

Organizational Behavior

Improving Performance and
Commitment in the Workplace

Seventh Edition

JASON A. COLQUITT

University of Notre Dame

JEFFERY A. LEPINE

Arizona State University

MICHAEL J. WESSON

Auburn University

**Mc
Graw
Hill**



ORGANIZATIONAL BEHAVIOR: IMPROVING PERFORMANCE AND COMMITMENT IN THE WORKPLACE, SEVENTH EDITION

Published by McGraw-Hill Education, 2 Penn Plaza, New York, NY 10121. Copyright © 2021 by McGraw-Hill Education. All rights reserved. Printed in the United States of America. Previous editions © 2019, 2017, and 2015. No part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written consent of McGraw-Hill Education, including, but not limited to, in any network or other electronic storage or transmission, or broadcast for distance learning.

Some ancillaries, including electronic and print components, may not be available to customers outside the United States.

This book is printed on acid-free paper.

1 2 3 4 5 6 7 8 9 LWI 24 23 22 21 20

ISBN 978-1-260-26155-4 (bound edition)

MHID 1-260-26155-7 (bound edition)

ISBN 978-1-260-51121-5 (loose-leaf edition)

MHID 1-260-51121-9 (loose-leaf edition)

Portfolio Manager: *Michael Ablassmeir*

Product Development Manager: *Kelly Delso*

Senior Product Developer: *Kelly I. Pekelder*

Product Coordinator: *Allison Marker*

Executive Marketing Manager: *Debbie Clare*

Content Project Managers: *Melissa M. Leick, Keri Johnson, Karen Jozefowicz*

Buyer: *Laura Fuller*

Design: *Egzon Shaqiri*

Content Licensing Specialist: *Shawntel Schmitt*

Cover Image: *Zabotnova Inna/Shutterstock*

Compositor: *SPi Global*

All credits appearing on page or at the end of the book are considered to be an extension of the copyright page.

Library of Congress Cataloging-in-Publication Data

Names: Colquitt, Jason, author. | LePine, Jeffery A., author. | Wesson, Michael J., author.

Title: Organizational behavior : improving performance and commitment in the workplace / Jason A. Colquitt, University of Notre Dame, Jeffery A.

LePine, Arizona State University, Michael J. Wesson, Auburn University.

Description: Seventh edition. | New York, NY : McGraw-Hill Education, [2021] | Includes bibliographical references and index.

Identifiers: LCCN 2019050145 | ISBN 9781260261554 (hardcover) | ISBN 9781260511253 (ebook)

Subjects: LCSH: Organizational behavior. | Personnel management. |

Strategic planning. | Consumer satisfaction. | Job satisfaction.

Classification: LCC HD58.7 .C6255 2021 | DDC 658.3—dc23

LC record available at <https://lccn.loc.gov/2019050145>

The Internet addresses listed in the text were accurate at the time of publication. The inclusion of a website does not indicate an endorsement by the authors or McGraw-Hill Education, and McGraw-Hill Education does not guarantee the accuracy of the information presented at these sites.

mheducation.com/highered



Dedication

To Catherine, for being my companion in life's adventures. And for Cameron, Riley, and Connor, for supplying many of the most meaningful moments of those adventures.

-J.A.C.

To Marcie, Izzy, and Eli, who support me and fill my life with meaning and joy.

-J.A.L.

To Liesl and Dylan: Their support in all I do is incomparable. They are my life and I love them both. To my parents: They provide a foundation that never wavers.

-M.J.W.

About the Authors



©Wright Photography

JASON A. COLQUITT

Jason A. Colquitt is an Eminent Scholar in the Department of Management & Organizations at the University of Notre Dame's Mendoza College of Business. He previously taught at the University of Georgia and the University of Florida. He received his PhD in management from Michigan State University and earned his BS in psychology from Indiana University. He has taught organizational behavior and human resource management at the undergraduate, master's, and executive levels and has also taught research methods at the doctoral level. He has received awards for teaching excellence at the undergraduate, master's, and executive levels.

Jason's research interests include organizational justice, trust, and personality. He has published more than 40 articles on these and other topics in *Academy of Management Journal*, *Academy of Management Review*, *Journal of Applied Psychology*, *Organizational Behavior and Human Decision Processes*, and *Personnel Psychology*. He served as editor-in-chief for *Academy of Management Journal* and has served on a number of editorial boards, including *Academy of Management Journal*, *Academy of Management Review*, *Administrative Science Quarterly*, *Journal of Applied Psychology*, *Organizational Behavior and Human Decision Processes*, and *Personnel Psychology*. He is a recipient of the Society for Industrial and Organizational Psychology's Distinguished Early Career Contributions Award and the Cummings Scholar Award for early to mid-career achievement, sponsored by the Organizational Behavior division of the Academy of Management.

Jason enjoys spending time with his wife, Catherine, and three sons, Cameron, Riley, and Connor. His hobbies include playing basketball, playing the trumpet, watching movies, and taking long walks with his family.



Courtesy of Jeffery A. LePine

JEFFERY A. LEPINE

Jeffery A. LePine is the PetSmart Chair in Leadership in the Department of Management at Arizona State University's W.P. Carey School of Business. He received his PhD in organizational behavior from the Eli Broad Graduate School of Management at Michigan State University. He also earned an MS in management from Florida State University and a BS in finance from the University of Connecticut. He has taught organizational behavior, human resource management, and management of groups and teams at the undergraduate and graduate levels. He has also delivered courses to doctoral students in research methods, meta-analysis, scale development, organizational behavior, and human resource management. He received the Outstanding Doctoral Professor Award from the W.P. Carey School of Business for his teaching and mentoring of doctoral students and his work as PhD program director.

Jeff's research interests include team functioning and effectiveness, individual and team adaptation, citizenship behavior, voice, employee engagement, and occupational stress. He has published more than 40 articles on these and other topics in outlets such as *Academy of Management Journal*, *Academy of Management Review*, *Journal of Applied Psychology*, *Organizational Behavior and Human Decision Processes*, *Personnel Psychology*, and *Journal of Management*. He has served as associate editor of *Academy of Management Review* and *Journal of Applied Psychology*. He has also served on the editorial boards of *Academy of Management Journal*, *Academy of Management Review*, *Journal of Applied Psychology*, *Organizational*

Behavior and Human Decision Processes, Personnel Psychology, Journal of Management, Journal of Organizational Behavior, and Journal of Occupational and Organizational Psychology. He is a recipient of the Society for Industrial and Organizational Psychology's Distinguished Early Career Contributions Award and the Cummings Scholar Award for early to mid-career achievement, sponsored by the Organizational Behavior division of the Academy of Management. He was also elected to the Executive Committee of the Human Resource Division of the Academy of Management. Prior to earning his PhD, Jeff was an officer in the U.S. Air Force.

Jeff spends most of his free time with his wife, Marcie, daughter, Izzy, and son, Eli. He also enjoys playing guitar, hiking and mountain biking, working on his collection of classic Pontiacs, and serving as the caretaker of his family's desert hideaway, called the Goat Farm.

MICHAEL J. WESSON

Michael J. Wesson is Professor of Management in Auburn University's Raymond J. Harbert College of Business. He received his PhD from Michigan State University's Eli Broad Graduate School of Management. He also holds an MS in human resource management from Texas A&M University and a BBA from Baylor University. He was previously on faculty at Texas A&M University. He has taught organizational behavior and human resource management-based classes at the undergraduate, graduate, executive, and doctoral levels. He has received awards for teaching excellence both at the college and university levels. He is currently chair of the management department at Harbert.

Michael's research interests include organizational justice, leadership, organizational entry (employee recruitment, selection, and socialization), person-organization fit, and compensation and benefits. His articles have been published in journals such as *Journal of Applied Psychology, Personnel Psychology, Academy of Management Review, and Organizational Behavior and Human Decision Processes*. He has served on several editorial boards and has been an ad hoc reviewer for many others. He is active in the Academy of Management and the Society for Industrial and Organizational Psychology. Prior to returning to school, Michael worked as a human resources manager for a *Fortune* 500 firm. He has served as a consultant to the automotive supplier, health care, oil and gas, and technology industries in areas dealing with recruiting, selection, onboarding, compensation, and turnover.

Michael spends most of his time trying to keep up with his wife, Liesl, and son, Dylan. He is a self-admitted food and wine snob, supporter of the performing arts, and a college sports addict.



Courtesy of Michael J. Wesson

Preface

Why did we decide to write this text? Well, for starters, organizational behavior (OB) remains a fascinating topic that everyone can relate to (because everyone either has worked or is going to work in the future). What makes people effective at their job? What makes them want to stay with their employer? What makes work enjoyable? Those are all fundamental questions that organizational behavior research can help answer. However, our desire to write this text also grew out of our own experiences (and frustrations) teaching OB courses using other texts. We found that students would end the semester with a common set of questions that we felt we could answer if given the chance to write our own text. With that in mind, *Organizational Behavior: Improving Performance and Commitment in the Workplace* was written to answer the following questions.

DOES ANY OF THIS STUFF REALLY MATTER?

Organizational behavior might be the most relevant class any student ever takes, but that doesn't always shine through in OB texts. The introductory section of our text contains two chapters not included in other texts: *Job Performance* and *Organizational Commitment*. Being good at one's job and wanting to stay with one's employer are obviously critical concerns for employees and managers alike. After describing these topics in detail, every remaining chapter in the text links that chapter's content to performance and commitment. Students can then better appreciate the practical relevance of organizational behavior concepts.

IF THAT THEORY DOESN'T WORK, THEN WHY IS IT IN THE TEXT?

In putting together this text, we were guided by the question, "What would OB texts look like if all of them were first written now, rather than decades ago?" We found that many of the organizational behavior texts on the market include outdated (and indeed, scientifically disproven!) models or theories, presenting them sometimes as fact or possibly for the sake of completeness or historical context. Our students were always frustrated by the fact that they had to read about, learn, and potentially be tested on material that we knew to be wrong. Although historical context can be important at times, we believe that focusing on so-called evidence-based management is paramount in today's fast-paced classes. Thus, this text includes new and emerging topics that others leave out and excludes flawed and outdated topics that some other texts leave in.

HOW DOES ALL THIS STUFF FIT TOGETHER?

Organizational behavior is a diverse and multidisciplinary field, and it's not always easy to see how all its topics fit together. Our text deals with this issue in two ways. First, all of the chapters in our text are organized around an integrative model that opens each chapter. That model provides students with a road map of the course, showing them where they've been and where they're going. Second, our chapters are tightly focused around specific topics and aren't "grab bag-ish" in nature. Our hope is that students (and instructors) won't ever come across a topic and think, "Why is this topic being discussed in this chapter?"

DOES THIS STUFF HAVE TO BE SO DRY?

Research on motivation to learn shows that students learn more when they have an intrinsic interest in the topic, but many OB texts do little to stimulate that interest. Put simply, we wanted to create a text that students enjoy reading. To do that, we used a more informal, conversational style when writing the text. We also tried to use company examples that students will be familiar with and find compelling. Finally, we included insert boxes, self-assessments, and exercises that students should find engaging (and sometimes even entertaining!).

NEW AND IMPROVED COVERAGE

- *Chapter 1: What Is Organizational Behavior?*—This chapter now opens with a wraparound case on Levi's. The case describes the company's new initiative focused on improving worker well-being in supplier factories. In particular, it discusses the tension between improving supplier conditions in a top-down manner dictated by Levi's and a bottom-up manner that empowers the particular factories.
- *Chapter 2: Job Performance*—This chapter features a new wraparound case on Accenture, which describes how and why the company's view of performance has changed from "performance management" to "performance achievement." Accenture abandoned formal evaluations and rankings and replaced them with an app that provides employees immediate feedback. Our OB at the Bookstore feature has been changed to *Treating People Well*. This book describes benefits of civility in the workplace and outlines practices that employees can use to develop positive relationships that inspire trust and cooperation. The chapter includes new material on prosocial counterproductive behavior. This new material is supplemented with our new OB on Screen feature, *Molly's Game*, which provides an interesting example of well-intentioned behavior that nevertheless is counterproductive and potentially detrimental to the organization.
- *Chapter 3: Organizational Commitment*—Lyft serves as the wraparound case in this edition, spotlighting the things the company does to build loyalty on the part of its drivers. The case also describes Lyft's efforts to build a fleet of driverless cars and how those efforts might undermine the commitment levels of its human drivers. The OB on Screen feature is now *Baby Driver*, which illustrates how a lack of affective commitment to one's work can lead to withdrawal. The OB at the Bookstore feature is now *Digital Minimalism*, which lays out a philosophy for dealing with the digital distractions and commitments that often encourage withdrawal in the workplace.
- *Chapter 4: Job Satisfaction*—This chapter's wraparound case now highlights Activision Blizzard, the creator of games like *World of Warcraft*, *Call of Duty*, and *Guitar Hero*. Activision Blizzard does a number of things to keep its employees satisfied, including promoting from within, encouraging learning and development, and creating a culture of voice. The case also focuses on satisfaction levels among gaming employees, given the interesting but grueling nature of the work. The OB on Screen selection is now *Ocean's 8*, which illustrates how intrinsically satisfying the job of a private investigator can be, especially when the subject is a stolen diamond necklace. The OB at the Bookstore selection is now *Alive at Work*, which describes the "seeking system"—a neural network in the brain that is pivotal to employee interest and anticipation. That system is key to understanding the drivers of job satisfaction.

- *Chapter 5: Stress*—Goldman Sachs is now featured in the wraparound case for this chapter. Goldman Sachs is one of the largest and most successful investment banking, securities, and investment management companies in the world, and its employees experience a tremendous amount of stress. The case describes how the company uses resilience training to proactively combat stress. Our OB on Screen feature has been changed to *First Man*. The film provides insight into how NASA test pilot and astronaut Neil Armstrong coped with work and nonwork stressors. *Resilient* is now our OB at the Bookstore feature. The author describes 12 strengths that people can build to become more resilient to stress. The chapter includes new material on the concept of *recovery*. In this discussion, we outline how individual differences in recovery influence the stress process. We also describe forms of recovery that are more effective than others and highlight the importance of sleep to the recovery process.
- *Chapter 6: Motivation*—This chapter now opens with a wraparound case on Delta. The case describes the turnaround Delta made, from bankruptcy to one of America's most admired companies. Much of that turnaround can be credited to how Delta motivates its employees, including its use of high base pay and generous profit sharing. The OB on Screen feature focuses on pay equity using *Battle of the Sexes*, where Billy Jean King tries to persuade the organizer of a tennis tournament to pay the women's champion as much as the men's. The OB at the Bookstore focuses on *Payoff*, which lays out one potential equation for motivation. In particular, the book extolls the virtues of the intrinsic aspects of such an equation—including concepts like achievement, purpose, and progress.
- *Chapter 7: Trust, Justice, and Ethics*—Salesforce serves as the wraparound case for the revised chapter. The San Francisco-based supplier of software to businesses has grown rapidly and espouses values like trust, equality, innovation, and growth. The case focuses on how Salesforce fosters its trust and equality values and how it measures its performance as it does so. *A Star Is Born* is now the OB on Screen selection for the chapter. The film illustrates how an amateur singer/songwriter comes to trust a more established artist, as he takes an interest in her career and ability.
- *Chapter 8: Learning and Decision Making*—Slack Technologies and the effect of its instant messaging system on the information processing and decision making of its clients serves as the wraparound case in this edition. The case describes how Slack potentially increases productivity through the decreased use of in-person meetings. Of course, the risk is whether employees can manage the information flow effectively. A new OB at the Bookstore feature highlights the best-selling *Principles: Life and Work* by Ray Dalio and his desire to push “radical transparency” and “idea meritocracy” as the way for employees and companies to make better decisions. The chapter also includes a number of research updates as well as several new company examples such as Accenture and KitchenAid.
- *Chapter 9: Personality and Cultural Values*—This chapter's wraparound case is now focused on Marriott. The case describes the company's hiring philosophy of “hire friendly, train technical.” It also describes the use of personality testing to screen for traits like friendliness. *Black Panther* is the chapter's OB on Screen selection, with the film examining the cultural values of the fictional nation of Wakanda. The OB at the Bookstore selection

is now *The Four Tendencies*, which describes a new personality taxonomy that classifies individuals as an Upholder, Questioner, Obliger, or Rebel. In practice, those distinctions largely depend on how conscientious and agreeable individuals are.

- *Chapter 10: Ability*—This chapter's wraparound case now features the U.S. Marine Corps. The case describes some of the abilities needed by Marines. It also examines how the Marine Corps is struggling to fill new positions in cybersecurity with Marines who have the requisite abilities. *The Laws of Human Nature* is our new OB at the Bookstore feature. The author of this book describes the importance of emotional abilities and outlines ways in which these abilities may be developed. The new movie for our OB on Screen feature is *Phantom Thread*. This film provides a vivid example of emotion regulation, an important facet of emotional intelligence.
- *Chapter 11: Teams: Characteristics and Diversity*—This chapter now includes in-depth coverage of an increasingly popular trend in organizations, *multiple team membership*. We discuss trade-offs and implications of this work arrangement to employees and managers. Our new OB on Screen feature for this chapter discusses the movie *Avengers: Infinity Wars*, which provides a vivid example of the formation and development of a new team. *Biased* is now discussed in our OB at the Bookstore feature. The author of this book describes how, despite good intentions, people have hidden biases and prejudices that influence perceptions, thoughts, feelings, and behaviors and how this process often unfolds in ways that create disadvantages for certain groups of people. The discussion is highly relevant to the material we present on team diversity.
- *Chapter 12: Teams: Processes and Communication*—This chapter includes a new wrap-around case featuring Google. The company created an elite team called "Project Zero" to identify bugs in the code of other company's software and to work with these other companies so that the bugs get fixed. The case provides a good example of how various team processes play out. The OB on Screen feature now centers on the movie *Mission: Impossible—Fallout*. This film illustrates effective coordination and suggests factors that may foster this important team process. Our OB at the Bookstore feature has been changed to *Extreme Teams*. This book addresses the challenge of achieving process gains in light of potential process losses.
- *Chapter 13: Leadership: Power and Negotiation*—This chapter features a new wraparound case on GlaxoSmithKline's CEO Emma Walmsley. As the first female CEO of a major pharmaceutical company, Walmsley effectively helped to lead a major joint venture with Novartis. The case details Walmsley's stepping in as CEO and leading in a different way from her predecessor. The chapter has been updated with new research and some new company examples, including Uber. The new OB on Screen feature uses *The Post* to illustrate what might lead one to use various forms of power to get things done. The best-selling *Dare to Lead* by Brené Brown is the new OB at the Bookstore feature, which focuses on how good leaders approach conflict through vulnerability.
- *Chapter 14: Leadership: Styles and Behaviors*—The chapter begins with a new wraparound case featuring the unique visionary and yet unexpected style of Spotify CEO Daniel Ek. The opener and case help to highlight a different style of leadership and why it works for some but causes issues for others. A new OB at the Bookstore feature highlights Jocko

Willink and Leif Babin's best-selling *The Dichotomy of Leadership*, a book that highlights the need for leaders to be able to switch styles regularly in order to be effective. The new OB on Screen is *The Darkest Hour*, which highlights Winston Churchill during World War II and what many consider to be one of the speeches highest in transformational leadership ever given.

- *Chapter 15: Organizational Structure*—Mattel is the focus of this chapter's new wrap-around case that highlights the company's continual restructuring through four CEOs in four years, the supposed reasons for these changes, and the effect that that restructuring is having on employees. A number of updated company examples include W.L. Gore, Macy's, and HP/Hewlett-Packard Enterprise. A new OB on Screen features *Aquaman*, which illustrates how organizational structure affects chain of command even in the far reaches of Atlantis.
- *Chapter 16: Organizational Culture*—This chapter has a new wraparound case that focuses on HBO (and parent company TimeWarner) and its purchase by AT&T. The case spotlights the differences in the cultures at the two companies and how these differences lead to different results and the specific actions of their employees. The case questions whether HBO can continue as a creative force in the industry in the presence of AT&T's quest for efficiency and profits. The OB at the Bookstore feature now highlights Daniel Coyle's *The Culture Code*, a book that describes how groups create strong cultures, primarily through the use of psychological safety. A number of new and updated company examples, such as Hilton, Stripe, Patagonia, and Nestlé, have been added.



Acknowledgments

An enormous number of persons played a role in helping us put this text together. Truth be told, we had no idea that we would have to rely on and put our success in the hands of so many different people! Each of them had unique and useful contributions to make toward the publication of this text, and they deserve and thus receive our sincere gratitude.

We thank Michael Ablastmeir, our executive editor, for his suggestions and guidance on the last four editions, and John Weimeister for filling that same role with earlier editions. We are thankful to both for allowing us to write the text that we wanted to write. Thanks also go out to Kelly Pekelder, our product developer, and Allison Marker, our product coordinator, for keeping us on track and being such a pleasure to work with during this revision. We also owe much gratitude to our marketing manager, Debbie Clare. We also would like to thank Melissa Leick, Egzon Shagiri, and Shawntel Schmitt at McGraw-Hill, as they are the masterminds of much of how the text actually looks; their work and effort were spectacular. A special thanks also goes out to Jessica Rodell (University of Georgia) and Megan Endres (Eastern Michigan University) for their assistance with our CONNECT content.

We would also like to thank our students at the undergraduate, master's, and executive levels who were taught with this text for their constructive feedback toward making it more effective in the classroom. Thanks also to our PhD students for allowing us to take time out from research projects to focus on this effort.

Finally, we thank our families, who gave up substantial amounts of time with us and put up with the stress that necessarily comes at times during an endeavor such as this.

Jason Colquitt

Jeff LePine

Michael Wesson

Text Features: OB Insert Boxes

OB On Screen

This feature uses memorable scenes from recent films to bring OB concepts to life. Films like *A Star Is Born*, *Black Panther*, *The Post*, *Darkest Hour*, *Baby Driver*, and *Ocean's 8* offer rich, vivid examples that grab the attention of students.

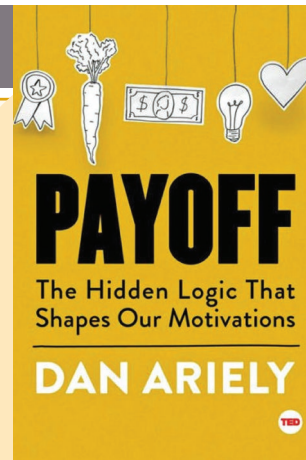


AF archive/Alamy

*“**Very comprehensive.** Well laid-out. **Interesting.** Good mix of theoretical material and practical insights.”*

OB At the Bookstore

This feature links the content in each chapter to a mainstream, popular business book. Books like *Payoff*, *Resilient*, *The Dichotomy of Leadership*, and *The Culture Code* represent the gateway to OB for many students. This feature helps them put those books in a larger context.



©Roberts Publishing, Inc.

OB Assessments

This feature helps students see where they stand on key OB concepts in each chapter. Students gain insights into their personality, their emotional intelligence, their style of leadership, and their ability to cope with stress, which can help them understand their reactions to the working world.



Shutterstock/iChzigo

*“The material presented in this chapter is **well balanced**. Again, the **tables**, **charts**, and **figures** help to organize the material for students.”*

OB Internationally

Changes in technology, communications, and economic forces have made business more global and international than ever. This feature spotlights the impact of globalization on the organizational behavior concepts described in this text. It describes cross-cultural differences in OB theories, how to apply them in international corporations, and how to use OB to manage cultural diversity in the workplace.



NAMAS BHOJANI/Associated Press



connect®



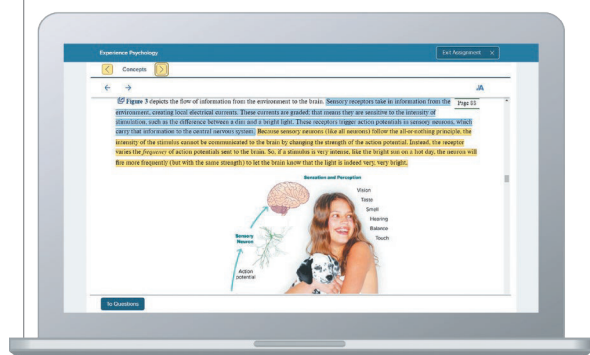
FOR INSTRUCTORS

You're in the driver's seat.

Want to build your own course? No problem. Prefer to use our turnkey, prebuilt course? Easy. Want to make changes throughout the semester? Sure. And you'll save time with Connect's auto-grading too.

65%

Less Time Grading



Laptop: McGraw-Hill; Woman/dog: George Doyle/Getty Images

They'll thank you for it.

Adaptive study resources like SmartBook® 2.0 help your students be better prepared in less time. You can transform your class time from dull definitions to dynamic debates. Find out more about the powerful personalized learning experience available in SmartBook 2.0 at www.mheducation.com/highered/connect/smartbook

Make it simple, make it affordable.



Connect makes it easy with seamless integration using any of the major Learning Management Systems—Blackboard®, Canvas, and D2L, among others—to let you organize your course in one convenient location. Give your students access to digital materials at a discount with our inclusive access program. Ask your McGraw-Hill representative for more information.

Padlock: Jobalou/Getty Images

Solutions for your challenges.



A product isn't a solution. Real solutions are affordable, reliable, and come with training and ongoing support when you need it and how you want it. Our Customer Experience Group can also help you troubleshoot tech problems—although Connect's 99% uptime means you might not need to call them. See for yourself at **status.mheducation.com**

Checkmark: Jobalou/Getty Images



SUPPORT AT
every step

FOR STUDENTS

Effective, efficient studying.

Connect helps you be more productive with your study time and get better grades using tools like SmartBook 2.0, which highlights key concepts and creates a personalized study plan. Connect sets you up for success, so you walk into class with confidence and walk out with better grades.

Study anytime, anywhere.

Download the free ReadAnywhere app and access your online eBook or SmartBook 2.0 assignments when it's convenient, even if you're offline. And since the app automatically syncs with your eBook and SmartBook 2.0 assignments in Connect, all of your work is available every time you open it. Find out more at www.mheducation.com/readanywhere

"I really liked this app—it made it easy to study when you don't have your textbook in front of you."

- Jordan Cunningham,
Eastern Washington University



Calendar: owattaphotos/Getty Images

No surprises.

The Connect Calendar and Reports tools keep you on track with the work you need to get done and your assignment scores. Life gets busy; Connect tools help you keep learning through it all.

Learning for everyone.

McGraw-Hill works directly with Accessibility Services Departments and faculty to meet the learning needs of all students. Please contact your Accessibility Services office and ask them to email accessibility@mheducation.com, or visit www.mheducation.com/about/accessibility for more information.

Top: Jenner Images/Getty Images, Left: Hero Images/Getty Images, Right: Hero Images/Getty Images





Additional Resources

PowerPoint® Presentation Slides

The PowerPoint presentation slides are designed to help instructors deliver course content in a way that maintains students' engagement and attention. The slides include a Notes section that offers specific tips for using the slides (and the text). The Notes also provide bridges to many of the resources in the Instructor's Manual, including innovative teaching tips and suggestions for using OB on Screen. Finally, the PowerPoints also include bonus OB Assessments for instructors who want additional assessments for their teaching.

Instructor's Manual

Prepared by Jason Colquitt, this manual was developed to help you get the most out of the text in your own teaching. It contains an outline of the chapters, innovative teaching tips to use with your students, and notes and answers for the end-of-chapter materials. It also provides a guide for the assessments in the text and suggestions for using the OB on Screen feature. The manual also contains additional cases, exercises, and OB on Screen selections from earlier editions of the text, giving you extra content to use in your teaching.

Brief Contents

PART 1 Introduction to Organizational Behavior 1

CHAPTER 1 2
What Is Organizational Behavior?

CHAPTER 2 26
Job Performance

CHAPTER 3 58
Organizational Commitment

PART 2 Individual Mechanisms 89

CHAPTER 4 90
Job Satisfaction

CHAPTER 5 122
Stress

CHAPTER 6 160
Motivation

CHAPTER 7 192
Trust, Justice, and Ethics

CHAPTER 8 228
Learning and Decision Making

PART 3 Individual Characteristics 261

CHAPTER 9 262
Personality and Cultural Values

CHAPTER 10 302
Ability

PART 4 Group Mechanisms 333

CHAPTER 11 334
Teams: Characteristics and Diversity

CHAPTER 12 374
Teams: Processes and Communication

CHAPTER 13 410
Leadership: Power and Negotiation

CHAPTER 14 442
Leadership: Styles and Behaviors

PART 5 Organizational Mechanisms 481

CHAPTER 15 482
Organizational Structure

CHAPTER 16 510
Organizational Culture

INTEGRATIVE CASES 543

GLOSSARY/SUBJECT INDEX 552

NAME INDEX 569

COMPANY INDEX 582

Table of Contents

PART 1 Introduction to Organizational Behavior 1

CHAPTER 1 2

What Is Organizational Behavior?

What Is Organizational Behavior? 4

Organizational Behavior Defined 4

An Integrative Model of OB 5

Does Organizational Behavior Matter? 7

Building a Conceptual Argument 8

Research Evidence 10

So What's So Hard? 12

How Do We "Know" What We Know About Organizational Behavior? 14

Summary: Moving Forward In This Book 18

TAKEAWAYS 21

KEY TERMS 21

DISCUSSION QUESTIONS 21

CASE 22

EXERCISE 23

ENDNOTES 24

CHAPTER 2 26

Job Performance

Job Performance 28

What Does It Mean to Be a "Good Performer"? 30

Task Performance 30

Citizenship Behavior 34

Counterproductive Behavior 37

Summary: What Does It Mean to Be a "Good Performer"? 42

Trends Affecting Performance 43

Knowledge Work 43

Service Work 43

Application: Performance Management 44

Management by Objectives 44

Behaviorally Anchored Rating Scales 45

360-Degree Feedback 46

Forced Ranking 46

Social Networking Systems 47

TAKEAWAYS 48

KEY TERMS 48

DISCUSSION QUESTIONS 49

CASE 49

EXERCISE 50

ENDNOTES 51

CHAPTER 3 58

Organizational Commitment

Organizational Commitment 60

What Does It Mean to Be "Committed"? 61

Types of Commitment 61

Withdrawal Behavior 67

Summary: What Does It Mean to Be "Committed"? 73

Trends Affecting Commitment 75

Diversity of the Workforce 75

The Changing Employee–Employer Relationship 77

Application: Commitment Initiatives 78

TAKEAWAYS 79

KEY TERMS 80

DISCUSSION QUESTIONS 80

CASE 81

EXERCISE 82

ENDNOTES 83

PART 2 Individual Mechanisms 89

CHAPTER 4 90

Job Satisfaction

Job Satisfaction 92

Why Are Some Employees More Satisfied Than Others? 92

Value Fulfillment 92

Satisfaction With The Work Itself 96

Mood and Emotions 102

Summary: Why Are Some Employees More Satisfied Than Others? 107

How Important Is Job Satisfaction? 107

Life Satisfaction 109

Application: Tracking Satisfaction 111

TAKEAWAYS 113**KEY TERMS** 114**DISCUSSION QUESTIONS** 114**CASE** 114**EXERCISE** 115**ENDNOTES** 116**CHAPTER 5** 122**Stress**

Stress 124

Why Are Some Employees More “Stressed” Than Others? 125

Types of Stressors 126*How Do People Cope with Stressors?* 129*The Experience of Strain* 132*Accounting for Individuals in the Stress Process* 135*Summary: Why Are Some Employees More “Stressed” Than Others?* 138

How Important Is Stress? 139

Application: Stress Management 141

Assessment 141*Reducing Stressors* 142*Providing Resources* 143*Reducing Strains* 144**TAKEAWAYS** 147**KEY TERMS** 148**DISCUSSION QUESTIONS** 148**CASE** 148**EXERCISE** 149**ENDNOTES** 151**CHAPTER 6** 160**Motivation**

Motivation 162

Why Are Some Employees More Motivated Than Others? 163

Expectancy Theory 163*Goal Setting Theory* 169*Equity Theory* 172*Psychological Empowerment* 176*Summary: Why Are Some Employees More Motivated Than Others?* 179

How Important Is Motivation? 180

Application: Compensation Systems 182

TAKEAWAYS 184**KEY TERMS** 184**DISCUSSION QUESTIONS** 185**CASE** 185**EXERCISE** 186**ENDNOTES** 187**CHAPTER 7** 192**Trust, Justice, and Ethics**

Trust, Justice, and Ethics 194

Why Are Some Authorities More Trusted Than Others? 195

Trust 195*Justice* 200*Ethics* 207*Summary: Why Are Some Authorities More Trusted Than Others?* 214

How Important Is Trust? 214

Application: Social Responsibility 216

TAKEAWAYS 217**KEY TERMS** 218**DISCUSSION QUESTIONS** 218**CASE** 219**EXERCISE** 220**ENDNOTES** 221**CHAPTER 8** 228**Learning and Decision Making**

Learning and Decision Making 230

Why Do Some Employees Learn to Make Decisions Better Than Others? 230

Types of Knowledge 231*Methods of Learning* 231*Methods of Decision Making* 237*Decision-Making Problems* 242*Summary: Why Do Some Employees Learn to Make Better Decisions Than Others?* 247

How Important Is Learning? 249

Application: Training 250

TAKEAWAYS 251**KEY TERMS** 251**DISCUSSION QUESTIONS** 252**CASE** 252**EXERCISE** 253**ENDNOTES** 254**PART 3 Individual Characteristics** 261**CHAPTER 9** 262**Personality and Cultural Values**

Personality and Cultural Values 264

How Can We Describe What Employees Are Like? 264

The Big Five Taxonomy 264*Other Taxonomies of Personality* 276*Cultural Values* 277*Summary: How Can We Describe What Employees Are Like?* 282

How Important Are Personality and Cultural Values? 282

Application: Personality Tests 285

TAKEAWAYS 289

KEY TERMS 290

DISCUSSION QUESTIONS 290

CASE 291

EXERCISE 292

ENDNOTES 292

CHAPTER 10 302

Ability

Ability 304

What Does It Mean for an Employee to Be “Able”? 306

Cognitive Ability 307

Emotional Ability 311

Physical Ability 315

Summary: What Does It Mean for an Employee to Be “Able”? 319

How Important Is Ability? 320

Application: Selecting High Cognitive Ability Employees 321

TAKEAWAYS 324

KEY TERMS 325

DISCUSSION QUESTIONS 325

CASE 325

EXERCISE 326

ENDNOTES 327

PART 4 Group Mechanisms 333

CHAPTER 11 334

Teams: Characteristics and Diversity

Team Characteristics and Diversity 336

What Characteristics Can Be Used to

Describe Teams? 337

Team Types 337

Variations Within Team Types 340

Team Interdependence 344

Team Composition 348

Summary: What Characteristics Can Be Used to Describe Teams? 356

How Important Are Team Characteristics? 357

Application: Team Compensation 358

TAKEAWAYS 359

KEY TERMS 359

DISCUSSION QUESTIONS 360

CASE 360

EXERCISE 361

ENDNOTES 363

CHAPTER 12 374

Teams: Processes and Communication

Team Processes and Communication 376

Why Are Some Teams More Than the Sum of Their Parts? 376

Taskwork Processes 377

Teamwork Processes 383

Communication 386

Team States 389

Summary: Why Are Some Teams More Than the Sum of Their Parts? 392

How Important Are Team Processes? 392

Application: Training Teams 395

Transportable Teamwork Competencies 395

Cross-Training 396

Team Process Training 396

Team Building 397

TAKEAWAYS 398

KEY TERMS 398

DISCUSSION QUESTIONS 399

CASE 399

EXERCISE 400

ENDNOTES 402

CHAPTER 13 410

Leadership: Power and Negotiation

Leadership: Power and Negotiation 412

Why Are Some Leaders More Powerful Than Others? 412

Acquiring Power 412

Using Influence 417

Power and Influence in Action 421

Negotiations 426

Summary: Why Are Some Leaders More Powerful Than Others? 429

How Important Are Power and Influence? 429

Application: Alternative Dispute Resolution 429

TAKEAWAYS 432

KEY TERMS 432

DISCUSSION QUESTIONS 433

CASE 433

EXERCISE 434

ENDNOTES 435

CHAPTER 14 442

Leadership: Styles and Behaviors

Leadership: Styles and Behaviors 444

Why Are Some Leaders More Effective Than Others? 446

Leader Decision-Making Styles 447

Day-To-Day Leadership Behaviors 452

Transformational Leadership Behaviors 456
Summary: Why Are Some Leaders More Effective Than Others? 461
 How Important Is Leadership? 464
 Application: Leadership Training 466

TAKEAWAYS 467

KEY TERMS 467

DISCUSSION QUESTIONS 468

CASE 468

EXERCISE 469

ENDNOTES 470

PART 5 Organizational Mechanisms 481

CHAPTER 15 482

Organizational Structure

Organizational Structure 484
 Why Do Some Organizations Have Different Structures Than Others? 484
Elements of Organizational Structure 485
Organizational Design 491
Common Organizational Forms 493
Summary: Why Do Some Organizations Have Different Structures Than Others? 499
 How Important Is Structure? 500
 Application: Restructuring 502

TAKEAWAYS 503

KEY TERMS 503

DISCUSSION QUESTIONS 504

CASE 504

EXERCISE 505

ENDNOTES 506

CHAPTER 16 510

Organizational Culture

Organizational Culture 512
 Why Do Some Organizations Have Different Cultures Than Others? 512
Culture Components 512
General Culture Types 516
Specific Culture Types 516
Culture Strength 519
Maintaining An Organizational Culture 523
Changing An Organizational Culture 526
Summary: Why Do Some Organizations Have Different Cultures Than Others? 528
 How Important Is Organizational Culture? 529
 Application: Managing Socialization 531

TAKEAWAYS 533

KEY TERMS 534

DISCUSSION QUESTIONS 534

CASE 534

EXERCISE 535

ENDNOTES 536

INTEGRATIVE CASES 543

GLOSSARY/SUBJECT INDEX 552

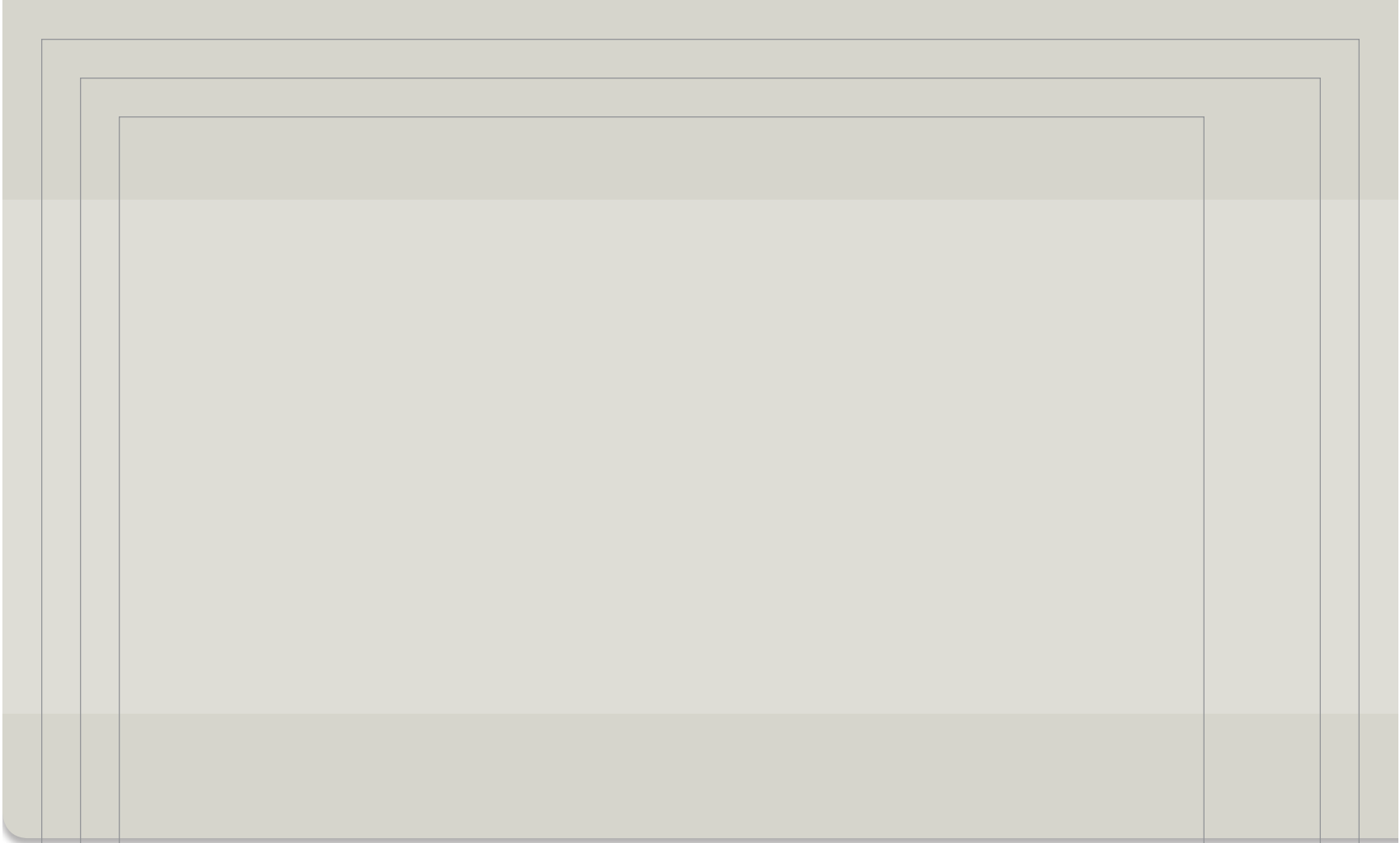
NAME INDEX 569

COMPANY INDEX 582



Organizational Behavior

Improving Performance and
Commitment in the Workplace



P A R T

1

INTRODUCTION TO ORGANIZATIONAL BEHAVIOR

CHAPTER 1

What Is Organizational Behavior?

CHAPTER 2

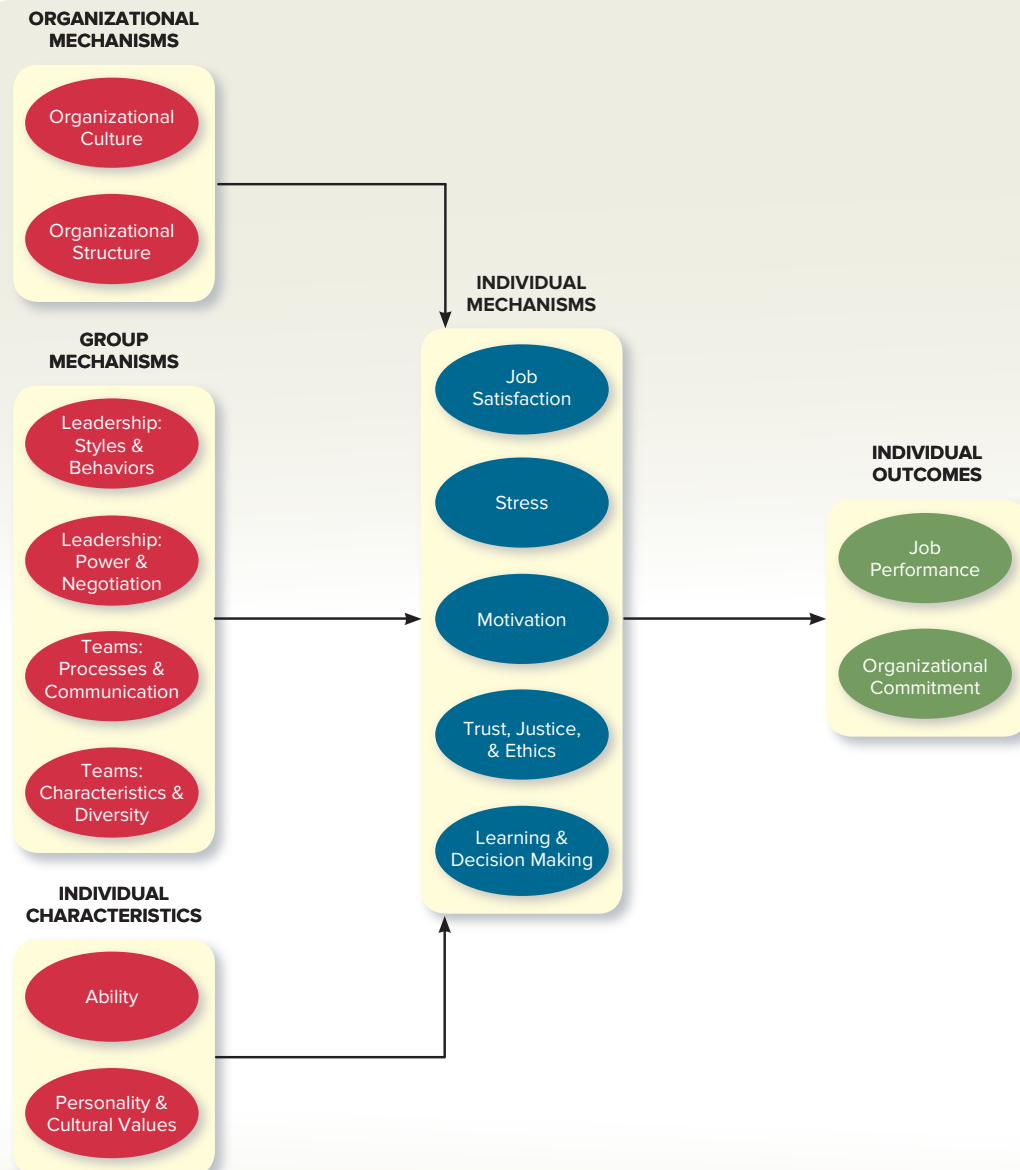
Job Performance

CHAPTER 3

Organizational Commitment

1

What Is Organizational Behavior?



LEARNING GOALS

After reading this chapter, you should be able to answer the following questions:

- 1.1** What is the definition of “organizational behavior” (OB)?
- 1.2** What are the two primary outcomes in studies of OB?
- 1.3** What factors affect the two primary OB outcomes?
- 1.4** Why might firms that are good at OB tend to be more profitable?
- 1.5** What is the role of theory in the scientific method?
- 1.6** How are correlations interpreted?



LEVI'S

Sorbis/Shutterstock

Assume you're playing a game called "guess the company" with the following description. The company was founded in 1853 in San Francisco. It was one of the first to desegregate its employees and one of the first to support same-sex marriage. It's also been a leader on the environmental front, particularly in making its products more free from chemicals. What companies might you have guessed (especially without the benefit of the photo on this page)? Probably not Levi Strauss, or any other company in the apparel industry. After all, apparel companies are often associated with sweatshops, poor labor conditions, and out-dated management principles.

Levi's has always been a different kind of apparel company, however. When it began moving garment production outside the United States in the 1990s, it created a Terms of Engagement (TOE) document for all of its suppliers. The document had more stringent expectations than the local labor laws that the suppliers were subject to. Levi's was also active in using its compliance teams to inspect adherence to the TOE. That combination of formalized expectations and active compliance checking became something that was copied by other big players in the apparel industry,

including Nike and Adidas. Two decades after the creation of the TOE, however, the company is taking the next step.

What is that next step, exactly? It's an initiative called Improving Worker Well-Being, and it's playing out in 42 Levi's suppliers that employ 140,000 people across 72 factories. The initiative is focused on increasing the health and happiness of the workers employed by Levi's suppliers. Explains Kim Almedia, the head of the program, "This is about creating a culture that embraces well-being." Why focus on well-being explicitly? One reason is that increases in health and happiness should translate into more productive employees and lower rates of absenteeism and turnover. Another reason is that such efforts should be appealing to potential Levi's recruits and customers. Employees have choices about where they work—especially in strong economies. Meanwhile, the internet has given customers access to more apparel choices than ever before. "This goes way beyond making a profit,"* explains CEO Chip Bergh. "We are demonstrating there is an opportunity for companies to redefine their role in society, and that's good for business."*

*Levi Strauss & Co.

WHAT IS ORGANIZATIONAL BEHAVIOR?

Before we describe what the field of organizational behavior studies, take a moment to ponder this question: Who was the single *worst* coworker you've ever had? Picture fellow students who collaborated with you on class projects; colleagues from part-time or summer jobs; or peers, subordinates, or supervisors working in your current organization. What did this coworker do that earned him or her "worst coworker" status? Was it some of the behaviors shown in the right column of Table 1-1 (or perhaps all of them)? Now take a moment to consider the single *best* coworker you've ever had. Again, what did this coworker do to earn "best coworker" status—some or most of the behaviors shown in the left column of Table 1-1?

If you found yourself working alongside the two people profiled in the table, two questions would be foremost on your mind: "*Why* does the worst coworker act that way?" and "*Why* does the best coworker act that way?" Once you understand why the two coworkers act so differently, you might be able to figure out ways to interact with the worst coworker more effectively (thereby making your working life a bit more pleasant). If you happen to be a manager, you might formulate plans for how to improve attitudes and behaviors in the unit. Such plans could include how to screen applicants, train and socialize new organizational members, manage evaluations and rewards for performance, and deal with conflicts that arise between and among employees. Without understanding why employees act the way they do, it's extremely hard to find a way to change their attitudes and behaviors at work.

ORGANIZATIONAL BEHAVIOR DEFINED

Organizational behavior (OB) is a field of study devoted to understanding, explaining, and ultimately improving the attitudes and behaviors of individuals and groups in organizations. Scholars



1.1

What is the definition of "organizational behavior" (OB)?

TABLE 1-1 The Best of Coworkers, the Worst of Coworkers

THE BEST	THE WORST
<i>Have you ever had a coworker who usually acted this way?</i>	<i>Have you ever had a coworker who usually acted this way?</i>
Got the job done, without having to be managed or reminded	Did not get the job done, even with a great deal of hand-holding
Adapted when something needed to be changed or done differently	Was resistant to any and every form of change, even when changes were beneficial
Was always a "good sport," even when bad things happened at work	Whined and complained, no matter what was happening
Attended optional meetings or functions to support colleagues	Optional meetings? Was too lazy to make it to some required meetings and functions!
Helped new coworkers or people who seemed to need a hand	Made fun of new coworkers or people who seemed to need a hand
Felt an attachment and obligation to the employer for the long haul	Seemed to always be looking for something else, even if it wasn't better
Was first to arrive, last to leave	Was first to leave for lunch, last to return

The Million-Dollar Question:

Why do these two employees act so differently?

in management departments of universities and scientists in business organizations conduct research on OB. The findings from those research studies are then applied by managers or consultants to see whether they help meet “real-world” challenges. OB can be contrasted with two other courses commonly offered in management departments: human resource management and strategic management. **Human resource management** takes the theories and principles studied in OB and explores the “nuts-and-bolts” applications of those principles in organizations. An OB study might explore the relationship between learning and job performance, whereas a human resource management study might examine the best ways to structure training programs to promote employee learning. **Strategic management** focuses on the product choices and industry characteristics that affect an organization’s profitability. A strategic management study might examine the relationship between firm diversification (when a firm expands into a new product segment) and firm profitability.

The theories and concepts found in OB are actually drawn from a wide variety of disciplines. For example, research on job performance and individual characteristics draws primarily from studies in industrial and organizational psychology. Research on satisfaction, emotions, and team processes draws heavily from social psychology. Sociology research is vital to research on team characteristics and organizational structure, and anthropology research helps inform the study of organizational culture. Finally, models from economics are used to understand motivation, learning, and decision making. This diversity brings a unique quality to the study of OB, as most students will be able to find a particular topic that’s intrinsically interesting and thought provoking to them.

AN INTEGRATIVE MODEL OF OB

Because of the diversity in its topics and disciplinary roots, it is common for students in an organizational behavior class to wonder, “How does all this stuff fit together?” How does what gets covered in Chapter 3 relate to what gets covered in Chapter 13? To clarify such issues, this textbook is structured around an integrative model of OB, shown in Figure 1-1, that’s designed to provide a roadmap for the field of organizational behavior. The model shows how the topics in the next 15 chapters—represented by the 15 ovals in the model—all fit together. We should stress that there are other potential ways of combining the 15 topics, and Figure 1-1 likely oversimplifies the connections among the topics. Still, we believe the model provides a helpful guide as you move through this course. Figure 1-1 includes five different kinds of topics.

INDIVIDUAL OUTCOMES The right-most portion of the model contains the two primary outcomes of interest to organizational behavior researchers (and employees and managers in organizations): *job performance* and *organizational commitment*. Most employees have two primary goals for their working lives: to perform their jobs well and to remain a member of an organization that they respect. Likewise, most managers have two primary goals for their employees: to maximize their job performance and to ensure that they stay with the firm for a significant length of time. As described in Chapter 2, there are several specific behaviors that, when taken together, constitute good job performance. Similarly, as described in Chapter 3, there are a number of beliefs, attitudes, and emotions that cause an employee to remain committed to an employer.

This book starts by covering job performance and organizational commitment so that you can better understand the two primary organizational behavior goals. Our hope is that by using performance and commitment as starting points, we can highlight the practical importance of OB topics. After all, what could be more important than having employees who perform well and want to stay with the company? This structure also enables us to conclude the other chapters in the book with sections that describe the relationships between each chapter’s topic and performance and commitment. For example, the chapter on motivation concludes by describing the relationships between motivation and performance and motivation and commitment. In this way, you’ll learn which of the topics in the model are most useful for understanding your own attitudes and behaviors.

INDIVIDUAL MECHANISMS Our integrative model also illustrates a number of individual mechanisms that directly affect job performance and organizational commitment. These include



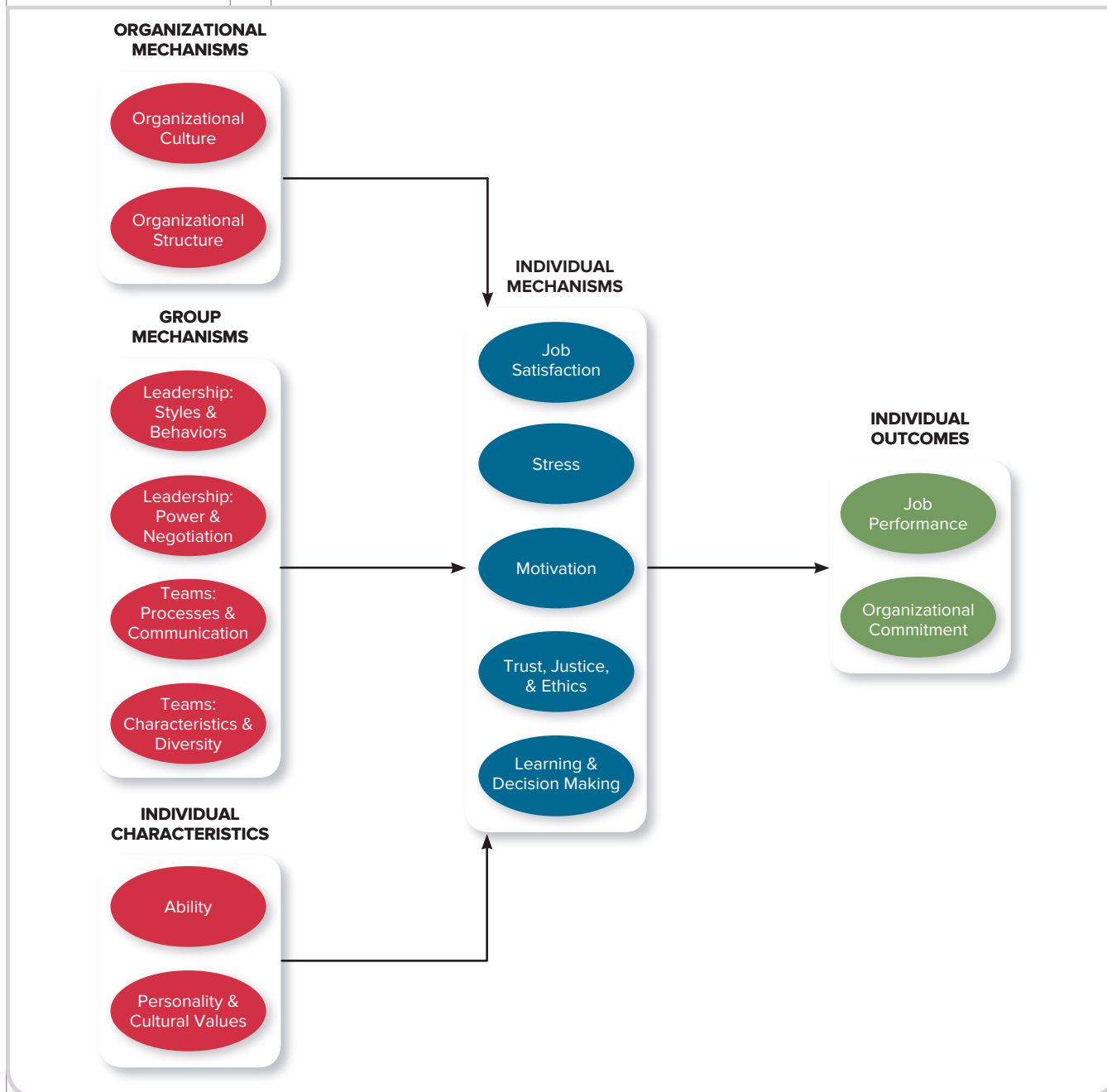
1.2

What are the two primary outcomes in studies of OB?



1.3

What factors affect the two primary OB outcomes?

FIGURE 1-1 Integrative Model of Organizational Behavior

job satisfaction, which captures what employees feel when thinking about their jobs and doing their day-to-day work (Chapter 4). Another individual mechanism is *stress*, which reflects employees' psychological responses to job demands that tax or exceed their capacities (Chapter 5). The model also includes *motivation*, which captures the energetic forces that drive employees' work effort (Chapter 6). *Trust, justice, and ethics* reflect the degree to which employees feel that their company does business with fairness, honesty, and integrity (Chapter 7). The final individual mechanism shown in the model is *learning and decision making*, which deals with how employees gain job knowledge and how they use that knowledge to make accurate judgments on the job (Chapter 8).

INDIVIDUAL CHARACTERISTICS Of course, if satisfaction, stress, motivation, and so forth are key drivers of job performance and organizational commitment, it becomes important to understand what factors improve those individual mechanisms. Two such factors reflect the characteristics of individual employees. *Personality and cultural values* reflect the various traits and tendencies that describe how people act, with commonly studied traits including extraversion, conscientiousness, and collectivism. As described in Chapter 9, personality and cultural values affect the way people behave at work, the kinds of tasks they're interested in, and how they react to events that happen on the job. The model also examines *ability*, which describes the cognitive abilities (verbal, quantitative, etc.), emotional skills (other awareness, emotion regulation, etc.), and physical abilities (strength, endurance, etc.) that employees bring to a job. As described in Chapter 10, ability influences the kinds of tasks an employee is good at (and not so good at).

GROUP MECHANISMS Our integrative model also acknowledges that employees don't work alone. Instead, they typically work in one or more work teams led by some formal (or sometimes informal) leader. Like the individual characteristics, these group mechanisms shape satisfaction, stress, motivation, trust, and learning. Chapter 11 covers *team characteristics and diversity*—describing how teams are formed, staffed, and composed, and how team members come to rely on one another as they do their work. Chapter 12 then covers *team processes and communication*—how teams behave, including their coordination, conflict, and cohesion. The next two chapters focus on the leaders of those teams. We first describe how individuals become leaders in the first place, covering *leader power and negotiation* to summarize how individuals attain authority over others (Chapter 13). We then describe how leaders behave in their leadership roles, as *leader styles and behaviors* capture the specific actions that leaders take to influence others at work (Chapter 14).

ORGANIZATIONAL MECHANISMS Finally, our integrative model acknowledges that the teams described in the prior section are grouped into larger organizations that themselves affect satisfaction, stress, motivation, and so forth. For example, every company has an *organizational structure* that dictates how the units within the firm link to (and communicate with) other units (Chapter 15). Sometimes structures are centralized around a decision-making authority, whereas other times, structures are decentralized, affording each unit some autonomy. Every company also has an *organizational culture* that captures “the way things are” in the organization—shared knowledge about the values and beliefs that shape employee attitudes and behaviors (Chapter 16).

SUMMARY Each of the chapters in this textbook will open with a depiction of this integrative model, with the subject of each chapter highlighted. We hope that this opening will serve as a roadmap for the course—showing you where you are, where you've been, and where you're going. We also hope that the model will give you a feel for the “big picture” of OB—showing you how all the OB topics are connected.

DOES ORGANIZATIONAL BEHAVIOR MATTER?

Having described exactly what OB is, it's time to discuss another fundamental question: Does it really matter? Is there any value in taking a class on this subject, other than fulfilling some requirement of your program? (You might guess that we're biased in our answers to these questions, given that we wrote a book on the subject!) Few would disagree that organizations need to know principles of accounting and finance to be successful; it would be impossible to conduct business without such knowledge. Similarly, few would disagree that organizations need to know principles of marketing, as consumers need to know about the firm's products and what makes those products unique or noteworthy.

However, people sometimes wonder whether a firm's ability to manage OB has any bearing on its bottom-line profitability. After all, if a firm has a good-enough product, won't people buy it

OB Internationally

Changes in technology, communications, and economic forces have made business more global and international than ever. To use Thomas Friedman's line, "The world is flat." The playing field has been leveled between the United States and the rest of the world. This feature spotlights the impact of globalization on the organizational behavior concepts described in this book and covers a variety of topics.

CROSS-CULTURAL DIFFERENCES. Research in cross-cultural organizational behavior has illustrated that national cultures affect many of the relationships in our integrative model. Put differently, there is little that we know about OB that is "universal" or "culture free."

INTERNATIONAL CORPORATIONS. An increasing number of organizations are international in scope, with both foreign and domestic operations. Applying organizational behavior concepts in these firms represents a special challenge—should policies and practices be consistent across locations or tailored to meet the needs of the culture?

EXPATRIATION. Working as an expatriate—an employee who lives outside his or her native country—can be particularly challenging. What factors influence expatriates' job performance and organizational commitment levels?

MANAGING DIVERSITY. More and more work groups are composed of members of different cultural backgrounds. What are the special challenges involved in leading and working in such groups?

Sources: T.L. Friedman, *The World Is Flat* (New York: Farrar, Straus and Giroux, 2002); and H. Aguinis and C.A. Henl, "The Search for Universals in Cross-Cultural Organizational Behavior." *In Organizational Behavior: The State of the Science*, ed. J. Greenberg (Mahwah, NJ: Erlbaum, 2003), pp. 373–411.

regardless of how happy, motivated, or committed its workforce is? Perhaps for a time, but effective OB can help keep a product good over the long term. This same argument can be made in reverse: If a firm has a bad-enough product, isn't it true that people won't buy it, regardless of how happy, motivated, or committed its workforce is? Again, perhaps for a time, but the effective management of OB can help make a product get better, incrementally, over the long term.

Consider this pop quiz about the automotive industry: Which two automakers were rated tops in car technology by J.D. Power in 2016? BMW was one—can you guess the other? The answer is Hyundai (yes, Hyundai).¹ The study focused on entertainment, connectivity, navigation, collision avoidance, driving assistance, and convenience. The South Korean automaker has come a long way since comedian Jay Leno likened a Hyundai to a bobsled ("It has no room, you have to push it to get going, and it only goes downhill!").² Today its Sonatas and Elantras are built in a very modern factory in Montgomery, Alabama. The factory employs 3,000 workers and pays \$17 per hour as an entry-level wage.³ Much of Hyundai's turnaround can be credited to the company's increased emphasis on quality. Work teams devoted to quality have been expanded eightfold, and almost all employees are enrolled in special training programs devoted to quality issues.⁴ Hyundai represents a case in which OB principles are being applied across cultures. Our **OB Internationally** feature spotlights such international and cross-cultural applications of OB topics in each chapter.

BUILDING A CONCEPTUAL ARGUMENT

Of course, we shouldn't just accept it on faith that OB matters, nor should we merely look for specific companies that appear to support the premise. What we need instead is a conceptual argument that captures why OB might affect the bottom-line profitability of an organization. One such argument is based on the **resource-based view** of organizations. This perspective describes what exactly makes resources valuable—that is, what makes them capable of creating long-term

profits for the firm.⁵ A firm's resources include financial (revenue, equity, etc.) and physical (buildings, machines, technology) resources, but they also include resources related to organizational behavior, such as the knowledge, ability, and wisdom of the workforce, as well as the image, culture, and goodwill of the organization.

The resource-based view suggests that the value of resources depends on several factors, shown in Figure 1-2. For example, a resource is more valuable when it is *rare*. Diamonds,

oil, Babe Ruth baseball cards, and Action Comics #1 (the debut of Superman) are all expensive precisely because they are rare. Good people are also rare—witness the adage “good people are hard to find.” Ask yourself what percentage of the people you’ve worked with have been talented, motivated, satisfied, and good team players. In many organizations, cities, or job markets, such employees are the exception rather than the rule. If good people really are rare, then the effective management of OB should prove to be a valuable resource.

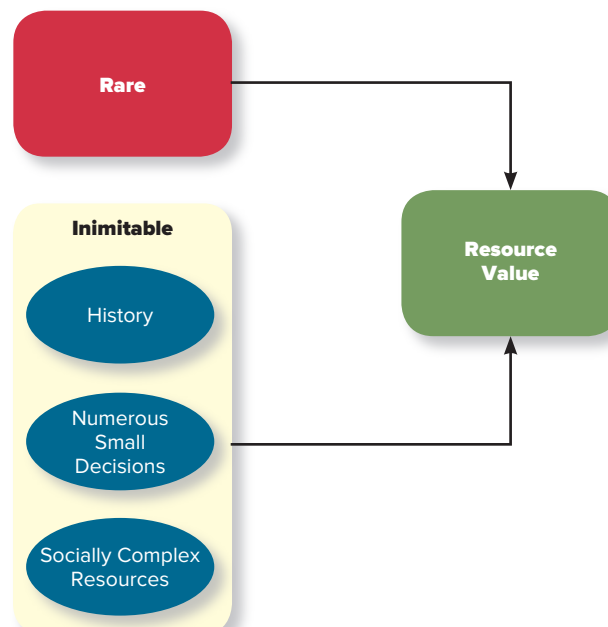
The resource-based view also suggests that a resource is more valuable when it is **inimitable**, meaning that it cannot be imitated. Many of the firm's resources can be imitated, if competitors have enough money. For example, a new form of technology can help a firm gain an advantage for a short time, but competing firms can switch to the same technology. Manufacturing practices can be copied, equipment and tools can be approximated, and marketing strategies can be mimicked. Good people, in contrast, are much more difficult to imitate. As shown in Figure 1-2, there are three reasons people are inimitable.



Dave Martin/Associated Press

Hyundai's emphasis on work teams and training has increased the quality of its cars, like these models built in its Montgomery, Alabama, plant.

FIGURE 1-2 What Makes a Resource Valuable?



Microsoft opened its first retail stores in 2009, including this one in Mission Viejo, California. The look and feel of Microsoft's stores are very similar to Apple's retail outlets.



Mark Boster/Contributor/Getty Images

HISTORY People create a **history**—a collective pool of experience, wisdom, and knowledge that benefits the organization. History cannot be bought. Consider an example from the consumer electronics retailing industry where Microsoft, taking a cue from Apple, launched its first retail store in Scottsdale, Arizona, in 2009.⁶ The company hoped that the stores would give it a chance to showcase its computer software, along with its hardware and gaming products. Microsoft

continues to face an uphill climb in the retail space, however, because Apple had an eight-year head start after opening its first store in 2001, in McLean, Virginia.⁷ Microsoft's position on the “retail learning curve” was therefore quite different, meaning that it had to grapple with many of the same issues that Apple had resolved years earlier.

NUMEROUS SMALL DECISIONS The concept of **numerous small decisions** captures the idea that people make many small decisions day in and day out, week in and week out. “So what?” you might say, “Why worry about small decisions?” To answer that question, ask yourself what the biggest decisions are when launching a new line of retail stores. The location of them maybe, or perhaps their look and feel? It turns out that Microsoft placed their stores near Apple's, and mimicked much of their open, “Zen” sensibility. Said one patron, “It appears that the Microsoft Store in Mission Viejo is dressed up as the Apple Store for Halloween.”⁸ Big decisions can be copied; they are visible to competitors and observable by industry experts. In contrast, the “behind the scenes” decisions at the Apple Store are more invisible to Microsoft, especially the decisions that involve the hiring and management of employees. Apple seems to understand the inimitable advantage that such decisions can create. One article in *Workforce Management* included features on the top human resources executives for 20 of the most admired companies in America.⁹ Interestingly, the entry for Apple's executive was cryptic, noting only that the company “keeps its human resources executive shrouded in secrecy and refuses to respond to any questions about HR's contribution to the company's most admired status.”

SOCIALLY COMPLEX RESOURCES People also create **socially complex resources**, like culture, teamwork, trust, and reputation. These resources are termed “socially complex” because it's not always clear how they came to develop, though it is clear which organizations do (and do not) possess them. One advantage that Apple has over Microsoft in the retail wars is the unusual amount of interest and enthusiasm created by products like the iPhone, AirPods, and Apple Watch. Those products have an “it factor” that brings customers into the store, and Apple itself sits atop *Fortune's* list of 50 most admired companies in the world.¹⁰ Competitors like Microsoft can't just acquire “coolness” or “admiration”—they are complex resources that evolve in ways that are both murky and mysterious.

RESEARCH EVIDENCE

Thus, we can build a conceptual argument for why OB might affect an organization's profitability: Good people are both rare and inimitable and, therefore, create a resource that is valuable for creating competitive advantage. Conceptual arguments are helpful, of course, but it would be even better if there were hard data to back them up. Fortunately, it turns out that there is a great deal of research evidence supporting the importance of OB for company performance. Several research studies have been conducted on the topic, each employing a somewhat different approach.



1.4

Why might firms that are good at OB tend to be more profitable?

One study began by surveying executives from 968 publicly held firms with 100 or more employees.¹¹ The survey assessed so-called high performance work practices—OB policies that are widely agreed to be beneficial to firm performance. The survey included 13 questions asking about a combination of hiring, information sharing, training, performance management, and incentive practices, and each question asked what proportion of the company's workforce was involved in the practice. Table 1-2 provides some of the questions used to assess the high-performance work practices (and also shows which chapter of the textbook describes each particular practice in more detail). The study also gathered the following information for each firm: average annual rate of turnover, productivity level (defined as sales per employee), market value of the firm, and corporate profitability. The results revealed that a one-unit increase in the proportion of the workforce involved in the practices was associated with an approximately 7 percent decrease in turnover, \$27,000 more in sales per employee, \$18,000 more in market value, and \$3,800 more in profits. Put simply, better OB practices were associated with better firm performance.

Although there is no doubting the importance of turnover, productivity, market value, and profitability, another study examined an outcome that's even more fundamental: firm survival.¹² The study focused on 136 nonfinancial companies that made initial public offerings (IPOs) in 1988. Firms that undergo an IPO typically have shorter histories and need an infusion of cash to grow or introduce some new technology. Rather than conducting a survey, the authors of this study examined the prospectus filed by each firm (the Securities and Exchange Commission requires that prospectuses contain honest information, and firms can be liable for any inaccuracies that might mislead investors). The authors coded each prospectus for information that might suggest OB issues were valued. Examples of valuing OB issues included describing employees as a source of competitive advantage in strategy and mission statements, emphasizing training and continuing education, having a human resources management executive, and emphasizing full-time rather than temporary or contract employees. By 1993, 81 of the 136 firms included in the study had survived (60 percent). The key question is whether the value placed on OB predicted which did (and did not) survive. The results revealed that firms that valued OB had a 19 percent higher survival rate than firms that did not value OB.

TABLE 1-2**Survey Questions Designed to Assess High-Performance Work Practices**

SURVEY QUESTION ABOUT OB PRACTICE	COVERED IN CHAPTER
What is the proportion of the workforce whose jobs have been subjected to a formal job analysis?	2
What is the proportion of the workforce who are administered attitude surveys on a regular basis?	4
What is the proportion of the workforce who have access to company incentive plans, profit-sharing plans, and/or gain-sharing plans?	6
What is the average number of hours of training received by a typical employee over the last 12 months?	8, 10
What is the proportion of the workforce who have access to a formal grievance procedure and/or complaint resolution system?	7
What proportion of the workforce are administered an employment test prior to hiring?	9, 10
What is the proportion of the workforce whose performance appraisals are used to determine compensation?	6

Source: Adapted from M.A. Huselid, "The Impact of Human Resource Management Practices on Turnover, Productivity, and Corporate Financial Performance." *Academy of Management Journal* 38, pp. 635–72. Academy of Management.

TABLE 1-3 The “100 Best Companies to Work For” in 2019

1. Hilton	25. Cheesecake Factory	49. T-Mobile US
2. Salesforce	26. Deloitte	57. Nationwide
3. Wegmans	28. SAP America	60. SAS Institute
4. Workday	31. Marriott	61. Accenture
6. Cisco	32. Hyatt	62. Goldman Sachs
7. Edward Jones	34. EY	70. Atlassian
10. Boston Consulting	36. KPMG	78. Kronos
12. Publix	39. Capital One	89. Four Seasons
13. American Express	42. Dropbox	95. FedEx
14. Quicken Loans	44. PricewaterhouseCoopers	96. Activision Blizzard
22. Adobe	45. Genentech	97. Delta
24. Intuit	46. REI	100. Patagonia

Source: M.C. Bush and S. Lewis-Kulin., “The 100 Best Companies to Work For.” *Fortune*, March 15, 2017.

A third study focused on *Fortune*’s “100 Best Companies to Work For” list, which has appeared annually since 1998.¹³ Table 1-3 provides some highlights from the 2019 version of the list. If the 100 firms on the list really do have good OB practices, and if good OB practices really do influence firm profitability, then it follows that the 100 firms should be more profitable. To explore this premise, the study went back to an earlier version of the list and found a “matching firm” for those companies that were included.¹⁴ The matching firm consisted of the most similar company with respect to industry and size in that particular year, with the added requirement that the company had not appeared on the “100 Best” list. This process essentially created two groups of companies that differ only in terms of their inclusion in the “100 Best.” The study then compared the profitability of those two groups of companies. The results revealed that the “100 Best” firms were more profitable than their peers. Indeed, the cumulative investment return for a portfolio based on the “100 Best” companies would have doubled the return for the broader market.

SO WHAT’S SO HARD?

Clearly this research evidence seems to support the conceptual argument that good people constitute a valuable resource for companies. Good OB does seem to matter in terms of company profitability. You may wonder then, “What’s so hard?” Why doesn’t every company prioritize the effective management of OB, devoting as much attention to it as they do accounting, finance, marketing, technology, physical assets, and so on? Some companies do a bad job when it comes to managing their people. Why is that?

One reason is that there is no “magic bullet” OB practice—one thing that, in and of itself, can increase profitability. Instead, the effective management of OB requires a belief that several different practices are important, along with a long-term commitment to improving those practices. This premise can be summarized with what might be called the **Rule of One-Eighth**:

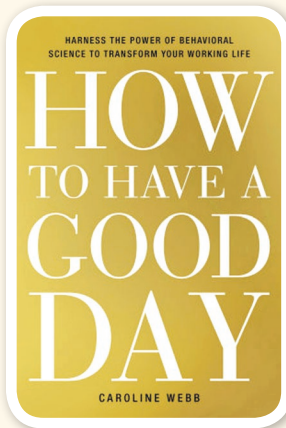
One must bear in mind that one-half of organizations won’t believe the connection between how they manage their people and the profits they earn. One-half of those who do see the connection will do what many organizations have done—try to make a single change to solve their problems, not realizing that the effective management of people requires a more comprehensive and systematic approach. Of the firms that make comprehensive changes, probably

OB At the Bookstore

This feature spotlights bestselling business books that complement the content of each chapter. Drawing a bridge from our chapters to these books lets you see how the titles at the bookstore complement the concepts in our integrative model of OB.

HOW TO HAVE A GOOD DAY

by Caroline Webb (New York: Brown Business, 2016).



Roberts Publishing Services

*We're living in a golden age of behavioral science, where every passing week seems to deliver fresh insights into the way we think, feel, and act. Neuroscientists, psychologists, and economists are busy unraveling the important mysteries of our time, questions like: "How can I conquer my inbox?" "Why do perfectly reasonable people get their wires crossed?" "What would it take for me to stop procrastinating right now (or later today, or tomorrow)?" Scientific research has ever more to say in answer to these sorts of pressing questions.**

With those words, Webb highlights the potential of scientific research for several different corners of our integrative model of OB. An economist by trade, Webb also spent time doing in-depth reading of research in psychology and neuroscience. The book then applies a "neuro-psycho-economic" perspective to a number of different questions—questions relevant to any employee or manager.

For example, Webb describes research on priorities and productivity that echoes some of what we'll cover in our Motivation and Job Performance chapters. Studies on relationships and influence complement the content in our Teams and Leadership chapters. Her coverage of thinking research reflects aspects of our Learning and Decision Making chapter. Finally, her focus on resilience and energy supplements our discussions of Job Satisfaction and Stress. In all of those sections, Webb pauses to explain scientific principles while highlighting specific studies and experiments.

What happens if we successfully bring to bear all of this scientific knowledge in our working lives? Well, according to Webb, such efforts will result in more good days at work—and fewer bad days. "We have more room to maneuver than we realize,"* she argues. "The secret lies in learning some of the science explaining how the brain works, and why people behave the way they do . . . Grasp these essentials, and it becomes far clearer how to bring the best out of ourselves and others. And that puts us in a much stronger position to create the kind of day we really want to have."*

*Source: HOW TO HAVE A GOOD DAY by Caroline Webb (New York: Brown Business, 2016).

only about one-half will persist with their practices long enough to actually derive economic benefits. Because one-half times one-half times one-half equals one-eighth, at best 12 percent of organizations will actually do what is required to build profits by putting people first.¹⁵

The integrative model of OB used to structure this book was designed with this Rule of One-Eighth in mind. Figure 1-1 suggests that high job performance depends not just on employee motivation but also on fostering high levels of satisfaction, effectively managing stress, creating a trusting climate, and committing to employee learning. Failing to do any one of those things could hinder the effectiveness of the other concepts in the model. Of course, that systemic nature reveals another reality of organizational behavior: It's often difficult to "fix" companies that struggle with OB issues. Such companies often struggle in a number of different areas and on a number of different levels. For more discussion about why firms struggle to manage their people, see our **OB at the Bookstore** feature, which appears in each chapter to showcase a well-known business book that discusses OB concepts.

HOW DO WE “KNOW” WHAT WE KNOW ABOUT ORGANIZATIONAL BEHAVIOR?

Now that we’ve described what OB is and why it’s an important topic of study, we now turn to how we “know” what we know about the topic. In other words, where does the knowledge in this textbook come from? To answer this question, we must first explore how people “know” about anything. Philosophers have argued that there are several different ways of knowing things:¹⁶

- **Method of experience:** People hold firmly to some belief because it is consistent with their own experience and observations.
- **Method of intuition:** People hold firmly to some belief because it “just stands to reason”—it seems obvious or self-evident.
- **Method of authority:** People hold firmly to some belief because some respected official, agency, or source has said it is so.
- **Method of science:** People accept some belief because scientific studies have tended to replicate that result using a series of samples, settings, and methods.

Consider the following prediction: Providing social recognition, in the form of public displays of praise and appreciation for good behaviors, will increase the performance and commitment of work units. Perhaps you feel that you “know” this claim to be true because you yourself have always responded well to praise and recognition. Or perhaps you feel that you “know” it to be true because it seems like common sense—who wouldn’t work harder after a few public pats on the back? Maybe you feel that you “know” it to be true because a respected boss from your past always extolled the virtue of public praise and recognition.

However, the methods of experience, intuition, and authority also might have led you to the opposite belief—that providing social recognition has no impact on the performance and commitment of work units. It may be that public praise has always made you uncomfortable or embarrassed, to the point that you’ve tried to hide especially effective behaviors to avoid being singled out by your boss. Or it may seem logical that social recognition will be viewed as “cheap talk,” with employees longing for financial incentives rather than verbal compliments. Or perhaps the best boss you ever worked for never offered a single piece of social recognition in her life, yet her employees always worked their hardest on her behalf. From a scientist’s point of view, it doesn’t really matter what a person’s experience, intuition, or authority suggests; the prediction must be tested with data. In other words, scientists don’t simply assume that their beliefs are accurate; they acknowledge that their beliefs must be tested scientifically.

Scientific studies are based on the scientific method, originated by Sir Francis Bacon in the 1600s and adapted in Figure 1-3.¹⁷ The scientific method begins with **theory**, defined as a collection of assertions—both verbal and symbolic—that specify how and why variables are related, as well as the conditions in which they should (and should not) be related.¹⁸ More simply, a theory tells a story and supplies the familiar who, what, where, when, and why elements found in any newspaper or magazine article.¹⁹ Theories are often summarized with theory diagrams, the “boxes and arrows” that graphically depict relationships between variables. Our integrative model of OB in Figure 1-1 represents one such diagram, and there will be many more to come in the remaining chapters of this textbook.

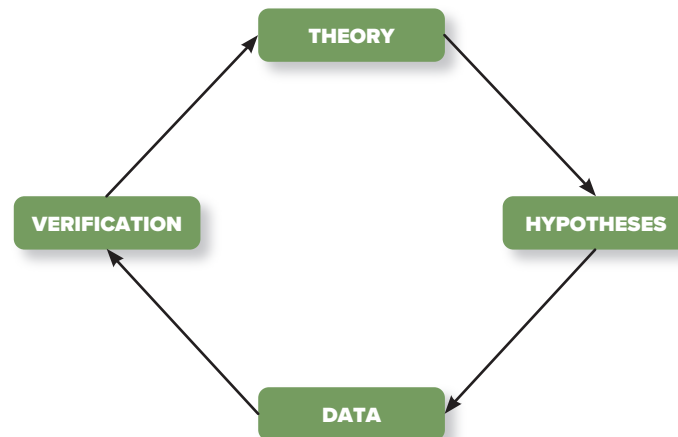
A scientist could build a theory explaining why social recognition might influence the performance and commitment of work units. From what sources would that theory be built? Well, because social scientists “are what they study,” one source of theory building is introspection. However, theories may also be built from interviews with employees or from observations where scientists take notes, keep diaries, and pore over company documents to find all the elements of a theory story.²⁰ Alternatively, theories may be built from research reviews, which examine findings of previous studies to look for general patterns or themes.²¹

Although many theories are interesting, logical, or thought provoking, many also wind up being completely wrong. After all, scientific theories once predicted that the earth was flat and the sun revolved around it. Closer to home, OB theories once argued that money was not an effective motivator and that the best way to structure jobs was to make them as simple and mundane as possible.²² Theories must therefore be tested to verify that their predictions are accurate. As



1.5

What is the role of theory in the scientific method?

FIGURE 1-3 The Scientific Method

shown in Figure 1-3, the scientific method requires that theories be used to inspire **hypotheses**. Hypotheses are written predictions that specify relationships between variables. For example, a theory of social recognition could be used to inspire this hypothesis: “Social recognition behaviors on the part of managers will be positively related to the job performance and organizational commitment of their units.” This hypothesis states, in black and white, the expected relationship between social recognition and unit performance.

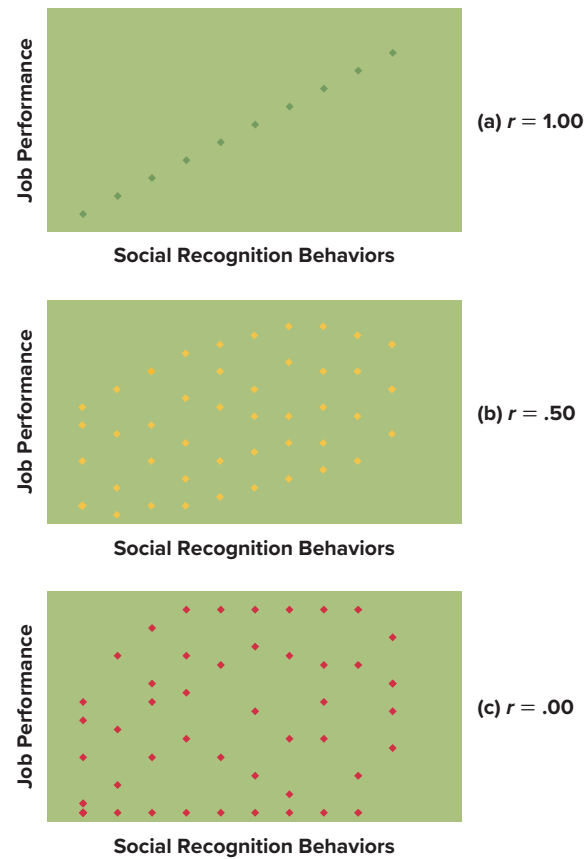
Assume a family member owned a chain of 21 fast-food restaurants and allowed you to test this hypothesis using the restaurants. Specifically, you decided to train the managers in a subset of the restaurants about how to use social recognition as a tool to reinforce behaviors. Meanwhile, you left another subset of restaurants unchanged to represent a control group. You then tracked the total number of social recognition behaviors exhibited by managers over the next nine months by observing the managers at specific time intervals. You measured job performance by tracking drive-through times for the next nine months and used those times to reflect the minutes it takes for a customer to approach the restaurant, order food, pay, and leave. You also measured the commitment of the work unit by tracking employee retention rates over the next nine months.

So how can you tell whether your hypothesis was supported? You could analyze the data by examining the **correlation** between social recognition behaviors and drive-through times, as well as the correlation between social recognition behaviors and employee turnover. A correlation, abbreviated r , describes the statistical relationship between two variables. Correlations can be positive or negative and range from 0 (no statistical relationship) to 1 (a perfect statistical relationship). Picture a spreadsheet with two columns of numbers. One column contains the total numbers of social recognition behaviors for all 21 restaurants; the other contains the average drive-through times for those same 21 restaurants. The best way to get a feel for the correlation is to look at a scatterplot—a graph made from those two columns of numbers. Figure 1-4 presents three scatterplots, each depicting different-sized correlations. The strength of the correlation can be inferred from the “compactness” of its scatterplot. Panel (a) shows a perfect 1.0 correlation; knowing the score for social recognition allows you to predict the score for drive-through times perfectly. Panel (b) shows a correlation of .50, so the trend in the data is less obvious than in Panel (a) but still easy to see with the naked eye. Finally, Panel (c) shows a correlation of .00—no statistical relationship. Understanding the correlation is important because OB questions are not “yes or no” in nature. That is, the question is not “Does social recognition lead to higher job performance?” but rather “How often does social recognition lead to higher job performance?” The correlation provides a number that expresses an answer to the “how often” question.

So what is the correlation between social recognition and job performance (and between social recognition and organizational commitment)? It turns out that a study very similar to the one

**1.6**

How are correlations interpreted?

FIGURE 1-4 Three Different Correlation Sizes

described was actually conducted, using a sample of 21 Burger King restaurants with 525 total employees.²³ The correlation between social recognition and job performance was .28. The restaurants that received training in social recognition averaged 44 seconds of drive-through time nine months later versus 62 seconds for the control group locations. The correlation between social recognition and retention rates was .20. The restaurants that received training in social recognition had a 16 percent better retention rate than the control group locations nine months later. The study also instituted a financial “pay-for-performance” system in a subset of the locations and found that the social recognition effects were just as strong as the financial effects.

Of course, you might wonder whether correlations of .28 or .20 are impressive or unimpressive. To understand those numbers, let’s consider some context for them. Table 1-4 provides some notable correlations from other areas of science. If the correlation between height and weight is only .44, then a correlation of .28 between social recognition and job performance doesn’t sound too bad! In fact, a correlation of .50 is considered “strong” in organizational behavior research, given the sheer number of things that can affect how employees feel and act.²⁴ A .30 correlation is considered “moderate,” and many studies discussed in this book will have results in this range. Finally, a .10 correlation is considered “weak” in organizational behavior research. It should be noted, however, that even “weak” correlations can be important if they predict costly behaviors such as theft or ethical violations. The .08 correlation between smoking and lung cancer within 25 years is a good example of how important small correlations can be.

Does this one study settle the debate about the value of social recognition for job performance and organizational commitment? Not really, for a variety of reasons. First, it included only 21 restaurants with 525 employees—maybe the results would have turned out differently if the study had included more locations. Second, it focused only on restaurant employees—maybe

TABLE 1-4 Some Notable Correlations

CORRELATION BETWEEN . . .	R	SAMPLE SIZE
Height and weight	.44	16,948
Ibuprofen and pain reduction	.14	8,488
Antihistamines and reduced sneezing	.11	1,023
Smoking and lung cancer within 25 years	.08	3,956
Coronary bypass surgery and 5-year survival	.08	2,649

Source: Robert Hogan, "In Defense of Personality Measurement: New Wine for Old Whiners." *Human Performance* 18, 2005, pp. 331–41.



Wilfredo Lee/Associated Press

A study of Burger King restaurants revealed a correlation between social recognition—praise and appreciation by managers—and employees' performance and commitment. Such studies contribute to the growing body of organizational behavior knowledge.

there's something unique about such employees that makes them particularly responsive to social recognition. Third, it may be that the trained locations differed from the control locations on something *other than* social recognition, and it was that "something" that was responsible for the performance differences. You may have heard the phrase, "correlation does not imply causation." It turns out that making **causal inferences**—establishing that one variable really does cause another—requires establishing three things.²⁵ First, that the two variables are correlated. Second, that the presumed cause precedes the presumed effect in time. Third, that no alternative explanation exists for the correlation. The third criterion is often fulfilled in experiments, where researchers have more control over the setting in which the study occurs.

The important point is that little can be learned from a single study. The best way to test a theory is to conduct many studies, each of which is as different as possible from the ones that preceded it.²⁶ So if you really wanted to study the effects of social recognition, you would conduct several studies using different kinds of samples, different kinds of measures, and both experimental and nonexperimental methods. After completing all of those studies, you could look back on the results and create some sort of average correlation across all of the studies. This process is what a technique called **meta-analysis** does. It takes all of the correlations found in studies of a particular relationship

and calculates a weighted average (such that correlations based on studies with large samples are weighted more than correlations based on studies with small samples). It turns out that a meta-analysis has been conducted on the effects of social recognition and job performance. That analysis revealed an average correlation of .21 across studies conducted in 96 different organizations in the service industry.²⁷ That meta-analysis offers more compelling support for the potential benefits of social recognition than the methods of experience, intuition, or authority could have provided.

Indeed, meta-analyses can form the foundation for **evidence-based management**—a perspective that argues that scientific findings should form the foundation for management education, much as they do for medical education.²⁸ Proponents of evidence-based management argue that human resources should be transformed into a sort of R&D department for managing people.²⁹ Notes one advocate, “In R&D, you go into the laboratory, you experiment and you keep up with the research that others do. . . . Can you imagine walking into the R&D lab at a pharmaceutical company, asking the chief chemist about an important new study and having him respond that they don’t keep up with the literature on chemistry?” Verizon Business, the Basking Ridge, New Jersey-based unit of Verizon Communications, is one example of a company that is moving toward evidence-based management. The company notes that the dollars spent on human resources issues demand more than an intuition-based justification for new plans. More informed decisions come from running systematic experiments in smaller units of an organization, making greater use of internal data, hiring PhDs with relevant expertise, and pursuing collaborations with academics. Such practices form the foundation for the use of **analytics** as a tool for management, with analytics defined as the use of data (rather than just opinion) to guide decision making.³⁰ For a look at how analytics is used in the world of sports, see our **OB on Screen** feature, which appears in each chapter and uses well-known movies to demonstrate OB concepts.

SUMMARY: MOVING FORWARD IN THIS BOOK

The chapters that follow will begin working through the integrative model of OB in Figure 1-1, beginning with the individual outcomes and continuing with the individual, group, and organizational mechanisms that lead to those outcomes. Each chapter begins by spotlighting a company that historically has done a good job of managing a given topic or is currently struggling with a topic. Theories relevant to that topic will be highlighted and discussed. The concepts in those theories will be demonstrated in the **OB on Screen** features to show how OB phenomena have “come to life” in film. The **OB at the Bookstore** feature will then point you to bestsellers that discuss similar concepts. In addition, the **OB Internationally** feature will describe how those concepts operate differently in different cultures and nations.

Each chapter ends with three sections. The first section provides a summarizing theory diagram that explains why some employees exhibit higher levels of a given concept than others. For example, the summarizing theory diagram for Chapter 4 will explain why some employees are more satisfied with their jobs than others. As we noted in the opening of this chapter, knowledge about *why* is critical to any employee who is trying to make sense of his or her working life or any manager who is trying to make his or her unit more effective. How often have you spent time trying to explain your own attitudes and behaviors to yourself? If you consider yourself to be an introspective person, you’ve probably thought about such questions quite a bit. Our **OB Assessments** feature will help you find out how reflective you really are. This feature also appears in each chapter of the textbook and allows you to gain valuable knowledge about your own personality, abilities, job attitudes, and leadership styles.

The next concluding section will describe the results of meta-analyses that summarize the relationships between that chapter’s topic and both job performance and organizational commitment. Over time, you’ll gain a feel for which of the topics in Figure 1-1 have strong, moderate, or weak relationships with these outcomes. This knowledge will help you recognize how everything in OB fits together and what the most valuable tools are for improving performance and commitment in the workplace. As you will discover, some of the topics in OB have a greater impact on how well employees perform their jobs, whereas others have a greater impact on how long employees remain with their organizations. Finally, the third concluding section will describe how the

OB On Screen

This feature is designed to illustrate OB concepts in action on the silver screen. Once you've learned about OB topics, you'll see them playing out all around you, especially in movies.

MONEYBALL

*You don't put a team together with a computer, Billy. . . . Baseball isn't just numbers; it's not science. If it was, then anybody could do what we're doing. But they can't because they don't know what we know. They don't have our experience and they don't have our intuition.**

With those words, Grady Fuson (Ken Medlock) tries to show Billy Beane (Brad Pitt) the error of his ways in *Moneyball* (Dir. Bennett Miller, Columbia Pictures, 2011). Billy is the general manager of the Oakland Athletics (A's). After losing to the New York Yankees in the playoffs, Billy's been forced to trim a payroll that is already a third of what the Yankees pay. To the angst of his head scout Grady, Billy turns to Pete Brand, aka "Google boy," a recent hire with a degree in economics from Yale. Pete is well versed in "sabermetrics"—the scientific search for objective baseball knowledge begun by Bill James, with a nod to the Society for American Baseball Research (SABR).



Columbia Pictures/Photofest

The film, based on the Michael Lewis bestseller,³¹ shows how science can complement experience and intuition. For example, Pete's advanced analytics showed that "on-base percentage"—a statistic dependent not just on hits but also on walks—was a more valid indicator of a player's value than the home runs emphasized by traditional scouts. Ironically, the success of *Moneyball* caused a number of baseball teams to hire "sabermetricians," erasing some of the advantages that Billy's approach had given Oakland.³² Indeed, the use of advanced analytics has taken hold in other professional sports, most notably the National Basketball Association.³³ Hopefully evidence-based management will allow organizational managers to do what sports managers are doing—test their theories of success with data.

*Source: *Moneyball*

content of that chapter can be applied, at a specific level, in an actual organization. For example, the motivation chapter concludes with a section describing how compensation practices can be used to maximize employee effort. If you're currently working, we hope that these concluding sections will help you see how the concepts you're reading about can be used to improve your own organizations. Even if you're not working, these application sections will give you a glimpse into how you will experience OB concepts once you begin your working life.

OB Assessments

This feature is designed to illustrate how OB concepts actually get measured in practice. In many cases, these OB assessments will provide you with potentially valuable insights into your own attitudes, skills, and personality. The OB assessments that you'll see in each chapter consist of multiple survey items. Two concepts are critical when evaluating how good the OB assessments are *reliability* and *validity*. Reliability is defined as the degree to which the survey items are free from random error. If survey items are reliable, then similar items will yield similar answers. Validity is defined as the degree to which the survey items seem to assess what they are meant to assess. If survey items are valid, then experts on the subject will agree that the items seem appropriate.

INTROSPECTION

How introspective are you? This assessment is designed to measure introspection—sometimes termed “private self-consciousness”—which is the tendency to direct attention inward to better understand your attitudes and behaviors. Answer each question using the response scale provided. Then subtract your answers to the boldfaced questions from 4, with the difference being your new answers for those questions. For example, if your original answer for question 5 was “3,” your new answer is 1 (4 – 3). Then sum your answers for the 10 questions. (Instructors: Assessments on scientific interests and methods of knowing can be found in the PowerPoints in the Connect Library's Instructor Resources and in the Connect assignments for this chapter.)

0 EXTREMELY UNCHARACTERISTIC OF ME	1 SOMEWHAT UNCHARACTERISTIC OF ME	2 NEUTRAL	3 SOMEWHAT CHARACTERISTIC OF ME	4 EXTREMELY CHARACTERISTIC OF ME
				1. I'm always trying to figure myself out. _____
				2. Generally, I'm not very aware of myself. _____
				3. I reflect about myself a lot. _____
				4. I'm often the subject of my own daydreams. _____
				5. I never scrutinize myself. _____
				6. I'm generally attentive to my inner feelings. _____
				7. I'm constantly examining my motives. _____
				8. I sometimes have the feeling that I'm off somewhere watching myself. _____
				9. I'm alert to changes in my mood. _____
				10. I'm aware of the way my mind works when I work through a problem. _____

SCORING AND INTERPRETATION

If your scores sum up to 26 or above, you do a lot of introspection and are highly self-aware. You may find that many of the theories discussed in this textbook will help you better understand your attitudes and feelings about working life.

Source: Adapted from A. Fenigstein, M.F. Scheier, and A.H. Buss, “Public and Private Self-Consciousness: Assessment and Theory,” *Journal of Consulting and Clinical Psychology*, Vol. 43, August 1975, pp. 522–27. American Psychological Association.

Takeaways

- 1.1** Organizational behavior is a field of study devoted to understanding and explaining the attitudes and behaviors of individuals and groups in organizations. More simply, it focuses on *why* individuals and groups in organizations act the way they do.
- 1.2** The two primary outcomes in organizational behavior are job performance and organizational commitment.
- 1.3** A number of factors affect performance and commitment, including individual mechanisms (job satisfaction; stress; motivation; trust, justice, and ethics; learning and decision making), individual characteristics (personality and cultural values; ability), group mechanisms (team characteristics and diversity; team processes and communication; leader power and negotiation; leader styles and behaviors), and organizational mechanisms (organizational structure; organizational culture).
- 1.4** The effective management of organizational behavior can help a company become more profitable because good people are a valuable resource. Not only are good people rare, but they are also hard to imitate. They create a history that cannot be bought or copied, they make numerous small decisions that cannot be observed by competitors, and they create socially complex resources such as culture, teamwork, trust, and reputation.
- 1.5** A theory is a collection of assertions, both verbal and symbolic, that specifies how and why variables are related, as well as the conditions in which they should (and should not) be related. Theories about organizational behavior are built from a combination of interviews, observation, research reviews, and reflection. Theories form the beginning point for the scientific method and inspire hypotheses that can be tested with data.
- 1.6** A correlation is a statistic that expresses the strength of a relationship between two variables (ranging from 0 to ± 1). In OB research, a .50 correlation is considered “strong,” a .30 correlation is considered “moderate,” and a .10 correlation is considered “weak.”

Key Terms

• Organizational behavior (OB)	p. 4	• Method of intuition	p. 14
• Human resource management	p. 5	• Method of authority	p. 14
• Strategic management	p. 5	• Method of science	p. 14
• Resource-based view	p. 8	• Theory	p. 14
• Inimitable	p. 9	• Hypotheses	p. 15
• History	p. 10	• Correlation	p. 15
• Numerous small decisions	p. 10	• Causal inference	p. 17
• Socially complex resources	p. 10	• Meta-analysis	p. 17
• Rule of One-Eighth	p. 12	• Evidence-based management	p. 18
• Method of experience	p. 14	• Analytics	p. 18

Discussion Questions

- 1.1** Assuming you possessed the right technical skills for the job, would a position at IKEA be appealing to you? What would be the most important positives associated with the position, in your view? What would be the most important negatives?

- 1.2 Think again about the worst coworker you've ever had—the one who did some of the things listed in Table 1-1. Think about what that coworker's boss did (or didn't do) to try to improve his or her behavior. What did the boss do well or poorly? What would you have done differently, and which organizational behavior topics would have been most relevant?
- 1.3 Which of the individual mechanisms in Figure 1-1 (job satisfaction; stress; motivation; trust, justice, and ethics; learning and decision making) seems to drive your performance and commitment the most? Do you think you're unique in that regard, or do you think most people would answer that way?
- 1.4 Create a list of the most successful companies that you can think of. What do these companies have that others don't? Are the things that those companies possess rare and inimitable (see Figure 1-2)? What makes those things difficult to copy?
- 1.5 Think of something that you "know" to be true based on the method of experience, the method of intuition, or the method of authority. Could you test your knowledge using the method of science? How would you do it?

Case: Levi's

Clearly the end goal behind the Improving Worker Well-Being initiative is laudable. The stickier question is how to achieve that goal in 72 different factories. A natural temptation would be to focus on interventions with universal appeal and to roll out those same interventions in all 72 places. That sounds both efficient and consistent, doesn't it? Levi's is taking the opposite approach. It offers funding and guidance but lets the specifics vary by supplier and by region. For example, the company connected one of its suppliers—Apparel International—with a nonprofit to help it identify need areas. The resulting feedback led to better water fountains, better overhead fans, microwaves and griddles in the cafeteria, and a new soccer field.

The feedback also led Apparel International to improve its managers—who had a reputation for being disrespectful and authoritarian. Explains Oscar González French, the president of the supplier, "We had lots of people complaining their supervisors didn't have the right leadership style—they were too strong, too blunt, they didn't treat them well."* An additional nonprofit was then brought in to design a 10-week training and team-building program tailored to Apparel International's needs. Supervisors are trained to learn employees' idiosyncratic circumstances, listen to their opinions, and foster open two-way communication. As González French summarizes, "We're teaching them to be better leaders."* How important is having better leaders to Apparel International's employees? Well, it showed up as a need area more frequently than higher wages, despite the fact that Mexico's minimum wage for apparel workers is only \$5 a day. Indeed, González French believes bad managers is a key reason why the annual turnover rate in his plant tends to be in the 30–40 percent range.

In reflecting on the bottom-up structure of the Improving Worker Well-Being initiative, Kim Almedia notes, "We needed to step back and listen to vendors."* Offers Bergh, "If this is going to be sustainable over time, we have to prove to the factory owners that this is good for their business . . ."* Still, the question remains how to measure whether the initiative is helping, especially if it takes on different shapes and sizes across suppliers and regions. After all, Levi's is offering funding, even if the suppliers themselves are sharing the responsibility. How exactly will the company measure the success of the initiative? Much like it did with the design and execution of the Apparel International program, it found help. The company has asked the Harvard School of Public Health to design a rigorous scientific study to assess the impact of the Worker Well-Being initiative.

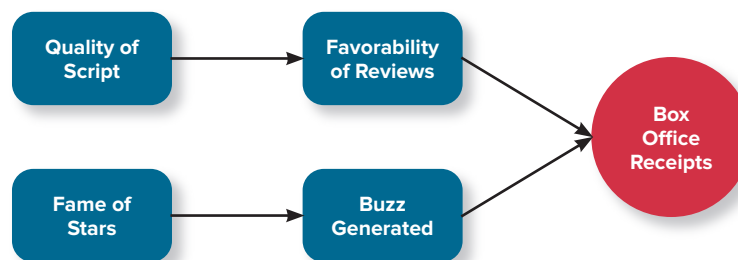
*Fortune Media IP Limited

- 1.1 Initiatives like Improving Worker Well-Being could increase Levi's costs in a number of different respects. Shouldn't that harm the profitability of the company?
- 1.2 What are the potential strengths of a bottom-up approach to supplier improvement for a large company like Levi's? Would be the advantages to a more top-down approach?
- 1.3 How exactly should Harvard's School of Public Health go about studying the effects of the Improving Worker Well-Being initiative? What would an ideal study look like?

Exercise: Is OB Common Sense?

The purpose of this exercise is to take some of the topics covered in this textbook and examine whether improving them is "just common sense." This exercise uses groups, so your instructor will either assign you to a group or ask you to create your own. The exercise has the following steps:

- 1.1 Consider the theory diagram shown below. It explains why two "independent variables" (the quality of a movie's script and the fame of its stars) affect a "dependent variable" (how much the movie makes at the box office).



- 1.2 Now build your own theory diagram about organizational behavior. In your groups, choose one of the following four topics to use as your dependent variable:
 - *Job satisfaction*: The pleasurable emotions felt when performing job tasks.
 - *Strain*: The headaches, fatigue, or burnout resulting from workplace stress.
 - *Motivation*: The intensity and persistence of job-related effort.
 - *Trust in supervisor*: The willingness to allow a supervisor to have significant influence over key job issues.

Using a laptop, whiteboard, or chalkboard, build a theory diagram that summarizes the factors that affect your chosen dependent variable. To be as comprehensive as possible, try to include at least four independent variables. Keep your books closed! You should build your diagrams using only your own experience and intuition.

- 1.3 Each group should present its theory diagram to the class. Do the predicted relationships make sense? Should anything be dropped? Should anything be added?
- 1.4 Now compare the theory diagram you created with the diagrams in the text (Figure 4-7 for Job Satisfaction, Figure 5-3 for Strain, Figure 6-7 for Motivation, and Figure 7-7 for Trust in Supervisor). How does your diagram compare to the text's diagrams? (Search the boldfaced key terms for any jargon that you don't understand.) Did you leave out some important independent variables or suggest some variables that have not been supported by the academic research summarized in the chapters? If so, it shows that OB is more than just common sense.

Endnotes

- 1.1 Kiley, D. "J.D. Power: BMW and Hyundai Are Tops in Car Tech." *Forbes*, October 11, 2016.
- 1.2 Source: Ihlwan, M., and C. Dawson. "Building a 'Camry Fighter': Can Hyundai Transform Itself into One of the World's Top Auto Makers?" *BusinessWeek*, September 6, 2004, http://www.businessweek.com/magazine/content/04_36/b3898072.htm.
- 1.3 Levin, D. "New Hyundai Sonatas Rolling Out of Super-Busy Alabama Plant." *Fortune*, June 26, 2014.
- 1.4 Taylor, A. III. "Hyundai Smokes the Competition." *Fortune*, January 18, 2010, pp. 62–71; and Ihlwan, M.; L. Armstrong; and M. Eldam. "Kissing Clunkers Goodbye." *BusinessWeek*, May 17, 2004, http://www.businessweek.com/magazine/content/04_20/b3883054.htm.
- 1.5 Barney, J.B. "Looking Inside for Competitive Advantage." In *Strategic Human Resource Management*, ed. R.S. Schuler and S.E. Jackson. Malden, MA: Blackwell, 1999, pp. 128–41.
- 1.6 McIntyre, D.A. "Microsoft Launches Retail Stores to Save Windows." *Time*, February 13, 2009, <http://www.time.com/time/business/article/0,8599,1879368,00.html>.
- 1.7 Edwards, C. "Commentary: Sorry, Steve: Here's Why Apple Stores Won't Work." *BusinessWeek*, May 21, 2001, http://www.businessweek.com/magazine/content/01_21/b3733059.htm.
- 1.8 Source: Frommer, D. "Microsoft's New Retail Stores Look Just Like Apple Stores." *Business Insider*, November 1, 2009.
- 1.9 Hansen, F. "Admirable Qualities." *Workforce Management*, June 23, 2008, pp. 25–32.
- 1.10 DeCarlo, S. "The World's Most Admired Companies." *Fortune*, March 1, 2017.
- 1.11 Huselid, M.A. "The Impact of Human Resource Management Practice on Turnover, Productivity, and Corporate Financial Performance." *Academy of Management Journal* 38 (1995), pp. 635–72.
- 1.12 Welbourne, T.M., and A.O. Andrews. "Predicting the Performance of Initial Public Offerings: Should Human Resource Management Be in the Equation?" *Academy of Management Journal* 39 (1996), pp. 891–919.
- 1.13 Source: M.C. Bush and S. Lewis-Kulin., "The 100 Best Companies to Work For." *Fortune*, March 15, 2017.
- 1.14 Fulmer, I.S.; B. Gerhart; and K.S. Scott. "Are the 100 Best Better? An Empirical Investigation of the Relationship Between Being a 'Great Place to Work' and Firm Performance." *Personnel Psychology* 56 (2003), pp. 965–93.
- 1.15 Source: Pfeffer, J., and J.F. Veiga. "Putting People First for Organizational Success." *Academy of Management Executive* 13 (1999), pp. 37–48.
- 1.16 Kerlinger, F.N., and H.B. Lee. *Foundations of Behavioral Research*. Fort Worth, TX: Harcourt, 2000.
- 1.17 Bacon, F.; M. Silverthorne; and L. Jardine. *The New Organon*. Cambridge: Cambridge University Press, 2000.
- 1.18 Campbell, J.P. "The Role of Theory in Industrial and Organizational Psychology." In *Handbook of Industrial and Organizational Psychology*, Vol. 1, edited by, M.D. Dunnette and L.M. Hough. Palo Alto, CA: Consulting Psychologists Press, 1990, pp. 39–74.

- 1.19 Whetten, D.A. "What Constitutes a Theoretical Contribution?" *Academy of Management Review* 14 (1989), pp. 490–95.
- 1.20 Locke, K. "The Grounded Theory Approach to Qualitative Research." In *Measuring and Analyzing Behavior in Organizations*, ed. F. Drasgow and N. Schmitt. San Francisco, CA: Jossey-Bass, 2002, pp. 17–43.
- 1.21 Locke, E.A., and G.P. Latham. "What Should We Do About Motivation Theory? Six Recommendations for the Twenty-First Century." *Academy of Management Review* 29 (2004), pp. 388–403.
- 1.22 Herzberg, F.; B. Mausner; and B.B. Snyderman. *The Motivation to Work*. New York: John Wiley, 1959; Taylor, F. W. *The Principles of Scientific Management*. New York: Harper & Row, 1911.
- 1.23 Peterson, S.J., and F. Luthans. "The Impact of Financial and Nonfinancial Incentives on Business-Unit Outcomes over Time." *Journal of Applied Psychology* 91 (2006), pp. 156–65.
- 1.24 Cohen, J.; P. Cohen; S.G. West; and L.S. Aiken. *Applied Multiple Regression/Correlation Analysis for the Behavioral Sciences*. Mahwah, NJ: Erlbaum, 2003.
- 1.25 Shadish, W.R.; T.D. Cook; and D.T. Campbell. *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*. Boston, MA: Houghton Mifflin, 2002.
- 1.26 Shadish, W.R.; T.D. Cook; and D.T. Campbell. *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*. Boston, MA: Houghton Mifflin, 2002.
- 1.27 Stajkovic, A.D., and F. Luthans. "A Meta-Analysis of the Effects of Organizational Behavior Modification on Task Performance, 1975–1995." *Academy of Management Journal* 40 (1997), pp. 1122–49.
- 1.28 Rousseau, D.M.; J. Manning; and D. Denyer. "Evidence in Management and Organizational Science: Assembling the Field's Full Eight of Scientific Knowledge Through Syntheses." *Academy of Management Annals* 2 (2008), pp. 475–515; and Briner, R.B.; D. Denyer; and D.M. Rousseau. "Evidence-Based Management: Concept Cleanup Time?" *Academy of Management Perspectives* 23 (2009), pp. 19–32.
- 1.29 Hansen, F. "Merit-Pay Payoff?" *Workforce Management*, November 3, 2008, pp. 33–39.
- 1.30 Davenport, T.H. "Analytics 3.0." *Harvard Business Review*, December, 2013.
- 1.31 Lewis, M. *Moneyball*. New York: Norton, 2003.
- 1.32 Fox, J. "The Moneyball Myth." *Bloomberg Businessweek*, October 20, 2011, pp. 110–11.
- 1.33 Schwartz, J. "Net Loss." *Slate*, February 28, 2013, http://www.slate.com/articles/sports/sports_nut/2013/02/nba_stats_gurus_can_t_work_together_anymore_that_s_a_problem.html.

2

Job Performance

ORGANIZATIONAL
MECHANISMSOrganizational
CultureOrganizational
StructureGROUP
MECHANISMSLeadership:
Styles &
BehaviorsLeadership:
Power &
NegotiationTeams:
Processes &
CommunicationTeams:
Characteristics &
DiversityINDIVIDUAL
CHARACTERISTICS

Ability

Personality &
Cultural ValuesINDIVIDUAL
MECHANISMSJob
Satisfaction

Stress

Motivation

Trust, Justice,
& EthicsLearning &
Decision MakingINDIVIDUAL
OUTCOMESJob
PerformanceOrganizational
Commitment

LEARNING GOALS

After reading this chapter, you should be able to answer the following questions:

- 2.1** What is job performance?
- 2.2** What is task performance?
- 2.3** How do organizations identify the behaviors that underlie task performance?
- 2.4** What is citizenship behavior?
- 2.5** What is counterproductive behavior?
- 2.6** What workplace trends are affecting job performance in today's organizations?
- 2.7** How can organizations use job performance information to manage employee performance?


 A photograph of an Accenture office building at night. The building has a large blue glass facade with the Accenture logo and tagline "High performance. Delivered." in white. The logo features a stylized greater-than sign (>) above the 't' in Accenture. The tagline is in a script font. To the right of the glass, a person is walking on a sidewalk.

accenture
High performance. Delivered.

ACCENTURE

Jussi Nukari/Getty Images

Accenture is a global consulting and professional services company that provides a wide array of services and solutions to help businesses improve their performance and enhance value to stakeholders. The company's roots can be traced to the mid 1950s, when the Administrative Services division of accounting firm Arthur Andersen installed some of the first computer systems for commercial use for companies such as General Electric and Bank of America. Administrative Services continued to innovate and pioneer the use of computer technology to solve problems for businesses, and after global expansion and a few name changes, it achieved independence from Arthur Andersen in 2000 and became Accenture—a name reflecting the company's "accent on the future" vision.

Based in Dublin, Ireland, Accenture has approximately 400,000 employees serving clients in more than 40 industries and 120 countries scattered across the globe. The company has grown to what it is today by demanding high performance from each and every one of its employees. Whether employees are involved in the company's consulting, strategy, digital, technology, or operations businesses, the expectation is that employees work individually, and as team members, to do all the things that are necessary to

apply technology, science, and thinking to innovate and drive success for the company's clients.

There are a number of trends in the consulting and professional services industry that have a profound influence on what high job performance means at Accenture. As an example, the rapid pace of technological change, coupled with the complexity of business and organizational problems, means that employees have to fully engage themselves and apply their expertise in new and creative ways, connect their ideas with the ideas of other experts to find innovative solutions, anticipate what challenges lie ahead to identify new opportunities, and adapt to changing circumstances as they unfold. Employees also have to perform their jobs in pressure filled contexts where clients expect actual results, rather than just ideas and plans that sound good. In part due to these trends and demands, there has been a shift in Accenture's philosophy regarding how the job performance of employees is viewed. Rather than bureaucratic and time-consuming practices that focus on what employees have done right and wrong in the past, the company is now providing employees with tools and technologies that allow for real time feedback that can be applied directly to current and future projects. Accenture has characterized this as a transition from a culture of "performance management" to one of "performance achievement."

JOB PERFORMANCE

We begin our journey through the integrative model of organizational behavior with job performance. Why begin with job performance? Because understanding one's own performance is a critical concern for any employee, and understanding the performance of employees in one's unit is a critical concern for any manager. Consider for a moment the job performance of your university's basketball coach. If you were the university's athletic director, you might gauge the coach's performance by paying attention to various behaviors. How much time does the coach spend on the road during recruiting season? How effective are the coach's practices? Are the offensive and defensive schemes well-designed, and are the plays called during games appropriate? You might also consider some other behaviors that fall outside the strict domain of basketball. Does the coach run a clean program? Do players graduate on time? Does the coach represent the university well during interviews with the media and when in public?

Of course, as your university's athletic director, you might be tempted to ask a simpler question: Is the coach a winner? After all, fans and boosters may not care how good the coach is at the previously listed behaviors if the team fails to win conference championships or make it deep into the NCAA tournament. Moreover, the coach's performance in terms of wins and losses has important implications for the university because it affects ticket sales, licensing fees, and booster donations. Still, is every unsuccessful season the coach's fault? What if the coach develops a well-conceived game plan but the players repeatedly make mistakes at key times in the game? What if the team experiences a rash of injuries or inherits a schedule that turns out to be much tougher than originally thought? What if a few games during the season are decided by fluke baskets or by bad calls by the referees?

This example illustrates one dilemma when examining job performance. Is performance a set of behaviors that a person does (or does not) engage in, or is performance the end result of those behaviors? You might be tempted to believe it's more appropriate to define performance in terms of results rather than behaviors. This is because results seem more "objective" and are more connected to the central concern of managers—"the bottom line." For example, the job performance of sales employees is often measured by the amount of sales revenue generated by each person over some time span (e.g., a month, a quarter, a year). For the most part, this logic makes perfect sense: Sales employees are hired by organizations to generate sales, and so those who meet or exceed sales goals are worth more to the organization and should be considered high performers. It's very easy to appreciate how the sales revenue from each salesperson might be added up and used as an indicator of a business's financial performance. However, as sensible as this logic seems, using results as the primary indicator of job performance creates potential problems.

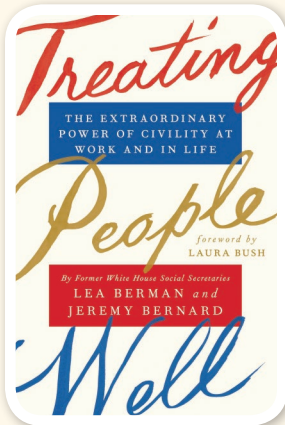
First, employees contribute to their organization in ways that go beyond bottom line results, and so evaluating an employee's performance based on results alone might give you an inaccurate picture of which employees are worth more to the organization. As our **OB at the Bookstore** feature illustrates, there is often much more to jobs than one might assume based on a simple job description or what is commonly believed about the what the job involves. Second, there's evidence that managers' focus on bottom line results can create a bottom line mentality among employees, which in turn, results in social undermining—sabotaging coworkers' reputations or trying to make them look bad.¹ Similarly, the quest to enhance the bottom line may lead employees to violate policies and regulations, which in turn, may result in staggering legal fees, fines, and lost customers. As an example, Wells Fargo bank had long focused on employee sales of new accounts, and it has come to light that employees of the bank opened as many as two million accounts without their customers' consent or knowledge.²

Third, results are often influenced by factors that are beyond the employees' control—product quality, competition, equipment, technology, budget constraints, coworkers, and supervisors, just to name a few. Fourth, even if these uncontrollable factors are less relevant in a given situation, there's another problem with a results-based view of job performance: Results don't tell you how to reverse a "bad year." That is, performance feedback based on results doesn't provide people

OB At the Bookstore

TREATING PEOPLE WELL

by Lea Berman and Jeremy Bernard (New York: Scribner, 2018).



©Roberts Publishing Services, Inc.

We saw the importance of cultivating relationships, building alliances, cajoling coworkers, and charming ill-tempered participants

With those words, authors Berman and Barnard describe how their ability to perform the job of social secretary for George and Laura Bush (Berman) and for Barack and Michelle Obama (Bernard) followed from the realization that being effective in their job required much more than just setting appointments and arranging meetings and other events. They discuss at length in their book how their ability to exceed expectations in their job was a function of the friendships that were built by being civil and treating people well and, as a consequence of such behavior, having people around who they could trust and rely on.

Berman and Barnard describe 12 behaviors they believe people should engage in to build positive and trusting interpersonal relationships. They write, for example, that it's important to listen first and speak later, use humor and charm, remain calm, keep smiling, own your mistakes, and be honest and diplomatic. The authors also discuss practices that apply in contexts where interpersonal interactions are virtual or where technology is involved. The importance of these behaviors may seem very obvious to you, but in high-pressure situations where we are dealing with people who hold fundamentally opposing positions, or where interactions are strained for other reasons, we can forget our manners and act in a more direct, impatient, rude, and even confrontational manner. When this happens, it is much more difficult to find common ground, or to secure the type of cooperation necessary to accomplish much of anything.

Although the authors' ideas regarding civility are grounded primarily in their experiences working in the White House, it is easy to see how they might apply to other job contexts where positive interpersonal relationships are important. In fact, perhaps the most important suggestion in the book is to engage in civility on a consistent basis regardless of context—in other words, the authors emphasize the importance of treating everyone well. This not only reinforces civility as a habit, but it also conveys a reputation that one is authentically good and, following from this, worthy of admiration and trust.

with the information they need to improve their behavior. Walgreens, for example, uses knowledge of job performance behaviors to create comprehensive training and development programs so that employees can be effective at various jobs they may have throughout their careers with the company.³ In sum, given that the field of OB aims to understand, predict, and improve behavior, we refer to job performance as behavior. We use the term “results” or “job performance results” when referring to important outcomes that are associated with those behaviors.

So what types of employee behaviors constitute job performance? To understand this question, consider that **job performance** is formally defined as the value of the set of employee behaviors that contribute, either positively or negatively, to organizational goal accomplishment.⁴ This definition of job performance includes behaviors that are within the control of employees, but it places a boundary on which behaviors are (and are not) relevant to job performance. For example, consider the behavior of a server in a restaurant that prides itself on world-class customer



2.1

What is job performance?

Geno Auriemma has led the University of Connecticut women's basketball team to 11 national championships (including four in a row), six perfect seasons, and 100 percent graduation rate for all four-year players. He's been the Naismith College Coach of the Year eight times since taking over the team in 1985. If the Huskies suffered through a couple losing seasons, would Coach Auriemma be considered a low performer?



Mike Carlson/Getty Images

service. Texting a friend during a work break would not usually be relevant (in either a positive or negative sense) to the accomplishment of organizational goals. That behavior is therefore not relevant to the server's job performance. However, texting in the middle of taking a customer's order would be relevant (in a negative sense) to organizational goal accomplishment. That behavior, therefore, is relevant to the server's job performance.

WHAT DOES IT MEAN TO BE A "GOOD PERFORMER"?

Our definition of job performance raises a number of important questions. Specifically, you might be wondering which employee behaviors fall under the umbrella heading of "job performance." In other words, what exactly do you have to *do* to be a good performer? We could probably spend an entire chapter just listing various behaviors that are relevant to job performance. However, those behaviors generally fit into three broad categories.⁵ Two categories are *task performance* and *citizenship behavior*, both of which contribute positively to the organization. The third category is *counterproductive behavior*, which contributes negatively to the organization. The sections that follow describe these broad categories of job performance in greater detail.

TASK PERFORMANCE

Task performance refers to employee behaviors that are directly involved in the transformation of organizational resources into the goods or services that the organization produces.⁶ If you read a description of a job in an employment ad online, that description will focus on task performance behaviors—the tasks, duties, and responsibilities that are a core part of the job. Put differently, task performance is the set of explicit obligations that an employee must fulfill to receive compensation and continued employment. For a flight attendant, task performance includes announcing and demonstrating safety and emergency procedures and distributing food and beverages to passengers. For a firefighter, task performance includes searching burning buildings to locate fire victims and operating equipment to put out fires. For an accountant, task performance involves preparing, examining, and analyzing accounting records for accuracy and completeness. Finally, for an advertising executive, task performance includes developing advertising campaigns and preparing and delivering presentations to clients.⁷

Although the specific activities that constitute task performance differ widely from one job to another, task performance also can be understood in terms of more general categories. One way of categorizing task performance is to consider the extent to which the context of the job is routine, changing, or requires a novel or unique solution. **Routine task performance** involves well-known responses to demands that occur in a normal, routine, or otherwise predictable way. In these cases, employees tend to behave in more or less habitual or programmed ways that vary little from one instance to another.⁸ As an example of a routine task activity, you may recall watching an expressionless flight attendant robotically demonstrate how to insert the seatbelt tongue into



2.2

What is task performance?

the seatbelt buckle before your flight takes off. Seatbelts haven't really changed since . . . oh . . . 1920, so the instructions to passengers tend to be conveyed the same way, over and over again.

In contrast, **adaptive task performance**, or more commonly "adaptability," involves employee responses to task demands that are novel, unusual, or, at the very least, unpredictable.⁹ For example, on August 2, 2005, Air France Flight 358, carrying 297 passengers and 12 crew members from Paris, France, to Toronto, Canada, skidded off the runway while landing and plunged into a ravine. Amid smoke and flames, the flight attendants quickly responded to the emergency and assisted three-quarters of the 297 passengers safely off the plane within 52 seconds, before the emergency response team arrived. One minute later, the remaining passengers and 12 crew members were out safely.¹⁰ From this example, you can see that flight attendants' task performance shifted from activities such as providing safety demonstrations and handing out beverages to performing emergency procedures to save passengers' lives. Although flight attendants receive training so they can handle emergency situations such as this one, executing these behaviors effectively in the context of an actual emergency differs fundamentally from anything experienced previously.

Adaptive task performance is becoming increasingly important as globalization, technological advances, and knowledge-based work increase the pace of change in the workplace.¹¹ In fact, adaptive task performance has become crucial in today's global economy where companies have been faced with the challenge of becoming more productive with fewer employees on staff. For example, Sheboygan Falls, Wisconsin-based Johnsonville Sausage feels that adaptability is important for employees at all levels of the organization and has invested significant resources in training to ensure that employees develop competency in this aspect of job performance.¹² As another example, at the German chemical and pharmaceutical company Bayer, the hiring of plant directors involves the search for candidates who not only possess a wide range of skills and abilities so that they can adapt to various job demands, but in addition, competence in helping others adapt to changes that occur in the workplace.¹³ Table 2-1 provides a number of examples of adaptability that are relevant to many jobs in today's economy.¹⁴

Finally, **creative task performance** refers to the degree to which individuals develop ideas or physical outcomes that are both novel and useful.¹⁵ The necessity of including both novelty and usefulness in the definition of creativity can be illustrated with the following example of what effective performance for a swimsuit designer involves. Consider first the case of a swimsuit designer who suggests in a meeting that next season's line of swimsuits should be made entirely out of chrome-plated steel. Although this idea might be very novel, for many reasons it's not likely to be very useful. Indeed, someone who offered an idea like this would likely be considered silly rather than creative. Another swimsuit designer suggests in the meeting that swimsuits for next season should be made out of materials that are attractive and comfortable. Although under some circumstances such an idea might be useful, the idea is not novel because attractiveness and comfort are generally accepted design elements for swimsuits. Someone who offered an idea like this might be appreciated for offering input, but no one would consider this individual's performance to be particularly creative. Finally, a third designer for this swimsuit manufacturer suggests that perhaps a two-piece design would be preferred for women, rather than a more traditional one-piece design. Although such an idea would not be considered creative today, it certainly was in 1946 when, in separate but nearly simultaneous efforts, Jacques Heim and Louis Reard introduced the bikini.¹⁶

Although you might be tempted to believe that creative task performance is only relevant to jobs such as artist and inventor, its emphasis has been increasing across a wide variety of jobs. Indeed, more than half the total wages and salary in the United States are paid to employees who need to be creative as part of their jobs, and as a consequence, some have argued that we are at the "dawn of the creative age."¹⁷ This increase in the value of creative performance can be explained by the rapid technological change and intense competition that mark today's business landscape.¹⁸ In this context, employee creativity is necessary to spark the types of innovations that enable organizations to stay ahead of their competition. Because creative ideas do not always get implemented, Because, it is important to recognize creative performance behaviors, as well as the creative outcomes that result from those behaviors.¹⁹