

Wiley Loose-Leaf Print Edition

Organizational Behavior

SECOND EDITION

UHL-BIEN | PICCOLO | SCHERMERHORN



Cover Design: Wiley
Cover Photography: © KTSDESIGN/Getty Images

www.wiley.com

WILEY

WILEY

Organizational Behavior



Second Edition

MARY UHL-BIEN

Texas Christian University

RON PICCOLO

University of Central Florida

JOHN R. SCHERMERHORN, JR.

Ohio University

WILEY

EDITORIAL DIRECTOR	Michael McDonald
EXECUTIVE EDITOR	Lisé Johnson
EDITOR	Courtney Jordan
INSTRUCTIONAL DESIGNER	Wendy Ashenberg
MARKETING MANAGER	Jenny Geiler
EDITORIAL ASSISTANT	Cecelia Morales
SENIOR CONTENT MANAGER	Dorothy Sinclair
PRODUCTION EDITOR	Rachel Conrad
SENIOR DESIGNER	Thomas Nery
COVER IMAGE	KTSDSIGN/Science Photo Library/Getty Images

This book was set in 9.5/12.5 Source Sans Pro by Aptara®, Inc. and printed and bound by Quad Graphics/Versailles. The cover was printed by Quad Graphics/Versailles.

This book is printed on acid free paper. ∞

Founded in 1807, John Wiley & Sons, Inc. has been a valued source of knowledge and understanding for more than 200 years, helping people around the world meet their needs and fulfill their aspirations. Our company is built on a foundation of principles that include responsibility to the communities we serve and where we live and work. In 2008, we launched a Corporate Citizenship Initiative, a global effort to address the environmental, social, economic, and ethical challenges we face in our business. Among the issues we are addressing are carbon impact, paper specifications and procurement, ethical conduct within our business and among our vendors, and community and charitable support. For more information, please visit our website: www.wiley.com/go/citizenship.

Copyright ©2020, 2014, 2012, 2010, 2008, 2005, John Wiley & Sons, Inc. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, website www.copyright.com. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030-5774, (201)748-6011, fax (201)748-6008, website <http://www.wiley.com/go/permissions>.

Evaluation copies are provided to qualified academics and professionals for review purposes only, for use in their courses during the next academic year. These copies are licensed and may not be sold or transferred to a third party. Upon completion of the review period, please return the evaluation copy to Wiley. Return instructions and a free of charge return shipping label are available at www.wiley.com/go/returnlabel. If you have chosen to adopt this textbook for use in your course, please accept this book as your complimentary desk copy. Outside of the United States, please contact your local representative.

ISBN-13: 978-1-119-50369-9

Printed in the United States of America.

10 9 8 7 6 5 4 3 2 1

About the Authors

Dr. Mary Uhl-Bien

Mary Uhl-Bien is the BNSF Railway Endowed Professor of Leadership in the Neeley School of Business at Texas Christian University (TCU). She earned her Ph.D. and M.B.A. in organizational behavior at the University of Cincinnati after completing her undergraduate business degree with a focus on international business and Spanish. Dr. Uhl-Bien is an active scholar and leader in the Academy of Management. She was ranked #6 in the Top 20 Most Influential Leadership Scholars since 1990 and has won multiple Best Paper awards, including two Decennial Awards, for her work on leadership. She is a founder of the Network of Leadership Scholars (NLS) in the Academy of Management and has served as both Representative-at-Large and Division Chair for the Organizational Behavior (OB) Division in the Academy, as well as on multiple Academy-wide leadership committees.

Dr. Uhl-Bien is a dedicated teacher-scholar. She publishes her work in top journals including *Academy of Management Journal*, *Journal of Applied Psychology*, *Journal of Management* and *The Leadership Quarterly*, and disseminates it both in the classroom and to practice through practitioner articles and executive education. Her research has been generated in large part through research-practice partnerships with a dedicated practice team, and has been funded by grants from organizations such as Booz Allen Hamilton. She is passionate about undergraduate teaching and was recognized in *Poets & Quants* 2nd Annual Top 50 Undergraduate Business Professors.

Mary is active in executive education nationally and internationally, teaching for the Brookings Institute, the Gallup Organization, and universities in the U.S., Canada, Australia and Europe. She has been a Visiting Scholar in Spain, Portugal, Australia, Sweden and Denmark. She has given talks and keynote presentations all over the world and is a commentator on CNBC's Squawk Box. She served as the executive consultant for State Farm Insurance Co. from 1998–2004, and participated in a Fulbright-Hays grant to Mexico during the summer of 2003. As an assistant professor she trained Russian businesspeople for the American Russian Center at the University of Alaska Anchorage from 1993–1996 and worked on a USAID grant at the Magadan Pedagogical Institute in Magadan, Russia from 1995–1996.

Dr. Ronald Piccolo

Dr. Ronald F. Piccolo is Department Chair and the Galloway Professor of Management in the College of Business at the University of Central Florida. From 2009–2016, he served as the Cornell Professor of Management and Academic Director of the Center for Leadership Development & Executive Education in the Crummer Graduate School of Business at Rollins College. Dr. Piccolo earned a Ph.D. in management from the University of Florida, an M.B.A. from Rollins, and a Bachelor of Science in mathematics from Stetson University. He has been a visiting scholar at Drexel University in Philadelphia, Tulane University, Jacobs University in Bremen, Germany, Kiel University, and the Amsterdam Business School.

Dr. Piccolo teaches graduate-level courses in leadership, organizational behavior (OB), research methods, and management strategy. At Rollins College, he was recipient of the Cornell Distinguished Teaching Award (2015–2016) and the Cornell Distinguished Faculty Award (2011–2012) for outstanding teaching, research, and service, and was a keynote speaker (2012, 2013, 2014) on “Teaching Effectiveness” for the OB division of the Academy of Management.

His research on leadership, motivation, job design and personality has been published in *Forbes* magazine, *Monster.com*, *CIO.com*, in numerous textbooks, and in top academic journals such as the *Academy of Management Journal* (AMJ), *Journal of Applied Psychology*, *Personnel Psychology*, *Human Resource Management*, *Journal of Management*, and the *Journal of Organizational Behavior*. In 2018, he was recognized by the *Academy of Management Learning*

and *Education* as one of the Top 100 Most Influential authors in organizational behavior. In 2019, he was recognized by *The Leadership Quarterly* as one of the most highly cited leadership scholars since 1990.

Dr. Piccolo's consulting experience includes leadership development, executive coaching, strategic planning, economic impact, and board development for such clients as the Central Florida Commission on Homelessness, the Boards of County Commission in Seminole and Osceola Counties, Central Florida YMCA, and the Hispanic Business Initiative Fund (Prospera). He serves on the Boards of Directors for the Heart of Florida United Way, the Central Florida YMCA, and the Orlando Repertory Theater, and is past advisory Board member of Habitat for Humanity of Greater Orlando and the Association of Latino Professionals in Finance and Accounting (ALPFA). In 2017, he was recipient of the Don Quijote, Hispanic Community Champion award by the Hispanic Chamber of Commerce and Prospera, an award that recognizes a non-Hispanic leader who has supported the development of the Hispanic business community.

Dr. John R. Schermerhorn Jr.

Dr. John R. Schermerhorn, Jr. is the Charles G. O'Brien Emeritus Professor of Management in the College of Business at Ohio University. He earned a Ph.D. in organizational behavior from Northwestern University, an MBA (with distinction) in management and international business from New York University, a BS in business administration from the State University of New York at Buffalo.

He holds an honorary doctorate from the University of Pécs in Hungary and is an honorary professor at the National University of Ireland at Galway. He previously taught at Tulane University, the University of Vermont, and Southern Illinois University at Carbondale, where he also served as Chair of the Department of Management and Associate Dean of the College of Business Administration. At Ohio University he twice served as Director of the Center for Southeast Asian Studies.

Dr. Schermerhorn's international experience includes appointments as a visiting professor of management at the Chinese University of Hong Kong, the Kohei Miura Visiting Professor at Chubu University in Japan, Visiting Fulbright Scholar at the University of Botswana, member of the graduate faculty at Bangkok University in Thailand, and advisor to the Lao-American College in Vientiane, Laos. He was on-site coordinator for two years at the Ohio University MBA and Executive MBA programs in Malaysia, and taught residencies for four years at the Ohio University MBA program in Bangalore, India. He currently teaches a graduate course in organizational behavior and strategic leadership at Università Politecnica delle Marche in Italy, and an organization behavior Ph.D. seminar at the University of Pécs in Hungary.

A past chairperson of the Management Education and Development Division of the Academy of Management, Dr. Schermerhorn is known to educators and students as senior author of *Exploring Management 6e* (Wiley, 2018) and *Management 14e* (Wiley, 2020), and co-author of *Organizational Behavior 13e* (Wiley, 2014). His research has been published in the *Academy of Management Journal*, *Academy of Management Review*, *Academy of Management Executive*, *Organizational Dynamics*, *Asia-Pacific Journal of Management*, and the *Journal of Management Education*, among other scholarly outlets.

Ohio University named Dr. Schermerhorn a University Professor, the university's highest campus-wide honor for excellence in undergraduate teaching.

From the Authors

Thank you for your interest in the second edition of our *Organizational Behavior* text and associated digital assets in *WileyPlus*. In this edition, we leverage the foundational content, engaged writing style, and practical appeal of previous editions to address critical trends in the modern workplace. Top-down approaches to leadership are becoming obsolete, work is increasingly done through personal connections and networks, the workforce is more diverse than ever before, and new technologies (e.g., social media, artificial intelligence) are reshaping job demands, organizational systems, and the way works gets done.

Today's students will enter the workforce at a time when persistent and complicated tensions exist around topics such as work-life balance, sustainability, a multigenerational workforce, climate change, and global economic and political turmoil, just to name a few. It's a complex world. To thrive in the future, students will need a practical understanding of human behavior in organizational systems and the ability to influence, persuade, and motivate others.

We have updated content, chapter features, exercises, video supplements, and the instructor's manual in ways that address these trends and concerns. In doing so, we recognize the interdependent nature of individual, cultural, and organizational factors that affect human behavior. While there are many exciting updates in the text, we are especially enthusiastic about two particular features of the current edition.

First, we designed topic-oriented modules to "go where the students are." We employ a "**watch**", "**read**", "**practice**" approach to content delivery whereby students work through short, topic-focused modules by watching short videos of the authors introducing or explaining essential ideas, then reading descriptions of essential material, then demonstrating their understanding of key topics by completing quizzes or applied exercises. In our view, this approach allows students to engage the material in ways that are accessible and familiar.

Second, we include an extended treatment of critical thinking throughout the text. In Chapter 1, we introduce fundamental steps in the critical thinking process and encourage a systematic approach in understanding human behavior. Each subsequent chapter includes a critical thinking feature that challenges students to seek clarity, consider contingencies, challenge their own assumptions, and recognize bias in how information is presented and described. As critical thinking is an essential, 21st century skill, we made a careful and conscious effort to provide opportunities for skill development.

We are inspired by the opportunity to encourage students to appreciate organizational behavior for its many rich insights for career and life success. Thank you for being our partners in this effort.

Mary Uhl-Bien

Texas Christian University

Ronald F. Piccolo

University of Central Florida

John R. Schermerhorn, Jr.

Ohio University

Welcome to *Organizational Behavior*, 2nd Edition

New Edition at a Glance

Organizational Behavior 2e Offers New Content Framework

Organizational Behavior 2e is a multidimensional product to allow for student development in knowledge, analysis, synthesis and personal development with pedagogical features designed to bring Organizational Behavior to life. This product reframes the content of organizational behavior to reflect the inherent interdependence of factors that explain human behavior.

Traditional OB topics are introduced as part of an integrated framework for answering practically-relevant questions:

- Why do people behave as they do?
- How can I effectively manage myself and influence others?

Topics in the book are easily assigned in any order based on instructor preferences. There are many options available for courses of different types, lengths, and meeting schedules, including online and distance learning formats. It all depends on what fits best with your course design, learning approaches, and class session objectives. There is no complicated “model” that requires a structured content approach.

Organizational Behavior 2e Uses an Integrated Learning Design

Every chapter opens with a short introduction to the topic that help students identify with the content right from the beginning. Learning Objectives and outcomes are delivered and **What’s Inside** directs student attention to major chapter features or learning accents including *Be a Critical Thinker*, *Bringing OB to Life*, *Checking Ethics in OB*, *OB in the Office*, *Research Insight*, and *Worth Considering or Best Avoided?*

Chapter content begins with each major heading linked with a Learning Roadmap which identifies major subheads for the section. Each Learning Objective is followed with a Study Guide with Key Points students need to remember. The end of chapter material includes a self test and suggested active learning activities are found in the **OB Skills Workbook**—a selection of *Cases for Critical Thinking*, *Team and Experiential Exercises*, and *Self-Assessments*.

Organizational Behavior 2e Focuses on Career Applications

In our view, the content of Organizational Behavior courses is applicable in all industries, companies, organizations, jobs, and careers. Regardless of a student’s career aspirations, he or she will surely benefit from a deep understanding of human behavior and skills that enhance motivation, encouragement, communication, decision-making, leadership, and negotiations.

We are intentional in the second edition to highlight the generalizability of insights from OB across a variety of career applications. Further, in many of the features throughout, we illustrate how lessons in human behavior and influence are revealed in all walks of life, not just the workplace.

Organizational Behavior 2e Makes “Flipping” the Classroom Easy

“Flipped” classrooms shift the focus from instructors lecturing and students listening, to instructors guiding and students engaging. The first step to making that possible is for students to read and study assigned materials outside of class. When students come to class prepared, the instructor has many more options for engagement.

Delivered in the modular, easily customizable layout of the new WileyPLUS, *Organizational Behavior* topics are anchored on the key questions that are most important to practitioners and students, thus giving students content that is easier to comprehend and apply. If instructors want to add their own content, New WileyPLUS makes that very easy to do. New WileyPLUS provides students with a research-based online environment for effective teaching and learning. A wealth of resources are also built directly into the module for ease of access for students and instructors. Students can access all content on any mobile device, anywhere, anytime.

Success in flipping the classroom also requires a variety of discussion activities, projects, and quick-hitting experiences that turn class time into engaged learning time. You will find that this book is “packed” with such opportunities. The following chapter features are not only interesting to readers; they are also prompts and frames that can be used for flipped classroom activities and discussions, and for individual and team assignments.

Organizational Behavior 2e is Full of Timely and Engaging Application and Discussion Features

- **Be a Critical Thinker** Poses a situation and asks students to challenge assumptions and apply four basic attributes of critical thinking to several questions or dilemmas. Examples include “Everyone on the Team Seems Really Happy. Is It Time to Create Some Disharmony,” “Teammates May Know You Best: Should They Pay You as Well,” “Leading in the Age of Twitter,” and “Social Networks at Work.”
- **Bringing OB to Life** Timely, even controversial issues from real life, are framed for student thought and discussion. Examples include “Building Skills to Succeed in a Collaboration Economy,” “Raising Expectations and Getting Better Feedback,” “Welcoming the Elephant to the Conference Room,” and “Paying a High Price for Incivility at Work.”
- **Checking Ethics in OB** Poses a situation or dilemma and asks students to answer the ethics questions. Examples include: “Social Loafing May Be Closer than You Think,” “Is a Two-Tiered Wage System Ever Justified,” “Tackling Unethical Leadership in the Workplace,” and “Blogging Can be Fun, but Bloggers Beware.”
- **OB in the Office** A short vignette that links what students are studying to how these concepts play out in different work environments and career situations. Examples include “How You Deal with Diversity Can Enhance or Derail Your Career,” “Nonverbals Are More Important Than You May Think,” “Open Offices Are All the Rage,” and “Yet Another Survey, or Is Your Employer Trying to Measure Employee Engagement?”
- **Research Insight** Highlights an article from a respected journal such as the *Academy of Management Journal* and the *Journal of Applied Psychology*. Sample topics include—interactional justice, racial bias, job satisfaction, demographic faultlines, and workplace identities.
- **Worth Considering or Best Avoided?** Briefly summarizes a recent trend or decision from practice with pro and con aspects that can be analyzed from an OB perspective, and asks students to take a position on its efficacy. Examples include “When Students Share Assignments, Is It Collaborating or Cheating,” “Would You Please Move Over? We’re Making Room for Millennials and Generation Z,” and “Hiring Hourly Workers? Does Paying More Lead to More Motivated Workers?”

Organizational Behavior 2e Once Again Includes the Popular All-in-One Teaching Resource— *The OB Skills Workbook*

The end-of-text *OB Skills Workbook* has become a hallmark feature of the textbook, and it has been updated and expanded for the new edition. The four sections in the new updated workbook offer ideas for how to extend the OB learning experience in creative and helpful ways. All items have chapter assignment recommendations.

- **Cases for Critical Thinking** 20 cases selected for topical content and matched with recommended chapters.
- **Student Leadership Practices Inventory** The popular Kouzes/Posner instrument ready for class use.
- **Team and Experiential Exercises** 52 exercises useful for teamwork and in-class experiential activities.
- **Self-Assessment Portfolio** 22 self assessment instruments for students' personal reflection.

Student and Instructor Support

Organizational Behavior, 2nd Edition, is supported by a comprehensive learning package that assists the instructor in creating a motivating and enthusiastic environment.

We are pleased to provide you with an instructor's hardback copy of *Organizational Behavior, 2nd Edition* by Uhl Bien, Piccolo and Schermerhorn. Thank you for considering this text for adoption. As Wiley strives to provide products of high value and low cost to students, listed on the back cover of this book are the value-priced student versions of the text that you can select from to order for your class.

Companion Web Site The text's Web site at <http://www.wiley.com> contains myriad tools and links to aid both teaching and learning, including nearly all of the student and instructor resources.

Instructor's Resource Guide The Instructor's Resource Guide offers helpful teaching ideas, advice on course development, sample assignments, and chapter-by-chapter text highlights, learning objectives, lecture outlines, class exercises, lecture notes, answers to end-of-chapter material, and tips on using cases.

Test Bank This comprehensive Test Bank is available on the instructor portion of the Web site and consists of over 200 questions per chapter. Each chapter has true/false, multiple choice, and short answer questions. The questions are designed to vary in degree of difficulty to challenge your OB students. The *Computerized Test Bank* contains content from the Test Bank provided within a test-generating program that allows instructors to customize their exams.

PowerPoint This robust set of lecture/interactive PowerPoints is provided for each chapter to enhance your students' overall experience in the OB classroom. The PowerPoint slides can be accessed on the instructor portion of the Web site and include lecture notes to accompany each slide. An *Image Gallery*, containing jpg files for all of the figures in the text, is also provided for instructor convenience.

Darden Business Cases Through the Wiley Custom Select website, you can choose from thousands of cases from Darden Business Publishing to create a book with any combination of cases, Wiley textbook chapters and original material. Visit <http://www.customselect.wiley.com/collection/dardencases> for more information.

WileyPLUS

WileyPLUS is an innovative, research-based, online environment for effective teaching and learning.

WileyPLUS builds students' confidence because it takes the guesswork out of studying by providing students with a clear roadmap: **what to do, how to do it, if they did it right**. This interactive approach focuses on:

CONFIDENCE Research shows that students experience a great deal of anxiety over studying. That's why we provide a structured learning environment that helps students focus on **what to do**, along with the support of immediate resources.

MOTIVATION To increase and sustain motivation throughout the semester, *WileyPLUS* helps students learn **how to do it** at a pace that's right for them. Our integrated resources—available 24/7—function like a personal tutor, directly addressing each student's demonstrated needs with specific problem-solving techniques.

SUCCESS *WileyPLUS* helps to assure that each study session has a positive outcome by putting students in control. Through instant feedback and study objective reports, students know *if they did it right*, and where to focus next, so they achieve the strongest results.

With *WileyPLUS*, our efficacy research shows that students improve their outcomes by as much as one letter grade. *WileyPLUS* helps students take more initiative, so you'll have greater impact on their achievement in the classroom and beyond.

What Do Students Receive with *WileyPLUS*?

- The complete digital textbook, saving students up to 60% off the cost of a printed text.
- Question assistance, including links to relevant sections in the online digital textbook.
- Immediate feedback and proof of progress, 24/7.
- Integrated, multi-media resources including the following resources and many more that provide multiple study paths and encourage more active learning.
 - Author Video Lectures for every Learning Objective in the Text.
 - Adaptive Practice
 - Self-Assessments students can use to test themselves on topics such as emotional intelligence, management styles and preferences, and intuitive ability.
 - Flash Cards
 - Data Analytics Module
 - Coverage of Business Hot Topics
 - Crossword Puzzles
 - Self-Study Questions

What Do Instructors Receive with *WileyPLUS*?

Customizable Course Plan: *WileyPLUS* comes with a pre-created Course Plan designed by a subject matter expert uniquely for this course. Simple drag-and-drop tools make it easy to assign the course plan as-is or modify it to reflect your course syllabus.

Pre-created Activity Types Include:

- Questions
- Readings and resources
- Presentations
- Print Tests
- Concept Mastery
- Projects

x Welcome to *Organizational Behavior*

Course Materials and Assessment Content:

- PowerPoint Slides
- Image Gallery
- Instructor's Resource Guide
- Question Assignments: all end-of-chapter questions
- Test Bank
- Web Quizzes

www.wileyplus.com

Contributors

Cases for Critical Thinking

Barry R. Armandi, *State University of New York*, David S. Chappell, *Ohio University*, Bernardo M. Ferdman, *Alliant International University*, Placido L. Gallegos, *Southwest Communications Resources, Inc.* and the *Kaleel Jamison Consulting Group, Inc.*, Carol Harvey, *Assumption College*, Ellen Ernst Kossek, *Michigan State University*, Barbara McCain, *Oklahoma City University*, Mary McGarry, *Empire State College*, Marc Osborn, *Kutak Rock LLP, Phoenix*, Franklin Ramsoomair, *Wilfrid Laurier University*, Hal Babson and John Bowen of *Columbus State Community College*.

Experiential Exercises and Self-Assessment Inventories

Barry R. Armandi, *State University of New York, Old Westbury*, Ariel Fishman, *The Wharton School, University of Pennsylvania*, Barbara K. Goza, *University of California, Santa Cruz*, D.T. Hall, *Boston University*, F.S. Hall, *University of New Hampshire*, Lady Hanson, *California State Polytechnic University, Pomona*, Conrad N. Jackson, *MPC, Inc.*, Mary Khalili, *Oklahoma City University*, Robert Ledman, *Morehouse College*, Paul Lyons, *Frostburg State University*, J. Marcus Maier, *Chapman University*, Michael R. Manning, *New Mexico State University*, Barbara McCain, *Oklahoma City University*, Annie McKee, *The Wharton School, University of Pennsylvania*, Bonnie McNeely, *Murray State University*, W. Alan Randolph, *University of Baltimore*, Joseph Raelin, *Boston College*, Paula J. Schmidt, *New Mexico State University*, Susan Schor, *Pace University*, Timothy T. Serey, *Northern Kentucky University*, Barbara Walker, *Diversity Consultant*, Paula S. Weber, *New Mexico Highlands University*, Susan Rawson Zacur, *University of Baltimore*.

Brief Contents

Part 1: Why Do I Need to Study Organizational Behavior?

- 1** Introducing Organizational Behavior **1-1**
- 2** OB in Context **2-1**

Part 2: Why Do People Behave as They Do?

- 3** Individual Differences **3-1**
- 4** Cognition and Emotion **4-1**
- 5** Motivation **5-1**

Part 3: How Do I Effectively Manage Myself and Influence Others?

- 6** Work Well in Teams **6-1**
- 7** Be an Effective Leader and Follower **7-1**
- 8** Understand and Manage Power and Politics **8-1**
- 9** Build Strong Relationships and Networks **9-1**
- 10** Develop Communication Skills **10-1**
- 11** Handle Conflict, Negotiation, and Decision Making **11-1**

OB SKILLS WORKBOOK **W-1**

GLOSSARY **G-1**

SELF-TEST ANSWERS **ST-1**

NOTES **N-1**

INDEX **I-1**

Contents

Part 1: Why Do I Need to Study Organizational Behavior?

1 Introducing Organizational Behavior 1-1

- 1.1 Organizational Behavior 1-2**
 - What Is Organizational Behavior? 1-2
 - Why Is Organizational Behavior Important? 1-2
 - How We Learn About Organizational Behavior 1-4
 - 1.2 Thinking Critically about Organizational Behavior 1-6**
 - What Is the Science of Organizational Behavior? 1-7
 - What Does It Mean to Think Critically? 1-8
 - Why Is It so Hard to Think Critically? 1-9
 - What Are Steps in the Critical Thinking Process? 1-10
 - 1.3 Managers, Team Leaders, and Organizational Behavior 1-13**
 - Effective Managers and Team Leaders 1-13
 - What Do Managers and Team Leaders Do? 1-14
 - What Are the Essential Skills of Managers and Team Leaders? 1-15
- Self-Test Chapter 1 1-17**

2 OB in Context 2-1

- 2.1 Why Context Matters in OB 2-2**
 - Why Does Context Matter? 2-2
 - Strategy: What Is Important and Valued in An Organization 2-2
 - Rewards: Why People Do What They Do 2-3
 - Structure: How People Work (or Don't Work) Together 2-4
 - 2.2 Building Effective Organizational Cultures 2-9**
 - What Is Organizational Culture? 2-9
 - How Do We Identify an Organization's Culture? 2-10
 - How Do We Build Strong Cultures? 2-14
- Self-Test Chapter 2 2-15**

Part 2: Why Do People Behave as They Do?

3 Individual Differences 3-1

- 3.1 Personality 3-2**
 - Nature or Nurture? 3-2
 - Are Personalities Stable? 3-2
 - What Are Behavioral and Social Traits? 3-4
 - What Are Personal Conception Traits? 3-8
 - What Are Cognitive Traits? 3-10
 - How Can We Assess Personality? 3-11
 - 3.2 Values 3-15**
 - What Are Values and Where Do They Come From? 3-15
 - How Do Values Differ Across Culture? 3-17
- Self-Test Chapter 3 3-20**

4 Perception and Emotion 4-1

- 4.1 Perception and Attribution 4-2**
 - What Is Perception? 4-2
 - What Is Attribution? 4-4
 - Perception and Attribution Errors 4-6
 - 4.2 Emotions and Moods 4-8**
 - What Are Emotions and Moods? 4-8
 - What Is Emotional Intelligence? 4-10
 - 4.3 Attitudes 4-12**
 - What Is an Attitude? 4-13
 - What Are Job Attitudes? 4-14
 - How Do Attitudes Influence Work Behavior? 4-17
- Self-Test Chapter 4 4-20**

5 Motivation 5-1

- 5.1 Motivation and Performance Management 5-2**
 - What Is Motivation? 5-2
 - Pay for Performance 5-3
 - What Is Performance Management? 5-4

How Do We Create More Motivating Environments? **5-7**

5.2 Needs Theories of Motivation 5-9

Maslow's Hierarchy of Needs **5-10**

Alderfer's ERG Theory **5-11**

Manifest Needs Theory **5-12**

Emotional Drives or Needs Model **5-13**

5.3 Process Theories of Motivation 5-14

Equity Theory **5-14**

Goal-Setting Theory **5-18**

Self-Test Chapter 5 **5-20**

Part 3: How Do I Effectively Manage Myself and Influence Others?

6 Work Well in Teams 6-1

6.1 Understanding Team Effectiveness 6-2

What Makes a Team Effective? **6-2**

How Can We Set Teams up for Success? **6-3**

How Does Member Diversity Affect Team Performance? **6-7**

6.2 Understanding Team Dynamics 6-8

What Are Roles and Role Dynamics? **6-9**

What Are Norms? **6-11**

What Are Other Important Team Dynamics? **6-13**

6.3 Building a High-Performance Team 6-15

How Do We Build a High-Performance Team? **6-15**

What Are the Stages of Team Development? **6-17**

What Is the Role of Team Cohesiveness? **6-18**

How Can We Improve Team Decision Making? **6-20**

Self-Test Chapter 6 **6-23**

7 Be an Effective Leader and Follower 7-1

7.1 Understanding Leadership 7-2

What Is Leadership? **7-2**

How Does Leadership Work? **7-5**

7.2 Leaders in Action 7-9

What Makes Leaders Successful? **7-10**

Ways We Act (or Not) as Leaders **7-12**

7.3 Understanding Followership 7-16

What Is Followership? **7-16**

Ways We Act (Or Not) as Followers **7-18**

Self-Test Chapter 7 **7-22**

8 Understand and Manage Power and Politics 8-1

8.1 Understanding Power 8-2

What Is Power? **8-2**

Where Does Power Come From? **8-4**

How Is Power Gained and Lost? **8-5**

8.2 Build Your Power Bases 8-7

What Is Position Power? **8-8**

What Are Responses to Position Power? **8-9**

What Is Personal Power? **8-10**

Connection Power **8-11**

How Can I Build My Power Bases? **8-11**

8.3 Navigate the Political Landscape 8-13

Why Do We Have Organizational Politics? **8-13**

How Can I Develop My Political Skills? **8-15**

Self-Test Chapter 8 **8-17**

9 Build Strong Relationships and Networks 9-1

9.1 Build Strong Relationships 9-2

What Kinds of Relationships Matter? **9-2**

How Are Relationships Developed? **9-3**

How Do We Build and Maintain Good Relationships? **9-5**

9.2 Building Strong Networks 9-7

What Are Networks? **9-7**

How Do Networks Work? **9-8**

9.3 Leveraging Your Network 9-13

Networks and Social Capital **9-14**

How Do We Leverage a Network? **9-15**

Using Your Network to Advance Your Career **9-17**

Self-Test Chapter 9 **9-18**

10 Develop Communication Skills 10-1

10.1 Communicating for Influence 2

What Is Framing? **10-2**

How Can We Communicate with Charisma? **10-3**

Why Are Stories so Persuasive? **10-6**

Don't Forget the Nonverbals **10-7**

10.2 Handle Difficult Conversations Using Supportive Communication 10-9

What Is a Difficult Conversation? **10-9**

What Are Supportive Communication

Principles? **10-10**

10.3 Develop Your Feedback and Listening Skills **10-14**

What Is Developmental Feedback? **10-14**
What Are Active Listening Skills? **10-16**

Self-Test Chapter 10 **10-20**

11 Handle Conflict, Negotiation, and Decision Making **11-1**

11.1 Manage Conflict **11-2**

Why Do We Have Conflict? **11-2**
What Conflict Management Strategy Should I Use? **11-3**
How Can I Guard against Conflict Management Pitfalls? **11-6**

11.2 Learn How to Negotiate **11-8**

Why Should I Negotiate? **11-8**
How Do I Negotiate? **11-9**

How Can I Guard against Common Negotiation Pitfalls? **11-13**

11.3 Be a More Effective Decision Maker **11-15**

What Are Common Approaches to Decision Making? **11-15**
How Can I Be a Better Decision Maker? **11-18**
How Can I Guard against Common Decision-Making Pitfalls? **11-19**

Self-Test Chapter 11 **11-22**

OB SKILLS WORKBOOK **W-1**

GLOSSARY **G-1**

SELF-TEST ANSWERS **ST-1**

NOTES **N-1**

INDEX **I-1**

CHAPTER 1

Introducing Organizational Behavior



Juan Ocampo/National Basketball Association/Getty Images

People make the difference

Curious observers of everyday life often consider questions such as: Why are some people motivated and successful in what they do, while others struggle? Why are some people fulfilled and satisfied with their jobs, while others are not? Why do some teams consistently demonstrate cooperation and cohesion, while other teams bicker and flounder? Why are some managers and leaders especially effective at encouraging great performance, while other leaders fail to exert meaningful influence? What explains why a smart and motivated person is successful in one job, but fails in another?

Answers to these questions, and many others, can be found in the field of organizational behavior (OB), which seeks to understand, explain, and predict how people act and interact with others in organizational systems.

In this book, we bridge the gap between OB as a body of knowledge and OB as a pathway to career and life success. This book is about people, everyday people like you and like us, who work and pursue careers in today's demanding settings. OB is about people who seek fulfillment in their lives and jobs in a variety of ways and in uncertain times. It's about the challenges of leadership, ethics, globalization, technology, diversity, work-life balance, and many other social issues. And it is about how our complex, ever-changing environment requires people and organizations to continuously adapt and improve in the quest for promising futures.

This chapter sets the foundation for our examination of individuals and teams in the workplace. We first describe organizational behavior as a field of study, highlighting the importance and broad application of its topics and principles. We then encourage critical thinking about human behavior, introducing scientific evidence that explains why people do what they do at work. Lastly, we connect concepts in organizational behavior with the functions of managers in organizational systems.

LEARNING OBJECTIVES

At the end of this chapter you will be able to:

- **Define** organizational behavior and its importance in the modern workplace.
- **Think** critically about human behavior.
- **Describe** the skills needed for great leadership and management.

WHAT'S INSIDE?

- Be a Critical Thinker: Paradoxical Proverbs
- Bringing OB to Life: Building Skills to Succeed in a Collaboration Economy
- Checking Ethics in OB: Is Management a Profession?
- OB in the Office: Your Future Career and How Studying OB Can Help You Succeed
- Research Insights: Do You Think You Have What It Takes to Be the Boss?
- Research Insights: In the Modern Workplace, Critical Thinking > IQ
- Worth Considering or Best Avoided?: Trouble Balancing Work and Home? Telecommuting May Be the Answer

1.1 Organizational Behavior

LEARNING OBJECTIVES

Define organizational behavior and its importance in the modern workplace.

- Describe the essential nature of organizational behavior.
- Explain the importance of understanding human behavior in organizations.
- Summarize several trends in the modern workplace and the changing nature of work.

Try this exercise. Ask people you meet a simple, unqualified question, “How are things at work?” More often than not, the answer will have something to do with people. In our experience, rarely will responses to that question describe economic conditions that constrain the efficient use of limited resources affecting the company’s ability to consistently deliver an above market-average return on the use of its assets! Instead, the most common default reference point for the evaluation of how things are at work is some aspect of the motivation, performance, teamwork, creativity, and commitment of people in the workplace.

Even though we are in an information age that draws heavily on artificial intelligence, user-friendly computer interface, and smart devices, most organizational functioning involves people interacting with other people. Sure, many business transactions are now conducted electronically, but human beings still do most of the work in modern organizations, while individuals in networks, teams, or departments remain the building blocks of most organizational systems. Whether you are talking about accountants, lawyers, musicians, carpenters, engineers, software developers, or writers, people vary in how they perform and in how satisfied they are in their work. The systematic study of organizational behavior helps us understand why.

What Is Organizational Behavior?

Organizational behavior is the study of human behavior in organizations, focusing on individuals, teams, interpersonal processes, and organizational structures. It is an interdisciplinary body of knowledge with strong ties to the behavioral sciences—psychology, sociology, and anthropology—as well as to social sciences such as economics and political science.

What makes the OB field unique is its potential to integrate insights from related disciplines and apply them to real-world organizational problems and opportunities. The ultimate goal of studying OB is to improve the performance of people, groups, and organizations, thus to improve the quality of work life overall. Understanding OB will also help you develop the skills needed for a successful career. Because you are learning about behavior, you will no doubt sharpen your life skills, as well.

Why Is Organizational Behavior Important?

The topics studied in organizational behavior include personality, motivation, organizational culture, ethics, teamwork, and leadership. These are critically important for long-term career and life success. Learning about OB will provide foundational knowledge about human behavior, and prepare you to adapt and thrive in a dynamic and complex workplace.

Trends in the Workplace It is clear that the world is changing all around us. The availability of globally accessible information networks has made the world smaller. In the modern

OB in the Office

Your Future Career and How Studying OB Can Help You Succeed



Wavebreakmedia/Deposit Photos

Studying OB can lead to a rewarding and lucrative career in many different industries. A degree in organizational behavior gives you the necessary skills to be successful in both for-profit and nonprofit agencies, skills including how to inspire, motivate, and manage a diverse workforce. Here are a few jobs where a degree in organizational behavior can be a real asset, along with a peek at what salaries you can hope to earn:¹

Human Resources Organizational behavior degree programs generally include learning about human resource management, communications, career development, and employee motivation.

These studies dovetail with the requirements and classes for students who choose to major in management. Understanding organizational employee needs along with the skills necessary for implementing procedures and changes within an organization are essential skills employers look for in HR professionals. HR managers earn a median annual salary of \$123,510 per year, according to a 2017 report by the U.S. Bureau of Labor Statistics.²

Training and Development Because organizational behavior graduates are trained to motivate and empower others in the workplace, they understand the needs of adult learners and can balance their needs with the goals of management. Employees serve as corporate trainers, adult educators, lecturers, motivational speakers, program developers, or instructional designers. Opportunities abound for both in-house and consulting positions. Training and development managers earn a median annual salary of \$117,690 per year, according to a 2017 report by the U.S. Bureau of Labor Statistics.³

Management Consulting Management consultants are often hired by companies to analyze their operations, identify opportunities for improvement, and recommend changes that can enhance a company's efficiency, quality, and revenue. Increased global competition is expected to lead companies to demand more of these services in the future. Having a master's degree can be especially helpful here. Salaries can vary widely based on experience and industry with hourly rates that exceed \$40 per hour and mean salaries of \$90,000 according to the U.S. Bureau of Labor Statistics.⁴

workplace, you are likely to hear about the importance of *networking*, *connecting*, *ideating*, *collaborating*, *linking*, *supporting*, *seeking*, and *innovating*. These and other similar behaviors drive communities of action where people share knowledge and skills with others to tackle complex problems with shifting priorities.⁵

Success in your career and throughout life requires ongoing learning and continuous attention to trends, practices, and opportunities. What people need, want, expect, and value at work are of special interest in the study of OB.⁶

Here are several critical trends in the modern workplace:

- **Importance of connections and networks.** Work is increasingly being done through personal connections and networks. In this environment, building effective relationships face-to-face and online is an essential career skill.
- **Commitment to ethical behavior.** Highly publicized scandals and more complex business environments are continuing to shine a spotlight on the importance of ethical practices in business.
- **Broad views of leadership.** New pressures and demands mean leadership is valued from all members, found at all levels, and flowing in all directions—not just from the top down.
- **Diversity in the workplace.** The modern workplace is more diverse than ever. The U.S. Census Bureau predicts that the country will become a true plurality by 2060, with no one ethnic or racial group being in the majority. Hispanics are now the fastest growing community and by 2060 will constitute one-third of the population. America is also growing demographically older; by 2050 one in five people will be aged 65-plus.⁷ These demographic trends are sure to influence everyday life, our personal relationships, and the way work is done.

1-4 CHAPTER 1 Introducing Organizational Behavior

- **Emphasis on human capital and teamwork.** Success is earned through knowledge, experience, and a commitment to people as valuable human assets. Work is increasingly team-based with a focus on peer contributions.
- **Demise of command-and-control.** Traditional hierarchical structures and practices are being replaced by shared leadership, flexible structures, and participatory work settings that engage human and social capital.
- **Influence of information technology.** As new technologies—including social media and artificial intelligence—penetrate the workplace and society, implications for work arrangements, organizational systems and processes, and individual behavior are continuously evolving.
- **Respect for new workforce expectations.** The new generation is less tolerant of hierarchy, more technologically savvy, and less concerned about status. Balance of work and life is a top-priority value in the modern workforce.
- **Changing concept of careers.** New economy jobs require special skill sets and a continuous professional development. More people now operate as independent contractors and freelancers in the *gig economy*, redefining what we think about work and careers.
- **Concern for sustainability.** Issues of sustainability are top priorities. Decision making and goal setting increasingly give attention to the environment, climate justice, and preservation of resources for future generations.

Bringing OB to Life

Building Skills to Succeed in a Collaboration Economy



Anatoli Babii/Alamy Stock photo

Every time you log onto Facebook or LinkedIn, join a multiplayer online game, or check Yelp for advice on a good restaurant, you are part of a fast-moving, data-driven, and socially connected world. But, are you taking the skills honed in these everyday experiences and developing them for career success in a new *collaboration economy*? It's a setting in which work gets done, customers get served, and ideas and information get shared 24/7.

Sally Blount, dean of Northwestern University's Kellogg School, says that success is earned in our collaboration economy by "people and companies who connect and collaborate more effectively."⁸ Jacob Morgan, author of *The Collaborative Organization*,⁹ says that there is a great opportunity for "collaboration leaders" who value and respect others as the most important assets of organizations.

Collaboration leaders aren't figureheads with formal titles. They are everyday leaders who are exceptionally good at teamwork, information sharing, giving and receiving feedback, providing peer support, and recognizing the contributions of others. In other words, collaboration leaders help make the people-to-people connections that give life to collaborative organizations. They bring social technology together with face-to-face interactions to harness the powers of knowledge, creativity, and teamwork.

The collaboration economy presents a pretty stiff career test. It calls for *hard* technology skills and real job expertise to be combined with *soft* people skills and a genuine personal presence. But that's the great opportunity of your course in organizational behavior—a chance to learn more about yourself and how people work together in organizations.

The question is this:

Are you ready to jump in and let OB help build your skills for success in a collaboration economy?

How We Learn About Organizational Behavior?

Today's knowledge-based and smart workforces place a great premium on continuous learning. Only those who embrace change and are committed to learning new technologies and

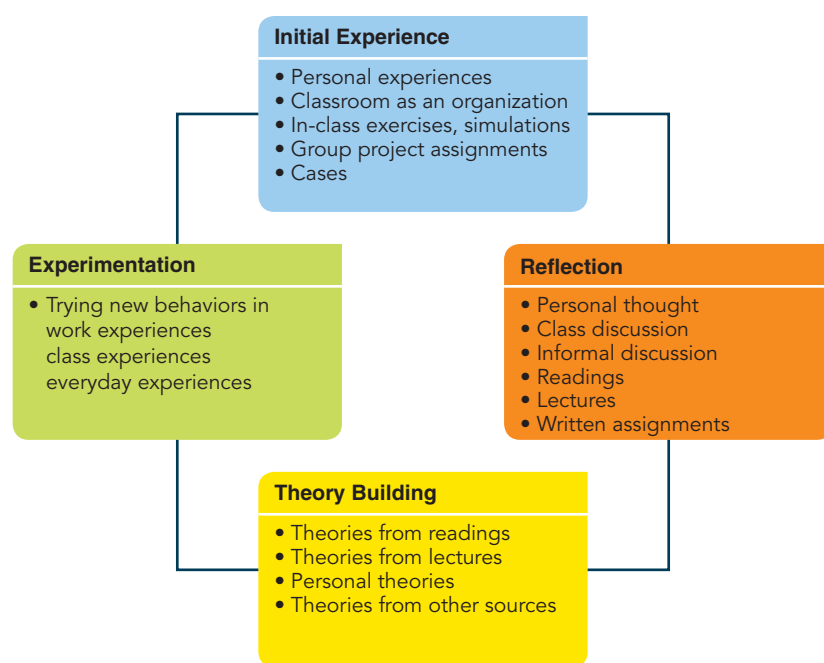


FIGURE 1.1 Experiential learning in an OB course

techniques for conducting business will be able to keep pace in a connected, high-tech, global, and constantly changing environment. But in terms of learning, just what are we talking about here?

Think of learning as an enduring change of behavior that results from experience. Think also of lifelong learning as a process of gaining insights from day-to-day experiences. When it comes to learning about OB, this book and your course are starting points to make your life and work experiences more meaningful. There is also a rich and ever-expanding pool of experiences available in work events and activities, conversations with colleagues and friends, counseling and advice provided by mentors, success models, training seminars and workshops, and other daily opportunities that consume your time. What is learned from all such experiences—now and in the future—will in many ways be the key to your personal and career success.

Figure 1.1 shows how the content and activities of the typical OB course fit together in an experiential learning cycle.¹⁰ The developmental sequence begins with initial experience and subsequent reflection. It grows as theory building takes place to try to explain what has happened. Theory is then tested in behavior. Textbooks, readings, class discussions, and other course assignments and activities should help you develop a broad understanding of key concepts.

Notice that the experiential learning process assigns to you a substantial responsibility for learning. Your instructor and this text will offer examples, cases, and exercises to provide you with initial exposure to key concepts. We can even stimulate your reflection and theory building by presenting ideas and situations, encouraging research and discussion on practical implications. Ultimately, your learning is up to you. For you to fully grasp the benefits of what OB can offer, you must become an active participant in the process.

The nice thing about this topic is that opportunities for you to learn more about OB and yourself abound in everyday living. Every team project, part-time work experience, student co-curricular activity, or visit to the store is rich in lessons on OB. Even our leisure pastimes from sports to social interactions to television, movies, and online games offer valuable insights—if we tune in.

Study Guide 1.1

What is organizational behavior, and why is it important?

- Organizational behavior (OB) is the study of human behavior in organizations, focusing on individuals, teams, interpersonal processes, and organizational dynamics.
- OB is a body of knowledge with real applications to everyday living and careers, particularly in respect to a smart workforce where connections and collaboration are the keys to success.
- Trends and issues of interest in OB include ethical behavior, the importance of human capital, an emphasis on teams, the growing influence of information technology, new workforce expectations, changing notions of careers, and concerns for sustainability.
- OB is an applied discipline developed through scientific methods and taking a contingency perspective that there is no single best way

to handle people and the situations that develop as they work together in organizations.

How do we learn about organizational behavior?

- Learning is an enduring change in behavior that results from experience.
- Lifelong learning about organizational behavior requires a commitment to continuous learning from one’s work and everyday experiences.
- Most organizational behavior courses use a variety of instructional methods—self-assessments, experiential exercises, team projects, and case studies—to take advantage of the experiential learning cycle.

1.2 Thinking Critically about Organizational Behavior

LEARNING OBJECTIVES

Think critically about human behavior.

- Describe organizational behavior as a science.
- Define the fundamentals of critical thinking.
- Identify a systematic, critical approach to understanding behavior in organizations.

In the landscape of courses or topics taught on college campuses, organizational behavior is thought of as one of the softer subjects. Unlike our counterparts in accounting, finance, operations, engineering, or economics, we are not calculating neat formulas to derive precise answers to problems with a single correct solution. We are trying to understand, explain, and predict human behavior in the context of dynamic forces that vary from organization to organization and from person to person—something that is largely unpredictable!

To describe the field of organizational behavior, our colleagues in the harder disciplines occasionally offer a pejorative jibe: “OB: it’s not rocket science!” We agree. OB is not rocket science; it’s much more complicated. In rocket science, at least engineers know that if fuel is heated to a particular temperature, enough combustible energy will be released to launch a stationary rocket. Though tracking the orbit of a rocket in space requires a great deal of careful and precise estimation, at least the spacecraft adheres to the fundamental laws of motion.

Human behavior is not constrained by such dependable properties. While one person at work is motivated by financial incentives, another prefers vacation time. One person is loyal and obedient to a supervisor who is demanding, directive, and harsh, while another rebels against such a leader. There are clear differences *between* people, but we can also see differences *within* a person. You can probably observe someone in your workplace who is happy and motivated at work one day, but miserable and lazy the next—or happy and motivated in the morning, but miserable in the afternoon.

There are few “hard” laws of nature that explain human behavior. True, we can observe general tendencies and some predictable patterns, but people are extraordinarily complex. Human behavior is like a chaotic system, with a great deal of randomness that is impossible to predict and explain.

The good news is that there is a significant body of scientific research that underlies a broad base of knowledge about why people behave as they do. In learning this topic at the highest levels, therefore, we encourage you to bring a scientific approach to understanding behavior. Think like a scientist. Be mindful of hard evidence rather than relying only on what is termed common sense. Remember that the problem with common sense is that it’s not all that common. Instead, employ a systematic approach to defining important problems with clarity and precision, and then apply a careful and thoughtful approach to evaluating viable alternative solutions.

What Is the Science of Organizational Behavior?

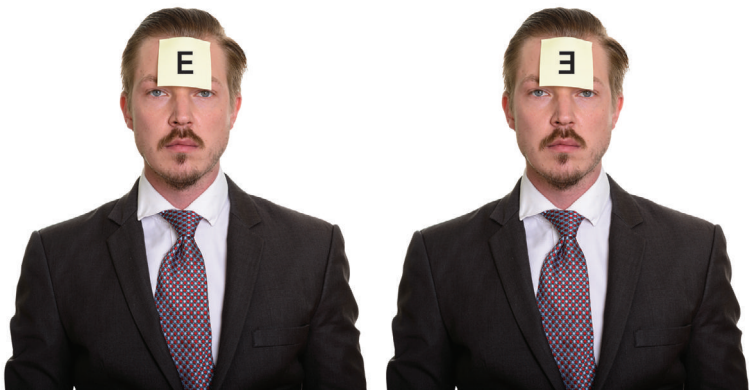
To determine how people operate in the workplace, OB researchers have conducted thousands of studies trying to isolate explanations for why people do what they do, why teams are productive, and why some organizations outperform others. This science of OB involves making systematic observations in the pursuit of identifying meaningful and insightful patterns. Ultimately, researchers want to observe differences between people and groups, explain those differences, and determine ways to make improvements.

Some examples of questions addressed by OB are:

- How should rewards, such as pay raises, be allocated?
- How can jobs be designed for both job satisfaction and high performance?
- What are the ingredients of successful teamwork?
- How can a manager deal with resistance to change?
- What are the characteristics of effective leaders?
- How can win-win outcomes be achieved in negotiations?
- What causes unethical and socially irresponsible behavior by people in organizations?

Research Insights

Do You Think You Have What It Takes to Be the Boss?



amazingmikai/Deposit Photos

The researchers asked subjects to draw a capital “E” on their forehead. There are two options: the letter can be written so it makes sense only to themselves and is reversed for onlookers (like this: Э), or so it would appear the right way around to others (looks like this: E).

The subjects who wrote the letter E so that it made sense only to themselves are said to be *self-oriented*, and this tendency increases dramatically the more senior the role a person holds in the workplace. The subjects who drew the E so that other people can read it, meanwhile, are more *other-oriented* and consider multiple perspectives. They are generally not thought of as cutthroat, and not as likely to be in powerful positions.

To verify this, before publishing their book, the authors experimented on their own editorial team. Not surprisingly, they found that the senior

editors wrote the E backwards, while the junior editors wrote the E forwards.

Do the Research

Try this on a group of people at school or work. Do you get the same results?

Judging your own capacity to be a successful manager can be tough, and although everyone thinks they have what it takes to be a powerful leader, that is not always the case. Organizational behavior researchers Adam Galinsky and Maurice Schweitzer set out to examine this by developing a quick test for judging those who are boss material and those who are not.¹¹

1-8 CHAPTER 1 Introducing Organizational Behavior

The relevance of science in understanding organizational behavior can start with asking this question: Why do good managers make bad decisions? Too often managers make mistakes when it comes to fostering conditions that inspire positive outcomes in the workplace, such as performance, satisfaction, team cohesion, and ethical behavior. Why does this happen?

Part of the reason is that rather than relying on a clearly validated set of scientific discoveries, managers use less reliable sources of insight such as gut feel, intuition, the latest trend, what a highly paid consultant might say, or what is being done in another company.¹² Like most of us, managers tend to rely on their own strengths and experiences when making choices about how to get the best from others. But what works for one manager may not work for another. In the absence of a scientific approach, managers tend to make mistakes, offer ill-conceived incentives, misinterpret employee behavior, and fail to account for the many possible explanations for why employees might perform poorly.

Like managers in the workplace, we tend to base our judgments and actions on what we know or what we *think* we know. It's fair to ask the question: How do you know what you know? If you've got an opinion about something, or are committed to a certain truth in your mind, how did you come to that conclusion?

There are four primary ways people come to know what they know:¹³

- **Intuition.** If we know something without any particular explanation or reason, or because of gut feel, our knowledge is based on intuition.
- **Experience.** If we extrapolate from our experience to a broad set of circumstances, our knowledge comes from personal experience.
- **Authority.** How do we know that smoking causes cancer? Because the American Medical Association tells us so. In this case, our knowledge comes from the authority of experts or facts.
- **Science.** If we know something through accumulation of reliable and valid evidence, then our knowledge is based on science.

We encourage a willingness to embrace what science has discovered about why people do what they do in the workplace and to think critically when trying to understand the essential problems and opportunities that drive behavior. That is, we hope students will develop an instinct for critical thought with a persistent desire for wisdom and understanding about human behavior. Identifying the root causes of behavior is perhaps the most fundamental pursuit in being a thoughtful manager. Critical thinking and the scientific method provide a reliable guide in doing so.

What Does It Mean to Think Critically?

"A happy worker is a productive worker." "Two heads are better than one." "Money is the best motivator."

These are some of the most common ideas about behavior in the workplace: friendly, simple, and easy to understand insights about the way things work, or *should* work. However, when we cast a critical eye on each of these suggestions, the presumed universal truth of these claims are proved false.

Critical thinkers recognize that statements such as these are not true for all people in all situations, and are willing to consider the likelihood that not *all* happy workers are productive. Some might be happy but not very skilled at doing their jobs. Critical thinkers recognize that two heads might not be better than one in *some* circumstances but not others, and are willing to determine when it's better to go ahead alone. And while money might be the best motivator for some, critical thinkers understand that money might mean very little to others.

They do this by using **critical thinking**, a systematic and comprehensive process of making objective, unbiased assessments of facts when forming judgments. We think critically by continually challenging our own assumptions while trying to make honest, fair, rational decisions based on evidence and reason. Critical thought is careful, evidence-based, mindful of

Critical thinking is a systematic and comprehensive process of making objective, unbiased assessments of facts when forming a judgment.

context, and free from bias. Without conscientious and intentional effort, thinking can be distorted, partial, uninformed, or prejudiced. As Richard Paul and Linda Elder suggest, “the quality of our life and that of what we produce, make, or build depends precisely on the quality of our thought.”¹⁴

Critical thinking can be characterized by four attributes:¹⁵

- 1. **Intellectual humility.** When people are willing to admit mistakes or errors in judgment and alter their own opinions when evidence points in a different direction, they have intellectual humility. They can recognize the limits of their own logic and intellect.
- 2. **Confidence in reason.** Critical thinkers are willing to go wherever the evidence leads. They are confident that evidence and hard facts are the most reliable guides to good judgment.
- 3. **Intellectual curiosity.** Someone who loves exploring new topics, learning new things, and gaining knowledge in any form has an intellectual curiosity consistent with a critical mindset.
- 4. **Intellectual independence.** Critical thinkers have a willingness to question authority, challenge conventional wisdom, and honestly examine opinions with which they disagree.

Research Insights

In the Modern Workplace, Critical Thinking > IQ

In psychology, education, neuroscience, and sociology, academic research points to the importance of raw cognitive ability in predicting job performance, educational achievement, career development, and overall life success.¹⁶ IQ tests are used to make decisions about student applications to college, and many employers now apply IQ tests in assessing job candidates or high-potential employees.¹⁷ Even draft prospects for the National Football League complete the 50-item *Wonderlic Test*, a validated measure of general cognitive ability.¹⁸

However, despite research suggesting that general cognitive ability is the strongest predictor of overall job performance¹⁹ and that IQ has a genetic source,²⁰ recent research highlights the value of critical thinking in the modern workplace as an “essential responsibility” of any manager in any organization.²¹ Critical thinking is a skill that can be developed with training and intentional practice. According to Heather Butler, a clinical psychologist at

California State University Dominguez Hills, critical thinking is superior to IQ in predicting real-world decision making, the ability to defend against propaganda, and flexibility in thought.²²

Whereas those with high intelligence are adept at identifying the single, correct answer to a problem or case, critical thinkers tend to have more cognitive flexibility, see problems from multiple perspectives, and avoid narrow, outcome-oriented thought patterns. These are especially valuable skills in a wide range of careers, including doctors, attorneys, judges, actuaries, pilots, occupational therapists, engineers, and even fashion designers.²³

Do the Research

What are the differences between general cognitive ability (i.e., IQ) and critical thinking? What are some of the limitations in the way cognitive ability is typically assessed? Given that information is now ubiquitous, why would critical thinking be more important than raw intelligence?

Why Is It so Hard to Think Critically?

Let’s be honest: it’s difficult to think critically. It’s not natural. It’s not easy. It takes effort to engage in a meticulous process of critically analyzing the arguments, statements, and recommendations of others, especially those in positions of authority. It takes practice.

Whether this is because of deeply held beliefs, the demands of the situation, or just because we’re too busy to contemplate and reflect, we’re all prone to common flaws in the way we think about complex issues.²⁴ An extended description of decision-making errors is included in chapters throughout this book, but some of the most common flaws in the way people think include:

- **Confirmation bias:** the tendency to search for and interpret information in a way that confirms one’s existing opinions or preconceptions.
- **Dichotomies:** the tendency to see problems and solutions in simplistic terms (e.g., true/false; always/never) rather than with the nuance present in most complex issues.

- **Bandwagon effect:** the tendency to believe things because many other people do. This is related to groupthink and the herd mentality, which occurs when people blindly follow the crowd (i.e., the herd).
- **Selective perception:** the tendency to notice or perceive only certain bits of information.

What Are Steps in the Critical Thinking Process?

Critical thinking is most often revealed in a systematic and prudent process of questioning information and data. You may question the information you read in a textbook; what a politician, a professor, or a classmate says; a commonly held belief; or opinions expressed on your favorite cable news channel. With critical thinking, anything and everything is subject to question and examination for the purpose of logically constructing reasoned arguments.²⁵

According to Linda Elder and Richard Paul, one effective way to enhance the quality of your thought is to ask questions that address “universal intellectual standards.”²⁶ Critical thinkers actively and intentionally pursue these standards by asking questions that advance their understanding of problems, circumstances, and potential solutions. **Figure 1.2** provides a list of

FIGURE 1.2 Summary of intellectual standards and critical thinking questions

Intellectual Standard	Description	Critical Thinking Questions
Clarity	Clear and understandable meaning of concepts	What is your definition of the concept? Could you give me an example? Could you illustrate what you mean?
Accuracy	Conclusions are free from errors or distortions	How could we check on that? How could we find out if that is true? How could we verify or test that?
Relevance	Topics and ideas related to the matters at hand	How does that relate to the problem? How does that bear on the question? How does that help us with the issue?
Completeness	Open to various viewpoints and perspectives	Can we look at this from another perspective? Is there another point of view? Do we need to look at this in other ways?
Significance	Focus on the most critical, important concerns	Is this the most important problem to consider? Is this the central idea to focus on? Which of these facts are most important?
Fairness	Conclusions are justified, fair, and free from bias or prejudice	Does anyone have a vested interest in this issue? Are all viewpoints fairly represented? What biases in the conclusion might exist?
Precision	Exact and true information to the necessary level of detail	Could you be more specific? Could you give me more details? Could you be more exact?
Depth	Recognition of context and multiple interrelationships	What is the context? The situation? What makes this a difficult problem? What complexities exist?
Logic	The parts make sense together, no contradictions	Does this conclusion make sense? Do all facts make sense together? Do conclusions follow from the evidence?

FIGURE 1.3 Critical thinking questions that help determine the validity of the expression “money is the best motivator”

Question	Critical Thinking Standard
What is your definition of motivation?	Clarity
How might we determine if this statement is true?	Accuracy
Why are we even talking about this?	Relevance
For whom would this be true? Who might think differently?	Completeness
Is motivation our most pressing concern?	Significance
Do you have any vested interest in the truth of this statement?	Fairness
How much money are we talking about?	Precision
Under what circumstances would this be false?	Depth
What about people who are motivated without earning money?	Logic

universal standards in critical thought, a brief description of when the standard has been met, and several questions that can be asked to understand complex issues.²⁷

For example, if during a class discussion, a classmate declares, “Money is the best motivator,” you have an opportunity to demonstrate your critical thinking skills by asking questions that explore the accuracy of the statement. Listed in **Figure 1.3** are questions that you could ask and the corresponding critical thinking standard.

Thinking critically about human behavior is essential for effective management and team leadership. A willingness to explore complexity, pursue clarity, and seek evidence will help you recognize that there is never one best or universal answer to complex questions such as those posed earlier in this chapter. An essential responsibility of any manager is to think carefully and critically about important issues and use evidence-based foundations for decision making and action. Scholars Jeffrey Pfeffer and Robert Sutton define **evidence-based management** as making decisions on “hard facts”—that is, about what really works, rather than on “dangerous half-truths”—what sounds good but lacks empirical substantiation.²⁸ One of the ways evidence-based thinking manifests itself in OB is through a contingency approach in which researchers identify how different situations can best be understood and handled.

In OB, a key critical thinking skill is **contingency thinking**. It means that rather than assuming that there is one best or universal solution, answers to questions will depend on other factors. For example, how individuals will respond to work situations will *depend* on their personality or experience. How to develop a more motivating workplace will *depend* on the nature of the job and the context in which people work.

Contingency thinking recognizes that cookie-cutter solutions cannot be universally applied to solve organizational problems. Instead, responses must be crafted to best fit the circumstances and people involved. Critical thinking skills, combined with solid scientific findings in organizational behavior, can allow you to make solid logical and evidence-based cases for understanding and explaining OB. The nice thing is, contingency thinking means that when your instructor asks you to explain how something works and you say, “Well, it depends...”, you will almost always be right!

Evidence-based management means making managerial decisions based on facts rather than on feelings.

Contingency thinking seeks ways to meet the needs of different management situations.

Be a Critical Thinker

Paradoxical Proverbs



The world is full of clever expressions, slogans, mantras, and statements of universal wisdom, such as “Two heads are better than one,” “You can’t teach an old dog new tricks,” and “Absence makes the heart grow fonder.” If we’re not careful—or if we’re not thinking critically—we might be easily duped into ascribing to popcorn sources of insight. If we apply a little intellectual cynicism, however, we begin to see cracks in the foundations on which these morsels of knowledge are built.

Consider the expression, “Money is the best motivator.” The statement is expressed without nuance and is reflective of a dichotomous question such as Yes or No? True or False? Always or Never? It’s the kind of statement that is very clear and decisive: money “is” the best motivator (clarity), rather than money “might be” the best motivator (nuance). Further, money is “the best” motivator (unequivocal), rather than “one of the best” motivators (qualified). Such expressions are meant to convey important and persistent insights that cannot or should not be challenged.

Critical thinkers are adept at altering the questions to be asked and answered. They do so in ways that apply the universal standards described in this chapter. Rather than asking, “Is money the best motivator?,” a critical thinker would instinctively pursue subtlety with more purposeful questions such as: “For whom” is money the best motivator? “When” is money the best motivator? “For how long?” “Under what conditions?” Questions of this kind recognize the complexity of every situation and the likelihood that one man’s wisdom is another man’s folly.

Indeed, for every statement of so-called universal insight, there is an equivalent counter. Consider these paradoxical proverbs:

Point	Counterpoint
Look before you leap.	He who hesitates is lost.
Too many cooks spoil the broth.	Two heads are better than one.
You can’t teach an old dog new tricks.	It’s never too late to learn.
Absence makes the heart grow fonder.	Out of sight, out of mind.
A penny saved is a penny earned.	You can’t take it with you.
The devil is in the detail.	Don’t sweat the small stuff.

Critical thinking is important in the world and the workplace, and employers are increasingly calling for graduates who are equipped with this skill. Therefore, in every chapter of this book we include a feature that allows you to “Be a Critical Thinker.” You will be encouraged to ask careful questions and be thoughtful in pursuit of the universal standards of critical analysis. You should approach these features with healthy cynicism and skepticism, recognizing that few insights, opinions, claims, or supposed truths are absolute or universal. This is especially the case in OB.

Study Guide 1.2

What is the science of organizational behavior?

- The science of OB involves making systematic observations in the pursuit of identifying meaningful and insightful patterns.
- Very often, rather than using insights from science and hard evidence about behavior at work, managers tend to rely on less reliable sources of information such as gut feel, intuition, the latest management trend, or their own preferences.
- There are several different sources of knowledge including intuition, experience, authority, and science—the most reliable of which is science.
- Contingency thinking recognizes that cookie-cutter solutions cannot be universally applied to solve organizational problems.

What does it mean to think critically about human behavior?

- Critical thinkers recognize that statements that may be considered common knowledge are not true for all people in all situations.

- Critical thinking is a systematic and comprehensive process of making objective, unbiased assessments of facts when forming a judgment.
- Critical thought is careful, evidence-based, mindful of context, and free from bias. It has four attributes: intellectual humility, confidence in reason, intellectual curiosity, and intellectual independence.
- It takes effort to engage in a meticulous process of critically analyzing the arguments, statements, and recommendations of others, especially those in positions of authority. It is easy to fall back on some common flaws: confirmation bias, dichotomies, the bandwagon effect, and selective perception.
- Critical thinking is most often revealed through a systematic and prudent process of questioning information and data.
- Critical thinkers actively and intentionally pursue certain standards by asking questions that advance our understanding of problems, circumstances, and potential solutions. The standards are: clarity, accuracy, completeness, significance, precision, depth, and logic.

1.3

Managers, Team Leaders, and Organizational Behavior

LEARNING OBJECTIVES

Describe the skills needed for great leadership and management.

- Explain the management process: planning, organizing, leading, and controlling.
- Introduce the essential roles of effective managers and team leaders.
- Describe the skills needed for great management and leadership.

It’s hard to picture a career in which you won’t, sooner or later, end up *in charge* of others. Call it what you will—boss, supervisor, manager, leader—the implications are all the same. It’s a point in time when other people look to you for guidance and support and when you are being held accountable for how well they perform. Here we will use the term *manager* or *team leader* interchangeably to describe this position.

Effective Managers and Team Leaders

If you look back to the workplace trends we discussed earlier in this chapter, you’ll note that success as a manager and team leader is achieved today more through *helping, supporting, and coaching* than it is through the traditional actions of a *directing and controlling* boss. In terms of outcomes, there is more to this success than high performance alone. An **effective manager** or **effective team leader** is someone who excels at helping others achieve both high performance and job satisfaction in their work.

An **effective manager** or **effective team leader** is a manager who excels at helping others achieve both high performance and job satisfaction.

Checking Ethics in OB

Is Management a Profession?



Does it surprise you that a *Harvard Business Review* article claims managers are losing the public trust? To help change things for the better, the article’s authors call for business schools to address management as a “profession” that is governed by codes of conduct and that “forge an implicit social contract with society.”²⁹ One

response to their call is the MBA Oath, a nonprofit organization. Its goal is to create a community of graduating MBA students from any university that voluntarily sign an oath pledging to “create value responsibly and ethically.” So far, over 250 schools are represented in the community. A student signing the MBA Oath accepts statements such as these:

- “I will manage my enterprise with loyalty and care, and will not advance my personal interests at the expense of my enterprise or society.”
- “I will refrain from corruption, unfair competition, or business practices harmful to society.”
- “I will protect the human rights and dignity of all people affected by my enterprise, and I will oppose discrimination and exploitation.”

Make Ethics Personal

What is your position on the MBA Oath? Would you sign the agreement and sincerely try to live up to its tenets in day-to-day practice? How about the whole concept of management being a profession like medicine and law? Can professionalizing management really make a difference in terms of ethical accountability and everyday managerial behavior?

1-14 CHAPTER 1 Introducing Organizational Behavior

Task performance is the quality and quantity of the work produced or the services provided by an individual, team, work unit, or organization as a whole.

Job satisfaction is how people feel about their work and the work environment.

Performance and satisfaction are essential concerns in research on organizational behavior. OB scholars want to understand the factors that contribute to each in order to help managers and team leaders consistently accomplish each. To do this, scholars focus on two critical topics:

- **Task performance** is the quality and quantity of the work produced or the services provided by an individual, team, work unit, or organization as a whole. In essence, task performance is a reflection of how well one does his or her job.
- **Job satisfaction** is a more elusive concept given that it can be an emotional reaction based on the appraisal of one's work conditions relative to expectations. Essentially, job satisfaction captures how people feel about their work and the work environment.

Whereas performance goals of the team leader pretty much speak for themselves, the satisfaction goals might give you some reason for thought. But both are important. Just as a valuable machine should not be allowed to break down for lack of proper maintenance, the talents and enthusiasm of an organization's workforce should never be lost or compromised for lack of proper care. In this sense, taking care of job satisfaction today can be considered an investment in tomorrow's potential for performance.

What Do Managers and Team Leaders Do?

Planning. Defining goals, setting specific performance objectives, and identifying the actions needed to achieve them.

Organizing. Creating work structures and systems and arranging resources to accomplish goals and objectives.

Leading. Instilling enthusiasm by communicating with others, motivating them to work hard, and maintaining good interpersonal relations.

Controlling. Ensuring that things go well by monitoring performance and taking corrective action as necessary.

Anyone serving as a manager or team leader faces a challenging and complicated job. At its core, managing and leading a team or work unit involves the four basic functions shown in **Figure 1.4**: planning, organizing, leading, and controlling. These functions make up the *management process* and involve the following responsibilities:

- **Planning.** Defining goals, setting specific performance objectives, and identifying the actions needed to achieve them.
- **Organizing.** Creating work structures and systems and arranging resources to accomplish goals and objectives.
- **Leading.** Instilling enthusiasm by communicating with others, motivating them to work hard, and maintaining good interpersonal relations.
- **Controlling.** Ensuring that things go well by monitoring and evaluating performance, then taking corrective action as necessary.

It's tempting to look at this set of functions and think of the action implications this way. First, I sit down and make a plan. Then I set up the organization. After that, I step in to lead. Finally, I control to make sure everything turns out as expected. This seems like a simple and straightforward process.

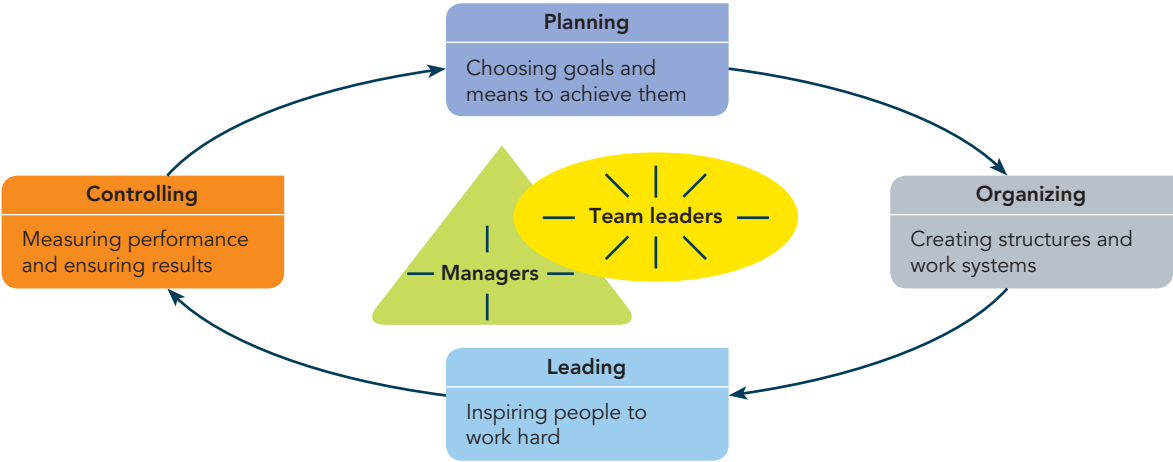


FIGURE 1.4 The management process of planning, organizing, and controlling

Unfortunately, managing and leading teams is quite a bit more complicated than that. In what has become a classic research study, Henry Mintzberg dispelled the notion that these functions of management are revealed as discrete responsibilities in a step-by-step sequence. Rather, he described how they are accomplished in a busy, hectic, and challenging work context, where managers and team leaders are constantly moving among many tasks, addressing a never-ending stream of problems, and facing many interruptions.³⁰ The reality is that managers and team leaders must get good at a continuous cycle of planning, organizing, leading, and controlling while on the move and in the company of others. According to Mintzberg, managers must do all this while being exceptionally good at the ten roles of effective management, organized in three categories as shown in **Figure 1.5**:

- **Interpersonal roles** involve working directly with other people, hosting and attending official ceremonies (figurehead); creating enthusiasm and serving people’s needs (leader); and maintaining contacts with important people and groups (liaison).
- **Informational roles** involve exchanging information with other people, seeking relevant information (monitor), sharing it with insiders (disseminator), and sharing it with outsiders (spokesperson).
- **Decisional roles** involve making decisions that affect other people, seeking problems to solve and opportunities to explore (entrepreneur), helping to resolve conflicts (disturbance handler), allocating resources to various uses (resource allocator), and negotiating with other parties (negotiator).

What Are the Essential Skills of Managers and Team Leaders?

We all need skills to do well in work and life. It’s no different for managers and team leaders—it takes skill to perform well and achieve the effectiveness defined earlier. A skill is an ability to translate knowledge into action that results in a desired performance. And in this sense, Robert Katz divides the essential managerial skills into three categories: technical, human, and conceptual.³¹

Technical Skills A **technical skill** is an ability to perform specialized tasks using knowledge or expertise gained from education or experience. A good example is skill in using the latest communication and information technologies. In the high-tech workplaces of today, technical proficiency in database management, spreadsheet analysis, presentation software, video chats and conferencing, and social media are often hiring prerequisites. It’s also helpful to think *skills* in respect to your college major. Recruiters today don’t just want to know that you are a

Technical skill is an ability to perform specialized tasks using knowledge or expertise gained from education or experience.

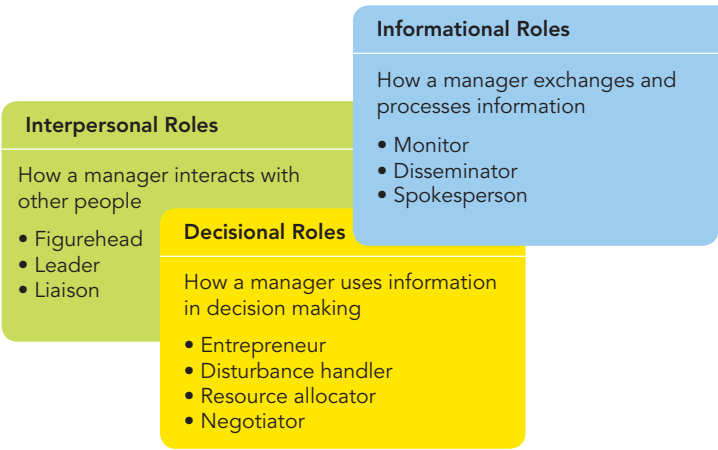


FIGURE 1.5 Mintzberg’s ten roles of effective management

1-16 CHAPTER 1 Introducing Organizational Behavior

Human skills are the ability to work well with other people.

marketing or finance or management major with high grades. They want to know what skills in the major you are going to bring to the job.

Human Skills Central to all aspects of managerial work and team leadership are **human skills**, or the ability to work well with other people. These skills are revealed as a spirit of trust, enthusiasm, and genuine involvement in interpersonal relationships. A person with good human skills will have a high degree of self-awareness and a capacity for understanding or empathizing with the feelings of others. People with this skill are able to interact well with others, engage in persuasive communications, and deal successfully with disagreements and conflicts.

A manager or team leader’s human skills should contain a strong base of emotional intelligence (EI). As defined by Daniel Goleman, EI is the ability to understand and manage emotions well, both personally and in relationships with others.³² The building blocks for emotional intelligence are:

- **Self-awareness:** ability to understand your own moods and emotions
- **Self-regulation:** ability to think before acting and to control bad impulses
- **Motivation:** ability to work hard and persevere
- **Empathy:** ability to understand the emotions of others
- **Social skill:** ability to gain rapport with others and build good relationships

Human skills in emotional intelligence and interpersonal relationships are essential to success in each of the managerial activities and roles previously discussed. If you don’t have human skills, you can’t connect with other people in a positive way. Managers and team leaders need these skills to develop, maintain, and work well with a wide variety of people, both inside and outside the organization.³³ These include *task networks* of specific job-related contacts, *career networks* of career guidance and opportunity resources, and *social networks* of trustworthy friends and peers.³⁴ It can be said in this sense that strong human skills are the pathways to obtain social capital in the form of relationships and networks that can be called upon as needed to get work done through other people.

Worth Considering or Best Avoided?

Trouble Balancing Work and Home? Telecommuting May Be the Answer



Hero Images/Getty Images

A group of Stanford University researchers wondered if allowing work to be done at home was really worth it to employers. Seeking real facts upon which to base a conclusion, they set up a field experiment using call center workers at a large Chinese travel agency. Using odd or even birth dates, 255 volunteers were randomly assigned to “at home” or “in the office” work shifts for nine months.

Their performance was monitored, and an overall evaluation was made at the end of the research period. Results showed that telecommuters were online for more minutes, took more calls per hour, and were less likely to quit. They also reported more positive moods and greater job satisfaction than did the office workers. Working at home also resulted in fewer break times while on shift and fewer days of sick leave.

When productivity gains, reduced training and hiring costs, and office rentals were tallied, the company calculated it saved \$2,000 for every \$3,000 spent on telecommuter salaries. And when the experiment was completed and workers were given the chance to switch groups if they wished, those that ended up in the telecommuter group became even more productive.

Do the Analysis

What are your impressions of the experiment’s findings? Does this study suggest that everyone should be given the option to work from home at least part of the time? What conditions might you set on the types of jobs and job holders that qualify for work from home? Is the evidence from this study good enough to make real-world decisions about the use of telecommuting?

Conceptual Skills In addition to technical and human skills, managers should be able to view the organization or situation as a whole so that problems are always solved for the benefit of everyone concerned. Earlier, we discussed this ability in terms of critical thinking. For Katz, **conceptual skills** allow us to think critically; identify patterns and trends; and analyze and solve complex, ambiguous problems. These skills rely on the ability to see and understand how systems work and how their parts are interrelated, including the dynamics of human interaction. Conceptual skill is used to identify problems and opportunities, gather and interpret relevant information, and make good problem-solving decisions.

Conceptual skills allow us to think critically, identify patterns and trends, and analyze and solve complex, ambiguous problems.

Essential Skills in the Context of OB Look back to Figure 1.5. Can you recognize Katz’s point that the relative importance of these skills varies as one moves into higher levels of managerial and team leader responsibilities? Technical skills are considered more important at entry and lower levels where the primary focus is on job-specific problems. Senior-level management positions, on the other hand, call more on conceptual skills as problems become more strategic and complex. Importantly—and this is where OB comes into play once again—Figure 1.5 shows that human skills are consistently important across all levels. All managers and team leaders must be able to understand and positively engage human behavior in organizations. Without these human skills they can’t do their jobs well at any level. That is why the study of OB is so important for you and your career aspirations.

Study Guide 1.3

- What are the challenges of management in organizations?**
- Effective managers directly support and help others reach high levels of both performance and job satisfaction; they are increasingly expected to act more like “coaches” and “facilitators” than like “bosses” and “controllers.”
 - The four functions of management are planning, to set directions; organizing, to assemble resources and systems; leading, to create workforce enthusiasm; and controlling, to ensure desired results.
 - Managers use a combination of essential technical, human, and conceptual skills while working in networks of people to fulfill a variety of interpersonal, informational, and decisional roles.

Self-Test Chapter 1

Multiple Choice

1. Which of the following issues would be most central to the field of organizational behavior (OB)?
 - a. How to improve advertising for a new product.
 - b. How to increase job satisfaction and performance among members of a team.
 - c. Making plans for a new strategy for organizational growth.
 - d. Designing a new management information system.
2. What is the best description of the context for organizational behavior today?
 - a. Command-and-control is in.
 - b. The new generation is similar to the old.
 - c. Empowerment is out.
 - d. Work–life balance concerns are in.
3. Which of the following statements about diversity in the workforce is NOT true?
 - a. The U.S. workforce is more diverse now than ever before.
 - b. The U.S. is predicted to be a true plurality by the year 2060.
 - c. America is growing demographically younger.
 - d. Hispanics are now the fastest growing community in the United States.
4. Which statement about OB is most correct?
 - a. OB seeks one-best-way solutions to management problems.
 - b. OB is a unique science that has little relationship to other scientific disciplines.
 - c. OB is focused on using social science knowledge for practical applications.
 - d. OB is so modern that it has no historical roots.
5. Which of the following is not a step in the experiential learning cycle?
 - a. Reflection
 - b. Theory building
 - c. Experimentation
 - d. Conclusion
6. If you know something because of a gut feeling your knowledge is based on _____.
 - a. intuition
 - b. experience
 - c. authority
 - d. science

1-18 CHAPTER 1 Introducing Organizational Behavior

7. Laura regularly questions her professors in class and challenges conventional wisdom. She is demonstrating which of the four attributes of critical thinking?

- a. Intellectual humility
- b. Confidence in reason
- c. Intellectual curiosity
- d. Intellectual independence

8. Mark admitted to some flaws in the plan he presented on increasing the company's strategic growth and altered his opinion based on new market research. He is demonstrating which of the four attributes of critical thinking?

- a. Intellectual humility
- b. Confidence in reason
- c. Intellectual curiosity
- d. Intellectual independence

9. Asking, "Is this the most important problem to consider?" is an attempt to address which intellectual standard?

- a. Accuracy
- b. Significance
- c. Logic
- d. Precision

10. Asking "Do we need to look at this in other ways?" is an attempt to address which intellectual standard?

- a. Accuracy
- b. Depth
- c. Logic
- d. Completeness

11. Tailoring our behaviors and practices to fit the exact nature of each situation is called _____.

- a. selective perception
- b. confirmation bias
- c. contingency thinking
- d. intellectual curiosity

12. The management function of _____ is concerned with creating enthusiasm for hard work among organizational members.

- a. planning
- b. motivating
- c. controlling
- d. leading

13. In the management process, _____ is concerned with measuring performance results and taking action to improve future performance.

- a. transforming
- b. organizing
- c. leading
- d. controlling

14. Among Mintzberg's ten managerial roles, acting as a figurehead and liaison are examples of _____ roles.

- a. interpersonal
- b. informational
- c. decisional
- d. conceptual

15. A _____ skill is an ability to perform specialized tasks using knowledge or expertise gained from education or experience.

- a. technical
- b. emotional
- c. social
- d. conceptual

Short Response

16. What are the key characteristics of OB as a scientific discipline?

17. Define critical thinking and describe its attributes.

18. Describe a common flaw that can complicate a person's ability to think critically.

19. When is a manager an effective leader?

Applications Essay

20. Carla, a college junior, is participating in a special "elementary education outreach" project in her local community. Along with other students from the business school, she is going to spend the day with fourth- and fifth-grade students and introduce them to the opportunities of going to college. One of her tasks is to lead a class discussion of the question, "How is the world of work changing today?" Help Carla out by creating an outline of the major points she should discuss with the students.

CHAPTER 2

OB in Context



Steve Vidler/Alamy Stock Photo

Pull together to achieve common goals

An essential pursuit in the study of organizational behavior (OB) is an understanding of why people behave as they do. But OB isn't just about people. It's about people interacting together in larger organizational contexts. To understand OB we need to think carefully about the environment, or context, in which it occurs. Consider the following example:

We see that some team members in the workplace refuse to collaborate, hesitate to share information and resources, and generally fail to support each other for team success. We conclude that this is due to the competitive nature of people and their naturally self-protective dispositions. We assume that friendly people collaborate openly, while unfriendly people do not.

But what if we considered this situation in context? Is it possible our views would change? Could the lack of collaboration be caused by, or at least influenced by, the conditions under which everyone works? If, for example, the compensation plan for sales professionals is based on a rank ordering of sales at the end of a month, wouldn't it be normal for the salespeople to compete with each other for the highest total sales volume rather than cooperate and share leads?

This example shows how the characteristics of a situation, that is the context, can change how we understand organizational behavior (OB). In this chapter we focus on the most important organizational contexts: strategy, structure and culture. These represent the *big picture* of OB.

LEARNING OBJECTIVES

At the end of this chapter you will be able to:

- **Define** organizational context and explain how it affects behavior.
- **Explain** what organizational culture is and why it is important for organizations to build strong cultures.

WHAT'S INSIDE?

- Be a Critical Thinker: Age Becomes an Issue in Job Layoffs
- Bringing OB to Life: Pixie-Dusting New Employees at Disney
- Checking Ethics in OB: Flattened into Exhaustion
- OB in the Office: Maintaining the Corporate Culture at Cousins Subs in a Time of Change
- Research Insights: Coordination in Temporary Jobs
- Worth Considering or Best Avoided? Is It Time to Make the Workplace a Fun Place?

2.1 Why Context Matters in OB

LEARNING OBJECTIVES

Define organizational context and how it affects behavior.

- Describe why organizational context matters.
- Explain why we need to know an organization's strategy.
- Identify the impact of organizational structure on organizational behavior.

When starting a new job most of us are excited about the possibilities and eager to make a contribution. We are also probably a bit tentative about what we will encounter, and anxious to get the lay of the land. Once we know how an organization operates it's a lot easier to approach a new job and coworkers in ways that enhance our potential for success. All of this involves understanding context and its effect on OB.

Why Does Context Matter?

Context matters because it shapes behavior. Think about how you act when you are alone at home versus in a social setting—at school or work or in a professional environment such as an internship or networking event. We behave differently depending on the situation. The same is true of OB. To understand behavior in organizations we need to consider how the context influences people's perceptions, motivations, emotions, and actions.

Organizational context is the characteristics of a job, organization, or work situation that affect the way people in that situation act and interact.¹ On the most basic level, context is the work unit or department a person is assigned to, consisting of managers, coworkers, peers, and subordinates. At the entry level, this is the most important context for employees: the nature of the work itself, relationships with the boss and coworkers, and the physical layout and climate or culture of the work unit, team, and organization.² As individuals move higher in organizations, the context changes, with subordinates, customers, and peers across departments adding into the mix. At the highest level, or what is often referred to as the *strategic apex*, the context changes considerably. Whereas those at lower levels are largely focused on the internal environment of the organization, the CEO and top management team are more focused on how the organization is positioned in the external environment.

Understanding context can help us to read a situation and diagnose the motivations underlying a person's behavior. Doing this well allows us to be more effective in our organizations and careers. The good news is that there are some guidelines to help us in this process. They involve understanding the role of strategy, rewards, structure and culture in OB:

- **Strategy** identifies what types of work contributions and resource allocations are important and valued in an organization.
- **Rewards** help us understand why people do what they do.
- **Structure** influences how people work together and interact within and across work units.
- **Culture** affects what it feels like to work in an organization and serves as a guidepost for expected interpersonal behavior.

Strategy: What Is Important and Valued in An Organization

Organizational strategy is the actions an organization takes to achieve long-term business goals. It represents the purpose that brings people together and is reflected in the mission,

Organizational context is comprised of characteristics of a job, organization, or work situation that affect the way people in that situation act and interact.

Organizational strategy is the mission, vision, and initiatives an organization takes to achieve long-term business goals.

2.1 Why Context Matters in OB 2-3

vision, and values of an organization. Many people miss the importance of strategy for OB. They focus on their local level and individual motivations and worldview. Doing this sets them up for disappointment when their needs are not met.

For example, the strategy of most hospitals is set by top management and focuses on keeping the hospital running efficiently and effectively. Doctors, however, live in the world of patients. They are not trained in business or attuned to strategy. Doctors can get frustrated when they clash with hospital administrators who reject their requests for new equipment or procedures focused on patients, because administrators also have to take into consideration the financial needs and *strategic priorities* of the overall healthcare system.

The bottom line is that in OB, we always need to consider how what we are doing aligns with the organization's strategy. Strategy determines the way internal resources are allocated, how the company evaluates performance, what kinds of employees are hired, how employees are trained, which behaviors are rewarded, and which are punished. Some tips for managing OB relative to strategy include:

- Pay attention to the strategic direction and priorities of the organization. These are usually listed on the company webpage and discussed in organizational communications.
- Align your work contributions with strategic priorities and organizational and work unit goals.
- Frame messaging and resource requests in the context of the strategy.
- Demonstrate initiative and be proactive in helping organizational managers recognize and address strategic threats and opportunities.

Rewards: Why People Do What They Do

Another important factor to consider is rewards. Rewards help us to understand why people do what they do. In a classic article in OB, Steven Kerr cleverly noted:

Whether dealing with monkeys, rats, or human beings, it is hardly controversial to state that most organisms seek information concerning what activities are rewarded, and then seek to do (or at least pretend to do) those things, often to the virtual exclusion of activities not rewarded.³

This is consistent with the ancient Greek concept of **hedonism** that people seek pleasure and avoid pain. In other words, people are likely to continue behaviors that are rewarded and avoid those that are punished. Just as small children can be encouraged to behave in particular ways given the prospect of a sugary treat, so too are people in organizations driven by rewards.

Hedonism states that people seek pleasure and avoid pain.

An organization's reward system is thus an essential aspect of the context in which work gets done. When trying to make sense of another person's actions or motivation, or those of ourselves, take into consideration how rewards—real or *perceived*—are driving behavior. Good questions to ask in respect to rewards in the organizational context are:

- How is success measured?
- How are individuals rewarded?
- How are incentives calculated and assigned?
- How and when are bonuses granted?
- What events are highlighted in the company newsletter, and which behaviors and activities are publicly recognized?

Be a Critical Thinker

Age Becomes an Issue in Job Layoffs



Image Source/Getty Images

Sarah and Mary work for the same company and the same manager.

Sarah is young, single, and a recent college graduate. She is hardworking, received the highest possible performance rating in the past year, and always steps forward when volunteers are needed for evening work or travel.

Mary is in her mid-forties, has two children, and a husband who is a pediatrician. Her performance is always good, at or above average during performance reviews, but she has limited time available for evening work and out-of-town travel.

If business slows down and their manager has to lay off one employee, who should it be, Sarah or Mary?

Based on recent layoffs at high profile companies, the answer is not clear. The *Wall Street Journal* reported in 2009 that younger workers tend to be at greater risk of layoffs because many employers use a “last in/first out” rule when cutting back on staff.⁴ Even though younger workers tend to earn less total compensation than their older counterparts and often receive higher performance evaluations, companies are apt to reduce staff by cutting the youngest workers.

Currently, however, the U.S. Equal Employment Opportunity Commission is investigating claims that the Intel Corporation of Santa Clara, California, targeted older workers for layoffs because of their age. According to a 2018 report in the *Wall Street Journal*, older employees have been targeted at several high tech companies including IBM.⁵

Decisions about whom to hire, reward, promote, or lay off can be very complicated, especially when managers have to balance many personal, social, and business-related concerns.

Be a Critical Thinker

Analyze Fairness To what extent should family factors play into the decision to extend or discontinue a worker’s employment? What, if any, biases would influence the manager’s decision?

Determine Significance Of all the factors that managers must take into consideration, which are the most critical? Which are least important?

Seek Depth and Relevance What factors in the organizational context are relevant? Which factors constrain the manager’s choices?

Structure: How People Work (or Don’t Work) Together

Organizational structure is the way work is organized and coordinated.

Structure is another important contextual factor in organizational behavior. **Organizational structure** is the way work is organized and coordinated. It is like the skeleton of the company, showing how work is distributed, the number and type of positions, lines of authority, and reporting relationships within and across work units.

Structure influences how people do their jobs and the way people work together in an organization. Because it specifies reporting relationships and shows how departments are positioned relative to one another, it also can provide hints or clues to power dynamics in an organization. For example, those lower in the organization will often act very differently in the presence of those who are higher up. Those with line authority over key departments will typically display more power and higher status than those in staff positions. Those working in the same department are more likely to support one another than those working in different departments.

The best way to know what a company’s structure is like is to look at its **organization chart**, the diagram depicting the formal structure of an organization. The organization chart shows the **hierarchy of authority**, meaning who reports to whom, and how departments are hierarchically aligned.

The **organization chart** is a diagram that depicts the formal structure of an organization.

Hierarchy of authority is the listing of positions of responsibility and who reports to whom.

How To Read An Organization Chart An organization chart can tell you a lot about an organization. It shows where people are in the organizational hierarchy, how big or small certain divisions or departments are, where different offices are physically located, and what titles are assigned to various positions. For example, **Figure 2.1** presents a partial organization chart for a large university. A chart like this allows employees to locate their positions in the hierarchy and to identify the lines of authority linking them with others in the organization.

2.1 Why Context Matters in OB 2-5

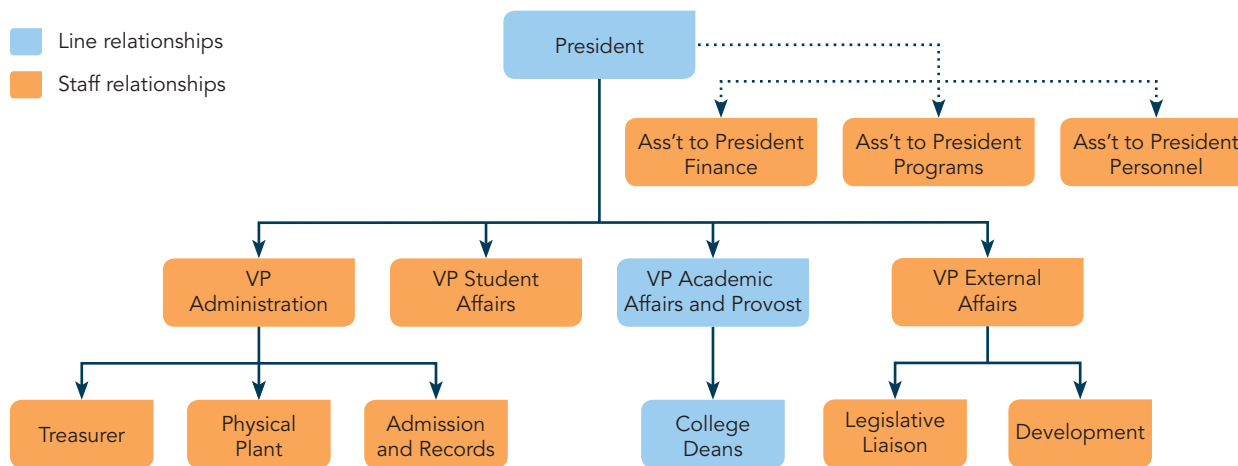


FIGURE 2.1 A partial organization chart for a state university

Line Versus Staff The organization chart tells us about line versus staff positions and units.

Line units have direct line authority for conducting the major business of the organization. You can see this in Figure 2.1 with the blue boxes. These individuals have greater decision-making authority and power. In universities this is the President or Chancellor, Provost, deans and department chairs; in business it is typically sales, operations and finance. **Staff units** provide specialized expertise and services in an advisory or support capacity to line units. Sometimes they are represented in dotted line relationships to the other parts of the organization, as shown in Figure 2.1. Other times they are support functions, like the orange boxes in Figure 2.1. In business organizations typical staff functions include accounting and human resources.

Line units and positions typically have more power and greater status in a company. They also have a greater likelihood of leading to promotion to higher level positions, especially when they have P&L (profit and loss) responsibility. Because staff units do not have direct decision-making authority they must rely instead on personal power and persuasion to get things done. At lower levels, staff positions are more easily outsourced if organizations decide to scale back or downsize, while at higher levels, those tagged as *high potentials*—meaning they have high potential for promotion to executive levels—usually rotate through staff positions to develop their personal power and relational skills.

Tall versus Flat A chart with many layers and levels of authority indicates a *tall* organizational structure; one with fewer layers from top to bottom indicates a *flat* structure. As seen in **Figure 2.2**, tall structures are typically indicative of a more bureaucratic work environment, whereas flat structures are usually more empowered work environments. Flat structures have a wider **span of control**, that is the number of individuals reporting to a manager. When spans of control are wider supervisors cannot manage in a traditional sense due to the sheer number of people. As a result, employees in these types of structures are usually more autonomous or empowered.

Centralization and Decentralization Tall and flat charts also tell us about **centralization** and **decentralization**.⁶ In tall structures decision-making authority flows up to the top. It is *centralized*, meaning important decisions are made at the top. In a flat structure decision

Line units have direct line authority for conducting the major business of the organization.

Staff units serve in an advisory capacity to line units.

Span of control is the number of individuals reporting to a manager.

Centralization is the degree to which authority to make decisions is restricted to the highest levels of management.

Decentralization is the degree to which the authority to make decisions is shared throughout the organization's hierarchy.

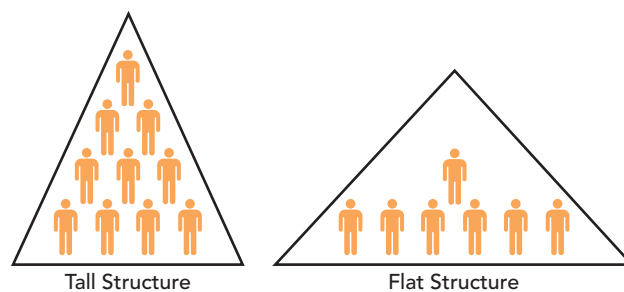


FIGURE 2.2 Tall versus flat organizational structure

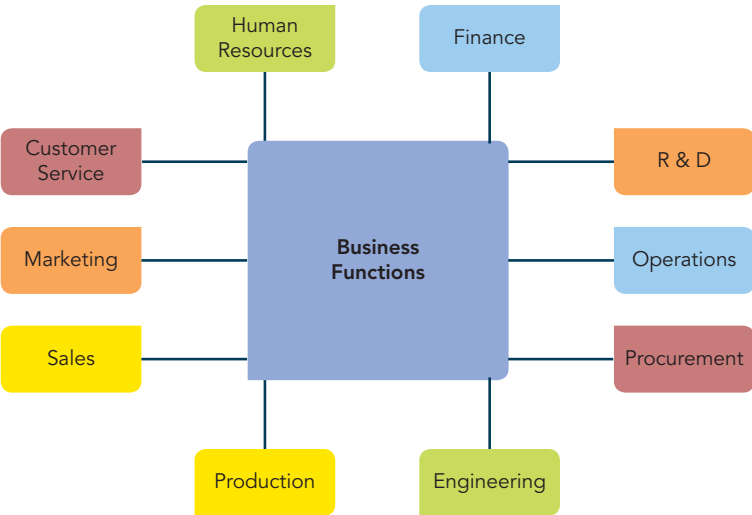


FIGURE 2.3 Sample functional departments within a business

making is *decentralized*, meaning employees at front lines are empowered to make decisions. This is because there are fewer managers and more direct reports, making it harder for supervisors to manage in the traditional sense of making all the decisions.⁷ Employees in flat structures are expected to be more proactive and involved in decision-making, while those in tall structures are expected to follow the chain of command.

Departmentalization is a division of labor that establishes specific work units or groups within an organization.

Functional departmentalization groups individuals by skills, knowledge, and action.

Divisional departmentalization groups individuals together by products, territories, services, clients, or legal entities.

Departmentalization refers to how specific work units or groups are divided and coordinated within an organization.⁸ **Functional departmentalization** means grouping individuals by skill, knowledge, and expertise (see Figure 2.3). It fosters clear assignments and responsibilities, leverages an employee’s technical training and expertise, and encourages collective knowledge and insight.⁹ Although functional departmentalization is common it can have some drawbacks. It can limit communication and knowledge sharing across functional areas, and make it harder to get a sense of the big picture, leading to more myopic decision-making.

Divisional departmentalization organizes work and people by products, territories, services, clients, or legal entities (see Figure 2.4). For example, many larger, geographically dispersed organizations that sell to national and international markets rely on departmentalization by *geography*. Organizations that rely on a few major customers may organize their people and resources by *client*. Organizations expanding internationally may also form *global* divisions to meet the demands of complex host-country ownership requirements.

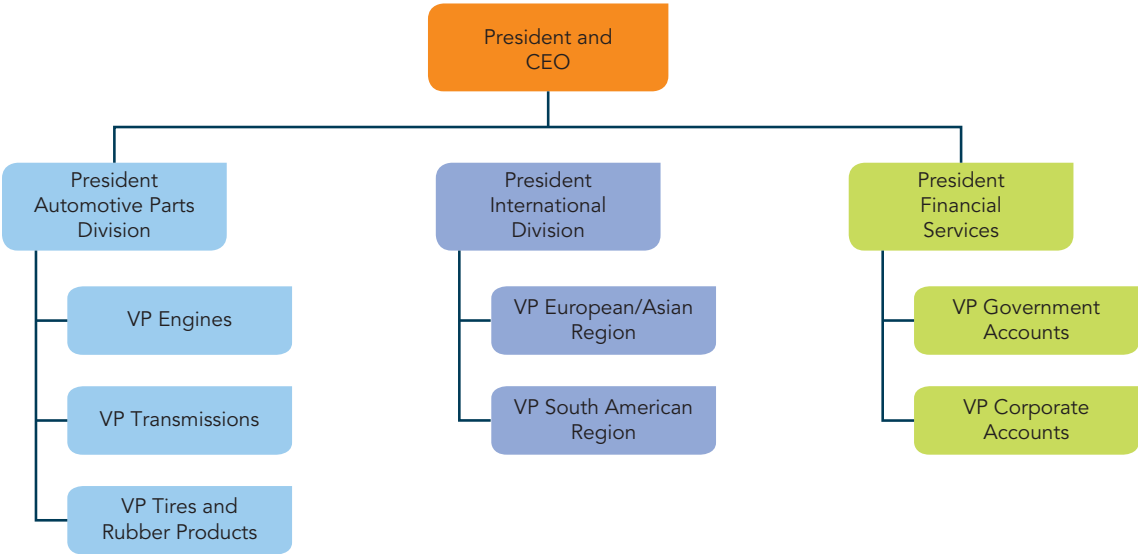


FIGURE 2.4 A divisional pattern of departmentalization in an automobile company

What Types of Structures Are There in Organizations? Organizations have different types of structures. These include mechanistic, organic and matrix structures.

Mechanistic Structure A **mechanistic structure** emphasizes hierarchy and control, stressing rules, policies, and procedures. It is the most **bureaucratic** of the structures, designed around standardized work processes and formalized mechanisms for decision making. There is often extensive use of functional departmentalization throughout the company. Henry Mintzberg uses the term *machine bureaucracy* to describe an organization structured in this manner.¹⁰ It operates like and provides benefits of a machine but requires a predictable and stable environment or else it breaks down. For example, a car is a highly efficient machine, but it requires a plentiful supply of gasoline and oil and roads to drive on or it will not operate. Examples of mechanistic structures are companies like McDonalds and other fast food franchises.

Organic Structure An **organic structure** is highly fluid and adaptable. Like an *organism*, it is designed to change in accordance with the needs of the environment. It is typically a flat organizational structure based on decentralized decision making. There are fewer functional silos, meaning that employees work in a more collaborative and horizontal, rather than vertical, manner. Organizations with this structure often have a more open workspace and more informal, rather than formal, communication. Jobs are also more fluid, with people reassigned more often based on changing work demands. Organic structures are increasingly common today due to pressures on organizations from more competitive and rapidly changing business, political and social environments. **Figure 2.5** portrays these two approaches as opposite extremes on a continuum of organizational design alternatives.

Matrix Structure A **matrix structure** uses both the functional and divisional forms of departmentalization simultaneously.¹¹ It is typical of companies that organize around projects, such as engineering or construction firms, that require adaptability to the needs of changing projects but efficiency in operating procedures and results. An example of a matrix structure is shown in **Figure 2.6**. Workers and supervisors in the middle of the matrix have two supervisors—one functional and one project manager. This can have advantages and disadvantage. Matrix structures allow for fluidity based on project needs but can be complicated for employees having two managers. Therefore, employees operating in this structure need to be careful to pay attention to the dual reporting relationships to make sure they manage the expectations and demands of each manager accordingly.

A **mechanistic structure** emphasizes hierarchy and control based on rules, policies, and procedures.

A **bureaucratic** organization is one which is highly ordered, regimented, and standardized to generate efficiency and effectiveness.

An **organic structure** is highly fluid and adaptable, designed to change in accordance with the needs of the environment.

Matrix structure uses both the functional and divisional forms simultaneously.

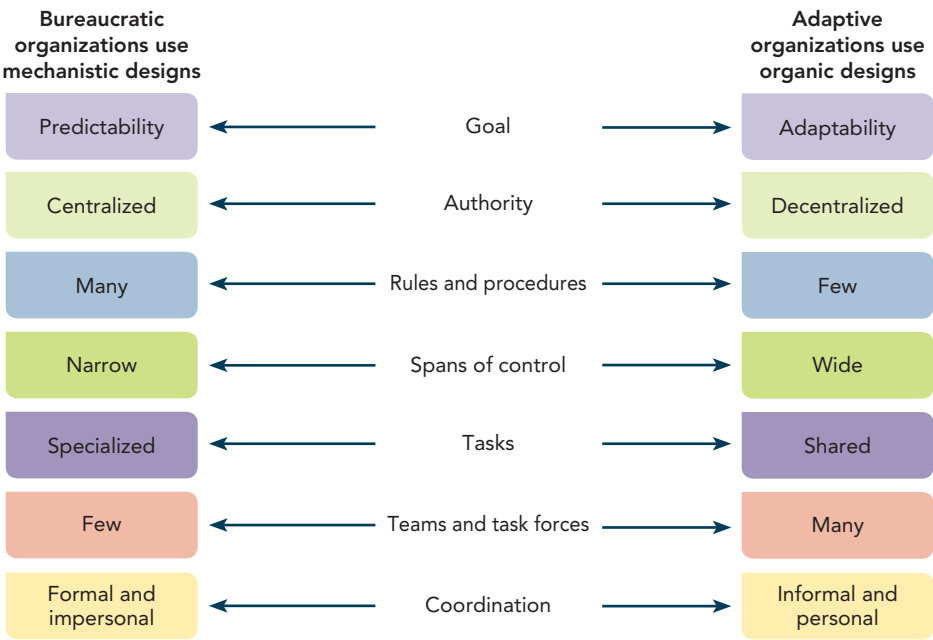


FIGURE 2.5 Organizational design alternatives: From bureaucratic to adaptive organizations

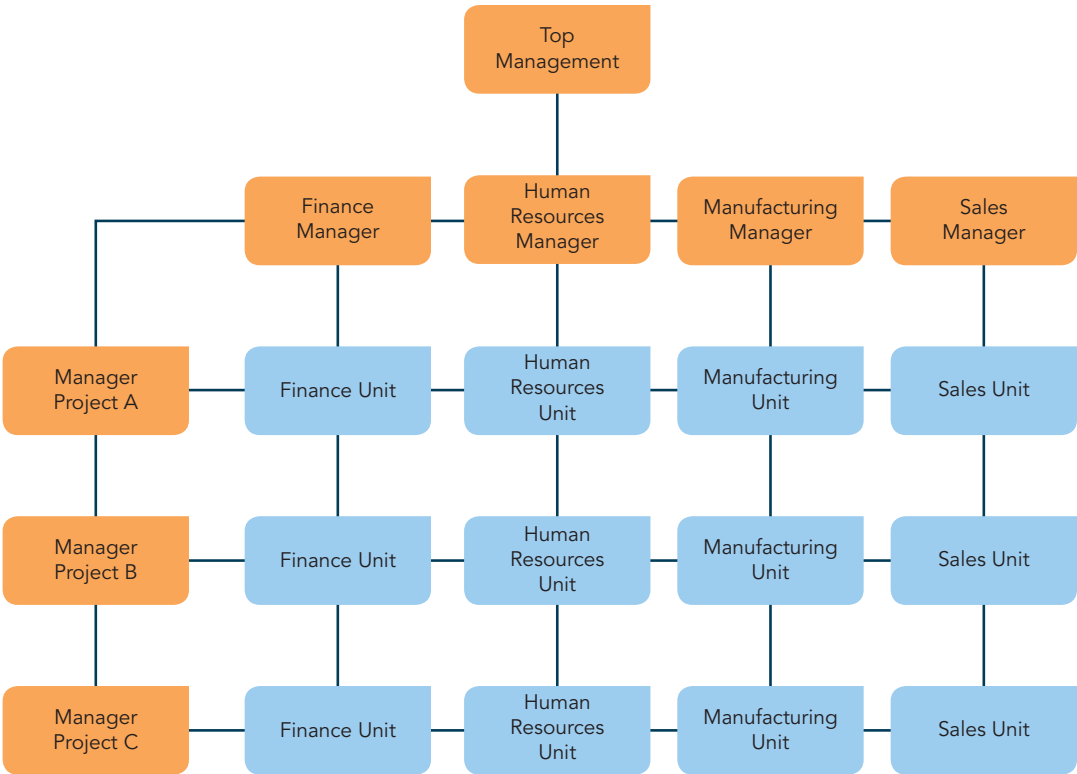


FIGURE 2.6 Illustration of a matrix structure

Research Insights

Coordination in Temporary Organizations

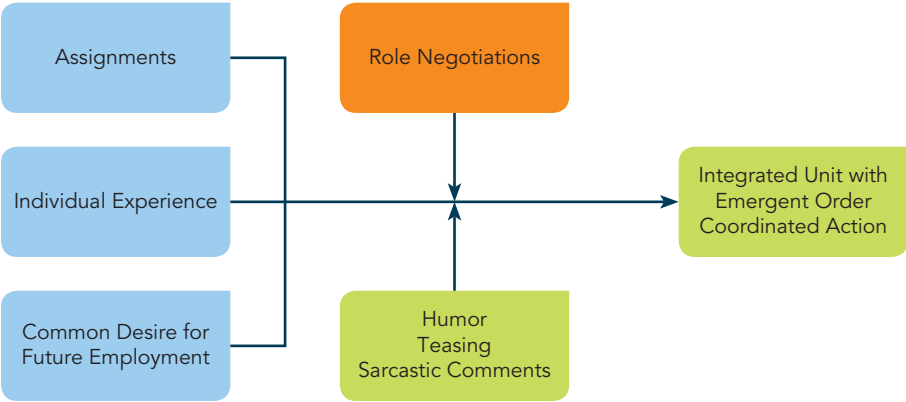
Many individuals have jobs that take them to a number of different temporary settings. Coordinating the actions of the members in these temporary arrangements is often a challenge. However, recent research by Beth Bechky offers some insight. She studied the workers on a movie set—not the actors or producer—but the crew who set up and run the equipment, shoot the movie, and make sure the sound is perfect. These individuals are generally independent contractors whose work must mesh quickly even though they have only been together a few hours.

How do they do it in the short-lived organization of a movie set? According to Bechky, they negotiate their roles with each other. Each has his or her own specialization and assignment, and these must be coordinated with all others. Although each recognizes the others' career progression (some have more experience and are looked to for help), all recognize that the current assignment is one among many they may want in the future.

Bechky found that the more experienced crew may provide enthusiastic appreciation and polite admonishing to the less experienced crew members. To enforce an emerging order and maintain coordination, many use humor, sarcasm, and teasing. Public displays of anger are rare and frowned upon. With these mechanisms

in place, it only takes a few hours for the crew to emerge as an integrated unit.¹²

To transfer the findings to a student group, try and build a simplified model of the factors mentioned in the description. It might look somewhat like this:



Do the Research

Pick a student group to perform a team case study with majors in different areas. See if the members self-assign to specialized areas based on their major. Look for variations in experience and check to see if there is a common desire for high performance. As the group starts to work on the project, observe if the members negotiate distinct roles. Do they use humor, teasing, or sarcastic comments to coalesce? Do they form an integrated group with an identified order and coordinated action?

Study Guide 2.1

- What is organizational context and why does it matter?**

 - Organizational context is the characteristics of a job, organization or work situation that affects the way people act and interact.
 - It helps us read a situation and diagnose the motivation for a person’s behavior.
- What are the major contexts of OB?**

 - Strategy is the actions an organization takes to achieve long-term business goals. It helps us know what is important and valued in organizations.
 - Rewards help us know what drives behavior. People do what they are rewarded for.
- Structure is the way work is organized. It helps us understand how people work (or don’t work) together.
 - Culture lets us know what it is like to work in an organization.
- How do we know what an organization’s structure is?**

 - We know about structure from the organization chart, which tells us about tall/flat, centralization/decentralization, departmentalization and line v. staff.
 - The most common types of structure are mechanistic, organic and matrix.
 - Mechanistic is machine-like and offers efficiency; organic is like an organism that adapts to the environment and offers flexibility; matrix combines the two to offer efficiency and flexibility.

2.2 Building Effective Organizational Cultures

LEARNING OBJECTIVES

- Explain** what culture is, know how to recognize it, and learn how to build more effective organizational cultures.
- Identify what culture is and where it comes from.
 - Know how to read the signs of organizational culture.
 - Learn how to build more effective cultures.

What makes a great workplace? To a large extent, it’s an issue of culture. An organization’s culture affects pretty much everything that happens inside—the way people engage with one another, how it feels to work there, and how happy people will be in their jobs.

If you have ever worked in a bad culture you know it’s not fun. It can be hard to go to work, and the negativity can carry over to your family and personal life. This is the reason websites like Glassdoor.com have become so popular. People know that culture matters, and they want to try to get the inside scoop of what it’s like to work for a company they agree to join the organization.

What Is Organizational Culture?

Organizational culture is the shared actions, values, and beliefs in an organization that guide the behavior of its members. Culture represents “the way we do things around here.” It helps people in organizations make sense of their surroundings by conveying the expected norms of behavior. Just as no two individual personalities are the same, no two organizational cultures are identical.

That said, there are some common cultural elements across organizations. Cultures can be serious or fun, casual or formal, flexible or rigid, and energizing or toxic. For example, tech companies tend to be more casual and informal, with relaxed dress codes, virtual work, and more flexible work hours. Banks and financial institutions, tend to be more traditional, with established work hours, professional dress, and bureaucratic work environments. We can tell what a culture is not only as an employee but also as a customer. Think about the difference when you walk into an Apple store versus a Walmart, or when you watch cable news versus public broadcasting.

Organizational culture is the shared actions, values, and beliefs in an organization that guide the behavior of its members.

Worth Considering or Best Avoided?

Is It Time to Make the Workplace a Fun Place?



lightfieldstudios/123RF

Do employees who have fun at work actually perform more successfully? Should employers build fun into daily work routines?

“Goofing off” time is considered valuable time at the online retailer Zappos.com. Employees are encouraged to take breaks and have fun at work. The company even has a “cultural evangelist,” John Walkses, whose job it is to make sure the organizational culture

continues to be happy and productive. He says, “By allowing team members to participate in non-work activities and have fun, the office keeps a positive vibe and people are much happier. Also, they don’t burn out as they are free to take time away from their duties.”

Zappos isn’t alone in its commitment to turning the workplace into a fun and interesting place for employees. At ? What If!, an innovation consulting company, PechaKucha, a presentation style in which twenty slides are shown for twenty seconds each, is used to engage employees in sharing interesting things about themselves and their activities outside of work. Presenters narrate their slide show as a way of helping coworkers get to know them better.¹³

Are organizations like Zappos and ?What If! ahead of the curve with others likely to follow? Or is this trend a fad that applies to just a few employers and work settings?

Do The Analysis

What does research say about creating a happy and productive workplace? Should managers spend time and money to remake organizational cultures so that the workplace also becomes a fun place?

Socialization is the process of learning the accepted norms or customs of the organization through formal and informal social interaction.

Strong culture is characterized by consistency of beliefs and values that align and motivate members.

Culture Influences Behavior Culture is important because it influences how people behave in organizations. Typically people gravitate to the kind of culture they like, but not always. Sometimes we don’t know what a culture is until we join an organization. We learn the culture by experiencing it. For example, one of the first things a person does when starting a new job is observe how people do things in the organization. How do they dress? When do they go to lunch? Do they go out to lunch or eat at their desks? Do they spend time talking and having fun with one another or do they focus strictly on work?

This process of watching and learning the expected norms and behaviors of the organization is called **socialization**. Being effectively socialized into a culture is a critical part of success in an organization. Socialization occurs through formal processes, such as training and orientation sessions for new employees. It also occurs informally through colleagues who explain or role model expected behaviors. Colleagues can help you answer the questions of: Should I speak up? Should I challenge others’ ideas when I disagree? How innovative (or not) should I be? What do my bosses and coworkers expect of me?

Culture Builds Collective Identity Culture works to build collective identity.¹⁴ Organizations with a clear identity are said to have a **strong culture**. They have a shared understanding regarding who organizational members are and what it means to be part of the organization.

Managers play an important role in building strong cultures by being clear about mission, vision, values and purpose. They serve as protectors of the culture when core values are questioned, and keep everyone focused when threats pull the organization off track. Despite this, strong cultures can have a downside if they cause employees to resist change. For example, General Motors’ culture was a strength of the company until deeply held beliefs caused employees to resist needed change. The result, as we now know, was the collapse of the company that led to the need for the government bailout.

How Do We Identify an Organization’s Culture?

Some aspects of organizational culture are easy to see, but not all are readily apparent. They may be buried deep in the shared experience of organizational members. In some cases, it can take years to understand the deeper aspects, or *layers*, of the organization’s culture.

Bringing OB to Life

Pixie-Dusting New Employees at Disney



Album/Alamy Stock photo

Disney is known for its strong culture. People are drawn by Walt Disney’s vision to provide a magical experience that fills customers with delight. They come from all over the world not only to visit the parks, but also to work for the company. Once new employees

arrive, they are not disappointed. In their first days of work Disney employees, known as cast members, go through an orientation program called Heritage and Traditions that socializes them into the culture of Disney.¹⁵

Heritage and Traditions steeps cast members in the history and values of the company. Consistent with their desire to join Disney in the first place, they learn that the company vision is “We Create Happiness.” Their role in this vision is to create a magical experience that makes “Guests” happy. To enact this vision they should act like the Seven Dwarves:¹⁶

- 1. Be **Happy**...make eye contact and smile!
- 2. Be like **Sneezy**...greet and welcome each and every guest. Spread the spirit of Hospitality...It’s contagious!
- 3. Don’t be **Bashful**...seek out Guest contact.
- 4. Be like **Doc**...provide immediate service recovery.
- 5. Don’t be **Grumpy**...always display appropriate body language at all times.
- 6. Be like **Sleepy**...create DREAMS and preserve the “MAGICAL” Guest experience.
- 7. Don’t be **Dopey**...thank each and every Guest!

Through this “pixie dusting” of all new cast members, Disney ensures that everyone starts off on the same page in working together toward the company mission and vision. It is this socialization and strong culture that contributes to the company’s ongoing success.

Layers of culture can be described as an *iceberg*: What is visible to the eye dwarfs in comparison to what lies below the surface. While you might be able to see some aspects of culture from outside the organization or in the hiring process, you will only really learn about a company’s culture from being on the inside and experiencing it.

Layers of Cultural Analysis Figure 2.7 illustrates the observable aspects of culture, shared values, and underlying assumptions as three layers.¹⁷ The first layer is **observable culture**, or “the way we do things around here.” The observable culture includes stories, ceremonies, and corporate rituals that make up the history of the company or a group within the company. Some of these may be observed directly in day-to-day practices. Others may have to be discovered by listening to stories, observing behaviors, and asking others to explain what is happening around them.¹⁸

Observable culture is the way things are done in the organization.

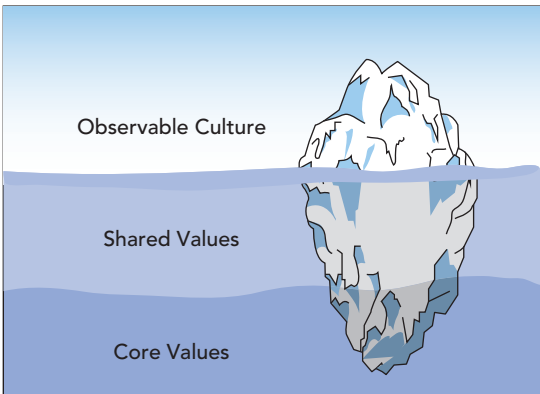


FIGURE 2.7 Three levels of analysis in studying organizational culture

2-12 CHAPTER 2 OB in Context

Shared values are the commonly held beliefs about what are the important and right things to do.

Core values are the taken-for-granted truths that collections of corporate members share as a result of their joint experience.

Subcultures are groups of individuals who exhibit a unique pattern of values and a philosophy that is consistent with the organization's dominant values and norms.

Countercultures are groups whose patterns of values and philosophies reject those of the larger organization or social system.

The second layer recognizes that **shared values** can play a critical part in linking together people and can provide a powerful motivational mechanism for members of the culture. Many consultants suggest that organizations should develop a “dominant and coherent set of shared values.”¹⁹ The term *shared* in cultural analysis implies that the group is a whole. Not every member of an organization may agree with the shared values, but they will continue to be exposed to them.

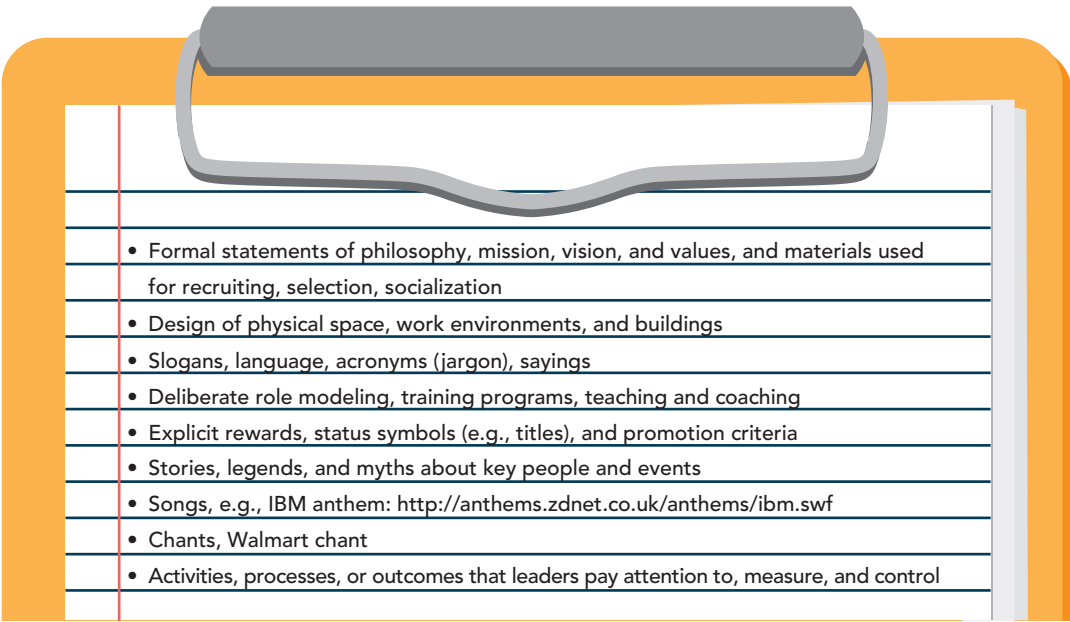
The deepest layer is **core values**, or common cultural assumptions. These are the taken-for-granted truths that collections of organizational members share as a result of their joint experience. Core values of religious organizations lie in spiritual beliefs; core values of nonprofits align with the desire to do good; core values of business organizations involve making a profit. But *how* they do that is what emanates in culture. For example, does making a profit mean making money without consideration of societal cost or impact? Does focusing on spiritual beliefs lead to exclusion of others? Sometimes it can be difficult to know how an organization truly lives its core values until you are deeply embedded within it.

Subcultures and Countercultures Larger organizations do not have just one culture. They also have subcultures and countercultures.²⁰

Subcultures exhibit distinctive patterns of behavior and a philosophy that is consistent with the organization's dominant values and norms.²¹ You can see them if you work in different functional units in an organization. For example, in organizations, functional areas often have different subcultures, such as the differences between engineering, IT, finance, and sales departments. The key to it being a subculture is that its values do not clash with those of the larger organization.

Countercultures reject the beliefs and values of the larger organization or social system.²² Countercultures work against organizational purpose, and can be damaging if not addressed. An example is Steve Jobs hanging a pirate flag outside the building at Apple when he disagreed with CEO Gil Amelio's new direction for the company.²³

Reading Signs of Culture Culture manifests in shared things (objects), sayings (talk), doings (behavior), and feelings (emotion). Learning about organizational culture, then, means training yourself to read signs of culture. Some of these are listed in **Figure 2.8**. You can identify these signs of culture by asking, observing, feeling, and listening to others.



• Formal statements of philosophy, mission, vision, and values, and materials used for recruiting, selection, socialization
• Design of physical space, work environments, and buildings
• Slogans, language, acronyms (jargon), sayings
• Deliberate role modeling, training programs, teaching and coaching
• Explicit rewards, status symbols (e.g., titles), and promotion criteria
• Stories, legends, and myths about key people and events
• Songs, e.g., IBM anthem: http://anthems.zdnet.co.uk/anthems/ibm.swf
• Chants, Walmart chant
• Activities, processes, or outcomes that leaders pay attention to, measure, and control

FIGURE 2.8 Reading signs of culture

Founding Story A culture-related story you may hear about organizations is the founding story. It can provide lessons from the so-called heroic efforts of an embattled entrepreneur whose vision still guides the company. The founding story may be so embellished that it becomes a **saga**—a heroic account of accomplishments and overcoming epic challenges. The story of Steve Jobs at Apple is a saga.²⁴ Rarely is the founding story totally accurate, and it could gloss over some of the more negative aspects of the founders. For example, the founding story of Mark Zuckerberg at Facebook leaves out the detail that Facebook started as a “Hot or Not” tool to rate the physical attractiveness of students at Harvard.

Sagas are embellished heroic accounts of accomplishments and overcoming epic challenges.

Myths A key aspect of shared common assumptions involves organizational myths. **Organizational myths** are unproven and frequently unstated beliefs that are accepted without criticism. Often corporate mythology focuses on cause-effect relationships and assertions by senior management that cannot be empirically supported.²⁵ Although some may scoff at organizational myths and want to see rational analysis replace mythology, companies can benefit from managerial myths.²⁶ Myths can allow executives to redefine impossible problems into more manageable components, and facilitate experimentation and creativity.

Organizational myths are unproven and frequently unstated beliefs that are accepted without criticism.

Rites and Rituals Other signs of organizational culture are rites and rituals.²⁷ **Rites** are standardized and recurring activities that are used at special times to influence the behaviors and understanding of organizational members. **Rituals** are systems of rites. Rituals and rites may be unique to particular groups within the organization.

Rites are standardized and recurring activities that are used at special times to influence the behaviors and understanding of organizational members.

Think about organizations you belong to on campus. What rites and rituals do they have that convey their unique culture? These are easy to see in Greek organizations, or in the difference in rites and rituals of the business school versus other schools on campus.

Rituals are systems of rites.

Symbols **Symbols** are artifacts, objects, acts, or events that serve to transmit cultural meaning. Symbols can be logos, meetings such as shareholder meetings, or uniforms worn by employees. They can also be honors or awards, or pins or stickers used to identify different groups or affiliations.

A **symbol** is an artifact, object, act, or event that serves to transmit cultural meaning.

OB in the Office

Maintaining the Corporate Culture at Cousins Subs in a Time of Change



As the second generation to head Cousins Subs, Christine Specht stresses the importance of culture. She makes it perfectly clear that her focus is on the key attributes of the organization founded by her father and his cousin.

Specht notes, “As a family-owned business, Cousins is founded on its commitment to serve others and treat everyone as family. It’s important that we stay true to who we are, both in our history and foundation of Cousins. We must never lose sight of our legacy and the principles that Bill and Jim established for our company.”²⁸

For Christine Specht, it is imperative to continue the cultural traditions of Cousins while at the same time making sure the company is new, vital, and viable. When Specht unveiled a new logo and restaurant design for Cousins Subs, she explained that it was a great time to evolve the company’s look with a logo that, while fresh and modern, incorporated the pride of her family heritage and shared the story of Cousins Subs with its loyal patrons.

Although Specht emphasizes tradition at Cousins, she also looks to the future. When she first became president of the organization, she visited all of the franchise operations. Based on this experience, she reorganized the central office operations. The visits helped build trust, and as the economy entered the recession, the new central office operations were instrumental in reducing costs for all the franchise holders. These changes also led to a major re-brand of the company and a revamped training program for those who own, or want to own, a Cousins franchise.²⁹

Since becoming president, Specht continues to focus on the cornerstone of the brand: “Better Bread. Better Subs.” It is as true today as it was 30 years ago when cousins Bill Specht and Jim Sheppard started the company. The cousins worked with a local baker to create a unique recipe for their bread that is still baked fresh several times a day in every Cousins’ store.

How Do We Build Strong Cultures?

Strong cultures provide positive workplaces for employees, a unified direction toward mission and vision, and flexibility to adapt.

Organizations with **strong cultures** possess a broad and deeply shared value system.³⁰ These shared values offer strong corporate identity and collective commitment. Effective cultures provide positive workplaces for employees, a unified direction toward mission and vision, and flexibility to adapt. They are built by leaders, with some of the strongest cultures coming from extraordinary founders such as Sam Walton (Walmart), Walt Disney (Disney World) or Steve Jobs (Apple). Strong and effective cultures are so rare that they are often considered a competitive advantage for an organization.

Culture Leaders and Role Models Managers establish and maintain effective cultures by protecting and promoting core values, treating employees with respect, reinforcing ethical standards, and designing and implementing effective reward systems. In particular, they:³¹

- Develop a widely shared understanding of what the organization stands for through communication and messaging.
- Demonstrate concern for individuals over rules, policies, procedures, and adherence to job duties.
- Recognize and reward actions that illustrate the company’s shared philosophy and concerns.
- Use ritual and ceremony as important to members and to build a common identity.
- Instill a belief that what employees and managers do is important and that information and ideas should be shared.

Checking Ethics in OB

Flattened into Exhaustion



PeopleImages/E+/Getty Images

Dear Stress Doctor:

My boss has come up with this great idea of cutting some supervisor positions, assigning more workers to those of us who remain, and calling us “coaches” instead of supervisors. She says this is all part of a new management approach to operate with a flatter, more organic, structure and more empowerment.

For me this means a lot more work coordinating the activities of seventeen operators instead of the six that I previously supervised. I can’t get everything cleaned up on my desk most days, and I end up taking a lot of paperwork home.

As my organization “restructures” and cuts back staff, it puts a greater burden on those of us who remain. We get exhausted,

and our families get shortchanged and even angry. I even feel guilty now taking time to watch my daughter play soccer on Saturday mornings. Sure, there’s some decent pay involved, but that doesn’t make up for the heavy price I’m paying in terms of lost family times.

But you know what? My boss doesn’t get it. I never hear her ask “Henry, are you working too much? Don’t you think it’s time to get back on a reasonable schedule?” No! What I often hear instead is “Look at Andy. He handles our new management model really well, and he’s a real go-getter. I don’t think he’s been out of here one night this week before eight p.m.”

What am I to do, just keep it up until everything falls apart one day? Is a flatter structure with fewer managers always best? Am I missing something in regard to this “new management?”

Sincerely,
Overworked in Cincinnati

Get the Ethics Straight

Is it ethical to restructure, cut management levels, and expect the remaining managers to do more work? Or is it simply the case that managers used to the old ways of doing things need extra training and care while learning new management approaches? And what about this person’s boss—is she on track with her management skills? Aren’t managers supposed to help people understand their jobs, set priorities, and fulfill them, while still maintaining a reasonable work–life balance?

One of the biggest threats to culture comes from a mismatch between what leaders say and how they actually behave. In organizations, people refer to this as the failure to *walk the talk*. It represents the difference between *espoused* values and *enacted* values. **Espoused values** are the explicitly stated values and norms preferred by an organization (e.g., core values and guiding principles). Often these are experienced as the “writing on the wall” because many companies literally post their values in signs on the wall around the building(s). **Enacted values** represent the values and norms that are practiced. The difference between the two is captured in the expression, “Do as I say, not as I do.”

One of the fastest ways to destroy a culture is to treat employees badly. Bad treatment leads to poor morale, which saps energy and drains the life out of an organization. If people feel they are not valued or respected, they will stop bringing their full selves to work. It won’t take long for employees to start leaving the organization. It won’t take long for turnover to set in, and the first to leave is typically the best employees. They are marketable and can easily get another job. If this goes on too long the company can get into real trouble. Effective culture managers thus focus on treating employees with respect and building strong cultures based on motivating, fair, and meaningful reward systems.

Espoused values are the explicitly stated values and norms that are preferred by an organization.

Enacted values represent the values and norms that are practiced.

Study Guide 2.2

What is organizational culture?

- Organizational culture is the shared actions, values, and beliefs in an organization that guide the behavior of its members.
- Employees learn culture through socialization, which occurs through interpersonal interactions and helps people in organizations learn the expected norms and behaviors of the organization.
- Culture builds a collective identity that helps people understand who is a group member, what behavior is acceptable, and who is a friend.
- A strong culture aligns and motivates everyone toward shared needs and goals.
- Subcultures are groups of individuals who exhibit a unique pattern of values and a philosophy that is consistent with the organization’s dominant values and norms, while countercultures are groups whose patterns of values and philosophies reject those of the larger organization.

make up the history of the company; shared values that link people together; and common cultural assumptions, or core values—the deeply held beliefs that members of an organization share.

How do we build more effective cultures?

- Effective cultures are often strong cultures that provide positive workplaces for employees, a unified direction toward mission and vision, and flexibility to adapt.
- The biggest determinant of organizational culture is its leadership.
- Leaders, including those at lower levels, can influence what it feels like to work in the organization, in positive or negative ways, by influencing organization climate, which is the perceived work environment that affects employee motivation, morale, and productivity.
- To build and maintain an effective corporate culture, what leaders do must match what they say.
- Effective culture managers treat their employees with respect, reinforce ethical standards, and design effective reward systems.

How do we know what an organization’s culture is?

- The culture of an organization has several layers: observable culture—the unique stories, ceremonies, and corporate rituals that

Self-Test Chapter 2

Multiple Choice

1. _____ is(are) comprised of characteristics of a job, organization, or work situation that affects the way people in that situation act and interact.
- a. Organizational strategy b. Organizational context
c. Organizational charts d. Organizational design
2. Which of the following statements is NOT true?
- a. All companies compete and have a competitive strategy.
b. Organizational strategy informs context.
c. Organizational strategy informs the company’s external decisions but not its internal decisions.

- d. Organizational strategy is a compilation of plans the company has in order to meet its goals.
3. When decision authority is allocated amongst top managers only and there is little delegation of authority, the organization is highly _____.
- a. organized b. centralized
c. decentralized d. departmentalized
4. The division of labor through the formation of work units or groups within an organization is called _____.
- a. control b. vertical specialization
c. horizontal specialization d. coordination

2-16 CHAPTER 2 OB in Context

5. _____ is the set of mechanisms used in an organization to link the actions of its subunits into a consistent pattern.

- a. Departmentation
- b. Coordination
- c. Control
- d. Formal authority

6. Grouping resources into departments by skill, knowledge, and action is the _____ pattern.

- a. functional
- b. divisional
- c. vertical
- d. matrix

7. Grouping individuals and resources in the organization around products, services, clients, territories, or legal entities is an example of _____ specialization.

- a. divisional
- b. functional
- c. matrix
- d. mixed form

8. A matrix structure _____.

- a. reinforces unity of command
- b. is inexpensive
- c. is easy to explain to employees
- d. gives some employees two bosses
- e. yields a minimum of organizational politics

9. Compared to the machine bureaucracy (mechanistic type), the professional bureaucracy _____.

- a. is more efficient for routine operations
- b. has more vertical specialization and control
- c. is larger
- d. has more horizontal specialization and coordination mechanism
- e. is smaller

10. _____ is excessive regulation or rigid conformity that slows down or prevents action and delays decision-making.

- a. Centralization
- b. Red tape
- c. Departmentalization
- d. Organizational Context

11. The design of the organization needs to be adjusted to all but _____.

- a. the environment of the company
- b. the strategy of the company
- c. the size of the company

- d. the operations and information technology of the company
- e. the personnel to be hired by the company

12. The formal structures of organizations may be shown in a(n) _____.

- a. environmental diagram
- b. organization chart
- c. horizontal diagram
- d. matrix depiction
- e. labor assignment chart

13. Groups whose pattern of values outwardly rejects those of the larger organization are _____.

- a. subcultures
- b. cultural lag
- c. countercultures
- d. bureaucracies

14. Groups with unique patterns of values and philosophies that are consistent with the dominant organizational culture are called _____.

- a. subcultures
- b. cultural lag
- c. countercultures
- d. bureaucracies

15. _____ values are the explicitly stated values and norms preferred by an organization.

- a. Espoused
- b. Enacted
- c. Organizational
- d. Department

Short Response

16. Describe the matrix form of departmentation and list some of the reasons why companies would want to utilize it.

17. Explain why a large company could not use a simple structure.

18. Give an example of how the cultural rules and roles affect the atmosphere in a college classroom. Provide specific examples from your own perspective.

19. What are the three layers of cultural analysis, and what do they tell us about an organization?

Applications Essay

20. Describe some of the side effects of organizational controls in a large mechanistically structured organization such as the U.S. Postal Service.

CHAPTER 3

Individual Differences



Strauss/Curtis/Radius Images/Getty Images

Appreciation opens doors to opportunity

Working well with others depends on the ability to understand and explain why people behave as they do. While some traits and values are common among all people, each person we meet and work with is unique, with different goals, aspirations, and preferences. When people come into a group or organization, they bring their whole selves with them—including family history, personal values, fears, aspirations, and life experiences. We call these unique personal characteristics **individual differences**, and they represent the ways in which people are similar and dissimilar to one another.

Understanding individual differences helps us explain why people act and behave as they do and—if we are attentive—allows us to adapt our behavior to fit with the needs, interests, and work styles of our colleagues. If individual differences are discounted or disrespected, it can be difficult for people to engage one another in healthy and productive social relationships, teams, and organizations.

In this chapter, we focus on individual differences in respect to personality and values. Our goal is to help you understand key behavioral, social, and cognitive traits, personal and cultural values, and self-identity as they relate to others and yourself. We anticipate that a robust understanding of individual differences will enhance your personal and professional relationships and help you be more confident when dealing with people in all walks of life.

LEARNING OBJECTIVES

At the end of this chapter you will be able to:

- **Analyze** individual differences and explain how they affect behavior in the workplace.
- **Identify** what values are and why they matter in OB.

WHAT'S INSIDE?

- Be a Critical Thinker: Three Identical Strangers
- Bringing OB to Life: How Do Values Differ Across Cultures? A Look at Vacation Habits Around the World
- Checking Ethics in OB: Personality Testing
- OB in the Office: How to Deal with an Authoritarian Boss
- OB in the Office: Connecting Your Personal Values With Your Workplace
- Research Insights: Twin Studies: Nature or Nurture?
- Worth Considering or Best Avoided: When Students Share Assignments, Is It Collaborating or Cheating?

3-2 CHAPTER 3 Individual Differences

3.1 Personality

LEARNING OBJECTIVES

Individual differences are the ways in which people are similar and dissimilar in their personal characteristics.

Personality is the overall combination of characteristics that capture the unique nature of a person as that person reacts to and interacts with others.

Personality traits are enduring characteristics describing an individual's behavior.

Analyze individual differences and explain how they affect behavior in the workplace.

- Describe personality relative to nature and nurture.
- Explain what behavioral and social traits are and how they affect behavior.
- Overview personal conception and cognitive traits and their impact in OB.

The term **personality** encompasses the combination of individual characteristics and traits that describe the way a person thinks, behaves, experiences emotion, and interacts with others. Think of yourself and of your family and friends. A key part of how you engage with others depends on your **personality traits**—the enduring characteristics that describe a person's behavior.

Consider this: If a friend of yours tends to be sensitive to the opinion of others, would you interact with that person differently than you would with a friend or family member who likes to joke around? If one of your friends has a strong preference for order, structure, process, and certainty, would you expect that preference to affect the way he works with others? Would that preference affect what he expects of others and how he evaluates the success of a project?

We are all wonderfully diverse, and the most effective person among us knows how to embrace that diversity and capitalize on it. Whereas you may naturally approach and interpret situations in one way, a very close friend or colleague approaches the same situation quite differently. One perspective is not more appropriate than the other, and we can easily see how dynamics between people might change depending on how one thinks about personality in the workplace.

Nature or Nurture?

What determines the development of the self? How, for example, can we explain one's energy, enthusiasm, or political perspectives? Perhaps you have heard some say, "She acts just like her mother," or "The apple doesn't fall far from the tree," or "Bobby is the way he is because of the way he was raised." These statements illustrate the nature versus nurture controversy: Are we the way we are because of *heredity*—our genetic endowments? Or because of *environment*—the cultural places and situations in which we were raised?

In reality, these two forces act in combination, with heredity setting the limits and likely nature of our growth, and environment enhancing or hindering development along the way.¹

Are Personalities Stable?

Personalities count in relationships; there's no doubt about that. So, here's the big question: Can personalities change?

A very interesting stream of research examines the stability of personality during the course of people's lives.² If we observe a teenager who is outgoing and achievement-oriented, what might we expect to see when that person is an adult? If we identify traits in young children, can we then predict how those children are likely to behave as adults?

It turns out that behavioral and social traits are indeed formed at an early age and remain quite stable over time.³ Take a look at **Figure 3.1**. It shows that childhood (~8 years old) and early adult (~25 years old) personalities are pretty similar (i.e., correlation = .51), and so are personalities at middle (~40 years old) to late adulthood (~65 years old) (i.e., correlation = .56). In addition, your personality in early adulthood is not likely to differ when you reach middle adulthood (i.e., correlation = .70).⁴ This is important information to know because it tells us

Research Insights

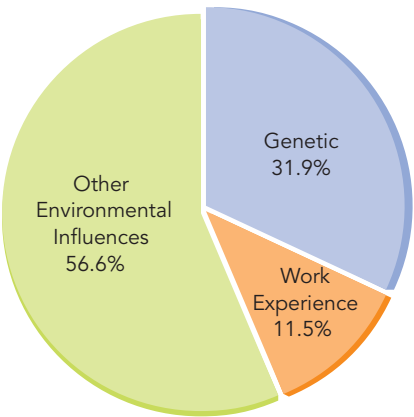
Twin Studies: Nature or Nurture?

There is a long-standing question in the study of individual differences: How much of who we are is determined by nature and how much by nurture? Research findings are beginning to provide fascinating insights into this question by investigating samples of identical and fraternal twins. Before you read on, take a guess at an answer to the following question: In thinking about leadership, what portion of one’s leadership capacity is determined by nature, and what portion by nurture?

This question is being investigated in a research program by Rich Arvey and colleagues. Using a sample of 178 fraternal and 214 identical female twins, he and his research team estimated the extent to which one’s leadership role could be attributed to genetic factors. Their sample came from the Minnesota Twin Registry—a registry of twins born in the state between 1936 and 1951 who had been reared together during childhood. Surveys were sent to the twins with measures assessing their history of holding leadership roles (i.e., leadership role occupancy) and an assessment of developmental life experiences, including family and work experiences.

In an earlier study of male twins, Arvey and colleagues estimated that about 30 percent of leadership capacity was due to genetics.⁵ The results for the female twins showed the same pattern—32 percent of variance in leadership role occupancy was associated with heritability. Family experience and work experience were also related to leadership role occupancy although, not

surprisingly, experiences at work are more important than family experiences in shaping leadership development. The findings are important because they indicate that developmental experiences can help both men and women move into leadership roles.



Do the Research

How close was your guess? Do these findings correspond with what you see in your own families (e.g., with brothers and sisters or with parents and children)? How would you test the question of nature versus nurture?

that, regardless of our intentions or aspirations, the instinctive behavioral and social traits of people we work with are not things we can do a lot about.

Therefore, when working with others, the goal should be understanding their individual differences and adapting constructively, rather than trying to change their personalities. As Marcus Buckingham of the Gallup Organization concluded after a comprehensive study of over 80,000 managers around the world: “People don’t change that much, so don’t try to put in what was left out, try to draw out what was left in.”⁶

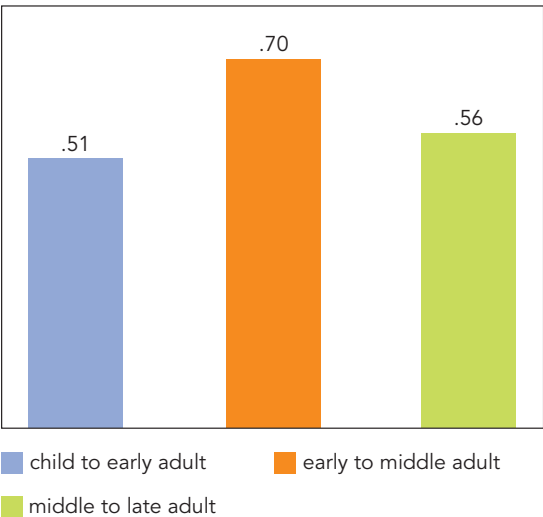


FIGURE 3.1 Stability of personality at different ages

Be a Critical Thinker

Three Identical Strangers



Everett Collection Inc/Alamy Stock Photo

Three Identical Strangers is the story of identical triplet brothers in New York state who were separated at birth but reconnected 19 years later by an extraordinary series of coincidences. Even though they were raised in very different circumstances, when the three young men came together they demonstrated surprising similarities in their behaviors, interests, and preferences. For example, all three brothers smoked the same brand of cigarettes, had been part of their high school wrestling teams, drove similar cars, and

liked the same kind of music. All this despite the fact that each had a very different adoptive father: one was strict, stern, and demanding; another was cheerful, fun-loving, and emotive; and the third was largely absent in the boy's life.

The three men became a national sensation in the 1980s, appearing on dozens of television shows and in a popular movie starring Madonna (*Desperately Seeking Susan*). Many scientists and doctors used the brothers as evidence of how the role of genetics in shaping behavior and psychological preferences, and in particular, how personality is stable over time and nature is often more powerful than nurture.

The story highlights the complexity in understanding how personality is formed and nurtured over time. As the documentary portrays, each boy seemed to be meaningfully affected by his respective father's behavior—sometimes with troubling consequences—yet despite this, powerful similarities continued to shine through.

Be a Critical Thinker

Use Logic Do scientists' conclusions about the power of genetics make sense? In what ways might they be incorrect?

Seek Depth Besides genetics, why else might the brothers report similarities?

Determine Significance How can we determine whether and how nature and nurture interact in this case?

Behavioral and social traits reflect how a person appears when interacting with others in social settings.

What Are Behavioral and Social Traits?

Behavioral and social traits reflect how a person appears when interacting with others in both social and professional settings. We can identify these traits by observing the way people act and interact with others. For example, you may know people who are very talkative, outgoing, energetic, and comfortable with strangers and enjoy meeting new people. These observable activities are reflective of a behavioral and social trait (extraversion).

Though there are numerous frameworks for categorizing personality traits, the one most commonly used in OB is the "Big Five." The Big Five has been validated through hundreds of studies that describe the effects of personality on attitudes and behaviors in the workplace.⁷ It shows, for example, that extraverts tend to be happier than introverts in their lives overall; highly conscientious people tend to take fewer personal risks; and those who are especially open to experience are more creative.

Extraversion Someone who is outgoing, sociable, energetic, and assertive has a high degree of extraversion. An introvert, on the other hand, is more contemplative and thoughtful and is usually more reserved in social settings. Because they tend to be especially assertive, people who are highly extraverted are more likely to emerge as leaders of informal groups and are natural fits for jobs in customer service, public relations, and sales.