed by the members of these categories. Yet in reality there is often a discrepancy between the agreed-upon traits of each category and the actual traits of the members. In other words, not all engineers carry laptop

computers and are coldly rational, nor are all human resource managers do-gooders who are trying to keep workers happy. On the contrary, there are individual differences and a great deal of variability among members of these and all other groups. In spite of this, other organization members commonly make blanket perceptions and behave accordingly. For example, one analysis noted that a major problem
General Motors has is the institutionalized set of managerial beliefs about its customers, workers, foreign competitors, and the government. These perceptions cause the GM leadership to blame their problems on the famous stereotyped “them” instead of recognizing the need for fundamental corporate culture change. There is also research indicating that long exposure to negative stereotypes may result in the members having an inferiority anxiety or lowered expectations.81 There are numerous other research studies and common, everyday examples that point out stereotyping and its problems that occur in organizational life.

The Halo Effect

The halo effect in social perception is very similar to stereotyping. Whereas in stereotyping the person is perceived according to a single category, under the halo effect the person is perceived on the basis of one trait. Halo is often discussed in performance appraisal when a rater makes an error in judging a person’s total personality and/or performance on the basis of a single positive trait such as intelligence, appearance, dependability, or cooperativeness. Whatever the single trait is, it may override all other traits in forming the perception of the person. For example, a person’s physical appearance or dress may override all other characteristics in making a selection decision or in appraising the person’s performance. The opposite is sometimes called the “horns effect” where an individual is downgraded because of a single negative characteristic or incident the halo effect problem has been given considerable attention in research on performance appraisal. For example, a comprehensive review of the performance appraisal literature found that halo effect was the dependent variable in over a third of the studies and was found to be a major problem affecting appraisal accuracy.84 The current thinking on the halo effect can be summarized from the extensive research literature as follows:
1. It is a common rater error.
2. It has both true and illusory components.
3. It has led to inflated correlations among rating dimensions and is due to the influence of
a general evaluation and specific judgments.
4. It has negative consequences and should be avoided or removed.
Like all the other aspects of the psychological process of perception discussed in this chapter, the halo effect has important implications for the study and eventual understanding of organizational behavior. Unfortunately, even though the halo effect is one of the longest recognized and most pervasive problems associated with applications such as performance appraisal in the field of organizational behavior, a

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critical analysis of the considerable research concludes that we still do not know much about the impact of the halo effect86 and attempts at solving the problem have not yet been very successful. In other words, overcoming perceptual problems such as stereotyping and the halo effect remains an important challenge for effective human resource management.

What Is Meant by a Learning Organization?

The organization portrayed as a learning system is certainly not new. In fact, at the turn of the last century Frederick W. Taylor's learnings on scientific management were said to be transferable to workers to make the organization more efficient. However, the beginning of today's use of the term learning organization is usually attributed to the seminal work of Chris Argyris and his colleagues, who made the distinction between first-order, or "singleloop," and second-order, or dentero or "double-loop," learning. The differences between these two types of learning applied to organizations can be summarized as follows:

1. Single-loop learning involves improving the organization's capacity to achieve known objectives. It is associated with routine and behavioral learning. Under single-loop, the organization is learning without significant change in its basic assumptions.
2. Double-loop learning reevaluates the nature of the organization's objectives and the values and beliefs surrounding them. This type of learning involves changing the organization's culture. Importantly, double-loop consists of the organization's learning how to learn. The other theorist most closely associated with learning organizations, Peter Senge and his colleagues, then proceeded to portray this type of organization from a systems theory perspective and made the important distinction between adaptive and generative learning. The simpler adaptive learning is only the first stage of the learning organization, adapting to environmental changes. In recent years, many banks, insurance firms, and old-line manufacturing companies made many adaptive changes such as implementing total quality management (or TQM), benchmarking (comparing with best practices), Six Sigma (a goal of virtually no defects in any process) programs, and customer service initiatives. However, despite the popularity and general success of these efforts to adapt to changing customer expectations for quality and service, organizations have still struggled with their basic assumptions, cultural values, and structure. They have not gone beyond mere adaptive learning.7 The more important generative learning was needed.

Generative learning involves creativity and innovation, going beyond just adapting to change to being ahead of and anticipating change.8 The generative process leads to a total reframing of an organization's experiences and learning from that process. For example, the largest car dealer, AutoNation, totally reframed and showed generative learning from the nightmare customers typically experience in trying to buy a used auto. This firm anticipated customer needs by proactively addressing key issues such as a no-haggling sale process, providing a warranty on used cars, and being able to buy from any one of hundreds of car lots.

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With the theoretical foundation largely provided by Argyris (double-loop learning) and Senge (generative learning), we conducted a comprehensive review to identify the major characteristics of learning organizations.9 Figure 3.1 shows the three major dimensions or characteristics of learning organizations that emerged out of the considerable literature. The presence of tension—Senge calls it “creative tension”—serves as a catalyst or motivational
need to learn. As shown in Figure 3.1, this tension stems from the gap between the organization’s vision (which is hopefully always being adjusted upward) and reality and suggests the learning organization’s continually questioning and challenging the status quo.
The systems characteristic of learning organizations recognizes the shared vision of employees throughout the whole organization and the openness to new ideas and the external environment. The third major characteristic shown in Figure 3.1 is an organizational culture conducive to learning. The culture of the organization places a high value on the process of learning and goes beyond mere lip service by setting mechanisms in place for suggestions, teams, empowerment, and, most subtly but importantly, empathy. This empathy is reflected by the genuine concern for and interest in employee suggestions and innovations that can be operationalized through reward systems.

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Organizational Behavior in the Learning Organization

Taken to a more individual employee, organizational behavior level, the adaptive learning organization would be associated with employees’ reacting to environmental changes with
routine, standard responses that often result in only short-run solutions. In contrast, generative learning, with its emphasis on continuous experimentation and feedback, would directly affect the way personnel go about defining and solving problems. Employees in generative learning organizations are taught how to examine the effect of their decisions and to change their behaviors as needed. A good example occurred at Children’s Hospital and Clinic of Minnesota. They learned to institute a new policy of “blameless reporting” that replaced threatening terms such as “errors” and “investigations” with less emotional terms such as “accidents” and “analysis.” As described by Garvin, Edmondson, and Gino,
“The result was that people started to collaborate throughout the organization to talk about and change behaviors, policies, and systems that put patients at risk. Over time, these learning activities yielded measurable reductions in preventable deaths and illnesses at the institution.”
Learning organizations are also characterized by human-oriented cultural values such as these: (1) everyone can be a source of useful ideas, so personnel should be given access to any information that can be of value to them; (2) the people closest to the problem usually have the best ideas regarding how to solve it, so empowerment should be promoted throughout the structure; (3) learning flows up and down, so

managers as well as employees can benefit from it; (4) new ideas are important and should be encouraged and rewarded; and (5) mistakes should be viewed as learning opportunities. The last point of learning from failures is an especially important cultural value for people in the learning organization.

Learning Organizations in Action

There are a number of ways that the learning organization can be operationalized into the actual practice of management. For example, managers must be receptive to new ideas and overcome the desire to closely control operations. Many organizations tend to do things the way they have done them in the past. Learning organizations break this mold and teach their people to look at things differently. For example, several years ago British Petroleum (BP) was bogged down in their bureaucratic structure and control procedures, accumulated a huge debt, and had some of the highest costs in the industry. Then a new CEO took over, sold off the firm's unrelated business, and implemented a corporate strategy mostly based on speed and rapid learning. BP was redesigned as follows:

Functional and divisional walls that inhibited cooperation, resource sharing, and internal debate were leveled to promote forward thinking, the learning of new managerial competencies, and the adoption of risk taking behaviors. Most importantly, a rejuvenated senior management team began cultivating a new culture that emphasized knowledge sharing, open communications, team-building, and breakthrough thinking throughout the firm.12

By the turn of the century, BP had a learning-driven culture in place, the old bureaucratic boundaries were down, everyone in the firm shared knowledge with everyone else, and BP became the lowest-cost producer in the oil industry.

As was done at BP, the move toward a learning organization entails breaking out of the highly controlled, layered hierarchy that is characteristic of bureaucratic structures. The accompanying OB in Action: Breaking Out of the Box gives a number of real-world managers' examples of problems with bureaucracies and how to think outside the box and bust out of them. In other words, the beginning point in establishing a learning organization is to recognize that bureaucracies have too often become an end to themselves instead of supporting the vision and goals that require adapting to the changing environment and learning how to do that.

Besides breaking out of bureaucracies, another way to operationalize the learning process in organizations is to develop systemic thinking among managers. This involves the ability to see connections among issues, events, and data as a whole rather than a series of unconnected parts. Learning organizations teach their people to identify the source of conflict they may have with other personnel, units, and departments and to negotiate and make astute trade-offs both skillfully and quickly. Managers must also learn, especially, how to encourage their people to redirect their energies toward the substance of disagreements rather than toward personality clashes or political infighting. For example, in most successful firms today,

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interfunctional teams, increasingly at a distance (virtually), work on projects, thus removing the artificial barriers between functional areas and between line and staff. For example, at Mars Drinks, the top management team is structured globally, with both regional general managers and functional heads. Even the president is not only on this team, but also multiple other teams depending on, in his words, “what the issue of the day is and whether I have particular expertise in those areas.” A research study confirms the important impact that team learning can have on organizational learning. Another practice of learning organization is to develop creativity among personnel. Creativity is the ability to formulate unique approaches to problem solving and decision making. In generative learning organizations, creativity is most widely acknowledged as a requisite skill and ability. Two critical dimensions of creativity, which promote and help well-known story at IBM tells of the worried manager going to a meeting with his boss after his project had failed. Getting right to the point, the trembling manager blurted out, “I suppose you’re going to have to fire me.” But his boss quickly replied, “Why would I do that, we’ve just invested $6 million in your education.” In other words, learning organizations such as IBM treat failure as a learning opportunity, and also the way it is treated creates a climate for future creativity. Managers encourage risk-taking, creative behavior by providing a supportive environment. A cultural value or slogan such as “ready, fire, aim” depicts such an environment.

Well-known learning organization theorist and consultant Peter Senge summarizes the differences between learning organizations and traditional organizations in Table 3.1. These differences help illustrate why learning organizations are gaining in importance and why an increasing number of enterprises are now working to develop a generative learning environment. They realize the benefits that can result. There is also empirical research evidence

suggesting a positive association between the learning organization concept and firms’ financial performance. The classical organization theories are still depended upon in today’s organizations, but organizational learning goes a necessary step further to the understanding of effective organizations in the new paradigm environment.

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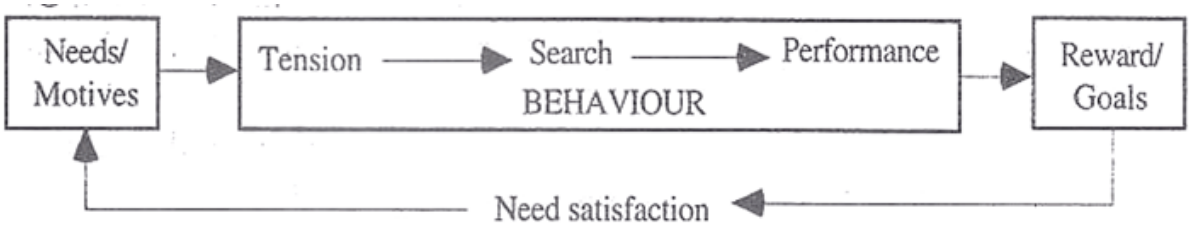
Module III: Motivation and Job satisfaction

Along with many other psychological constructs, motivation is presented here as a very important process in understanding behavior. Motivation interacts with and acts in conjunction with other mediating processes and the environment. It must also be remembered that, like the other cognitive processes, motivation cannot be seen. All that can be seen is behavior. Motivation is a hypothetical construct that is used to help explain behavior; it should not be equated with behavior. In fact, while recognizing the

"central role of motivation," many of today's organizational behavior theorists "think it is important for the field to reemphasize behavior."



The Basic Motivation Process

Today, virtually all people—practitioners and scholars—have their own definitions of motivation. Usually one or more of the following words are included: desires, wants, wishes, aims, goals, needs, drives, motives, and incentives. Technically, the term motivation can be traced to the Latin word movere, which means "to move." This meaning is evident in the following comprehensive definition: motivation is a process that starts with a physiological or psychological deficiency or need that activates a behavior or a drive that is aimed at a goal or incentive. Thus, the key to understanding the process of motivation lies in the meaning of, and relationships among, needs, drives, and incentives.

Figure 6.1 graphically depicts the motivation process. Needs set up drives aimed at goals or incentives; this is what the basic process of motivation is all about. In a systems sense, motivation consists of these three interacting and interdependent elements:

1. Needs. Needs are created whenever there is a physiological or psychological imbalance. For example, a need exists when cells in the body are deprived of food and water or when the personality is deprived of other people who serve as friends or companions. Although psychological needs may be based on a deficiency, sometimes they are not. For example, an individual with a strong need to get ahead may have a history of consistent success.

2. Drives. With a few exceptions,3 drives, or motives (the two terms are often used interchangeably), are set up to alleviate needs. A physiological drive can be simply defined as a deficiency with direction. Physiological and psychological drives are action oriented and provide an energizing thrust toward reaching an incentive. They are at the very heart of the motivational process. The examples of the needs for food and water are translated into the hunger and thirst drives, and the need for friends becomes a drive for affiliation.

3. Incentives. At the end of the motivation cycle is the incentive, defined as anything that will alleviate a need and reduce a drive. Thus, attaining an incentive will tend to restore physiological or psychological balance and will reduce or cut off the drive. Eating food, drinking water, and obtaining friends will tend to restore the balance and reduce the corresponding drives. Food, water, and friends are the incentives in these examples.

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These basic dimensions of the motivation process serve as a point of departure for the rest of the chapter. After discussion of primary and secondary motives, the work-motivation theories and applications that are more directly related to the study and application of organizational behavior and human resource management are examined.

Primary Motives

Psychologists do not totally agree on how to classify the various human motives, but they would acknowledge that some motives are unlearned and physiologically based. Such motives are variously called physiological, biological, unlearned, or primary. The last term is used here because it is more comprehensive than the others. However, the use of the term primary does not imply that these motives always take precedence over the learned secondary motives. Although the precedence of primary motives is implied in some motivation theories, there are many situations in which the secondary motives predominate over primary motives. Common examples are celibacy among priests and fasting for a religious, social, or political cause. In both cases, learned secondary motives are stronger than unlearned primary motives.

Two criteria must be met in order for a motive to be included in the primary classification: It must be unlearned, and it must be physiologically based. Thus defined, the most commonly recognized primary motives include hunger, thirst, sleep, avoidance of pain, sex, and maternal concern. Although these very basic physiological requirements have been equated with primary needs over the years, just like personality traits discussed in the last chapter, in recent years recognition is given to the role that the brain may play in people's motives. The "hard-wiring" of emotional needs would meet the primary criteria of being unlearned and physiologically based. Neuropsychologists are just beginning to do research on the role the brain plays in motivation, but potential applications to the workplace are already being recognized. For example, Coffman and Gonzalez-Molina note: "What many organizations don't see—and what many don't want to understand—is that employee performance and its subsequent impact on customer engagement revolve around a motivating force that is determined in the brain and defines the specific talents and the emotional mechanisms everyone brings to their work."5 However, even though the brain pathways will be developed in different ways and people develop different appetites for the various physiological motives because people have the same basic physiological makeup, they will all have essentially the same primary needs, but not the learned secondary needs.

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Whereas the primary needs are vital for even survival, the secondary drives are unquestionably the most important to the study of organizational behavior. As a human society develops economically and becomes more complex, the primary drives give

way to the learned secondary drives in motivating behavior. With some glaring exceptions that have yet to be eradicated, the motives of hunger and thirst are not dominant among people living in the economically developed world. This situation is obviously subject to change; for example, the “population bomb,” nuclear war, the greenhouse effect and even dire economic times as indicated in the accompanying OB in Action: Managing Amid Economic Uncertainty, may alter certain human needs. In addition, further breakthroughs in neuropsychology may receive more deserved attention. But for now, the learned secondary motives dominate the study and application of the field of organizational behavior. Secondary motives are closely tied to the learning concepts that are discussed. In particular, the learning principle of reinforcement is conceptually and practically related to motivation. The relationship is obvious when reinforcement is divided into primary and secondary categories and is portrayed as incentives. Some discussions, however, regard reinforcement as simply a consequence serving to increase the motivation to perform the behavior again, and they are treated separately in this text. Once again, however, it should be emphasized that although the various behavioral concepts can be separated for study and analysis, in reality, concepts like reinforcement and motivation do not operate as separate entities in producing human behavior. The interactive effects are always present. A motive must be learned in order to be included in the secondary classification. Numerous important human motives meet this criterion.

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Intrinsic versus Extrinsic Motives

Motives can be thought of as being generated not only by the primary and learned secondary needs, but also by two separate but interrelated sets of sources. One method to characterize these two sources is to label them as being either intrinsic or extrinsic motives. Extrinsic motives are tangible and visible to others. They are distributed by other people (or agents). In the workplace, extrinsic motivators include pay, benefits, and promotions. Chapter 4 covered these commonly recognized extrinsic motivators and, especially in tough economic times, low-or no-cost extrinsic alternatives include food (from doughnuts to gourmet meals), games (e.g., one CPA firm holds a “mini-Olympics” with games such as who can pack a suitcase to take to an audit assignment the fastest for a prize), or bring in someone to do manicures or at desk massages. Extrinsic motives also include the drive to avoid punishment, such as termination or being transferred. In each situation, an external individual distributes these items. Further, extrinsic rewards are usually contingency based. That is, the extrinsic motivator is contingent on improved performance or performance that is superior to others in the same workplace. Extrinsic motivators are necessary to attract people into the organization and to keep them on the job. They are also often used to inspire workers to achieve at higher levels or to reach new goals, as additional payoffs are contingent on improved performance. They do not, however, explain every motivated effort made by an individual employee. There is growing research evidence on how to enhance intrinsic motivation (e.g., providing the individual with a choice).

Another study found that when intrinsic motivation accompanies other types, for example, prosocial motivation, there will be a more positive impact on desired outcomes such as persistence, performance, and productivity. Intrinsic motives are internally generated. In other words, they are motivators that the person associates with the task or job itself. Intrinsic rewards include feelings of responsibility, achievement, accomplishment, that something was learned from an experience, feelings of being challenged or competitive, or that something was an engaging task or goal. Performing meaningful work has long been associated with intrinsic motivation. As Manz and Neck noted, “Even if a task makes us feel more competent and more self controlling, we still might have a difficult time naturally enjoying and being motivated by it if we do not believe in its worthiness. Most of us yearn for purpose and meaning.” It is important to remember that these two types of motivators are not completely distinct from one another. Many motivators have both intrinsic and extrinsic components. For example, a person who wins a sales contest receives the prize, which is the extrinsic motivator. At the same time, however, “winning” in a competitive situation may be the more powerful, yet internalized, motive. To further complicate any explanation of intrinsic and extrinsic motivation, cognitive evaluation theory suggests a more intricate relationship. This theory proposes that a task may be intrinsically motivating, but that when an extrinsic motivator becomes associated with that task, the actual level of motivation may decrease. Consider the world of motion pictures, where an actor often strives for many years to simply be included in a film. The intrinsic motive of acting is enough to inspire the starving artist. Once, however, the same actor becomes a star, the extrinsic motivators of money and perks would, according to cognitive evaluation theory, cause the individual to put less effort into each performance. In other words, according to this theory, extrinsic motivators may actually undermine intrinsic motivation. This may seem like a confusing outcome, but there is some research that supports this theoretical position. However, as the meta-analytically based principle at the end of the chapter notes, there is considerable research evidence that extrinsic rewards may not detract from intrinsic motivation, and at least for interesting, challenging tasks, extrinsic rewards may even increase the level of intrinsic motivation (see the end of the chapter OB Principle).

The seemingly contradictory findings make more sense when the concept of negative extrinsic motives is included. That is, threats, deadlines, directives, pressures, and imposed goals are likely to be key factors that diminish intrinsic motivation. For example, consider the difference between writing a book for fun versus writing a book that must be completed by a certain deadline in order to receive payment. There are also a series of criticisms of the cognitive evaluation theory, including that it was built on studies largely using students as subjects rather than workers in the workplace setting and that actual decrements in intrinsic motivation were relatively small when extrinsic rewards were introduced.

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Motivation Theories

So far, motivation has been presented as a basic psychological process consisting of primary, general, and secondary motives; drives such as the n Pow, n Aff, and n Ach motives; and intrinsic and extrinsic motivators. In order to understand organizational behavior, these basic motives must be recognized and studied. However, these serve as only background and foundation for the more directly relevant work-motivation theories.

Work-Motivation Approaches

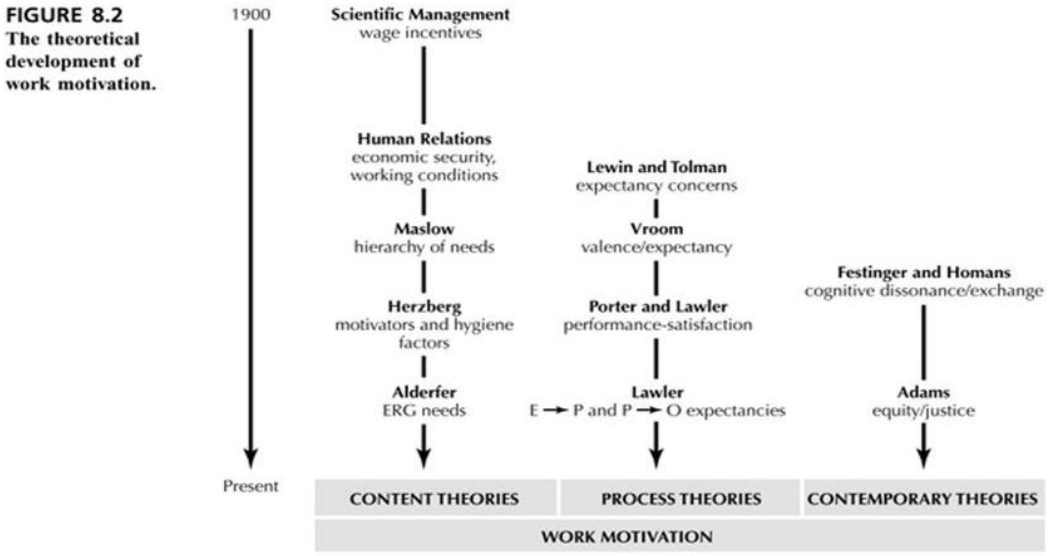


FIGURE 8.2
The theoretical development of work motivation.

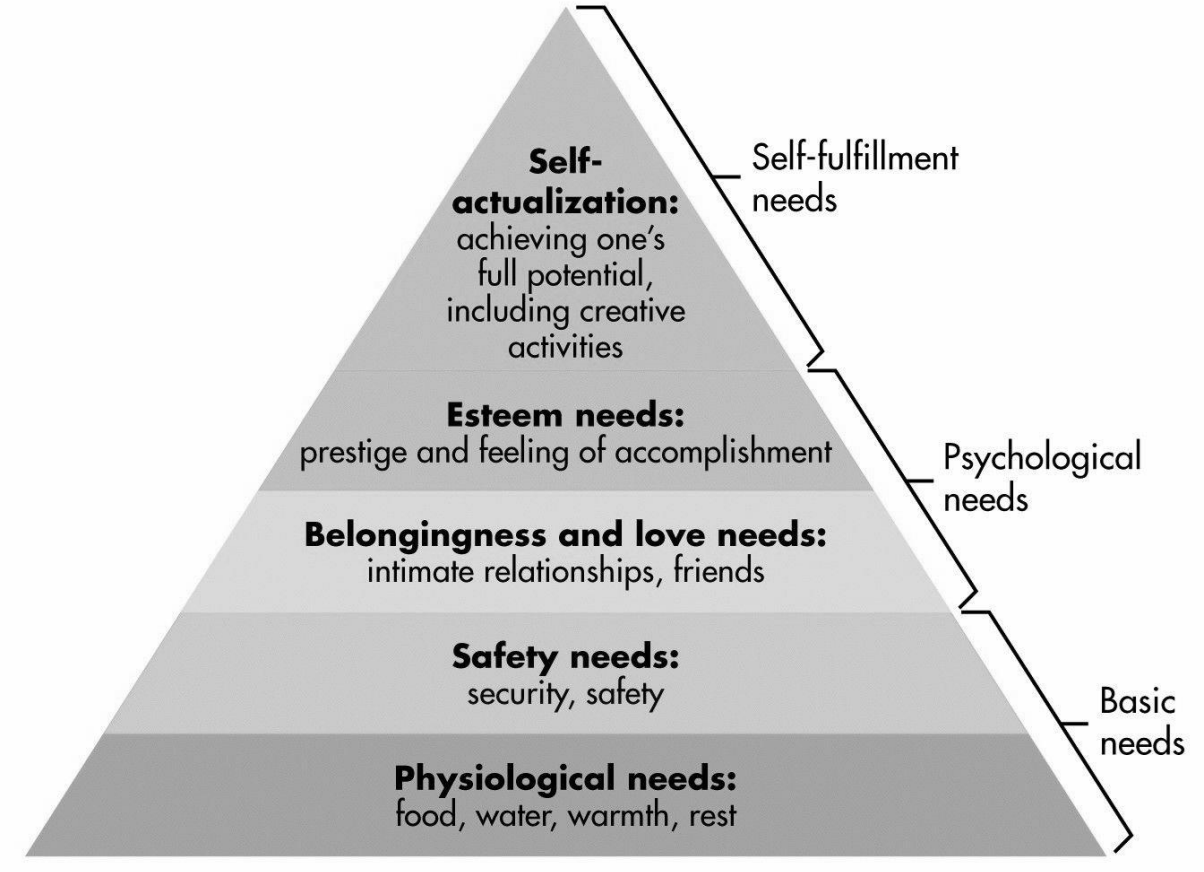
Figure 6.2 graphically summarizes the various theoretical streams for work motivation. In particular, the figure shows three historical streams. The content theories go as far back as the turn of the twentieth century, when pioneering scientific managers such as Frederick W. Taylor, Frank Gilbreth, and Henry L. Gantt proposed sophisticated wage incentive models to motivate workers. Next came the human relations movement, and then the content theories of Maslow, Herzberg, and Alderfer. Following the content movement were the process theories. Based mainly on the cognitive concept of expectancy, the process theories are most closely associated with the work of pioneering social psychologists Kurt Lewin and Edward Tolman and then organizational behavior scholars Victor Vroom, Lyman Porter, and Ed Lawler. Finally, with roots in social psychology, equity and its derivative

procedural/organizational justice, and attribution theories have received attention in work motivation.

Figure 6.2 purposely shows that at present there is a lack of integration or synthesis of the various theories. In addition to the need for integration, a comprehensive assessment of the status of work-motivation theory also noted the need for contingency models and group/social processes. At present the content and process theories have become established explanations for work motivation, and there is continued research interest in equity and organizational justice theories, but no agreed-upon overall theory exists. Moreover, unlike most of the other constructs in organizational behavior, reviews conclude that there has been relatively little new theory-building and research in work motivation in recent years. As Steers concluded, "over the past decade little will be found focusing on genuine theoretical development in this area." The rest of the chapter gives an overview of the widely recognized historical and contemporary theories of work motivation.

Maslow's Hierarchy of Needs: An Important Historical Contribution

Although the first part of the chapter mentions the most important primary and secondary needs of humans, it does not relate them to a theoretical framework. Abraham Maslow, in a classic paper, outlined the elements of an overall theory of motivation. Drawing chiefly



from humanistic psychology and his clinical experience, he thought that a person's motivational needs could be arranged in a hierarchical manner. In essence, he believed that once a given level of need is satisfied, it no longer serves to motivate. The next higher level of
need has to be activated in order to motivate the individual.

Maslow identified five levels in his need hierarchy (see Figure 6.3). They are, in brief, the following:

1. Physiological needs. The most basic level in the hierarchy, the physiological needs, generally corresponds to the unlearned primary needs discussed earlier. The needs of hunger, thirst, sleep, and sex are some examples. According to the theory, once these basic needs are satisfied, they no longer motivate. For example, a starving person will strive to obtain a carrot that is within reach. However, after eating his or her fill of carrots, the person will not strive to obtain another one and will be motivated only by the next higher level of needs.

2. Safety needs. This second level of needs is roughly equivalent to the security need. Maslow stressed emotional as well as physical safety. The whole organism may become a safety-seeking mechanism. Yet, as is true of the physiological needs, once these safety needs are satisfied, they no longer motivate.

3. Love needs. This third, or intermediate, level of needs loosely corresponds to the affection and affiliation needs. Like Freud, Maslow seems guilty of poor choice of wording to identify his levels. His use of the word love has many misleading connotations, such as sex, which is actually a physiological need. Perhaps a more appropriate word describing this level would be belongingness or social needs.

4. Esteem needs. The esteem level represents the higher needs of humans. The needs for power, achievement, and status can be considered part of this level. Maslow carefully pointed out that the esteem level contains both self-esteem and esteem from others.

5. Needs for self-actualization. Maslow's major contribution, he portrays this level as the culmination of all the lower, intermediate, and higher needs of humans. People who have become self-actualized are self-fulfilled and have realized all their potential. Self actualization is closely related to the self-concepts discussed. In effect, self-actualization is the person's motivation to transform perception of self into reality.

Maslow did not intend that his needs hierarchy be directly applied to work motivation. In fact, he did not delve into the motivating aspects of humans in organizations until about 20 years after he originally proposed his theory. Despite this lack of intent on Maslow's part, others, such as Douglas McGregor in his widely read book The Human Side of Enterprise, popularized the Maslow theory in management literature. The needs hierarchy has tremendous intuitive appeal and is widely associated with work motivation.

In a very rough manner, Maslow's needs hierarchy theory can be converted into the content model of work motivation shown in Figure 6.4. If Maslow's estimates are applied to an organization example, the lower-level needs of personnel would be generally satisfied, but only a minority of the social and esteem needs, and a small percent of the self-actualization needs, would be met.

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On the surface, the content model shown in Figure 6.4 and the estimated percentages given by Maslow seem logical and still largely applicable to the motivation of employees in today's organizations. Maslow's needs hierarchy has often been uncritically accepted by writers of management textbooks and by practitioners. Unfortunately, the limited research that has been conducted lends little empirical support to the theory. About a decade after publishing his original paper, Maslow did attempt to clarify his position by saying that gratifying the self-actualizing need of growth-motivated individuals can actually increase rather than decrease this need. He also hedged on some of his other original ideas, for example, that higher needs may emerge after lower needs that have been unfulfilled or suppressed for a long period are satisfied. He stressed that human behavior is multidetermined and multi motivated. Research findings indicate that Maslow's is certainly not the final answer in work motivation. Yet the theory does make a significant contribution in terms of making management aware of the diverse needs of employees at work. As one comprehensive analysis concluded, "Indeed, the general ideas behind Maslow's theory seem to be supported, such as the distinction between deficiency needs and growth needs." However, the number and names of the levels are not so important, nor, as the studies show, is the hierarchical concept. What is important is the fact that employees in the workplace have diverse motives, some of which are "high level." There is also empirical and experiential evidence supporting the importance of Maslow's various needs (e.g., Gallup survey research clearly indicates that Maslow's third level social needs are the single most important contribution to satisfaction with life and a lot of, if not most, high-achieving people feel unfulfilled because they have not reached self-actualization).

In other words, such needs as social and self-actualization are important to the content of work motivation. The exact nature of these needs and how they relate to motivation are not clear. At the same time, what does become clear from contemporary research is that layoffs and terminations (i.e., downsizing) can reduce employees to have concerns about basic-level needs such as security. Organizations that endeavor to reduce fears and other strong emotional responses during these moments through severance pay programs and outplacement services may be able to lessen the impact of individual terminations and layoffs, especially for those who remain with the company.

In recent years there has been a resurgence of interest in humanistic psychology and as will be discussed in the next chapter, positive psychology, of which Maslow was one of the pioneers. Throughout the years there have been attempts to revitalize and make his hierarchy of needs more directly applicable to work motivation. In particular, Herzberg's two factor theory covered next is based on Maslow's concept, and a number of others use Maslow for constructing various hierarchies or pyramids. One example is Aon Consulting's Performance Pyramid that starts with safety and security and moves up through rewards, affiliation, growth, and work and life harmony. There is little question that Maslow's theory has stood the test of time and still makes a contribution to the study and application to work motivation.

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Herzberg's Two-Factor Theory of Motivation

Another historically important contribution to work motivation is the content theory of Frederick Herzberg. Unlike Maslow, Herzberg many years ago conducted a widely reported motivational study on about 200 accountants and engineers employed by firms in and around Pittsburgh, Pennsylvania. He used the critical incident method of obtaining data for analysis. The professional subjects in the study were essentially asked two questions:

(1) When did you feel particularly good about your job—what turned you on; and (2) When did you feel exceptionally bad about your job—what turned you off? Responses obtained from this critical incident method were interesting and fairly consistent. Reported good feelings were generally associated with job experiences and job content. An example was the accounting supervisor who felt good about being given the job of installing new computer equipment. He took pride in his work and was gratified to know that the new equipment made a big difference in the overall functioning of his department.

Reported bad feelings, on the other hand, were generally associated with the surrounding or peripheral aspects of the job—the job context. An example of these feelings was related by an engineer whose first job was routine record keeping and managing the office when the boss was gone. It turned out that his boss was always too busy to train him and became annoyed when he tried to ask questions. The engineer said that he was frustrated in this job context and that he felt like a flunky in a dead-end job.

Tabulating these reported good and bad feelings, Herzberg concluded that job satisfiers are related to job content and that job dissatisfiers are allied to job context. Herzberg labeled the satisfiers motivators, and he called the dissatisfiers hygiene factors. The term hygiene refers (as it does in the health field) to factors that are preventive; in Herzberg's theory the hygiene factors are those that prevent dissatisfaction. Taken together, the motivators and the hygiene factors have become known as Herzberg's two-factor theory of motivation.

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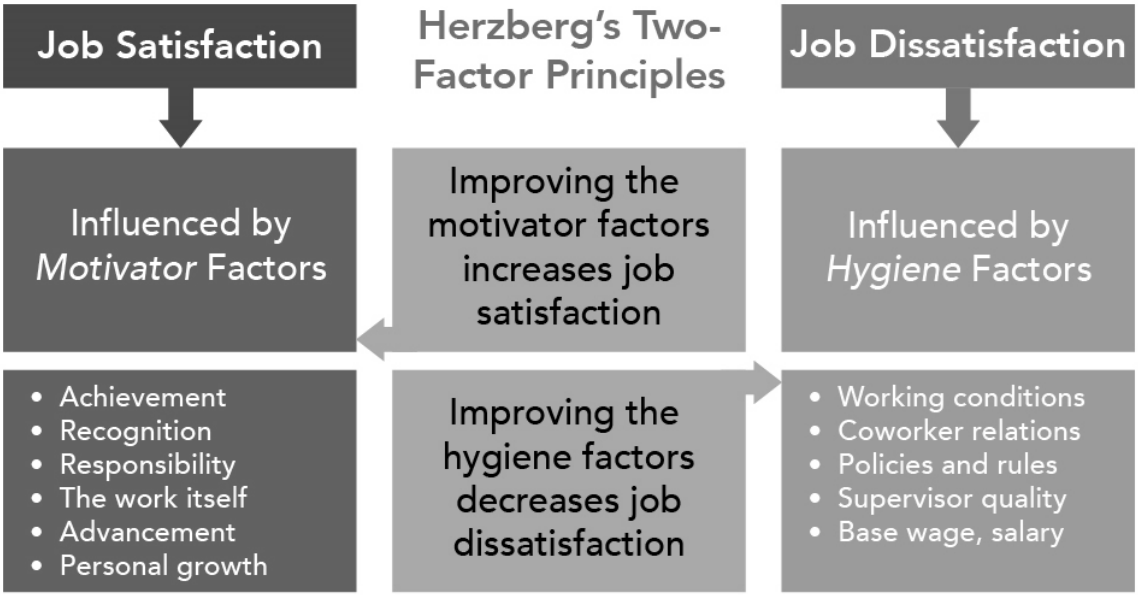
Relation to Maslow's Need Hierarchy

Herzberg's theory is closely related to Maslow's need hierarchy. The hygiene factors are preventive and environmental in nature (see Table 6.2), and they are roughly equivalent to Maslow's lower-level needs. These hygiene factors prevent dissatisfaction, but they do not lead to satisfaction. In effect, they bring motivation up to a theoretical zero level and are a necessary "floor" to prevent dissatisfaction, and they serve as a platform or takeoff point for motivation. By themselves, the hygiene factors do not motivate. Only the motivators, Herzberg asserted, motivate employees on the job. They are roughly equivalent to Maslow's higher-level needs. According to Herzberg's theory, an individual must have a job with a challenging content in order to be truly motivated.



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Contribution to Work Motivation

Herzberg's two-factor theory provided a new light on the content of work motivation. Up to this point, management had generally concentrated on the hygiene factors. When faced with a morale problem, the typical solution was higher pay, more fringe benefits, and better working conditions. However, as has been pointed out, this simplistic solution did not really work. Management are often perplexed because they are paying high wages and salaries, have an excellent fringe-benefit package, and provide great working conditions, but their employees are still not motivated. Herzberg's theory offered an explanation for this problem. By concentrating only on the hygiene factors, management were not really motivating their personnel.

There are probably very few workers or associates who do not feel that they deserve the raise they receive. On the other hand, there are many dissatisfied associates and managers who feel they do not get a large enough raise. This simple observation points out that the hygiene factors seem to be important in preventing dissatisfaction but do not lead to satisfaction.

Herzberg would be the first to say that the hygiene factors are absolutely necessary to maintain the human resources of an organization. However, as in the Maslow sense, once "the belly is full" of hygiene factors, which is the case in most modern organizations, dangling any more in front of employees will not really motivate them.

According to Herzberg's theory, only a challenging job that has the opportunities for achievement, recognition, responsibility, advancement, and growth will motivate personnel.

The Job Characteristics Approach to Task Design

To meet some of the limitations of the relatively simple Herzberg approach to job enrichment
(which he prefers to call orthodox job enrichment, or OJE), a group of researchers began to concentrate on the relationship between certain job characteristics, or the job scope, and employee motivation. Richard Hackman and Greg Oldham developed the most widely recognized model of job characteristics. This model recognizes that certain job characteristics contribute to certain psychological states and that the strength of employees' need for growth has an important moderating effect. The core job characteristics can be summarized briefly as follows:

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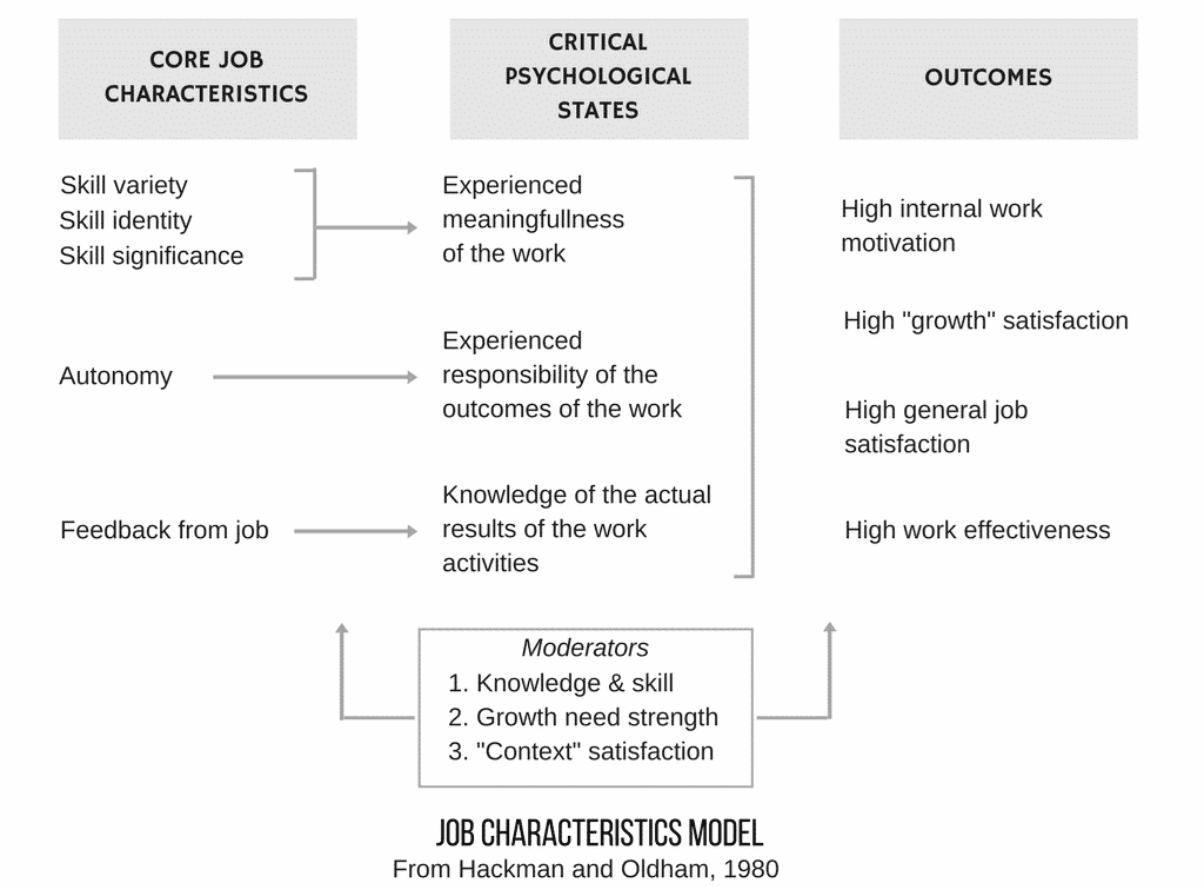

JOB CHARACTERISTICS MODEL
From Hackman and Oldham, 1980

1. Skill variety refers to the extent to which the job requires the employee to draw from a number of different skills and abilities as well as on a range of knowledge.
2. Task identity refers to whether the job has an identifiable beginning and end. How complete a module of work does the employee perform?
3. Task significance involves the importance of the task. It involves both internal significance— how important is the task to the organization? —and external significance—how proud are employees to tell relatives, friends, and neighbors what they do and where they
work?
4. Autonomy refers to job independence. How much freedom and control do employees have, for example, to schedule their own work, make decisions, or determine the means to accomplish objectives?
5. Feedback refers to objective information about progress and performance and can come from the job itself or from supervisors or an information system.
The critical psychological states can be summarized as follows:
1. Meaningfulness. This cognitive state involves the degree to which employees perceive their work as making a valued contribution, as being important and worthwhile.
2. Responsibility. This state is concerned with the extent to which employees feel a sense of being personally responsible or accountable for the work being done.

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3. Knowledge of results. Coming directly from the feedback, this psychological state involves the degree to which employees understand how they are performing in the job.

In essence, this model says that certain job characteristics lead to critical psychological states. That is, skill variety, task identity, and task significance lead to experienced meaningfulness; autonomy leads to the feeling of responsibility; and feedback leads to knowledge of results. The more these three psychological states are present, the more employees will feel good about themselves when they perform well. Hackman states: "The model postulates that internal rewards are obtained by an individual when he learns (knowledge of results) that he personally (experienced responsibility) has performed well on a task that he cares about (experienced meaningfulness)." Hackman then points out that these internal rewards are reinforcing to employees, causing them to perform well. If they don't perform well, they will try harder in order to get the internal rewards that good performance brings.

He concludes: "The net result is a self-perpetuating cycle of positive work motivation powered by self-generated rewards. This cycle is predicted to continue until one or more of the three psychological states is no longer present, or until the individual no longer values the internal rewards that derive from good performance." Not only did Hackman and Oldham provide original research supporting the existence of these relationships, but subsequent research has found strong support for the linkages between the core job dimensions and the critical psychological states, and between these states and the predicted outcomes. (Also see the OB Principle at the end of this chapter).

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An example of an enriched job, according to the Hackman-Oldham characteristics model, would be that of a surgeon. Surgeons must draw on a wide variety of skills and abilities; usually surgeons can readily identify the task because they handle patients from beginning to end (that is, they play a role in the diagnosis, perform the operation, and are responsible for postoperative care and follow-up); the job has life-and-death significance; there is a great deal of autonomy, as surgeons have the final word on all decisions concerning patients; and there is clear, direct feedback during the operation itself (real-time monitoring of the vital signs and the "scalpel"-"scalpel" type of feedback communication) and afterwards, because, of course, the patient's recovery and subsequent health determine the success of the operation. According to this explanation, these job characteristics determine the surgeon's considerable motivation—not the needs developed while growing up or his or her valences, instrumentalities, and expectancies as postulated by the process theories discussed earlier.

At the other extreme would be most traditional blue-collar and white-collar jobs. All five job characteristics would be relatively minimal or non existent in the perceptions of many such jobholders and thus can help explain the motivation problem with these

low-level jobs. In other words, the job design, not just the person holding the job, helps explain the motivation to perform under this approach.

Emotional Intelligence (EI)

Emotional intelligence (EI) predates the emergence of POB and is more widely known in popular management circles. However, EI has to date not been featured as a major part of POB because it has not yet met the criteria of POB. In particular, the major shortcoming in meeting the POB criteria has been the limited research support for a valid measure of EI and its relationship with performance outcomes. However, this is beginning to change somewhat and is why it is included here. This concluding section of the chapter first examines its two conceptual components: emotion and intelligence. After these two important psychological constructs are examined separately, the synergy created by combining them into emotional intelligence becomes a potentially powerful positively oriented construct for the understanding and application approach to the study and application of organizational behavior.

The Role of Emotion

Over the years, emotion has been a major variable in psychology, and, compared to the other POB constructs, has received relatively more attention in the organizational behavior field. Similar to other psychological constructs, the exact definition and meaning of emotion are not totally agreed upon. However, most psychologists would agree that the best one word to describe emotion would be how a person feels about something. These emotional feelings are directed at someone or something, are not as broad as the meanings of the term affect and are more intense and specific than the definitions of the term mood. The specific differences between emotion, affect, and mood are summarized as follows: Emotions are reactions to an object, not a trait. They're object specific. You show your emotions when you're "happy about something, angry at someone, afraid of something." Moods, on the other hand, aren't directed at an object. Emotions can turn into moods when you lose focus on the contextual object. So when a work colleague criticizes you for the way you spoke to a client, you might become angry at him [emotion]. But later in the day, you might find yourself just generally dispirited. This affective state describes a mood.

Emotional Processing

How do emotional reactions come about, and what are the inputs into emotional processing? A very simple, layperson's explanation of the process is that emotional feelings are in contrast with rational thinking. Put into popular terms, emotions come from the "heart" whereas rational thinking comes from the "head." For example, a young manager given a choice between two assignments may undergo the following

cognitive processing: “my ‘head’ tells me to get involved with Project A because it has the best chance of succeeding and helping my career, but my ‘heart’ says that Project B will be more fun, I like the people better, and I can take more pride in any results we achieve.” Obviously, such emotions often win out over rational thinking in what people decide, do, or how they behave. Traditionally in psychology, both personality traits (e.g., extraversion/neuroticism or conscientiousness) and mood states (either positive or negative) have separate influences or emotional processing. More recently, however, to represent the more realistic complexity
involved, it is suggested that: (1) mood states interact with individual differences in emotion relevant personality traits to influence emotional processing, and/or (2) personality traits predispose individuals to certain mood states, which then influence emotional processing.
In other words, for (1) above, someone in a positive mood may have to have (or will be enhanced by) a personality trait such as conscientiousness in order to experience emotional happiness. For (2) above, the individual may have to have the personality trait such as extraversion in order to get into a positive mood state. This positive mood in turn will lead the
person to experience emotional happiness. These moderation and meditation models of emotional processing help resolve some of the inconsistencies that have been found in the research using the separate influences of moods and personality traits for emotions.

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Types of Emotions

Like the meaning of emotion, there is also not total agreement on the primary types of emotions. Table 7.2 summarizes the primary emotions and their descriptors most often

Adaptive behavior		Emotion
Protection	The behavior that occurs in response to pain or threat of destruction.	Fear, terror
Destruction	"Behavior designed to destroy a barrier that prevents the satisfaction of an important need" (1984, p. 202).	Anger, rage
Reproduction	Any behavior associated with sexual activity, including "approach [and] maintenance-of-contact tendencies" (1984, p. 202).	Joy, ecstasy
Reintegration	Behavior that is in response to a loss of something "pleasureful or nutrient" (1980, p. 145).	Sadness, grief
Incorporation	The acceptance of a stimulus.	Acceptance, trust
Rejection	The removal of something that has been accepted, but has turned out to be harmful.	Disgust, loathing
Exploration	The behavior displayed when organisms explore or examine their environment.	Expectancy, anticipation
Orientation	The brief response—stopping or freezing—when a new stimulus, which has not yet been classified as beneficial or harmful, is encountered.	Surprise, astonishment

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mentioned in the psychology literature. Importantly, each of these emotions are very common
in the workplace. For example:

• Juan has grown to love his paramedic emergency team as they solve one life-threatening crisis after another.
• Mary feels happy when her boss comments in front of the sales team that she just landed the biggest contract of the quarter.
• Jami is surprised to hear that the firm's stock price dropped two and one-half points today.
• George fears the new technological process that he believes may replace him.
• Trent feels sad for Alison because she does more than her share of the work, but gets no recognition from the supervisor.
• Lane is angry because he was passed over for promotion for the second time.
• Mark is disgusted with the favoritism shown to his colleague Steve when the regional sales manager assigns territories.
• Kent has a sense of shame for claiming expense reimbursement for a trip he did not take.

As shown by the preceding representative examples, the whole range of emotions are found in the workplace. In addition, it is probably not an exaggeration to state that most personal and many managerial/organizational decisions are based on emotional processes rather than rational thought processes. For example, career decisions are

often based on emotions of happiness and affection or even fear, rather than on what is rationally best for one's career.204 In fact, management decisions are often driven by negative emotions such as fear or anger rather than marginal costs, return on investment, or other criteria that the traditional rational economic/finance models would suggest. By the same token, there is important basic research coming from the positive psychology movement that the capacity to experience positive emotions may be a fundamental human strength central to the study of human flourishing, and positive emotions can also be applied to upward spirals in today's organizations. For example, one of the most recognized breakthroughs in positive psychology that has particular relevance and understanding for POB and PsyCap is Barbara Fredrickson's "Broaden and Build" theory. Supported by considerable research evidence, this theory says that experiencing positive emotions broadens (i.e., opens people's hearts and minds) and builds (i.e., allows people to develop new skills, relationships, knowledge and to become more effective overall).

Besides identifying the different types of emotions, as shown in Table 7.2, they can be put into positive and negative categories. Whether a person feels a positive or negative emotion in the workplace has a lot to do with goal congruence (positive) or goal incongruence (negative). For example, if salespeople meet or exceed their quota, they feel happy, are relieved, and like their customers, but if they fall short they may feel sad, disgusted, guilty, anxious and may blame or be angry with their boss and/or customers.

Emotions can also be conceptualized along a continuum. One classic emotional continuum is the following:

Happiness—Surprise—Fear—Sadness—Anger—Disgust

Table 7.2 is arranged in the same order except with the positive extreme of love/affection on the front end and the negative extreme of shame on the back end. The key is that the closer the primary emotions are related to one another, the more difficult it is for others to distinguish between them when expressed. For example, almost everyone can readily distinguish the facial expressions of positive versus negative categories of emotion, but may not readily interpret the differences within categories (e.g., between happiness and surprise or anger and disgust). Yet, based on the concept of emotional labor which refers to service personnel required to express false, not natural expression, positive emotions such as smiling, most seasoned customers can easily pick up the difference. For example most "Frequent Flyers" can tell the difference between a genuine, natural smile and "Have a nice day!" and a forced, false smile and insincere happy comment from an angry or disgusted reservationist or flight attendant. The nonverbal facial cues and tone of voice are usually a loud and clear indication of what real emotions are being expressed. Recent organizational communication research indicates that positive emotions, not just negative emotions, need to be displayed in prevailing socially acceptable ways, and the appropriate display of negative emotions typically means masking those emotions, that is, experience emotional labor.

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Emotional labor not only has dysfunctional consequences for the employees doing it (e.g., stress and burnout), but also detracts from effective customer service. World-class customer service firms such as Southwest Airlines recognize this by hiring only those with very positive personalities. As Herb Kelleher, the founder of Southwest, declared: “We want people who can do things well with laughter and grace.” By putting humor and happiness at the top of its hiring criteria, Southwest knows, and the academic literature would support, that its people will tend to express positive, genuine emotions (not emotional labor) in all their encounters with customers and coworkers.
Most academics and practicing managers would agree with the systematic assessment that emotions permeate all of organizational life, but the reason emotions are singled out for special attention in this chapter is the popularity of emotional intelligence and its potential relevance to the study and application to positive organizational behavior. Emotionally intelligent people not only can read the expressed emotions of other people, but also have the maturity to hold their felt emotions in check and not display undesirable, immature negative emotions such as anger or disgust. This distinction between felt and displayed emotions, as well as the rest of the above discussion on the meaning, cognitive processing, and types/categories/continuum of emotions, when combined with the next section on intelligence, serve as the foundation and point of departure for the role that emotional intelligence may be able to play in positive organizational behavior.

The Role of Intelligence

Intelligence has played a major role in psychology but a very minor role in organizational
behavior. About a hundred years ago, Alfred Binet created a written test to measure the “intelligence quotient” or IQ of grade school children in Paris. Eventually the U.S. Army used the test with recruits in World War I, and then it was widely used in schools and businesses.
IQ was assumed to be fixed at birth and went largely unchallenged as a predictor of school, job, and life success. However, just as in personality), in recent years there has been a renewed nurture versus nature debate on intelligence and the recognition of multiple intelligences.

Nature versus Nurture Intelligence

Again, similar to personality recent breakthroughs in genetic and neuroscience research seem to provide added support for the nature (biological) argument of intelligence. For example, one study suggested that a variation in the gene for IGF2R, a receptor for a human growth factor, was associated with extremely high SAT scores, and other studies have shown that IQ scores are correlated with the amount of gray matter in certain brain regions. These types of findings receive a lot of popular press

coverage, but often ignored are other facts such as the identified gene accounted for only about 2 percent of the variance in the SAT scores and that a follow-up study failed to even replicate the initial findings.

On the nurture, developmental side of intelligence, there are also some recent interesting findings of support. For example, there is some theory and research suggesting that a “stereotype threat” may help explain the difference in average IQ scores between groups generalized on the basis of race, gender, age, and other social distinctions.221 One study, for instance, found that television commercials that depict stereotypical female behavior impair women’s performance on math tests and reduce their interest in pursuing quantitative careers.222 Also, cross-cultural research is clearly indicating that how intelligence is conceptualized and measured depends on learned cultural values and ways of thinking. For example, it has been found that people in Western cultures view intelligence as a means for individuals to devise categories and to engage in rational debate, while those in Eastern cultures see it as a way for members of a community to recognize contradiction and complexity.223 Moreover, “Many psychologists believe that the idea that a test can be completely absent of cultural bias—a recurrent hope of test developers in the twentieth century—is contradicted by the weight of the evidence.”

Recognition of Multiple Intelligences

The impetus for an expanded and positive perspective of intelligence in psychology and education is mostly attributed to Howard Gardner. Over 25 years ago he published his breakthrough book, Frames of Mind: The Theory of Multiple Intelligences. Binet’s IQ basically measured two relatively narrow dimensions: mathematical/logical and verbal/ linguistic. As shown in Table 7.3, Gardner recognized these two plus five others. In developing

these seven multiple intelligences or MIs, he found that intelligence was not entirely genetic and fixed at birth, but instead it could be nurtured and grown.

To be considered an intelligence under Gardner’s well-known multiple approach, the following three criteria must be met: (1) measurable, (2) valued by the person’s culture, and (3) a strength that the person defaulted to when challenged to be creative or solve a problem.

Gardner is careful to point out that his identified intelligences are: (1) a new kind of construct and should not be confused with a domain or discipline; (2) a capacity with component processes and should not be equated with a learning style, cognitive style, or working style; and (3) based wholly on empirical evidence that could be revised or added to on the basis of new empirical findings. Importantly, the MIs are equal in importance and most people are strong in three or four but, because they are not fixed, there is always room for improvement in the others.

This expanded view of intelligence has had a dramatic impact on psychology, and many educators have used MI as a new paradigm for schools and classrooms. However, there have to date only been a very few applications of MI in the business world, mainly in training workshops such as at 3M, Coseco Insurance, and Northeast

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Utilities Service. MI has only recently been acknowledged in the organizational behavior literature.

However, with the recent addition of emotional intelligence or EI to Gardner's original seven (see Table 7.3), the recognition and theoretical foundation provided by Gardner's work becomes relevant and necessary to the understanding and application of EI in the workplace.

Number	Type of intelligent	Description	Learning style and preference
1	Linguistic	Interpretation and explanation of ideas and information via language	Language and words
2	Logical Mathematical	Understanding the relationship between cause and effect toward a tangible outcome	Logic and numbers
3	Musical	Understanding the relationship between sound and feeling	Melodious and harmonious
4	Bodily Kinesthetic	Physical agility and balance	Body movement control
5	Visual Spatial	Interpretation and creation of visual images, pictorial imagination and expression	Analyze, and understand visual information
6	Interpersonal	Interpretation and behaviour and communications	Relationships / communication between people
7	Intrapersonal	One's own needs for and reaction to change, ability to deal with change in the workplace	Self-awareness of your own individuality

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Intelligence as Cognitive Mental Ability

Although the field of organizational behavior and human resource management has generally ignored multiple intelligences, there has been recognition and attention given over the years to the narrower concept of cognitive mental abilities. Applied to the workplace, ability refers to the aptitudes and learned capabilities needed to successfully accomplish a task. Both physical (e.g., manual dexterity, hand-eye coordination and body strength, stamina, and flexibility) and mental, intellectual, or cognitive abilities are recognized for jobs. However, with some obvious exceptions of jobs requiring considerable physical activity (e.g., in construction, manufacturing, repair services, sports or health clubs), the vast majority of jobs in today's workplace are concerned more with cognitive
abilities.

Although some unique tasks require specific mental abilities (e.g., accounting tasks require numerical mental ability), most jobs, including those of an accountant or interior designer, require general mental ability (GMA). Over the years, psychologists have proposed numerous mental abilities, but those most widely recognized as underlying effective performance in jobs are summarized in Table 7.4

Importantly, there is considerable research evidence that GMA tests are a good personnel selection and job training program predictor of overall job performance. Specifically, Schmidt and Hunter summarized 85 years of research and based on metanalytic findings concluded that the highest validities for predicting job performance were: (1) GMA plus a work sample test; (2) GMA plus an integrity test; and (3) GMA plus a structured interview. An additional advantage of (2) and (3) is that they can be highly predicative for both entry-level selection and selection of experienced employees. One further refinement is that GMA predictive validity is higher for more-complex jobs and lower for less-complex jobs.

Emotional Intelligence Domains and Competencies

<table>
<tr><th>SELF-AWARENESS</th><th>SELF-MANAGEMENT</th><th>SOCIAL AWARENESS</th><th>RELATIONSHIP MANAGEMENT</th></tr>
<tr><td rowspan="5">Emotional self-awareness</td><td>Emotional self-control</td><td rowspan="2">Empathy</td><td>Influence</td></tr>
<tr><td>Adaptability</td><td>Coach and mentor</td></tr>
<tr><td>Achievement orientation</td><td rowspan="3">Organizational awareness</td><td rowspan="2">Conflict management</td></tr>
<tr><td>Positive outlook</td></tr>
<tr><td>Teamwork</td></tr>
<tr><td></td><td></td><td>Inspirational leadership</td></tr>
</table>

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from a foundation in the theory of emotion and multiple intelligence, Salovey and Mayer defined emotional intelligence as “the subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them, and to use this information to guide one’s thinking and actions.” However, it was the publication of the 1995 best-selling book Emotional Intelligence by psychologist/journalist Daniel Goleman that greatly popularized the construct. He defines emotional intelligence or EI as The capacity for recognizing our own feelings and those of others, for motivating ourselves, and for managing emotions well in ourselves and in our relationships.

Table 7.5 summarizes the major EI dimensions that Goleman has determined to have the most relevant and biggest impact on understanding behavior in the workplace. As previously indicated, the major problem of EI not being considered to be a major construct of POB is that two streams have seemed to develop for EI. One is a very popular, applications-only approach stimulated and largely taken from Goleman’s best-selling book.

Unfortunately, this applications approach has been judged to have questionable theory, research, and carefully developed measures applied to it as is being done more in the other stream in EI by theory- and research-oriented social psychologists such as Salovey and Mayer, and more recently in the organizational behavior field. As Mayer observed, “If you’re going to take the term ‘emotional intelligence’ seriously as an intelligence, it’s got to be about how one reasons about emotions and also about how emotions help reasoning, and most of the field does not do that.” However, even though the quality of theory, research, and measures to date is mixed, since Goleman did base his popular book on some theory and research and progress seems being made to refine the construct and its measures, and its application in the field of organizational behavior (e.g., a recent study found that employees’ EI was related to performance and satisfaction), it is included here in the discussion of other positive constructs.

Importantly, Goleman, like Howard Gardner’s recognition of multiple intelligences before him, makes a clear distinction between IQ and EI. The EI (or sometimes called EQ as a takeoff from IQ) literature carefully points out that the two constructs are certainly not the same but also not necessarily opposite from one another. As one summary of the analysis of IQ and EQ notes,

Some people are blessed with a lot of both, some with little of either. What researchers have been trying to understand is how they complement each other; how one’s ability to handle stress for instance, affects the ability to concentrate and put intelligence to use. Similar to the influence that neural activity and the brain play in IQ, Goleman also believes the brain pathways may help process EI. However, whereas IQ mostly is associated with the more recent (on the thousands-of-years-old evolutionary chain) neocortex (the thinking brain) located near the top of the brain, EI draws from the very early (in the evolution of the brain) inner subcortex more associated with emotional impulses. Importantly, however, unlike IQ, which has traditionally been considered largely inherited and fixed, Goleman also recognizes the role that personality and behavioral theories play in EI. Goleman provides a very comprehensive explanatory foundation for EI that includes the brain, but also suggests that learning seems to play an important role in EI. He states in his original book that Our genetic heritage endows each of us with a series of emotional set points that determines our temperament. But the brain circuitry involved is extraordinarily malleable; temperament is not destiny. The emotional lessons we learn as children at home and at school shape the emotional circuits, making us more adept—or inept—at the basics of emotional intelligence.

These seeming contradictions between the roles of genetic endowment, the brain, personality

traits, and learning/development have drawn some criticism of Goleman’s approach to EI. However, there is recent research evidence that EI competencies can be developed in students working toward their masters of business administration. Goleman also cites “studies that have tracked people’s level of emotional intelligence through the years show that people get better and better in these capabilities as they grow more adept at handling their empathy and social adroitness.”

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In total, even though there remains some controversy and potential problems with the concept and operationalization of EI, it has such intuitive appeal and growing evidence for successful application to the workplace that it deserves further attention and research in the future of POB.

Module IV: Communication

The Definition of Communication

The term communication is freely used by everyone in modern society, including members of the general public, organizational behavior scholars, and management practitioners. In addition, the term is employed to explain a multitude of sins both in the society as a whole and in work organizations. Despite this widespread usage, very few members of the general public—and not a great many more management people—can precisely define the term. Part of the problem is that communication experts have not agreed on a definition themselves. Most definitions of communication used in organizational behavior literature stress the use of symbols to transfer the meaning of information. For example, one analysis stresses that communication is the understanding not of the visible but of the invisible and hidden. These hidden and symbolic elements embedded in the culture give meaning to the visible communication process. Of equal, if not more, importance, however, is the fact that communication is a personal process that involves the exchange of behaviors and information.

Today, of course, this personal process is not just face-to-face, but is increasingly carried out electronically through Facebook, MySpace, blogs, wikis, texting, mobile phones, and e-mail.6 Although associated with emerging Web 2.0 technologies, the still personal aspects have been noted in no uncertain terms by most organizational behavior scholars. For example, Ivancevich and Matteson noted that “communication among people does not depend on technology but rather on forces in people and their surroundings. It is a process that occurs within people.” This personal perspective of communication has been made particularly clear by Nickerson, who has found that many people tend to assume that the other person has the same knowledge that they do, and they communicate on this basis.8 The result is often communication breakdown. In addition to being a personal process, communication has other implications. A communication expert emphasizes the behavioral implications of communication by pointing out that “the only means by which one person can influence another is by the behaviors he performs—that is, the communicative exchanges between people provide the sole method by which influence or effects can be achieved.” In other words, the behaviors that occur in an organization are vital to the communication process. This personal and behavioral exchange view of communication takes many forms.

Interpersonal Communication

In interpersonal communication, the major emphasis is on transferring information from one person to another. Communication is looked on as a basic method of effecting behavioral change, and it incorporates the psychological processes (perception, learning, and motivation) on the one hand and language on the other. However, it must be noted that the explosion of advanced information technology is also having an impact on this human interaction process. For example, in a University of Southern California commencement address by Disney's Michael Eisner, he noted: As any drama coach can tell you, when accompanied by varied intonation and facial expressions, identical words can come across completely differently. If a person says "you dope" with a smile over the dinner table, it can be endearing. But, in the hard, cold cathode-ray light of e-mail, the same two words stand there starkly and accusingly. I'm afraid that spell check does not check for anger, emotion, inflection or subtext.

As an academic analysis noted: "Human communication has always been central to organizational action. Today, the introduction of various sophisticated electronic communication technologies and the demand for faster and better forms of interaction are visibly influencing the nature of [interpersonal] communication." Thus, listening sensitivity and nonverbal communications are also closely associated with interpersonal communication.

For example, Bill Marriott, Jr., of the highly successful hotel chain, spent nearly half his time listening and talking to frontline employees. It is important to note that he listened and then talked to his people.

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Importance of How to Talk to Others

In interpersonal communication, knowing how to talk to others can be very useful. One communication expert noted that when communicating with the boss, it is important to understand his or her preferred communication style. Here are some examples:

1. The Director. This person has a short attention span, processes information very quickly, and is interested only in the bottom line. So it is best to present this type of manager with a bulleted list of conclusions and forget all of the background information.

2. The Free Spirit. This manager is a creative, big-picture type of person who likes to consider alternative approaches to doing things, but is not very good on follow-through. In communicating with this type of manager it is important to be patient and to be prepared for changes in direction. The manager often likes to assimilate what he or she is being told and to consider several alternatives before making a decision.

3. The Humanist. This manager likes everyone to be happy and is very concerned with the feelings of others. So any suggestions or recommendations that are given to him or her will be passed around the entire department for full consensus before any

action is taken. In dealing with this type of manager, patience and tact are very important.

4. The Historian. This manager likes to know the whole picture and thrives on details. This individual wants to be given a thorough analysis and background information, especially if it is presented in linear fashion. This type of manager does not jump from subject to subject, but instead remains focused on the topic under consideration until it has been exhaustively reviewed and a decision is made. In addition to these hints on how to talk with one's boss is the whole upward communication process, which is generally inhibited in traditional hierarchically structured organizations.

The Importance of Feedback

The often-posed philosophical question—Is there a noise in the forest if a tree crashes to the ground but no one is there to hear it? —demonstrates some of the important aspects of interpersonal communication. From a communications perspective, the answer is no. There are sound waves but no noise because no one perceives it. There must be both a sender and a receiver in order for interpersonal communication to take place. The sender is obviously important to communication, but so is the neglected receiver who gives feedback to the sender and becomes an important component of the upward process.

The importance of feedback cannot be overemphasized because effective interpersonal communication is highly dependent on it. Proper follow-up and feedback require establishing

an informal and formal mechanism by which the sender can check on how the message was actually interpreted. There is even research evidence that a graphical feedback format has a more positive impact on performance than does a strictly tabular, numerical feedback format.

In general, feedback makes communication a two-way process and is a big problem with much of e-mail that turns out to be only one-way. As electronic communication becomes more interactive, such problems can be overcome. There is continuing research evidence that feedback not only improves communication but also, in turn, leads to more effective manager and organizational performance. For example, when businesses have secret salaries so that no one knows what anyone else is earning, or family-owned enterprises do not tell the employees how well the company is doing, many people believe that they are being paid less than they should. On the other hand, when information is shared, even though this means giving up some control, the results are often well worth the effort.

The following list explains these characteristics in more detail:

1. Intention. Effective feedback is directed toward improving job performance and making the employee a more valuable asset. It is not a personal attack and should not compromise the individual's feeling of self-worth or image. Rather, effective feedback is directed toward aspects of the job.

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2. Specificity. Effective feedback is designed to provide recipients with specific information so that they know what must be done to correct the situation. Ineffective feedback is general and leaves questions in the recipients' minds. For example, telling an employee that he or she is doing a poor job is too general and will leave the recipient frustrated in seeking ways to correct the problem.
3. Description. Effective feedback can also be characterized as descriptive rather than evaluative. It tells the employee what he or she has done in objective terms, rather than presenting a value judgment.
4. Usefulness. Effective feedback is information that an employee can use to improve performance. It serves no purpose to berate employees for their lack of skill if they do not have the ability or training to perform properly. Thus, the guideline is that if it is not something the employee can correct, it is not worth mentioning.
5. Timeliness. There are also considerations in timing feedback properly. As a rule, the more immediate the feedback, the better. This way the employee has a better chance of knowing what the supervisor is talking about and can take corrective action.
6. Readiness. In order for feedback to be effective, employees must be ready to receive it. When feedback is imposed or forced on employees, it is much less effective.
7. Clarity. Effective feedback must be clearly understood by the recipient. A good way of checking this is to ask the recipient to restate the major points of the discussion. Also, supervisors can observe facial expressions as indicators of understanding and acceptance.
8. Validity. In order for feedback to be effective, it must be reliable and valid. Of course, when the information is incorrect, the employee will feel that the supervisor is unnecessarily biased or the employee may take corrective action that is inappropriate and only compounds the problem

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In recent years, multisource 360-degree feedback has received increasing attention as a process to communicate to a target manager about strengths and weaknesses. The multiple sources include peers (coworkers), managers, direct reports, and sometimes even customers (thus the term 360 degrees). This 360-degree feedback approach draws its conceptual roots from several different areas. One is the traditional organizational development technique of using surveys to assess employees' perceptions. These surveys measure items such as satisfaction with management, supervisors, pay, work procedures, or formal policies of the organization. The survey information is then fed back to those that generated it, with the goal of developing an action plan to improve the organization.

Another area in which 360-degree feedback has strong conceptual roots is the performance appraisal literature. Today's environment has forced organizations to provide much more information than the traditional performance review, thus spawning such creative efforts as 360-degree feedback. It is now recognized that managers can improve their performance through increased multisource information. Social cognitive theory (see Chapter 1), in particular the dimension of self-awareness, can also be used as an explanation. Specifically, social cognitive theory posits that humans have the

ability to assess their own capabilities and skills, and they often evaluate themselves quite differently than others do. Therefore, the 360-degree feedback provides managers with an external source of information designed to increase their self-awareness. This enhanced self-awareness may improve managerial effectiveness by providing individuals with another source of outside information regarding what others expect of him or her. A recent study found that self-awareness from 360-degree feedback (closing the discrepancy between self and others' ratings) can be improved through combining the feedback with systematic coaching.

Other Important Variables in Interpersonal Communication

Besides feedback, other variables, such as trust, expectations, values, status, and compatibility,
greatly influence the interpersonal aspects of communication. If the subordinate does not trust the boss, there will be ineffective communication.30 The same is true of the other variables mentioned. People perceive only what they expect to perceive; the unexpected may not be perceived at all. The growing generation gap can play havoc with interpersonal communication. For example, here are some guidelines to communicate better with Generation X (those born between 1965 and 1980) and Generation Y (those born between 1981 and 1994):31

1. In terms of technology, for Gen X keep it up-to-date and motivating (music at work, BlackBerrys, and fast computers) and Gen Y (learn from them).
2. In terms of collaboration, for Gen X limit face-to-face meetings and offer alternatives such as conference calls, video, and Web conferencing and for Gen Y try to leverage social networks to encourage team collaboration and knowledge sharing.
3. In terms of the work ethic, for Gen X trust them and offer flexibility to telecommute and for Gen Y accept their expectations of new rules (e.g., productivity not hours at their desk).
4. In terms of socializing, for Gen X invite but do not push them to participate and for Gen Y appeal to their career goals to attend a networking event.

Giving attention to, and doing something about, these interpersonal variables such as trust and recognizing age differences can spell the difference between effective and ineffective communication.

Group Decision Making

Creativity in decision making can apply to individuals or groups. Because individual decision

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making has largely given way to group decision making in today's organizations, an understanding of group dynamics and teams, becomes relevant to decision making. For example, that chapter's discussion of groupthink problems and phenomena such as the risky shift (that a group may make more risky decisions than individual members on their own) helps one better understand the complexity of group decision making. In fact, a number of social decision schemes have emerged from social psychology research in recent years. These schemes or rules can predict the final outcome of group decision making on the basis of the individual members' initial positions. These have been summarized as follows:

1. The majority-wins scheme. In this commonly used scheme, the group arrives at the decision that was initially supported by the majority. This scheme appears to guide decision making most often when there is no objectively correct decision. An example would be a decision about what car model to build when the popularity of various models has not been tested in the "court" of public opinion.
2. The truth-wins scheme. In this scheme, as more information is provided and opinions are discussed, the group comes to recognize that one approach is objectively correct. For example, a group deciding whether to use test scores in selecting employees would profit from information about whether these scores actually predict job performance.
3. The two-thirds majority scheme. This scheme is frequently adopted by juries, who tend to convict defendants when two-thirds of the jury initially favors conviction.
4. The first-shift rule. In this scheme, the group tends to adopt the decision that reflects the first shift in opinion expressed by any group member. If a car-manufacturing group is equally divided on whether or not to produce a convertible, it may opt to do so after one group member initially opposed to the idea changes her mind. If a jury is deadlocked, the members may eventually follow the lead of the first juror to change position.

Besides the listed schemes, there are also other phenomena, such as the status quo tendency (when individuals or groups are faced with decisions, they resist change and will tend to stick with existing goals or plans), that affect group decision making. Suggestions such as the following can be used to help reduce and combat the status quo tendency and thus make more effective group decisions:

• When things are going well, decision makers should still be vigilant in examining alternatives.
• It can help to have separate groups monitor the environment, develop new technologies, and generate new ideas.
• To reduce the tendency to neglect gathering negative long-term information, managers should solicit worst-case scenarios as well as forecasts that include long-term costs.
• Build checkpoints and limits into any plan.
• When limits are reached, it may be necessary to have an outside, independent, or separate review of the current plan.
• Judge people on the way they make decisions and not only on outcomes, especially when the outcomes may not be under their control.

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• Shifting emphasis to the quality of the decision process should reduce the need of the decision maker to appear consistent or successful when things are not going well.
• Organizations can establish goals, incentives, and support systems that encourage experimenting and taking risks.

Although just simple guidelines, proactively following them can make group decisions more effective by helping overcome the many problems that still plague most groups.

LEADERSHIP IN THE NEW ENVIRONMENT

There is no question that leadership roles are changing in the extremely challenging overall environment and the organizational contexts There is general agreement among all analyses of leadership that it is much more difficult to lead in difficult times, such as we have experienced in recent years, than in good times. One analysis argues that five key leadership roles can help shape managerial successes (and failures) in the near future.
They include: (1) a strategic vision to motivate and inspire, (2) empowering employees, (3) accumulating and sharing internal knowledge, (4) gathering and integrating external information, and (5) challenging the status quo and enabling creativity.

A recent observation is that organizational leaders now must have at least three "faces": (1) manager (disciplined, rational, organizing, controlling, intellect, strategic, decision maker); (2) artist (curious, independent, creative, emotional, innovator); and (3) priest (ethical, pure, empathetic, inspiring, comforting, transcendent). In addition to this analogy is the view that great leaders must have energy, expertise, and integrity. Especially in light of post-Enron and the financial crisis, the integrity component has taken on increased importance. As has recently been pointed out:

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LEADERSHIP STYLES

Classic Styles

In addition to the Tannenbaum and Schmidt continuum shown in Figure 14.1, other historically
important approaches to leadership styles include Hersey and Blanchard's life-cycle (later termed the situational) approach to leadership.36 Following the original Ohio State studies, Hersey and Blanchard's approach37 identifies two major styles:
1. Task style. The leader organizes and defines roles for members of the work group; the leader explains the tasks that group members are to do and when, where, and how they are to do them.
2. Relationship style. The leader has close, personal relationships with the members of the group, and there is open communication and psychological and emotional

support. Taking a contingency approach to recognize situational variables, Hersey and Blanchard incorporated the maturity of the followers into their model. The level of maturity is defined by three criteria:

1. Degree of achievement motivation
2. Willingness to take on responsibility
3. Amount of education and/or experience

Although they recognize that there may be other important situational variables, Hersey and Blanchard focus only on this maturity level of work group members in their model. The key for leadership effectiveness in this model is to match up the situation with the appropriate style. The following summarizes the four basic styles:

1. Telling style. This is a high-task, low-relationship style and is effective when followers are at a very low level of maturity.
2. Selling style. This is a high-task, high-relationship style and is effective when followers are on the low side of maturity.
3. Participating style. This is a low-task, high-relationship style and is effective when followers are on the high side of maturity.
4. Delegating style. This is a low-task, low-relationship style and is effective when followers are at a very high level of maturity.

Hersey and Blanchard's approach includes a questionnaire instrument that presents 12 situations that generally depict the various levels of maturity of the group; respondents answer how they would handle each situation. These responses follow the four styles. How closely respondents match the situation with the appropriate style will determine their effectiveness score.

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Even though this situational leadership model has some practical implications for the management of change, the theoretical rationale is generally criticized as being "weak, because Hersey and Blanchard have neglected to provide a coherent, explicit rationale for
the hypothesized relationships." They also, by their own admission, highly oversimplify the situation by giving only surface recognition to follower maturity. Also, there is a noted absence of any empirical tests of the model. One review of all facets of the approach was particularly critical of the instrument that Hersey and Blanchard used to measure leader effectiveness, and an empirical test did not find support for the underlying assumptions or predictions. Overall, however, as is true of the other style approaches, this situational approach seems to be of some value in training and development work in that it can point
out the need for flexibility and take into consideration the different variables affecting leaders. Yet, this popular approach lacks sufficient evidence to predict leader effectiveness.

Leadership Styles in Perspective

Hersey and Blanchard's life cycle represent a popular, but not evidence-based, approach to leadership style. These and other traditional models such as the well-known managerial grid styles (that also use the same two dimensions of task and

relationships as found in the Hersey and Blanchard life cycle model) are now largely gone as prescriptions for effective leader styles. In their place are other leadership style approaches found in the popular press. For example, Jim Collins, the author of recent best-selling books, suggests that the key for companies transitioning from “good to great” is what he calls Level 5 leadership.

1. Vision. Great leaders articulate an ideological vision that is congruent with the deeply held values of followers, a vision that describes a better future to which the followers have a moral right.
2. Passion and self-sacrifice. Great leaders display a passion for, and have a strong conviction of, the moral correctness of their vision. They engage in outstanding or extraordinary behavior and make extraordinary self-sacrifices in the interest of their vision and the mission.
3. Confidence, determination, and persistence. Great leaders display a high degree of faith in themselves and in the attainment of the vision they articulate. Theoretically, such leaders need to have a very high degree of self-confidence and moral conviction because their mission usually challenges the status quo and, therefore, is likely to offend those who have a stake in preserving the established order.
4. Image building. Great leaders are self-conscious about their own image. They recognize that they must be perceived by followers as competent, credible, and trustworthy.
5. Role modeling. Leader image building sets the stage for effective role modelling because followers identify with the values of role models who are perceived positively.
6. External representation. Great leaders act as the spokesperson for their organization and symbolically represent the organization to external constituencies.
7. Expectations of and confidence in followers. Great leaders communicate high performance expectations to their followers and strong confidence in their followers’ ability to meet such expectations.
8. Selective motive arousal. Great leaders selectively arouse those motives of followers that are of special relevance to the successful accomplishment of the vision and mission.
9. Frame alignment. To persuade followers to accept and implement change, great leaders engage in frame alignment. This refers to the linkage of individual and leader interpretive orientations such that some set of followers’ interests, values, and beliefs, as well as the leader’s activities, goals, and ideology, becomes congruent and complementary.
10. Inspirational communication. Great leaders often, but not always, communicate their messages in an inspirational manner using vivid stories, slogans, symbols, and ceremonies

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Conflict

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Conflict Due to Frustration

Frustration occurs when a motivated drive is blocked before a person reaches a desired goal. Figure 9.4 illustrates what happens. The barrier may be either overt (outward, or physical) or covert (inward, or mental-sociopsychological). The frustration model can be useful in the analysis of not only behavior in general but also specific aspects of on-the-job behavior. Theft of company property and even violence on the job may be a form of an aggressive outcome to job frustration. For example, a summary article on violence in the workplace noted that even though on-the-job killings have dropped over the last 15 years, this is because of fewer homicides in places like taxis and convenience stores. Workplace homicides by “associates”—current and former coworkers, customers, and clients—are actually on the upswing since 1997. In addition, employee crimes, as a form of displaced aggression (e.g., fictitious sales transactions, illegal kickbacks, and theft of office equipment and retail items meant for sales to customers), is also on the rise.

There is increasing concern and research on aggression and violence in the workplace. Although self-reported incidences of workplace aggression are a reaction to frustration, there is research evidence that individual differences (e.g., trait anger,

attribution style, negative affectivity, attitudes toward revenge, self-control, and previous exposure to aggressive cultures) account for this aggression, but so do situational factors such as interactional justice and/or abusive supervision. Another study also found personality variables such as stress reaction and control correlated with workplace aggression, and the incidence of aggression depended on the perception of being victimized by others. The form of aggression may depend on the perception of organizational justice (i.e., the judged fairness), and there is a recent study that violent crime rates in the community of the workplace predicted the amount of reported aggression at that workplace. Implementing a violence-prevention policy and providing training to supervisors and employees in workplace-violence awareness seems to decrease the incidence rate for employee-on employee violence. In addition to aggression and violence, the withdrawal reaction to frustration may be a major explanation for the "motivational problem" of employees. They may be apathetic or have "retired on the job" because they are frustrated, not because they have no motivation. Many employees' motives have been blocked by dead-end jobs, high degrees of job specialization, or supervisors who put up barriers. Similar to aggression there is research evidence that both perceived organizational support and personality variables affect what manner and what type of withdrawal behaviors employees exhibit. The fixation reaction to frustration may be used to explain irrational bureaucratic behavior. (The rules become the ends in themselves, and the frustrated employee pathetically adapts to the barriers.)

Compromise can help explain midcareer changes (frustrated employees go around the barriers) or "living outside the job" (frustrated employees cannot achieve motivated goals on the job, so they seek fulfillment outside the job). These reactions to frustration often cost organizations a great deal because of the dysfunctions associated with aggression, withdrawal, and fixation. In the case of compromise, the employee's motivation is forced outside the organization. Although the discussion so far indicates the dysfunctional nature of frustration, such negativity should not be automatically assumed.

In some cases frustration may actually result in a positive impact on individual performance

and organizational goals. An example is the worker or manager who has high needs for competence and achievement and/or who has high self-efficacy in being able to do a job well. A person of this type who is frustrated on the job may react in a traditional defensive manner, but the frustration may result in improved performance.

The person may try harder to overcome the barrier or may overcompensate, or the new direction or goal sought may be more compatible with the organization's goals. In addition, one research study found stress and strain levels were lower for participants with high self-efficacy than for those with lower self-efficacy

Goal Conflict

Another common source of conflict for an individual is a goal that has both positive and negative features, or two or more competing goals. Whereas in frustration motives

are blocked before the goal is reached, in goal conflict two or more motives block one another. For ease of analysis, three separate types of goal conflict are generally identified:

1. Approach-approach conflict, where the individual is motivated to approach two or more positive but mutually exclusive goals.
2. Approach-avoidance conflict, where the individual is motivated to approach a goal and at the same time is motivated to avoid it. The single goal contains both positive and negative characteristics for the individual.
3. Avoidance-avoidance conflict, where the individual is motivated to avoid two or more negative but mutually exclusive goals.

To varying degrees, each of these forms of goal conflict exists in the modern organization, but approach-avoidance is most relevant to the analysis of conflict. Approach-avoidance conflict results from organizational goals having both positive and negative aspects for organizational participants. Basic research in psychology suggests that the positive aspects of a given organizational goal are stronger and more salient at a distance (in time and/or space) than the negative aspects. On the other hand, as a person gets nearer to the goal, the negative aspects become more pronounced, and at some point the individual may hesitate or fail to progress any further at the point where approach equals avoidance. For example, managers engaged in long-range planning typically are very confident of a goal (a strategic plan) they have developed for the future. Yet, as the time gets near to commit resources and implement the plan, the negative consequences seem to appear much greater than they did in the developing stage. Managers in such a situation may reach the point where approach equals avoidance. The result is a great deal of internal conflict and stress, which may cause indecision, physical reactions, or even depression.

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Such approach-avoidance conflict and its aftermath are very common among decision makers and people in responsible positions in today's organizations described in the introductory comments. As noted in a cover story of Fortune, "To the survivors, the revolution feels something like this: scary, guilty, painful, liberating, disorienting, exhilarating, empowering, frustrating, fulfilling, confusing, challenging." In other words, as these terms indicate, many managers in recent years have been experiencing very mixed feelings, or approach-avoidance reactions. The accompanying OB in Action: Dealing with Conflicting Goals gives some real-world examples Role Conflict and Ambiguity Closely related to the concept of norms (the "oughts" of behavior), role is defined as a position that has expectations evolving from established norms. People living in contemporary society assume a succession of roles throughout life. A typical sequence of social roles would be that of child, son or daughter, teenager, college student, boyfriend or girlfriend, spouse, parent, and grandparent. Each of these roles has recognized expectations that are acted out like a role in a play.

Besides progressing through a succession of roles such as those just mentioned, the adult in modern society fills numerous other roles at the same time. It is not uncommon for the adult middle-class male to be simultaneously playing the roles of husband, father, provider, son (to elderly parents), worker or manager, student (in a night program), coach of a Little League baseball team, church member, member of a social

club, bridge partner, poker club member, officer of a community group, and weekend golfer. Women, of course, also have numerous, often conflicting, roles. Although all the roles that men and women bring into the organization are relevant to their behavior, in the study of organizational behavior the organizational role is the most important. Roles such as software developer, clerk, team leader, salesperson, engineer, systems analyst, department head, vice president, and chairperson of the board often carry conflicting demands and expectations. There is recent research evidence that such conflict can have a negative impact on well-being and performance and may be affected by cultural differences. For example, in a study of CEOs in international joint ventures, it was found that role conflict was lower when the foreign partner was dominant in the venture, but higher when the local parent was dominant. Role conflict was inversely related to cultural distance. There are three major types of role conflict. One type is the conflict between the person and the role. There may be conflict between the person's personality and the expectations of the role. For example, a production worker and member of the union is appointed to head up a new production team. This new team leader may not really believe in keeping close control over the workers, and it goes against this individual's personality to be hard-nosed, but that is what the head of production expects. A second type is intrarole conflict created by contradictory expectations about how a given role should be played. Should the new team leader be autocratic or democratic in dealing with the team members? Finally, interrole conflict results from the differing requirements of two or more roles that must be played at the same time. Work roles and nonwork roles are often in such conflict. For example, a successful executive working for a computer company said that she often worked from 7:30 A.M. to 11:30 P.M. Her long hours led to the breakup of a relationship. When she got word that her mother was seriously ill, she remembered: "I had about five minutes to be upset before the phone started ringing again. You get so far into it, you don't even realize your life has gotten away from you completely." The production team leader and the fast-climbing executive obviously represent the extreme cases of organizational role conflict. Yet to varying degrees, depending on the individual and the situation, people in every other position in the modern organization also experience one or all three types of role conflict. Staff engineers are not sure of their real authority. The clerk in the front office does not know whether to respond to a union-organizing drive. The examples are endless. The question is not whether role conflict and ambiguity exist—they do, and they seem inevitable. Rather, the key becomes a matter of determining how role conflict can be resolved or managed.

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Interpersonal Conflict

Those who have interpersonal conflict most often attribute the cause to a personality problem
or defect in the other party. research from attribution theory on the so-called fundamental attribution error suggests that people attribute others' behavior to personal factors such as intelligence, ability, motivation, attitudes, or personality.

Whetten and Cameron, however, go beyond this surface explanation and propose that there are four major sources of interpersonal conflict. These can be summarized as follows:

1. Personal differences. Everyone has a unique background because of his or her upbringing, cultural and family traditions, and socialization processes. Because no one has the same family background, education, and values, the differences can be a major source of conflict. Disagreements stemming from the differences "often become highly emotional and take on moral overtones. A disagreement about who is factually correct easily turns into a bitter argument over who is morally right."

2. Information deficiency. This source of conflict results from communication breakdown in the organization. It may be that the two people in conflict are using different information or that one or both have misinformation. Unlike personal differences, this source of conflict is not emotionally charged and once corrected, there is little resentment.

3. Role incompatibility. This type of interpersonal conflict draws from both intraindividual role conflict (discussed in the previous section) and intergroup conflict (discussed in the next section). Specifically, in today's horizontal organizations, managers have functions and tasks that are highly interdependent. However, the individual roles of these managers may be incompatible. For example, the production manager and the sales manager have interdependent functions: one supports the other. However, a major role of the production manager is to cut costs, and one way to do this is to keep inventories low. The sales manager, on the other hand, has a dominant role of increasing revenues through increased sales. The sales manager may make delivery promises to customers that are incompatible with the low inventory levels maintained by production. The resulting conflict from role incompatibility may have to be resolved by higher-level management or systems development through advanced information technology.

4. Environmental stress. These types of conflict can be amplified by a stressful environment. In environments characterized by scarce or shrinking resources, downsizing, competitive pressures, or high degrees of uncertainty, conflict of all kinds will be more probable. "For example, when a major pet-food manufacturing facility announced that one-third of its managers would have to support a new third shift, the feared disruption of personal and family routines prompted many managers to think about sending out their résumés. In addition, the uncertainty of who was going to be required to work at night was so great that even routine management work was disrupted by posturing and infighting."

In addition to identifying some of the major sources of interpersonal conflict as in the preceding, it is useful to analyze the dynamics of individuals interacting with one another.

One way to analyze their confronting others is through the response categories of (1) forcing (assertive, uncooperative); (2) accommodating (unassertive, cooperative); (3) avoiding (uncooperative, unassertive); (4) compromising (between assertiveness and cooperativeness); and (5) collaborating (cooperative, assertive).104 Like role conflict, there is research indicating the complexity of interindividual and intragroup conflict,105

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and it is not always bad. For example, one study found the following profile of high-performing teams: (1) low but increasing levels of process conflict; (2) low levels of relationship conflict, with a rise near project deadlines; and (3) moderate levels of task conflict at the midpoint of group interaction.

Traditional Negotiation Approaches

When negotiating, people in general and managers in particular tend to have certain biases and make certain errors, which prevents them from negotiating rationally and getting the most they can out of a situation. To compound the problem, there is recent research indicating that negotiators tend to repeat their mistakes. The research on these common mistakes can be summarized as follows:

1. Negotiators tend to be overly affected by the frame, or form of presentation, of information in a negotiation.
2. Negotiators tend to nonrationally escalate commitment to a previously selected course of action when it is no longer the most reasonable alternative.
3. Negotiators tend to assume that their gain must come at the expense of the other party and thereby miss opportunities for mutually beneficial trade-offs between the parties.
4. Negotiator judgments tend to be anchored on irrelevant information, such as an initial offer.
5. Negotiators tend to rely on readily available information.
6. Negotiators tend to fail to consider information that is available by focusing on the opponent's perspective.
7. Negotiators tend to be overconfident concerning the likelihood of attaining outcomes that favor the individual(s) involved.

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Besides these common bias problems, negotiators traditionally have taken either a distributive or a positional bargaining approach. Distributive bargaining assumes a "fixed pie" and focuses on how to get the biggest share, or "slice of the pie." With teams so popular in today's organizations, there is growing research on the effectiveness of teams in distributive bargaining. One study found that teams, more than individuals, developed mutually beneficial
trade-offs among issues in the negotiation and discovered compatible interests.

However, the common belief that teams have a relative advantage over individual opponents in negotiations was not supported by actual outcomes. The conflict management strategies of compromising, forcing, accommodating, and avoiding, mentioned earlier, all tend to be associated with a distributive negotiation strategy. As noted by Whetten and Cameron: Compromise occurs when both parties make sacrifices in order to find a common ground. Compromisers are generally more interested in finding an expedient solution. . . . Forcing and accommodating demand that one party give up its position in order for the conflict to be resolved. When parties

to a conflict avoid resolution, they do so because they assume that the costs of resolving the conflict are so high that they are better off not even attempting resolution.

Closely related to distributed bargaining is the commonly used positional bargaining approach. This approach to negotiation involves successively taking, and then giving up, a sequence of positions. In its simplest form, this is what happens when one haggles in an open market. However, positional bargaining also happens in international diplomacy. Fisher and Ury note that such positional bargaining can serve a useful purpose: “It tells the other side what you want; it provides an anchor in an uncertain and pressured situation; and it can eventually produce the terms of an acceptable agreement.”

Both distributed and positional bargaining have simplistic strategies such as “tough person,” or “hard”; “easy touch,” or “soft”; or even “split the difference.” Characteristics of the “hard” strategy include the following: the goal is victory, distrust others, dig in to your position, make threats, try to win a contest of will, and apply pressure. By contrast, the “soft” strategy includes these characteristics: the goal is agreement, trust others, change your position easily, make offers, try to avoid a contest of will, and yield to pressure. The hard bargainer typically dominates and has intuitive appeal. However, both research and everyday practice are beginning to reveal that more effective negotiation approaches than these traditional strategies are possible.

Contemporary Negotiation Skills

There are now recognized alternative approaches to traditionally recognized distributed and positional bargaining and the hard versus soft strategies in negotiation. Whetten and Cameron suggest an integrative approach that takes an “expanding the pie” perspective that uses problem-solving techniques to find win-win outcomes. Based on a collaborating (rather than a compromising, forcing, accommodating, or avoiding) strategy, the integrative approach requires the effective negotiator to use skills such as (1) establishing superordinate goals; (2) separating the people from the problem; (3) focusing on interests, not on positions; (4) inventing options for mutual gain; and (5) using objective criteria.

Recent practical guidelines for effective negotiations have grouped the techniques into degrees of risk to the user as follows:

1. Low-risk negotiation techniques

a. Flattery—subtle flattery usually works best, but the standards may differ by age, sex, and cultural factors.

b. Addressing the easy point first—this helps build trust and momentum for the tougher issues.

c. Silence—this can be effective in gaining concessions, but one must be careful not to provoke anger or frustration in opponents.

d. Inflated opening position—this may elicit a counteroffer that shows the opponent’s position or may shift the point of compromise.

e. “Oh, poor me”—this may lead to sympathy but could also bring out the killer instinct in opponents.

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2. High-risk negotiation techniques
a. Unexpected temper losses—erupting in anger can break an impasse and get one's point across, but it can also be viewed as immature or manipulative and lead opponents
to harden their position.
b. High-balling—this is used to gain trust by appearing to give in to the opponent's position, but when overturned by a higher authority, concessions are gained based on the trust.
c. Boulwarism ("take it or leave it")—named after a former vice president of GE who would make only one offer in labor negotiations, this is a highly aggressive strategy that may also produce anger and frustration in opponents.
d. Waiting until the last moment—after using stall tactics and knowing that a deadline is near, a reasonable but favorable offer is made, leaving the opponent with little choice but to accept. Besides these low- and high-risk strategies, there are also a number of other negotiation techniques, such as a two-person team using "good cop–bad cop" (one is tough, followed by one who is kind), and various psychological ploys, such as insisting that meetings be held on one's home turf, scheduling meetings at inconvenient times, or interrupting meetings with phone calls or side meetings.There are even guidelines of if, when, and how to use alcohol in negotiations. As the president of Saber Enterprises notes, when the Japanese come over to negotiate, it is assumed that you go out to dinner and have several drinks and toast with sake. Because of globalization and the resulting increase of negotiations between parties of different countries, there is emerging research on the dynamics and strategies of negotiations across cultures.
In addition to the preceding guidelines for effective negotiation skills, there is an alternative
to positional bargaining and soft versus hard strategies that has been developed by the Harvard Negotiation Project. This alternative to traditional negotiation is called the principled negotiation, or negotiation on the merits, approach. There are four basic elements in this alternative approach to negotiation. Very simply, they are:
1. People. Separate the people from the problem.
2. Interests. Focus on interests, not positions.
3. Options. Generate a variety of possibilities before deciding what to do.
4. Criteria. Insist that the result be based on some objective standard.
The principled skills go beyond hard versus soft and change the game to negotiation on the basis of merits. For example, in soft bargaining the participants are friends, in hard bargaining
they are adversaries, but in the principled approach they are problem solvers; in soft bargaining the approach is to trust others, in hard bargaining there is distrust of others, but in the principled approach the negotiator proceeds independent of trust; and in the soft approach negotiators make offers, in the hard approach they make threats, but in the principled approach they explore common interests. These principled negotiation skills can result in a wise agreement. As noted by Fisher and Ury:

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The method permits you to reach a gradual consensus on a joint decision efficiently without all the transactional costs of digging in to positions only to have to dig yourself out of them. And separating the people from the problem allows you to deal directly and empathetically with the other negotiator as a human being, thus making possible an amicable agreement. Along with social, emotional, behavioral, leadership, team, and communication skills, these negotiation skills are becoming increasingly recognized as important to management of not only conflict but also effective management in general.

Meaning of Power

Although the concepts in the field of organizational behavior seldom have universally agreed-upon definitions, power may have even more diverse definitions than most. Almost every author who writes about power defines it differently. Going way back, for example, the famous pioneering sociologist Max Weber defined power as "the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance. "More recently, a search of the literature on power found it referred to as the ability to get things done despite the will and resistance of others or the ability to "win" political fights and out maneuver the opposition. The power theorists stress the positive sum of power, suggesting it is the raw ability to mobilize resources to accomplish some end without reference to any organized opposition. Pfeffer, the organizational behavior theorist perhaps most closely associated with the study of power, simply defined power as a potential force and in more detail "as the potential ability to influence behavior, to change the course of events, to overcome resistance, and to get people to do things that they would not otherwise do." Usually definitions of power are intertwined with the concepts of authority and influence.

For example, the preceding definition uses the word influence in describing power, the pioneering management theorist Chester Barnard defined power in terms of "informal authority," and many organizational sociologists define authority as "legitimate power."9 These distinctions among concepts need to be cleared up in order to better understand power. The Distinctions among Power, Authority, and Influence the power motive is defined as the need to manipulate others and have superiority over them. Extrapolating from this definition of the need for power, power itself can be defined as the ability to get an individual or group to do something—to get the person or group to change in some way. The individual who possesses power has the ability to manipulate or change others. Such a definition of power distinguishes it from authority and influence.

One of the primary sources of definitional controversy revolves around the question: Is power the observed influence over others, or is it merely the potential to influence? An argument can be made that those individuals who have the most power are the least likely to need to demonstrate outward evidence that they hold it. Their mere presence is enough to change the behaviors of others without lifting a finger or saying a word. This makes the study of power much more difficult, but at the same time

conceptually should not be ignored. An employee who takes the back stairs to avoid confronting an intimidating coworker is being influenced without the coworker even knowing of the power held over the frightened coworker. Authority legitimatizes and is a source of power. Authority is the right to manipulate or change others. Power need not be legitimate. In addition, the distinction must be made between top-down classical, bureaucratic authority and Barnard's concept of bottom-up authority based on acceptance. In particular, Barnard defined authority as "the character of a communication (order) in a formal organization by virtue of which it is accepted by a contributor to or 'member' of the organization as governing the action he contributes." Such an acceptance theory of authority is easily differentiated from power. Grimes notes: "What legitimizes authority is the promotion or pursuit of collective goals that are associated with group consensus. The polar opposite, power, is the pursuit of individual or particularistic goals associated with group compliance."

Influence is usually conceived of as being broader in scope than power. It involves the ability to alter other people in general ways, such as by changing their satisfaction and performance. Influence is more closely associated with leadership than power is, but both obviously are involved in the leadership process. Thus, authority is different from power because of its legitimacy and acceptance, and influence is broader than power, but it is so conceptually close that the two terms can be used interchangeably.

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The Classifications of Power

Most discussions of power often begin and sometimes even end with a review of the widely
recognized five categories of the sources of social power identified many years ago by social
psychologists John French and Bertram Raven.14 Describing and analyzing these five classics
types of power (reward, coercive, legitimate, referent, and expert) serve as a necessary foundation and point of departure for the entire chapter. Most of the examples and applications
to organizational behavior derive from the following five types of power.

Reward Power

This source of power is based on a person's ability to control resources and reward others. In addition, the target of this power must value these rewards. In an organizational context, managers have many potential rewards, such as pay increases, promotions, valuable information, favorable work assignments, more responsibility, new equipment, praise, feedback, and recognition available to them. In operant learning terms (covered in Chapter 12), this means that the manager has the power to administer positive reinforcers. In expectancy

motivation terms (covered in Chapter 6), this means that the person has the power to provide positive valences and that the other person perceives this ability. To understand this source of power more completely, one must remember that the recipient holds the key. If managers offer their people what they think are rewards (for example, a promotion with increased responsibility), but the people do not value them (for example, they are insecure or have family obligations that are more important to them than a promotion), then managers do not really have reward power. By the same token, managers may not think they are giving rewards to their people (they calmly listen to chronic complainers), but if they perceive this to be rewarding (the managers are giving them attention by intently listening to their complaining), the managers nevertheless have reward power. Also, managers may not really have the rewards to dispense (they may say that they have considerable influence with top management to get their people promoted, but actually they don't), but as long as their people think they have it, they do indeed have reward power.

Coercive Power

This source of power depends on fear. The person with coercive power has the ability to inflict
punishment or aversive consequences on another person or, at least, to make threats that the other person believes will result in punishment or undesirable outcomes. This form of power
has contributed greatly to the negative connotation that power has for most people. In an organizational context, managers frequently have coercive power in that they can fire or demote people who work for them, or dock their pay, although the legal climate and unions have stripped away some of this power. A manager can also directly or indirectly threaten an
employee with these punishing consequences. In operant learning terms, this means that the person has the power to administer punishment or negatively reinforce (terminate punishing consequences, which is a form of negative control). In expectancy motivation terms, this means that power comes from the expectation on the part of the other person that they will be punished for not conforming to the powerful person's desires. For example, there is fear of punishment when the rules, directives, or policies of the organization are not carefully followed. It is probably this fear that gets most people to arrive at work on time and to look busy when the boss walks through the area. In other words, much of organizational behavior may be explained in terms of coercive power rather than reward power. Legitimate Power This power source, identified by French and Raven, stems from the internalized values of the other persons that give the legitimate right to the agent to influence them. The others feel they have the obligation to accept this power. It is almost identical to what is usually called authority and is closely aligned with both reward and coercive power because the person with legitimacy is also in a position to reward and punish. However, legitimate power is unlike reward and coercive power in that it does not depend on the relationships with others but rather on the position or role that the

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person holds. For example, people obtain legitimacy because of their titles (captain or executive vice president) or position (oldest in the family or officer of a corporation) rather than their personalities or how they affect others. A recent study found that CEOs are perceived to have more power when they also chair the board.

Legitimate power comes from three major sources. First, the prevailing cultural values of a society, organization, or group determine what is legitimate. For example, in some societies, the older people become, the more legitimate power they possess. The same may be true for a certain physical attribute, gender, or job. In an organizational context, managers generally have legitimate power because employees believe in the value of private property laws and in the hierarchy where higher positions have been designated to have power over lower positions. The same holds true for certain functional positions in an organization. An example of the latter would be engineers who have legitimacy in the operations or information systems areas of a company, whereas accountants have legitimacy in financial matters. The prevailing values within a group also determine legitimacy. For example, in a street gang the toughest member may attain legitimacy, whereas in a work group the union steward may have legitimacy.

Second, people can obtain legitimate power from the accepted social structure. In some
societies there is an accepted ruling class. But an organization or a family may also have an accepted social structure that gives legitimate power. For example, when blue-collar workers
accept employment from a company, they are in effect accepting the hierarchical structure
and granting legitimate power to their supervisors.

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A third source of legitimate power can come from being designated as the agent or representative of a powerful person or group. Elected officials, a chairperson of a committee, and members of the board of directors of a corporation or a union or management committee would be examples of this form of legitimate power.

Referent Power

This type of power comes from the desire on the part of the other persons to identify with the agent wielding power. They want to identify with the powerful person, regardless of the outcomes. The others grant the person power because he or she is attractive and has desirable
resources or personal characteristics. Advertisers take advantage of this type of power when they use celebrities, such as movie stars or sports figures, to provide testimonial advertising. The buying public identifies with (finds attractive) certain famous people and grants them power to tell them what product to buy. For example, a review of research has found that arguments, especially emotional ones, are more influential when they come from beautiful people. Timing is an interesting aspect of the testimonial advertising type of referent power.

Only professional athletes who are in season (for example, baseball players in the summer and early fall, football players in the fall and early winter, and basketball players in the winter and early spring) are used in the advertisements, because then they are very visible, they are in the forefront of the public's awareness, and consequently they have referent power. Out of season the athlete is forgotten and has little referent power. Exceptions, of course, are the handful of superstars (for example, Shaquille O'Neal, Michael Jordan, Wayne Gretzky, and Tiger Woods) who transcend seasons and have referent power all year long and even after they have long ago retired.

In an organizational setting, referent power is much different from the other types of power discussed so far. For example, managers with referent power must be attractive to their people so that they will want to identify with them, regardless of whether the managers later have the ability to reward or punish or whether they have legitimacy. In other words, the manager who depends on referent power must be personally attractive to subordinates.

Expert Power

The last source of power identified by French and Raven is based on the extent to which others attribute knowledge and expertise to the power holder. Experts are perceived to have knowledge or understanding only in certain well-defined areas. All the sources of power depend on an individual's perceptions, but expert power may be even more dependent on this than the others. In particular, the target must perceive the agent to be credible, trustworthy, and relevant before expert power is granted.

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Credibility comes from having the right credentials; that is, the person must really know what he or she is talking about and be able to show tangible evidence of this knowledge. There is basic research indicating the significant positive impact that credibility has on perceived power and there is much evidence from everyday experience. For example, if a highly successful football coach gives an aspiring young player some advice on how to do a new block, he will be closely listened to—he will be granted expert power. The coach has expert power in this case because he is so knowledgeable about football. His evidence for this credibility is the fact that he is a former star player and has coached championship teams. If this coach tried to give advice on how to play basketball or how to manage a corporation, he would have questionable credibility and thus would have little or no expert power. For avid sports fans or players, however, a coach might have general referent power (that is, he is very attractive to them), and they would be influenced by what he has to say on any subject—basketball or corporate management. For example, successful coaches such as basketball's Pat Riley and Rick Pitino have written best-selling books aimed at effective business management.

In organizations, staff specialists have expert power in their functional areas but not outside them. For example, engineers are granted expert power in technical matters but not in personnel or public relations problems. The same holds true for other staff experts, such as computer experts or accountants. For example, the computer person

in a small office may be the only one who really understands the newest software and how to use it, and this knowledge gives him or her considerable power.

POLITICAL IMPLICATIONS OF POWER

Power and politics are very closely related concepts. popular view of organizational politics is how one can pragmatically get ahead in an organization. Alvin Toffler, the noted author of Future Shock, The Third Wave, and Powershift, observed that "companies are always engaged in internal political struggles, power struggles, infighting, and so on. That's normal life." There is even the view that there may be an inverse relationship between power and politics. For example, a recent publication aimed at practicing human resources (HR) managers noted that in this era of competing for limited resources, HR managers who lack power must use more politics. "Those who lack political skills will gain a reputation for folding under pressure and having no convictions." Such political skills largely deal with the acquisition of power. In this latter view, power and politics become especially closely intertwined. A recognition of the political realities of power acquisition in today's organizations and an examination of some specific political strategies for acquiring power are of particular interest for understanding the dynamics of organizational behavior.

A Political Perspective of Power in Organizations

The classical organization theorists portrayed organizations as highly rational structures in which authority meticulously followed the chain of command and in which managers had legitimatized power. The discussion in the next chapter on informal managerial roles and organization portrays another, more realistic view of organizations. It is in this more realistic view of organizations that the importance of the political aspects of power and strategic advantage comes to the forefront. As Pfeffer notes: "Organizations, particularly large ones, are like governments in that they are fundamentally political entities. To understand them, one needs to understand organizational politics, just as to understand governments, one needs to understand governmental politics."

The political perspective of organizations departs from the rational, idealistic model. For example, Walter Nord dispels some of the dreams of ideal, rationally structured, and humanistic organizations by pointing out some of the stark realities of political power. He suggests four postulates of power in organizations that help focus on the political realities:

1. Organizations are composed of coalitions that compete with one another for resources, energy, and influence.
2. Various coalitions will seek to protect their interests and positions of influence.
3. The unequal distribution of power itself has dehumanizing effects.
4. The exercise of power within organizations is one very crucial aspect of the exercise of

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power within the larger social system.62 Thus, like other dynamics of today's organizations, the nature of politics is quite complex and still being studied for better understanding.

Research on organizational politics has identified several areas that are particularly relevant to the degree to which organizations are political rather than rational.

1. Resources. There is a direct relationship between the amount of politics and how critical
and scarce the resources are. Also, politics will be encouraged when there is an infusion
of new, "unclaimed" resources.

2. Decisions. Ambiguous decisions, decisions on which there is lack of agreement, and
uncertain, long-range strategic decisions lead to more politics than routine decisions.

3. Goals. The more ambiguous and complex the goals become, the more politics there will be.

4. Technology and external environment. In general, the more complex the internal technology
of the organization, the more politics there will be. The same is true of organizations operating in turbulent external environments.

5. Change. A reorganization or a planned organization development (OD) effort or even an unplanned change brought about by external forces will encourage political maneuvering. The preceding implies that some organizations and subunits within the organization will be more political than others. By the same token, however, it is clear that most of today's organizations meet these requirements for being highly political. That is, they have limited resources; make ambiguous, uncertain decisions; have unclear yet complex goals; have increasingly complex technology; and are undergoing drastic change. This existing situation facing organizations makes them more political, and the power game becomes increasingly important. Miles states: "In short, conditions that threaten the status of the powerful or encourage the efforts of those wishing to increase their power base will stimulate the intensity of organizational politics and increase the proportion of decision-making behaviors that can be classified as political as opposed to rational." For example, with the political situation of today's high-tech, radically innovative firms, it has been suggested that
medieval structures of palace favorites, liege lordship, and fiefdoms may be more relevant than the more familiar rational structures. Recent theory-building does recognize the reality of territoriality in organizations. "Organization members can and do become territorial over physical space, ideas, roles, relationships, and other potential possessions in organizations

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Specific Political Strategies for Power Acquisition

Once it is understood and accepted that contemporary organizations are in reality largely political systems, some very specific strategies can be identified to help organization members

more effectively acquire power. For example, one research study found that a supervisor focused political strategy resulted in higher levels of career success, whereas a job-focused political strategy resulted in lower levels of success. Another taxonomy of political strategies
included the following:
1. Information strategy—targets political decision makers by providing information through lobbying or supplying position papers or technical reports
2. Financial incentive strategy—targets political decision makers by providing financial incentives such as honoraria for speaking or paid travel
3. Constituency building strategy—targets political decision makers indirectly through constituent support such as grassroots mobilization of employees, suppliers, customers, or public relations/press conferences Maintain Alliances with Powerful People As has already been pointed out, the formation of coalitions (alliances) is critical to the acquisition of power in an organization. An obvious coalition would be with members of other important departments or with members of upper-level management. Not so obvious but equally important would be the formation of an alliance with the boss's secretary or staff assistant, that is, someone who is close to the powerful person. An ethnographic study of a city bus company found that a series of dyadic alliances went beyond the formal system and played an important role in getting the work done both within and between departments.

For example, alliances between supervisors and certain drivers got the buses out on the worst winter snow days and kept them running during summer vacation periods when drivers were sparse.

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Embrace or Demolish

Machiavellian principles can be applied as strategies in the power game in modern organizations. One management writer has applied these principles to modern corporate life

Divide and Rule

This widely known political and military strategy can also apply to the acquisition of power in a modern organization. The assumption, sometimes unwarranted, is that those who are divided will not form coalitions themselves. For example, in a business firm the head of finance may generate conflict between marketing and operations in hopes of getting a bigger share of the limited budget from the president of the company.

Manipulate Classified Information

The observational studies of managerial work have clearly demonstrated the importance of obtaining and disseminating information.86 The politically astute organization member carefully controls this information in order to gain power. For

example, the CIO (chief information officer) may reveal some new pricing information to the design engineer before an important meeting. Now the CIO has gained some power because the engineer owes the CIO a favor. In the Information Age, the amount of information being generated is growing rapidly; how it is managed can provide power. Specifically, knowledge managers such as this CIO can become powerful in today's firms.

Make a Quick Showing

This strategy involves looking good on some project or task right away in order to get the right people's attention. Once this positive attention is gained, power is acquired to do other, usually more difficult and long-range, projects. For example, an important but often overlooked strategy of a manager trying to get acceptance of a knowledge management program is to show some quick, objective improvements in the quality of a product, service, or process.

Collect and Use IOUs

This strategy says that the power seeker should do other people favors but should make it clear that they owe something in return and will be expected to pay up when asked. The "Godfather" in the famous book and movie of that name and Tony Soprano of the recent HBO TV series very effectively used this strategy to gain power.

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Avoid Decisive Engagement (Fabianism)

This is a strategy of going slow and easy—an evolutionary rather than a revolutionary approach to change. By not "ruffling feathers," the power seeker can slowly but surely become entrenched and gain the cooperation and trust of others.

Attacking and Blaming Others

A political tactic some people try is to make others "look bad" in order to make themselves "look good." Blaming and attacking deflects responsibility onto others. It is unethical and unacceptable, but is also a common practice in many organizations.

Progress One Step at a Time (Camel's Head in the Tent)

This strategy involves taking one step at a time instead of trying to push a whole major project or reorganization attempt. One small change can be a foothold that the power seeker can use as a basis to get other, more major things accomplished.

Wait for a Crisis (Things Must Get Worse Before They Get Better)

This strategy uses the reverse of “no news is good news”; that is, bad news gets attention. For example, many deans in large universities can get the attention of central administration and the board of regents or trustees only when their college is in trouble, for instance, if their accreditation is threatened. Only under these crisis conditions can they get the necessary funding to move their college ahead.

Take Counsel with Caution

This suggested political strategy is concerned more with how to keep power than with how to
acquire it. Contrary to the traditional prescriptions concerning participative management and empowerment of employees, this suggests that at least some managers should avoid “opening up the gates” to their people in terms of shared decision making. The idea here is that allowing
subordinates to participate and to have this expectation may erode the power of the manager.

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Be Aware of Resource Dependence

The most powerful subunits and individuals are those that contribute valuable resources. Controlling the resources other persons or departments need creates considerable bargaining power. All of these political tactics are part of the games and turf wars that take place in today’s
organizations. On one level they are inevitable and cannot be prevented. On another, however,
they are counterproductive and dysfunctional. They can impede participation and empowerment programs and cause people to waste time and resources. Consequently, many managers believe they must take steps to stop the game playing and turf wars through trust-building and goal-sharing programs. These efforts are especially warranted in a situation in which an organization is undergoing a crisis. Effective crisis management must, at some level, include social-political and technological-structural interventions, mainly aimed at disruptive dysfunctional political agendas of individuals, groups, and/or departments in order to resolve the crisis. Some knowledgeable observers have even suggested that managers would benefit from reading Shakespeare in order to understand the intrigues and intricacies of political tactics used in today’s organizations

ORGANIZATION CUTLURE

Definition and Characteristics

When people join an organization, they bring with them the values and beliefs they have been taught. Quite often, however, these values and beliefs are insufficient for helping the individual succeed in the organization. The person needs to learn how the particular enterprise does things. A good example is the U.S. Marine Corps. During boot camp, drill instructors teach recruits the “Marine way.” The training attempts to psychologically strip down the new recruits and then restructure their way of thinking and their values. They are taught to think and act like Marines. Anyone who has been in the Marines or knows someone who has will verify that the Corps generally accomplishes its objective.

In a less-dramatic way, today’s organizations do the same thing. For example, UPS is known for having a military like corporate culture. However, as an outside observer who embedded himself (i.e., riding “shotgun” next to drivers and aiding with deliveries during the Christmas rush) noted: “Although the job is highly regimented, it includes enough independence for workers to be energized by the daily challenge of getting all the packages out and importantly, when there were problems, drivers, not technology, were the best at solving them.” The same is true in more complex organizations where a key challenge is to instil and sustain a corporatewide culture that encourages knowledge sharing. As the partner in charge of Ernst & Young’s knowledge-based business solution practice notes, “If you’re going to have a rich knowledge-sharing culture, that can’t just be a veneer on top of the business operation. You have to have people who can make sense out of it and apply it.”

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Organizational culture has a number of important characteristics. Some of the most readily agreed upon are the following:

1. Observed behavioral regularities. When organizational participants interact with one another, they use common language, terminology, and rituals related to deference and demeanor.
2. Norms. Standards of behavior exist, including guidelines on how much work to do, which in many organizations come down to “Do not do too much; do not do too little.”
3. Dominant values. There are major values that the organization advocates and expects the participants to share. Typical examples are high product quality, low absenteeism, and high efficiency.
4. Philosophy. There are policies that set forth the organization’s beliefs about how employees and/or customers are to be treated.
5. Rules. There are strict guidelines related to getting along in the organization. Newcomers must learn those “ropes” in order to be accepted as full-fledged members of the group.

6. Organizational climate. This is an overall “feeling” that is conveyed by the physical layout, the way participants interact, and the way members of the organization conduct themselves with customers or other outsiders.

Each of these characteristics has controversies surrounding it and varying degrees of research support. For example, there is controversy in the academic literature over the similarities and differences between organizational culture and organizational climate.

CREATING AND MAINTAINING A CULTURE

Some organizational cultures may be the direct, or at least indirect, result of actions taken

by the founders. However, this is not always the case. Sometimes founders create weak cultures, and if the organization is to survive, a new top manager must be installed who will sow the seeds for the necessary strong culture. Thomas Watson, Sr. of IBM is a good example. When he took over the CTR Corporation, it was a small firm manufacturing computing, tabulating, and recording equipment. Through his dominant personality and the changes he made at the firm, Watson created a culture that propelled IBM to be one of the biggest and best companies in the world. However, IBM’s problems in the early 1990s when the computer

market shifted from mainframes to PCs also were largely attributed to its outdated culture. After Watson and his son, the leaders of IBM made some minor changes and modifications that had little impact and eventually left the company in bad shape. However, in recent years IBM, under the leadership of Louis Gerstner, launched into a bold new strategy that changed IBM from top to bottom. Mr. Gerstner became convinced that “all the cost-cutting in the world will be unable to save IBM unless it upends the way it does business.” This cultural change at IBM led to an outstanding turnaround that included getting out of the sale of computers. IBM is an example of an organization wherein a culture must be changed because the environment changes and the previous core cultural values are not in step with those needed for survival. The following sections take a close look at how organizational cultures get started, maintained, and changed.

How Organizational Cultures Start

Although organizational cultures can develop in a number of different ways, the process usually involves some version of the following steps:

1. A single person (founder) has an idea for a new enterprise.
2. The founder brings in one or more other key people and creates a core group that shares a common vision with the founder. That is, all in this core group believe that the idea is a good one, is workable, is worth running some risks for, and is worth the investment of

time, money, and energy that will be required.
3. The founding core group begins to act in concert to create an organization by raising funds, obtaining patents, incorporating, locating space, building, and so on.
4. At this point, others are brought into the organization, and a common history begins to be built.

Most of today's successful corporate giants in all industries basically followed these steps. Two well-known representative examples are McDonald's and Wal-Mart.

• **McDonald's**. Ray Kroc worked for many years as a salesperson for a food supplier (Lily Tulip Cup). He learned how retail food operations were conducted. He also had an entrepreneurial streak and began a sideline business with a partner. They sold multimixers, machines that were capable of mixing up to six frozen shakes at a time. One day Kroc received a large order for multimixers from the McDonald brothers. The order intrigued Kroc, and he decided to look in on the operation the next time he was in their area. When he did, Kroc became convinced that the McDonald's fast-food concept would sweep the nation. He bought the rights to franchise McDonald's units and eventually bought out the brothers. At the same time, he built the franchise on four basic concepts: quality, cleanliness, service, and price. In order to ensure that each unit offers the customer the best product at the best price, franchisees are required to attend McDonald University, where they are taught how to manage their business. Here they learn the McDonald cultural values and the proper way to run the franchise. This training ensures that franchisees all over the world are operating their units in the same way. Kroc died many years ago, but the culture he left behind is still very much alive in McDonald's franchises across the globe. In fact, new employees receive videotaped messages from the late Mr. Kroc. Some of the more interesting of his pronouncements that reflect and carry on his values are his thoughts on cleanliness: "If you've got time to lean, you've got time to clean." About the competition he says: "If they are drowning to death, I would put a hose in their mouth." And on expanding he declares: "When you're green, you grow; when you're ripe, you rot." So even though he has not been involved in the business for many years, his legacy lives on. Even his office at corporate headquarters is preserved as a museum, his reading glasses untouched in their leather case on the desk.

• **Wal-Mart**. Sam Walton, founder of Wal-Mart Stores, Inc., opened his first Wal-Mart store in 1962. Focusing on the sale of discounted name-brand merchandise in small town markets, he began to set up more and more stores in the Sun Belt. At the same time, he began developing effective inventory control systems and marketing techniques. Today, Wal-Mart has not only become the largest retailer but also one of the biggest firms in the world. Although Sam died many years ago, his legacy and cultural values continue. For example, Walton himself stressed, and the current management staff continues to emphasize, the importance of encouraging associates to develop new ideas that will increase their store's efficiency. If a policy does not seem to be working, the company quickly changes it. Executives continually encourage associates to challenge the current system and look for ways to improve it. Those who do these things are rewarded; those who do not perform up to expectations are encouraged to do better. Today, Walton's founding values continue to permeate

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the organization. To make sure the cultural values get out to all associates, the company has a communication network worthy of the Pentagon. It includes everything from a satellite system to a private air force of numerous planes. Everyone is taught this culture and is expected to operate according to the core cultural values of hard work, efficiency, and customer service. Although the preceding stories of cultural development are well known, in recent years these and other well-known companies founded by charismatic leaders have had varied success.

The same is true of the dot-com firms. Some, like Jeff Bezos's founding and cultural development of Amazon.com, are in some ways similar to and in some ways different from the stories of Ray Kroc at McDonald's or Sam Walton at Wal-Mart. They are similar in that both started from scratch with very innovative, "out of the box" ideas to build an empire and change the way business is done. They are different in terms of speed and style. Other corporate culture stories today are not necessarily about the founders, but about those who took their company to the next level. For example, John Chambers, the CEO of Cisco, is largely credited for taking this well-known high-tech firm from a market capitalization of $9 billion when he took over in 1995 to being the highest-valued corporation in the world five years later and then repositioning the firm when the economy began to slump. The culture of Cisco is largely attributed to his old-school values such as trust, hard work, and customer focus, but as the subsequent economic downturn and the rapid decline in the stock values of Cisco brought out, being at the right place at the right time in terms of the technology environment also had had a lot to do with Cisco's initial success. After the bubble had burst for Cisco and the other high-tech and especially dot-com firms, those who had the strong, but flexible, cultures were the ones that survived the extreme roller-coaster ride of the economy in recent years. Chambers indicated such desirable organizational cultural values when he declared, "I have no love of technology for technology's sake. Only solutions for customers

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Changing Organizational Culture

Sometimes an organization determines that its culture has to be changed. For example, the current environmental context has undergone drastic change and either the organization must adapt to these new conditions or it may not survive. In fact, as Chapters 1 and 2 pointed out, it is no longer sufficient just to react to change. Today, as was pointed out in the earlier discussion in this chapter about organizational learning, organizations must have a culture that learns and anticipates change. New product development, advanced information technology and the economy are changing so rapidly that any examples would be soon out-of date. However, if the appropriate organization culture is in place, then such rapid change can be welcomed and accommodated with as little disruption and as few problems as possible. One example of an organization culture literally built around change is Steelcase's corporate development center, shaped like a pyramid with an open atrium containing a huge swinging pendulum to remind employees that the world is always changing. Another example of keeping up with the changing workplace is Zenith, who uses its

intranet as a kind of virtual water cooler. As the head of the marketing group notes, “Every day we say who is having a birthday, a service anniversary, or if we’ve had an incredible sales day.”

Even though some firms have had a culture in place to anticipate change, moving to a
new culture or changing old cultures can be quite difficult: a case can even be made that it really can’t be done successfully. Predictable obstacles include entrenched skills, staffs, relationships, roles, and structures that work together to reinforce traditional cultural patterns.

For example, the head of Bell Canada, which is trying to undergo a significant cultural change (from its 122-year-old monopolist mentality to a highly competitive environment), started with implementing formal quality and cost cutting programs, but realized very quickly that “We needed to get to the front lines of the organization, and my view is that it’s very hard to do that through formal programs.” Another example would be the traditional tough, macho culture found on offshore oil rigs. It was very difficult to change the traditional cultural values of displaying masculine strength and daring to a caring, helping environment. This shift was difficult but over a long period of time these “rough necks” came to “appreciate that to improve safety and performance in a potentially deadly environment, they had to be open to new information that challenged their assumptions, and they had to acknowledge when they were wrong.” The result of this cultural change on the oil rigs dramatically decreased the accident rate by 84 percent and productivity, efficiency, and reliability all increased beyond the industry benchmarks. In addition to the importance of frontline workers in cultural change, powerful stakeholders such as unions, management, or even customers may support the existing culture and impede the change. The problems are compounded by the cultural clash that is the rule rather than the exception in mergers and acquisitions (M&As), emerging relationship enterprises, and the recent economic crisis.

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Organizational Development

Organizational development is a critical and science-based process that helps organizations build their capacity to change and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes.

There are a few elements in this definition (adapted from Cummings & Worley, 2009) that stand out.

- **Critical and science-based process**. OD is an evidence-based and structured process. It is not about trying something out and seeing what happens. It is about using scientific findings as input and creating a

structured and controlled process in which assumptions are tested. Lastly, it is about testing if the outcomes reflect the intention of the intervention.

- **Build capacity to change and achieve greater effectiveness.** Organizational development is aimed at organizational effectiveness. It, therefore, has a number of (business) outcomes. These can differ between organizations, but usually, they do include financial performance, customer satisfaction, organizational member engagement, and an increased capacity to adapt and renew the organization. These are not always clear-cut. Sometimes it is about building a competitive advantage, in whichever way that is defined. We will explore these outcomes later in this article
- **Developing, improving, and reinforcing strategies, structures, and processes.** The last part of our definition states that organizational development applies to changes in strategy, structure, and/or processes. This implies a system-approach, where we focus on an entire organizational system. This can include the full organization, one or more locations, or a single department.

The goals of organizational development

We already briefly touched on the goals of organizational development. The goals differ per organization. Goals can include increasing profits, profit margins, market share, moral and/or cultural values, and the general adaptability (or agility) of the organization.

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If there would be one central goal, it would be increasing the organization's competitiveness.

Competitiveness is the idea that every organization has unique resources and competencies that help the firms to win in the marketplace. This can be the people (a business leader like Elon Musk, or the Google team), an innovative product (SpaceX), superior service (Four Seasons Hotels), or culture (Zappos). It can also be how reactive the organization is to changing market demands. If you're the first to capitalize on an opportunity, for instance, it may solidify your revenue in the next five years.

The goal of OD is to develop these aspects, as they can help a business win in the marketplace.

This means that organizational development differs from the incidental change process. OD focuses on building the organization's ability to assess its current functioning and tweak it to achieve its goals. It is, therefore, a continuous process, whereas change processes are often temporarily.

This also emphasizes the relevance of OD. In this VUCA world, change is becoming a constant factor. OD is an integral approach to ensuring this constant change.

Types of OD interventions

Organizational development is not easy. It is a fairly technical field, and so are the interventions. In this section, we will list 18 OD interventions, also called organizational development techniques, that are listed by Cummings and Worley (2009). This is far from an exhaustive list.

Human Process Interventions

Human process interventions are change programs that relate to interpersonal relations, group, and organizational dynamics. These are some of the earliest and best-known interventions used in OD.

1. Individual interventions. These interventions are targeted to the individual, often aimed at improving communication with others. The individual is coached on behaviors that are counter-productive.
2. Group interventions. These interventions are aimed at the process, content, or structure of the group. Process relates to the group's internal processes. Content relates to what the group works on. Structure relates to recurring methods it uses to reach tasks and deal with external issues. All of these can be improved.
3. Third-party interventions. Third-party interventions are often used when there are conflicts. Not all conflicts are bad, but bad conflicts should be resolved quickly. The third-party intervention helps to control and resolve the conflict. Oftentimes, the third party is the OD consultant.
4. Team building. Team building is the best-known OD intervention. It refers to a range of activities that help groups improve the way they accomplish tasks.
5. Organizational confrontation meeting. The confrontation meeting is aimed at identifying problems, setting priorities and action targets, and begin working on identified problems organization-wide.
6. Intergroup relations interventions. These interventions are aimed at diagnosing and understanding intergroup relations. Similarly, problems are identified, priorities and action targets set, before working on the identified problems.
7. Large-group interventions. These interventions are somewhere between the two above. The aim is to bring a large number of organization members and other stakeholders together to identify and organize members together to identify and resolve organization-wide problems, to design new approaches to structuring and managing the firm, or to propose future directions of the organization. They are often referred to as "open space meetings", "world cafes", "future searches", and "Appreciative Inquiry Summits".

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Technostructural Interventions

Technostructural interventions refer to change programs aimed at the technology and structure of the organization. These are becoming increasingly relevant to today's rapidly changing markets and technological landscape.

8. Organizational (structural) design. The functional structure of the organization is key to how it will function. We all know the classical hierarchical organizational chart. This is referred to as the functional structure. Other structures are divisional, matrix, process, customer-centric, and network structure. Key activities in organizational design are reengineering and downsizing. This involves rethinking the way work is done, preparing the organization, and restructuring it around the new business processes.
9. Total quality management. Total quality management is also known as continuous process improvement, lean, and six-sigma. It grew out of a manufacturing emphasis on quality control and represents a long-term effort to orient all of an organization's activities around the concept of quality.
10. Work design. Work is done to achieve an outcome. Jobs can be aligned to achieve the most efficient way to achieve this outcome, or alternatively, the employee's needs and satisfaction can be put front and center. Depending on which approach is chosen, different skills are needed. Designing work in a way that leads to optimum productivity is called work design.
11. Job enrichment. Job enrichment is part of work design. The goal here is to create a job that is interesting and challenging for the person doing it. Examples of factors to be taken into account are skill variety, task identity, autonomy, and feedback.

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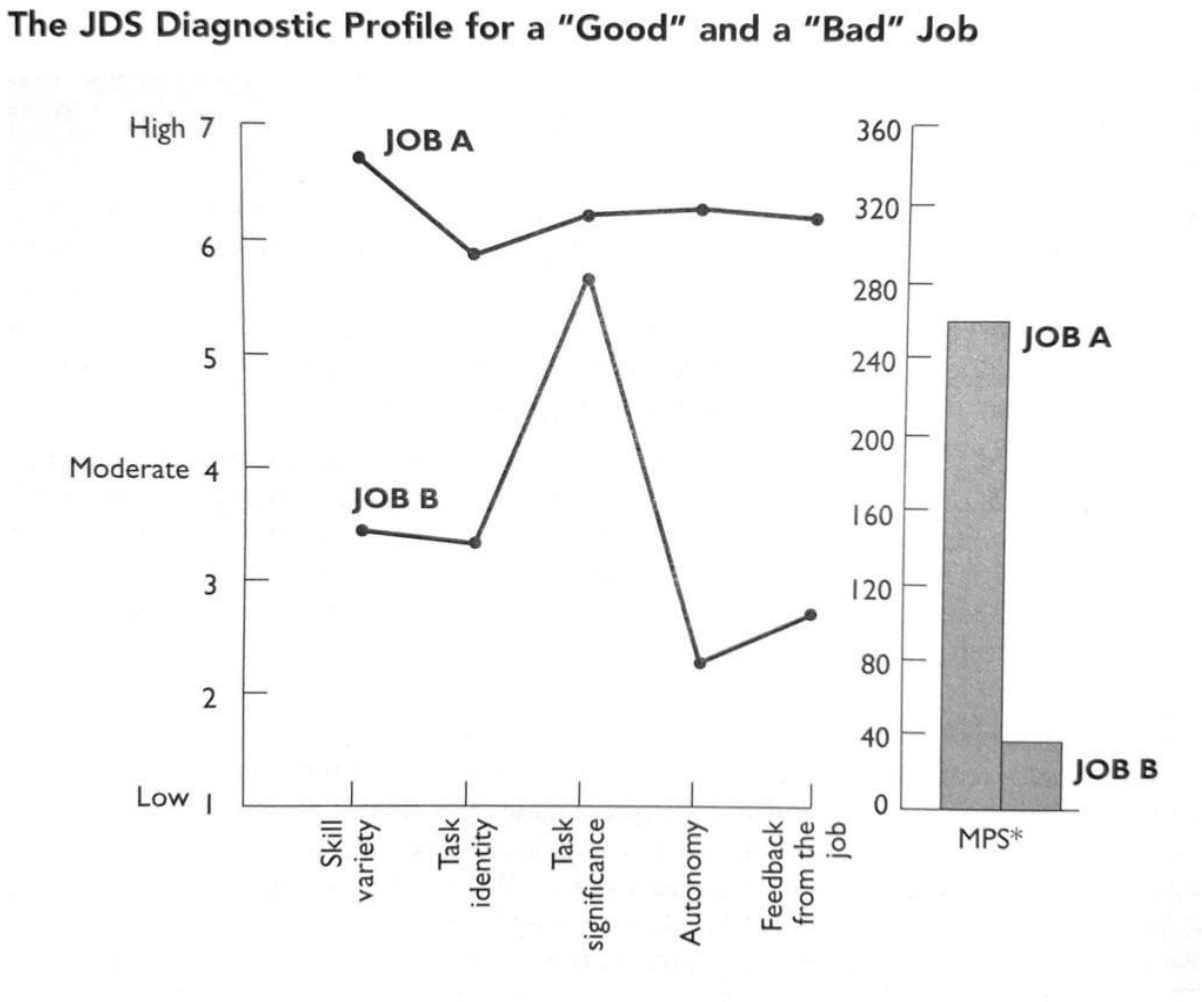

*MPS, MOTIVATING POTENTIAL SCORE.

A Job Diagnostic Survey (JDS) is part of work design, an Organizational Development Intervention (image based on Cummings & Worley, 2009)

Human Resource Management Interventions

These are organizational development techniques that focus on the way the individual is managed. Many of these are used by the HR department as well.

12. Performance management. Good performance management includes techniques such as goal setting, performance appraisal, and reward systems.
13. Developing talent. This includes talent management practices like coaching & mentoring, career planning, development interventions, and management and leadership development
14. Diversity interventions. Diversity is a source of innovation. This includes age, gender, race, sexual orientation, disabilities, and culture and value orientation. These interventions are aimed at increasing diversity.
15. Wellness interventions. Employee wellness interventions include stress management programs, and employee assistance programs. They address social trends and aim for a healthy work-life balance.

Strategic Change Interventions

These organizational development techniques focus on the change processes that shake the organization to its core. The OD department plays a crucial part in executing on this change.

16. Transformational change. This is a change process that involves changing the basic character of the organization, including how it is structured and the way it operates.
17. Continuous change. Continuous change is an intervention that enables organizations to change themselves continually. A popular example is the learning organization.

18. Transorganizational change. Transorganizational change involves change interventions that move beyond a single organization. This includes mergers, allying, acquisitions, and strategic networking.

As I mentioned, this is not an exhaustive list. Techniques like financial planning, long-range forecasting, integrating technology, manpower planning, and designing appraisal systems can be added, as well as many, many more.

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How Human Resources and OD relate

As you've seen in the list of organizational development interventions above, there are many OD interventions that relate to Human Resource Management. Policies like performance management, goal setting, appraisal, and talent management practices are all essential to effective organizational development.

Another commonality is that both HRM and OD start at the business strategy – the mission, values, and vision of the organization. Both then go on to define the activities needed to implement that strategy in their respective fields. In addition, many early people analytics initiatives originate from the OD department.

However, where HRM focuses specifically on people practices, OD takes a more holistic approach. Using tools like organizational design, individual and group interventions, work design, and more traditional people interventions, OD can operate at all levels of the organization. These are organizational, group, and individual. However, the focus is always on strategic themes, whereas HR is often a lot more operational.

Sometimes, OD functions are located in the HR function, but not always. Sometimes it's part of a services department, corporate strategy, or internal consulting. OD techniques are also frequently used by external strategy consultants, who use these tools in change management projects.

What's clear is that the OD techniques we listed above, are very powerful and that anyone in HR that masters them, will be more effective in their job and can make a real impact on their business.

The organizational development process

The organizational development processes can be divided into seven steps. In this section, we'll go through these steps one-by-one. Please note that this process is not unlike the people analytics cycle – where a problem is detected, data gathered, analyzed, presented, and new policies implemented.

1. Entering and contracting

The first step starts when a manager or administrator spots an opportunity for improvement. There are different events that can trigger this, including external changes, internal conflicts, complaining customers, loss of profit, a lack of innovation, or high absence or employee turnover. These events are usually symptoms of a deeper problem.

The first stage is about scoping the problem. This is usually done through a meeting between the manager and the OD members. In the case of external OD consultants, this stage is more formal.

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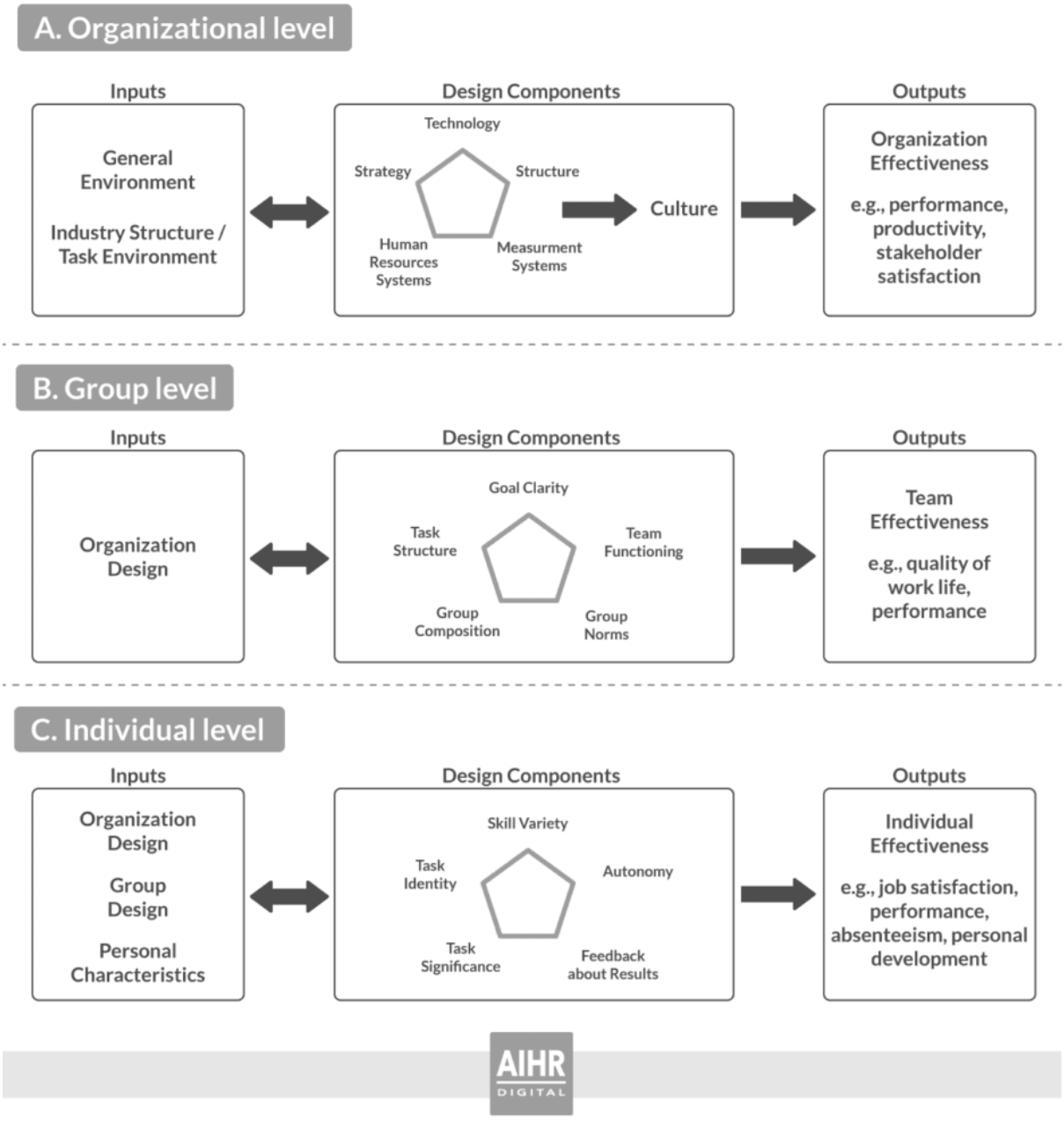
2. Diagnostics

In the second phase, diagnostics, the OD practitioner tries to understand a system's current functioning. They collect information needed to accurately interpret the problem, through surveys, interviews, or by looking at currently available data and try to find the root cause.

According to Cummings & Worley (2009), effective diagnosis provides the systematic knowledge of the organization needed to design appropriate interventions.

There are different models used to run these diagnoses. Below you see three IPO models, with a clear input, a (change) process, and an output. They help to structure different design components of the organizations (note the resemblance to Galbraith's star model). This model clearly shows different design components that play a role at different organizational levels (i.e. organizational, group, and individual).



Three comprehensive models for diagnosing organizational systems in OD (Image by Cummings & Worley, 2009)

3. Data collection and analyzing

In the third phase, data is collected and analyzed. Data collection instruments include existing data from work systems, questionnaires, interviews, observations, and 'fly on the wall' methods.

Data collection is often time-consuming and critical for the success of a project. Important factors to keep in mind are confidentiality, anonymity, a clear purpose, observer-expectancy bias, and a Hawthorne effect.

Observer bias is the tendency to see what we expect to see. The Hawthorne effect refers to the famous Hawthorne studies where subjects behaved differently purely because they were being observed.

Another effect to keep in mind is a regression to the mean. This refers to the phenomenon that arises when there's an extreme situation, or outlier, that returns to its normal state. So a consultant would be brought in when things are really bad, with the situation getting less bad simply because time passes by. In this situation, the situation is less likely to go from really bad to even worse, than from really bad to just bad – hence regression to the mean.

4. Feedback

In this phase, it is key for the OD consultant to give information back to the client in a way that's understandable and action-driven.

Information needs to be relevant, understandable, descriptive, verifiable, timely, limited, significant, comparative, and spur action. Techniques like storytelling and visualization can be used to do this in an effective way.

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5. Designing interventions

After providing the client with feedback, an intervention needs to be created. This intervention should fit the needs of the organization and should be based on causal knowledge of outcomes. In addition, the organization needs to be able to absorb the changes effectively.

A major part of the change process is defining success criteria for change. Only when these criteria are well-defined, progress can be measured.

6. Leading and managing change

The next phase is about executing the change intervention. Leading and managing change is hard. Estimations put the failure rate of change between 50-70%. This is a staggering number.
Effective change management revolves around motivating change, creating a vision, developing support, managing the transition, and sustaining momentum. Well-known change models include John Kotter's eight steps to transforming your organization.

7. Evaluation and institutionalization of change

Once a system has been implemented, opportunities for improvement start to show. Implementing these will lead to a better user and employee experience.
These incremental changes characterize the rapid evolution of technology. Change is becoming a constant factor, which means that it is near impossible to just implement technology and be done with it. Systems evolve and this requires a constant implementation.

Lastly, effective interventions measure their own success and are created in a way that enables comparison between the state of affairs before and after.

Organizational development certification

There are various ways to become an OD consultant but you'll generally need a bachelor's degree in, for example, training and development, human resources or instructional design as well as related work experience in, for instance, HR.

Strong candidates should hold an organizational development certification that demonstrates an understanding of the field. Certifications include the skill-oriented Institute of Organizational Development's Certificate Program (ODCP), the Organization Development Certification program by Illumeo and the Organization Development certification program by the Tata Institute of Social Sciences. Various online HR courses can provide general knowledge of organizational development too but they are not as specialized as the previous certifications are.

FAQ

What is organizational development?
Organizational development is a critical and science-based process that helps organizations build their capacity to change and achieve greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes.

What is organizational development in HR?
Organizational development in HR involves changes and improvement of the processes and structures that are part of HR's responsibility. These include processes and systems related to performance management, talent management, diversity, employee wellness, and so on.

What is the goal of organizational development?
The ultimate goal of organizational development is to increase the organization's competitiveness in order to create a business that wins in the marketplace. This can be done through increasing profits, margins, market share, morale, cultural values, or other sources of competitive advantage.

What is the difference between HR and OD?
There are many OD interventions that relate to HRM. These include performance and talent management interventions. However, where HRM focuses specifically on people practices, OD takes a more holistic approach, looking at individuals, teams, and organizational systems.

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