

Organizational Behavior

Improving Performance and
Commitment in the Workplace

Eighth Edition

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

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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.

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Photo by Barbara Johnston/
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Photo by Marcie LePine

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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.

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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 book. 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 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 of 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 roadmap 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 opens with a new wraparound case on Google. The case describes how the organization uses data to inform all of its people-related decisions. In particular, the case describes how one group at Google undertook a research study to see whether managers matter—whether better managers are associated with less employee turnover and better employee attitudes. The OB at the Bookstore feature is now *Think Again*, which describes how “rethinking” can be vital for adaptability, innovation, and wisdom.
- *Chapter 2: Job Performance*—This chapter features a new wraparound case on Uber, which describes how and why the company changed the way it evaluates the job performance of its regular employees. In light of an EEOC lawsuit, and bad press regarding the company’s toxic culture, Uber abandoned its stack ranking system in favor of a system that emphasizes concrete goals related to both job responsibilities and doing good for others inside and outside the organization. Our OB at the Bookstore feature has been changed to *Feedback (and Other Dirty Words)*. This book describes challenges of providing feedback and provides examples of ways to improve feedback between managers and employees. *Ad Astra*, which provides a vivid illustration of how the different aspects of job performance do not always go hand in hand, is the new OB on Screen feature. The chapter includes updated information on the decline of stack ranking systems, and the rise of social media-based performance management systems (social performance management). The chapter now also discusses “gig work” and the implications to job performance.
- *Chapter 3: Organizational Commitment*—Amazon serves as the new wraparound case in this edition, spotlighting the tensions that have simmered between the company and its employees, even as it took an outsized role in people’s lives during the pandemic. The case also describes the increased activism evidenced by Amazon employees, and how such activism impacts employee commitment. This edition’s OB on Screen feature is *Nomadland*, which illustrates the transient life sometimes lead by part-time and seasonal employees—including the kinds who work for Amazon. The new OB at the Bookstore feature is *Lonely Century*, which describes the epidemic of loneliness that has gripped many in society—especially when the pandemic triggered more isolation from one’s colleagues.
- *Chapter 4: Job Satisfaction*—This chapter’s new wraparound case highlights Hilton. Hilton does a number of things to keep its employees satisfied, including improving uniforms, updating break rooms, offering opportunities for education and development, and supporting furloughed employees during the pandemic. The OB on Screen selection is *Working Man*, which depicts a man who continues to go to work in his plastics factory even after its shuts down—just because it offers a sense of purpose. The OB at the

Bookstore selection is *Joy at Work*, which applies Marie Kondo's system of "tidying" to work. The book illustrates how a decluttering of physical and digital objects allows for the experience of more joy in the workplace.

- *Chapter 5: Stress*—General Motors is featured in the new wraparound case for this chapter. Employees at General Motors, one of the largest and most successful vehicle manufacturers in the world, face a number of stressful job demands. The case describes programs the company uses to help employees cope with these demands. Our OB on Screen feature has been changed to *The Lighthouse*, which provides a chilling example of an ineffective means of coping with stress. *Overload* is our new OB at the Bookstore feature. The book's authors describe how strategies people typically use to deal with a high workload are actually not effective in reducing stress and enhancing well-being.
- *Chapter 6: Motivation*—This chapter opens with a new wraparound case on Netflix. The case describes the hard-driving culture at Netflix, which can be described with the phrase "we give adequate performers a generous severance package." The case describes how Netflix implements that culture day-to-day on the job, and the implications of such experiences for motivation. This edition's OB on Screen feature focuses on the interplay of motivation and ability using *1917*, where a British general needs to get a message to a distant battalion that's headed into a trap. He does so by identifying a soldier who's good with maps—and has a brother in that battalion. The OB at the Bookstore focuses on *Atomic Habits*, which lays out the importance of small habits as the building blocks of long-term results. The discussion of habits applies many principles from the scientific study of motivation.
- *Chapter 7: Trust, Justice, and Ethics*—Ben & Jerry's serves as the new wraparound case for the revised chapter. The ice cream maker has a long-established reputation for corporate activism and engagement. In particular, the case illustrates how Ben & Jerry's responded to the protests surrounding racial justice, and also how it grapples with ethical issues pertaining to its business. *21 Bridges* is the new OB on Screen selection for the chapter. The film illustrates the trust dynamics that emerge when a collection of law enforcement and government personnel must make quick decisions when trying to apprehend two suspects on the run.
- *Chapter 8: Learning and Decision Making*—Chobani's unique learning culture and the use of refugees and immigrants to drive its plants serves as the new wraparound case in this edition. The case describes how Chobani faces challenges by focusing so much on its community to fill out its workforce. A new OB at the Bookstore feature highlights the best-selling *Upstream* by Dan Heath and how often we fail to identify the correct problem before coming up with solutions in decision making. *Tenet* is the chapter's OB on Screen selection and focuses on the development of expertise. The chapter also includes a number of research updates as well as several new company examples such as Nextdoor.
- *Chapter 9: Personality and Cultural Values*—This chapter's new wraparound case is focused on Bridgewater Associates—the largest and most profitable hedge fund in the world. The case describes how the company uses assessments to create "baseball cards" that represent employees' personality traits. The data on employees' baseball cards then get updated, using an iPad app, as their behaviors are observed by others during

meetings. *Soul* is the chapter's OB on Screen selection. The film shows what happens in The Great Before, when new souls are given personality traits by the counselors who work there—before those souls go on to inhabit newborn babies. That conceit becomes an interesting metaphor for the genetic basis of personality.

- *Chapter 10: Ability*—This chapter's new wraparound case features PepsiCo. The case describes how PepsiCo relies on artificial intelligence to augment the abilities of its employees. *Chatter* is our OB at the Bookstore feature for this edition. The author of this book outlines a set of tools people can use to manage the cycle of dysfunctional thoughts and emotions that can thwart our ability to cope effectively. The movie for our new OB on Screen feature is *Knives Out*. This film illustrates how a detective uses a range of cognitive abilities to solve a complicated crime.
- *Chapter 11: Teams: Characteristics and Diversity*—This chapter includes expanded coverage of diversity, including material on unconscious biases and inclusion. Our new wraparound case describes how Nissan Motor Company actively encourages and promotes diversity and inclusion. Our OB on Screen feature discusses the movie *Avengers: Endgame*, which provides a vivid example of the power of goal and outcome interdependence in motivating a diverse team to work together effectively. *Belonging* is discussed in our OB at the Bookstore feature. The authors of this book suggest that progress in managing diversity in organizations requires that every member of the organization has to be involved in creating an environment that engenders a sense of belongingness to its members.
- *Chapter 12: Teams: Processes and Communication*—This chapter includes a new wraparound case featuring Mayo Clinic. The case describes how medical teamwork has provided synergy that has fueled the organization's success and growth over the last 150 years. The OB on Screen feature now centers on the movie *Greyhound*. This film illustrates how a crew's success in the most difficult of circumstances hinges on effective communication. Our OB at the Bookstore feature has been changed to *Social Chemistry*. This book's author makes the interesting point that, in terms of career success and life satisfaction, the structure of one's social network is more important than the size of one's social network.
- *Chapter 13: Leadership: Power and Negotiation*—This chapter features a new wraparound case on UPS's new CEO Carol Tomé. As UPS's first female CEO, she was also its first "outsider." This raises some unique views about where power comes from and how to build it. The case details Tomé's willingness to drive a hard bargain and make hard decisions based on new priorities. The chapter has been updated with new research and some new company examples. The OB on Screen feature for this edition uses *The Assistant* and highlights how coercive power and harassment go hand-in-hand.
- *Chapter 14: Leadership: Styles and Behaviors*—The chapter begins with a new wraparound case featuring a CEO in what might have been the world's most difficult follow-up role ever in Tim Cook at Apple. The opener and case help highlight how his style was so different than Steve Jobs's, his willingness to announce that he was gay, and why he's been successful at Apple. A new OB at the Bookstore feature highlights David Marquet's best-selling *Leadership Is Language*, a book that highlights how the words a leader

uses form their “style” as opposed to their actual intentions. The new OB on Screen is *The Way Back*, which describes how a highly imperfect person can still be a transformational leader under the right circumstances.

- *Chapter 15: Organizational Structure*—Procter & Gamble is the focus of this chapter’s new wraparound case that highlights the company’s restructuring largely as a result of pressure from an outside stakeholder. It primarily involves the dismantling of a matrix structure that had gone awry. A new OB on Screen features *Ford v Ferrari*, which illustrates how a heavily bureaucratic organizational structure can affect even a race car team. A new OB at the Bookstore feature highlights David Epstein’s best-selling *Range: Why Generalists Triumph in a Specialized World*, which has some strong thoughts and lessons on the impacts that a company’s decisions on how to organize jobs have for employees’ careers.
- *Chapter 16: Organizational Culture*—This chapter has a new wraparound case that focuses on McDonald’s and how its “party culture” was created and then upended by a CEO’s reckless behavior. McDonald’s new CEO, his desire to reorient the culture by rebuilding trust, and the company’s decision to be very public about the issues it had faced are the focus of the case. The OB at the Bookstore feature now highlights Bob Iger’s *The Ride of a Lifetime*. The book largely describes how Iger used his prior experience with and use of mergers and acquisitions to drive culture change at Disney. A number of new and updated company examples are also included.



Acknowledgments

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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 *Tenet*, *Nomadland*, *Soul*, *Knives Out*, *1917*, *Ford v Ferrari*, and *21 Bridges* offer rich, vivid examples that grab the attention of students.



Lifestyle Pictures/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 *Think Again*, *Ride of a Lifetime*, *Lonely Century*, *Chatter*, and *Atomic Habits* represent the gateway to OB for many students. This feature helps them put those books in a larger context.



Adam Grant/Viking

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.



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*“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.



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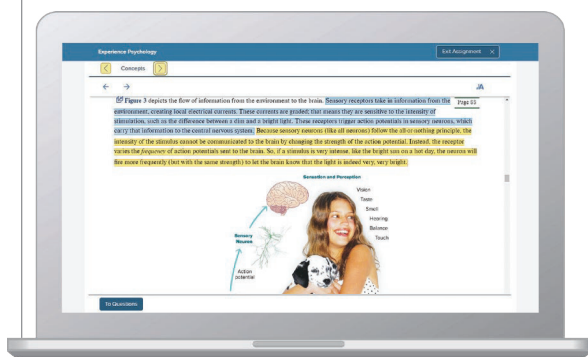


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"I really liked this app—it made it easy to study when you don't have your textbook in front of you."

- Jordan Cunningham,
Eastern Washington University



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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 from earlier editions of the text, giving you extra content to use in your teaching.

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P A R T

1

INTRODUCTION TO ORGANIZATIONAL BEHAVIOR

CHAPTER 1

What Is Organizational Behavior?

CHAPTER 2

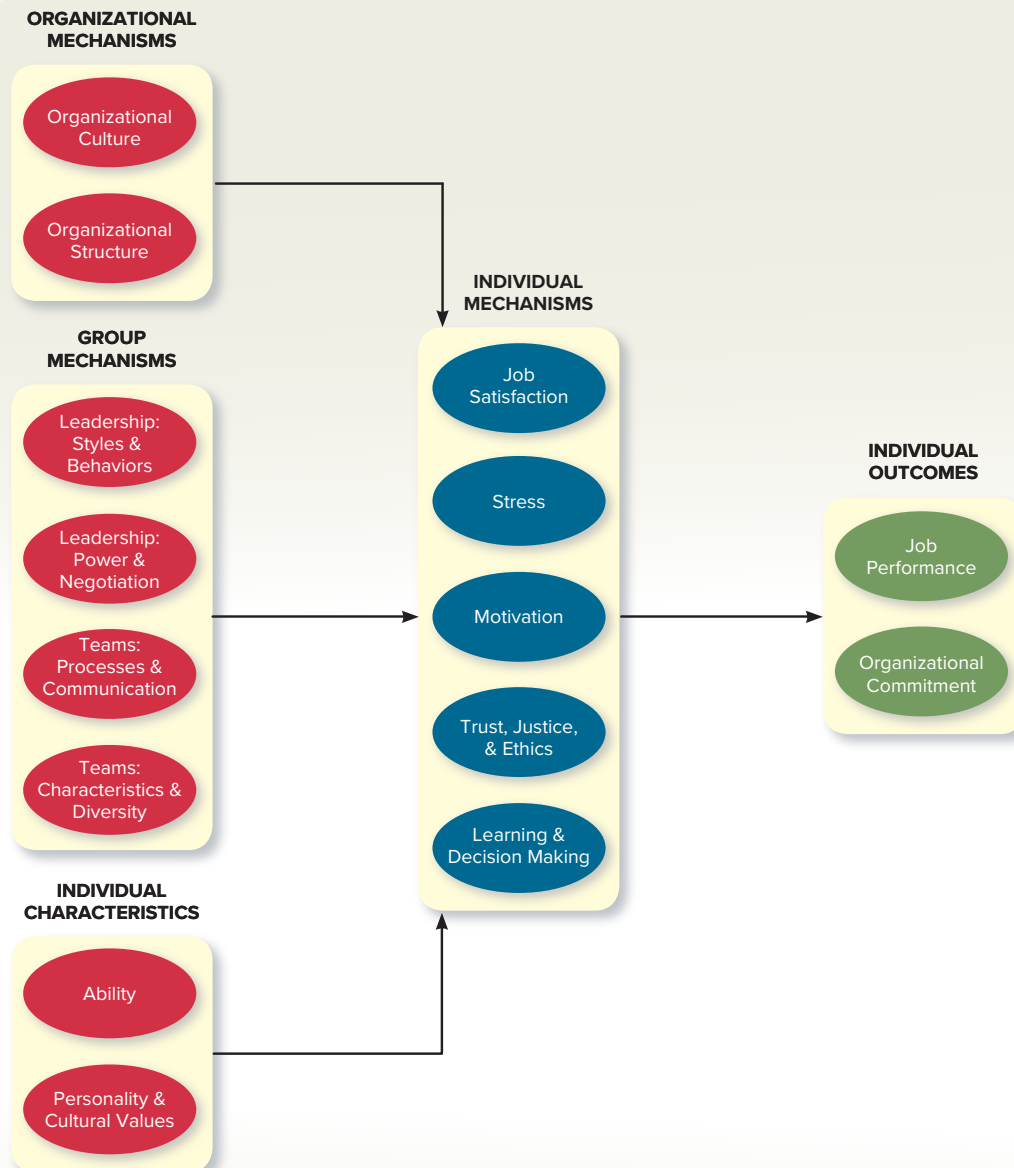
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CHAPTER 3

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?



GOOGLE

Jacques Brinon/Getty Images

Few companies are more data-driven than Google. Data lay at the heart of its search engine, helping to ensure that search results return the links the user is looking for. Data also lay at the heart of its advertising business, ensuring that the ads appearing in our browsers are tailored to our interests and needs in a given moment. And data are pivotal to Google's other products, from the YouTube clicks that create the next generation of influencers to the traffic and business information that make Google Maps so valuable on the road.

It should come as no surprise, then, that data underlie how Google manages its people. Laszlo Bock, formerly the senior vice president for People Operations, summed up a core principle of Google's management philosophy this way: "Don't politick. Use data." The company's hiring system is based on scientific research about the most effective kinds of interview questions and the most predictive kinds of assessments and tests. And Google continually revises and refreshes that system by connecting individual question responses with eventual performance on the job. Google also surveys its applicants on how they felt about the recruiting process, using those results to tweak the way it structures its site visits and their administrative execution. Google

also studies who winds up being promoted, to ensure that product area or work location aren't unintentionally creating headwinds on career trajectories within the company. And its annual attitude survey—Googlegeist—is used to identify initiatives that can improve the job satisfaction, motivation, stress, and trust levels experienced by employers. As Bock summarizes, "Relying on data—indeed, expecting every conversation to be rooted in data—upends the traditional role of managers. It transforms them from being providers of intuition to facilitators in a search for truth, with the most useful facts being brought to bear on each decision."

Google's commitment to data-based management is so deeply rooted that it even has a unit that's specifically charged with gathering, analyzing, and utilizing the data previously described. That unit is Google's People Analytics team, which includes many employees trained in organizational psychology and organizational behavior. The People Analytics team continually examines all of Google's people-related functions, including hiring, performance management, training and development, and retention. People Analytics even has its own in-house think tank—called the People and Innovation Lab (PiLab)—whose mandate is to "advance the science of how people experience work."

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 to earn "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 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 in management departments of universities and scientists in business organizations conduct



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?

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 corporate tactics 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’s 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 *job satisfaction*, which captures what employees feel when thinking about their jobs and doing their



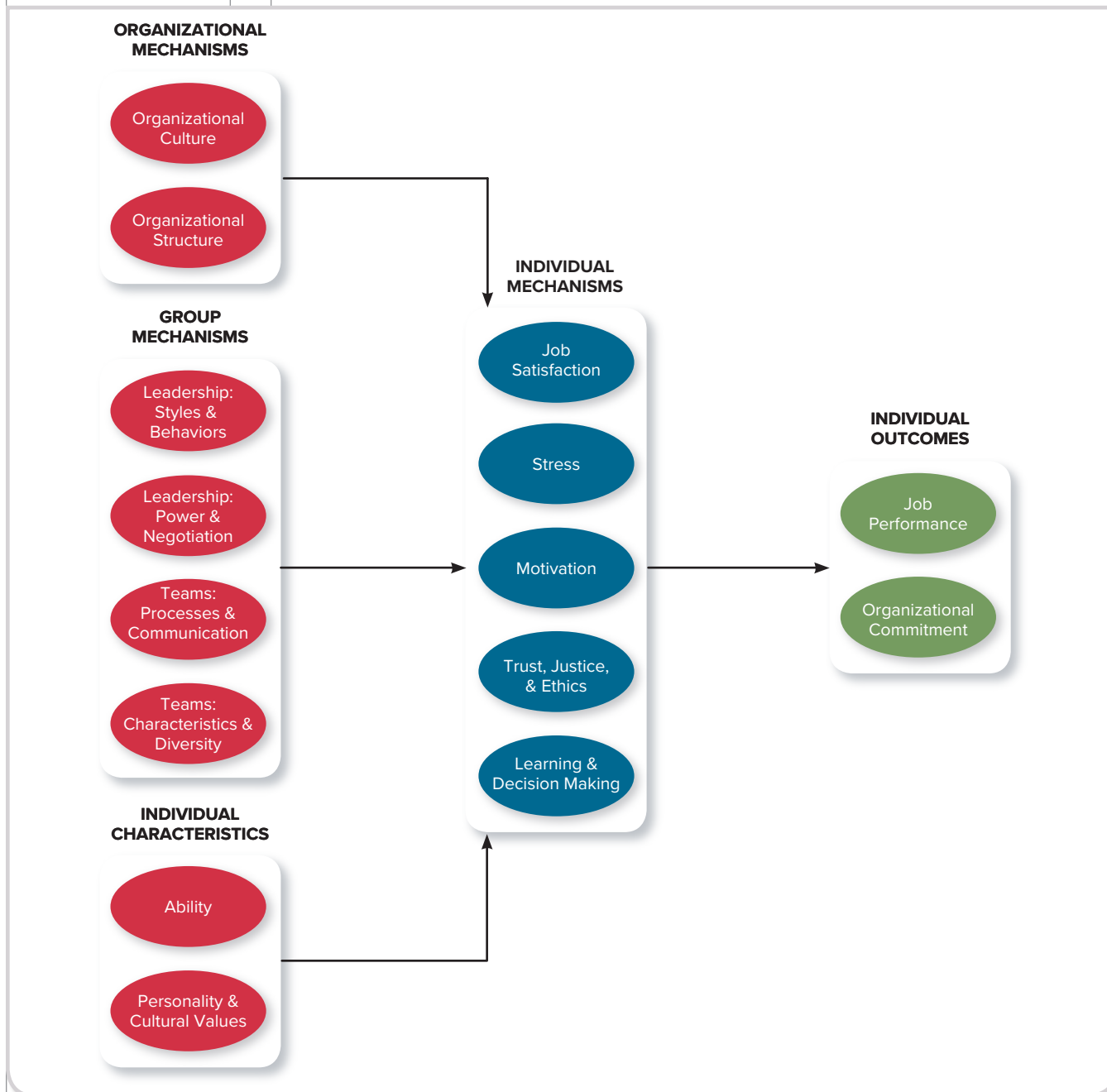
1.2

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

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 impact 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 impact on its bottom-line profitability. After all, if a firm has a good-enough product, won't people buy

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, much of what we know about OB is not necessarily "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 their country of origin—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); 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.

it 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 in a recent report by J.D. Power? BMW was one—can you guess the other? The answer is Hyundai.¹ The study focused on entertainment, connectivity, navigation, collision avoidance, driving assistance, and convenience. The South Korean automaker has improved significantly with respect to reliability and technology over the past few decades. Today its Sonatas and Elantras are built in a cutting-edge factory in Montgomery, Alabama. The factory employs 3,000 workers and pays \$17 per hour as an entry-level wage.² Much of Hyundai's improvement 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.³ 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.⁴ 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. Talented and motivated employees are also sometimes rare—witness the adage “good people are hard to find.” Ask yourself what percentage of the people you’ve worked with have been capable, engaged, satisfied, and good team players. In some organizations, cities, or job markets, such employees are the exception rather than the rule. If talented and motivated employees really are rare, then the effective management of OB should prove to be a valuable resource.

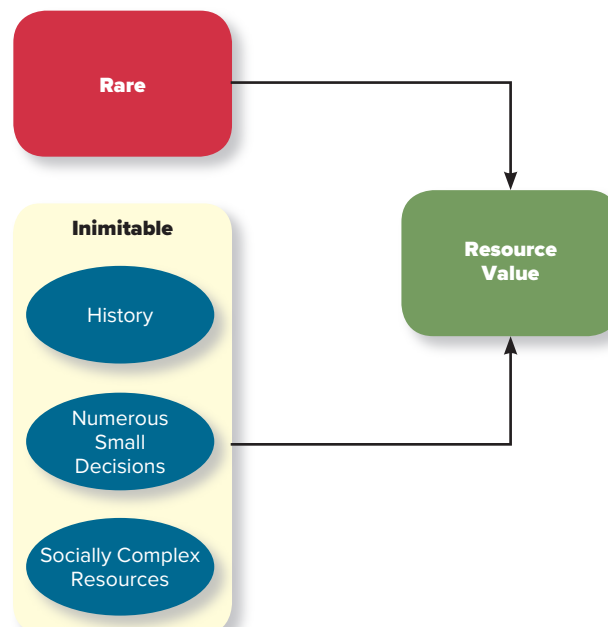
The resource-based view also suggests that a resource is more valuable when it is **inimitable**, meaning that it's difficult to imitate. Many of the firm's resources can be easily imitated, if competitors have enough money. For example, a new form of technology can help a firm gain an advantage for 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. Talented and motivated employees, in contrast, are much more difficult to imitate. As shown in Figure 1-2, there are three reasons such 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. Although the look and feel of Microsoft's stores were very similar to Apple's, Microsoft wound up shuttering all of its stores.



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 2009.⁵ The company hoped that the stores would give it a chance to showcase its computer software, along with its hardware and gaming products. Microsoft

faced an uphill climb from the start, however, given that Apple had opened its first store eight years earlier, in McLean, Virginia.⁶ Microsoft's position on the "retail learning curve" was therefore quite different, as 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. Their location maybe, or perhaps their look and feel? It turns out that Microsoft placed its 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."⁷ 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 resource executives for 20 of the most admired companies in America.⁸ 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.⁹ Competitors like Microsoft can't just acquire "coolness" or "admiration"—they are complex resources that evolve in ways that are both murky and mysterious. Indeed, Microsoft recently made the decision to shutter all of its stores, ending an 11-year run in the retail space.¹⁰

RESEARCH EVIDENCE

Thus, we can build a conceptual argument for why OB might affect an organization's profitability: Talented and motivated employees 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 one particular year. 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 resource management executive, and emphasizing full time rather than temporary or contract employees. Five years after the IPOs, 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 (1995), pp. 635–72.

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	97. Delta
22. Adobe	45. Genentech	98. Mars
24. Intuit	46. REI	100. Patagonia

Source: M. C. Bush and C. Tkaczyk, “100 Best Companies to Work For,” *Fortune*, March 19, 2019.

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 talented and motivated employees 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 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.

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, yet employees always worked their hardest anyway. 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. For more discussion about methods of knowing, and how to revisit your own knowledge, see our **OB at the Bookstore** feature, which appears in each chapter to showcase a well-known business book that discusses OB concepts.

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



1.5

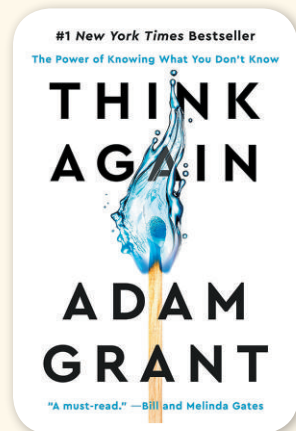
What is the role of theory in the scientific method?

OB At the Bookstore

This feature spotlights best-selling 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.

THINK AGAIN

by Adam Grant (New York: Viking, 2021).



Adam Grant/Viking

Most of us take pride in our knowledge and expertise, and in staying true to our beliefs and opinions. That makes sense in a stable world, where we get rewarded for having conviction in our ideas. The problem is that we live in a rapidly changing world, where we need to spend as much time rethinking as we do thinking.

With those words, Grant lays out a central challenge for our time. The business world—and the world in general—is changing faster than ever. At the same time, society often encourages people to hold firm to their convictions—to remain steadfast in their ideologies. After all, no one likes people who change their minds all the time, right? And yet, changing our minds—rethinking—is often vital for adaptability, innovation, and wisdom.

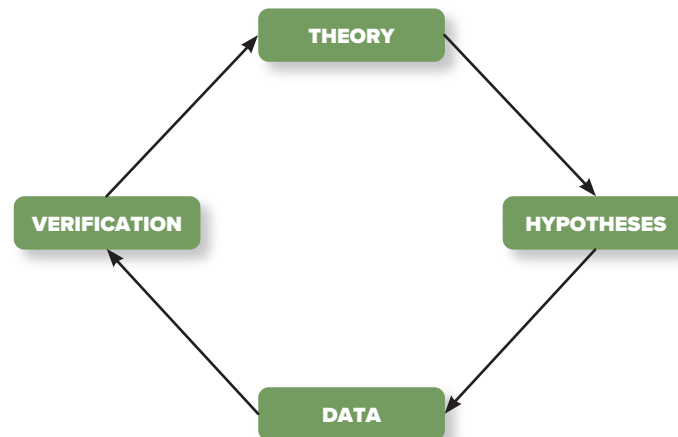
Grant illustrates why rethinking can be a struggle by describing research on cognitive and communicative mindsets. Specifically, most people rely on the following mindsets when forming and stating arguments. They use the preacher mindset when sacred beliefs are challenged, with sermons used to preserve those beliefs. They use the prosecutor mindset when they see a flaw in others' reasoning, with arguments used to prove them wrong. And they use the politician mindset when they need to win over a room, with emotions used to lobby others. Unfortunately, all three mindsets have the goal of protecting what we already think—even if those views have become outdated or outmoded.

What mindset does Grant favor instead? The mindset of a scientist. Scientists are trained to view all theories as “not quite proven” and to realize that all hypotheses must be tested with data. Scientists are also trained to view knowledge as an evolving consensus based on an ever growing number of empirical tests. If earlier studies are not replicated—as often happens in science—then what scientists think gets altered. It is that flexibility that lays at the core of a scientist's sense of self. And that same flexibility could serve many of us well, inside or outside of organizational life.

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 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 had little motivational value and that the best way to structure jobs was to make them as simple as possible.²² Theories must

FIGURE 1-3 The Scientific Method

therefore be tested to verify that their predictions are accurate. As 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 clear terms, the expected relationship between social recognition and unit performance.

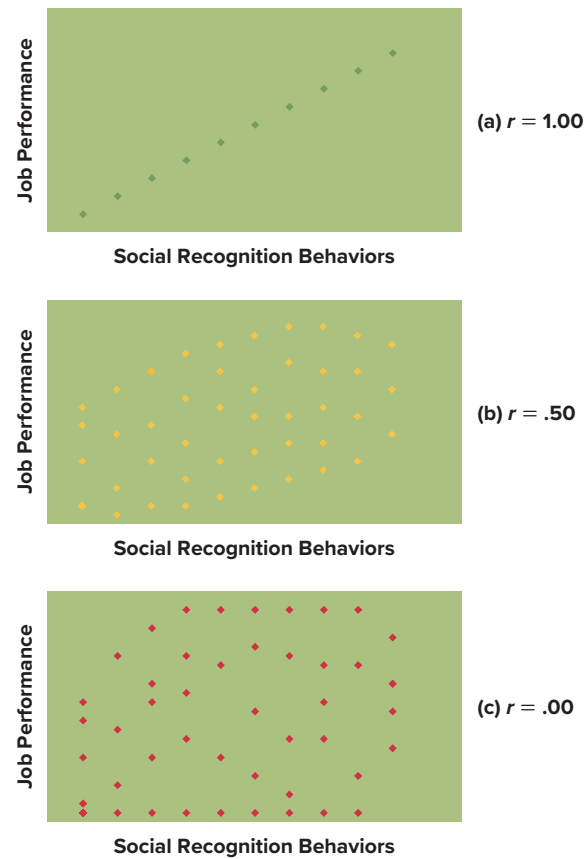
Assume a family member owned a chain of 21 fast-food restaurants and allowed you to test this hypothesis using the restaurants. Specifically, you decided to train the managers in a subset of the restaurants about how to use social recognition as a tool to reinforce behaviors. Meanwhile, you left another 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 -1 (a perfect negative relationship) to 0 (no relationship at all) to 1 (a perfect positive 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 positive correlations. The strength of the correlation can be inferred from the “compactness” of its scatterplot. Panel (a) shows a 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 “To what degree does social recognition lead to higher job performance?” The correlation provides a number that expresses an answer to the “to what degree” 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 described was actually conducted, using a sample of 21 Burger King restaurants with 525 total

**1.6**

How are correlations interpreted?

FIGURE 1-4 Three Different Correlation Sizes

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 there’s something unique about such employees that makes them particularly responsive to social recognition.

TABLE 1-4 Some Notable Correlations

CORRELATION BETWEEN . . .	<i>r</i>	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: R. 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.

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

OB On Screen

This feature is designed to illustrate OB concepts in action through films. 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). Beane is the general manager of the Oakland Athletics (A's). After losing to the New York Yankees in the playoffs, he's been forced to trim a payroll that is already a third of what the Yankees pay. To the angst of his head scout Fuson, Beane turns to Pete Brand, aka "Google boy," a recent hire with a degree in economics from Yale. Brand 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 best seller,²⁷ shows how science can complement experience and intuition. For example, Brand'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 Beane's approach had given Oakland.²⁸ Indeed, the use of advanced analytics has taken hold in other professional sports, most notably the National Basketball Association.²⁹ Hopefully evidence-based management will allow organizational managers to do what sports managers are doing—test their theories of success with data.

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.³⁰ 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.³¹ Proponents of evidence-based management argue that human resource departments should include units that offer R&D functions for managing people.³² 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 [the chemist] 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 resource issues demand more than an intuition-based justification for new plans. More informed decisions result 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 intuition and experience) to guide decision making.³³ 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** feature to show how OB phenomena have “come to life” in film. The **OB at the Bookstore** feature will then point you to best sellers 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 employees who are trying to make sense of their working lives or managers who are trying to make their units 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 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* 43 (August 1975), pp. 522–27.

Takeaways

- 1.1** Organizational behavior is a field of study devoted to understanding, explaining, and improving 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 talented and motivated employees often 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 -1 to 0 to 1). In OB research, a .50-sized correlation is considered “strong,” a .30-sized correlation is considered “moderate,” and a .10-sized correlation is considered “weak.”

Key Terms

• Organizational behavior (OB)	p. 4	• Method of intuition	p. 13
• Human resource management	p. 5	• Method of authority	p. 13
• Strategic management	p. 5	• Method of science	p. 13
• Resource-based view	p. 8	• Theory	p. 13
• 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. 13	• Analytics	p. 19

Discussion Questions

- 1.1** Coming into this course, what are some of the things you’re curious about in terms of the effective management of people? If you scan the model in Figure 1-1, are you able to find topics that likely cover the things you’re curious about?

- 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 your coworker's 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 seem to have that others don't? Are the things that those companies seem to 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: Google

Google's PiLab has the autonomy to choose its own projects. One of those projects—termed "Project Oxygen"—focused on whether managers matter. Specifically, the project focused on two questions: (1) Do better managers pay off in terms of quantifiable outcomes, and if so (2) what qualities are shared by better managers? This project was important to Google because so many employees are engineers—people with a technical background who may be skeptical of the "softness" of management. Explained Jennifer Kurkoski, one of the founders of the PiLab, "There are many engineers—not just at Google—who tend to think that managers are, at best, a necessary evil, and at worst, destructive." If engineers could be shown—through rigorous analysis—that managers do matter, it would improve their engagement with their own bosses while motivating them to be better bosses themselves.

The first step in Project Oxygen was figuring out how to measure manager quality. The PiLab relied on two metrics. First, they gathered performance evaluation ratings from the managers' bosses. Second, they gathered responses to Googlegeist items that asked employees about their managers. The PiLab defined higher-scoring managers as those who were in the top 25 percent on both metrics, with lower-scoring managers in the bottom 25 percent. The second step involved identifying the dependent variables that manager quality could be used to predict. Here again, the PiLab looked at two different outcomes. The first was the turnover rates associated with managers' teams. The second were Googlegeist items that tapped into perceptions of job satisfaction, motivation, and well-being. The results showed that higher-scoring managers had lower turnover rates while also having employees who were more satisfied. Neal Patel, another founder of the PiLab, summarized the results this way: "It turned out that the smallest incremental increases in manager quality were quite powerful. Good managers *do matter*."

Having established that managers matter, the PiLab went on to conduct interviews—along with an analysis of open-ended comments on Googlegeist—to identify qualities that the best managers shared. They termed those qualities "The Oxygen 8." Based on their analyses, the best managers (1) are good coaches, (2) are empowering, (3) express concern, (4) are results-oriented, (5) are strong communicators, (6) are focused on career development, (7), are visionary, and (8) are skilled in their technical areas. That Oxygen 8 list went on to impact a number of initiatives within Google, including training for new managers and more focused assessments for evaluating and developing managers.

- 1.1 Project Oxygen showed that managers matter by linking manager quality to turnover rates and attitude survey results. What would be some additional approaches for examining whether managers matter?

1.2 The Oxygen 8 include a number of important qualities, all of which will be discussed in this book. But are there qualities not included in the 8 that seem to be as important, or perhaps even more important?

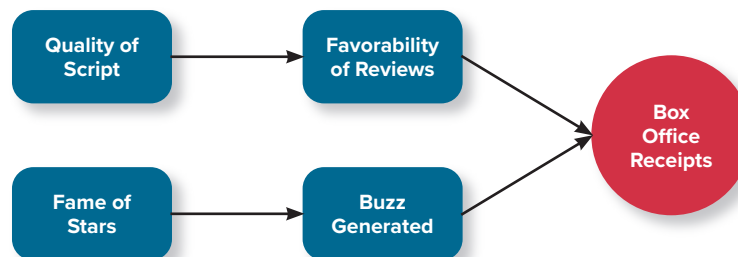
1.3 What should the role of data be when making management decisions in organizations? And what are the potential challenges involved in becoming a more data- and analytics-driven organization?

Sources: L. Bock, *Work Rules! Insights from Inside Google That Will Transform How You Live and Lead* (New York: Twelve, 2015); D.A. Garvin, A.B. Wagonfield, and L. Kind, "Google's Project Oxygen: Do Managers Matter?," *Harvard Business School*, Case 9-313-110 (2013).

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 or whiteboard, 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.

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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?



UBER

TY Lim/Shutterstock

Most of you are familiar with San Francisco-based Uber Technologies Inc., or simply Uber. Founded in 2009, the company is perhaps best known for its super convenient ride-hailing service that can be accessed in most metropolitan areas across the globe. If you need to get somewhere, simply open the Uber app, enter the address, and select your ride. When the ride is complete, payment of the predetermined fee is made automatically, typically from a linked credit card or other e-commerce payment service. As competitors such as Lyft took root in the ride-hailing business, Uber expanded into food delivery and other transportation and delivery businesses that leveraged the company's proprietary technologies and algorithms.

Although Uber is often thought of as a transportation company, it does not directly provide transportation services to customers. Instead, the company provides a software platform and a structure of terms and fees upon which transportation services are offered from drivers, who in essence, and for the time being (pending litigation), serve as independent contractors. In exchange for providing access to this platform, Uber receives a commission from the drivers' fares. The performance of drivers is rated by customers, who, after each ride, provide feedback on their experience

through the Uber app. Drivers who accumulate consistently low scores on this feedback are booted off the platform. With almost 4 million drivers registered with Uber, the company is one of the largest in what has become known as the "gig economy." However, there are regular employees at Uber as well. In fact, the company has nearly 27,000 employees who perform all the jobs that are typically found in a company in the information technology, software, and services industry.

Unfortunately, another reason why you may be familiar with Uber is because of widespread coverage in the press regarding the company's tolerance and indirect encouragement of bad behavior on the part of its managers and employees. In fact, the U.S. Equal Employment Opportunity Commission (EEOC) charged Uber in 2017 for violating Title VII of the Civil Rights Act of 1964 by permitting a culture of sexual harassment and retaliation against individuals who complained about such behavior. Understandably, Uber's reputation took a major hit, which undoubtedly resulted in the loss of customers and drivers to competitors such as Lyft. The company eventually paid a \$4.4 million settlement, fired 20 employees, replaced the CEO, and took steps intended to end the bad behavior once and for all.

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 organizations in ways that go beyond bottom-line results. Moreover, as the chapter opener illustrates, employees engage in behaviors that can contribute negatively as well as positively to the organization. Following from this, evaluating employee job performance based on results alone may give an inaccurate picture of which employees contribute the most value to the organization.

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 2 million accounts without their customers' consent or knowledge.²

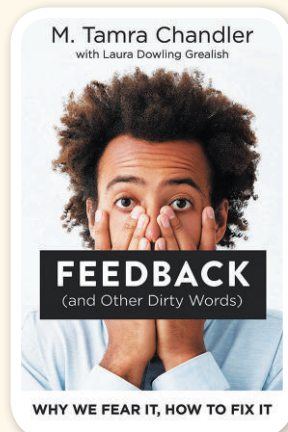
Third, results are often influenced by factors that are beyond the employees' control. Even if an employee's behavior were executed perfectly, results could be harmed by low-quality raw materials, competition, equipment, technology, budget constraints, coworkers, and supervisors.

Finally, 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

OB At the Bookstore

FEEDBACK (AND OTHER DIRTY WORDS)

by M. Tamra Chandler and Laura Dowling Grealish (Oakland, CA: Berrett-Koehler, 2018).



M. Tamra Chandler/
Berrett-Koehler Publishers

It's time to reimagine feedback as a fluid and ongoing conversation, free of ratings, angst, and judgment.

With those words authors Chandler and Grealish convey their view regarding how feedback should be structured in order to maximize its effectiveness. They set up their book largely in the context of an interesting paradox. On the one hand, employees crave feedback. They intuitively understand it's important, and often complain they're not getting enough of it. On the other hand, employees are not typically receptive to feedback, and they're not inclined to ask for it even though they understand they could benefit from it.

The authors suggest that this paradox can be explained by the way feedback is typically carried out in organizations. The employee enters an office and sits down. On the other side of the table is a manager who lists things that have gone well and haven't gone well over past year. The manager then provides an overall assessment of the employee, often in comparison with other employees. These

meetings often end with a brief mention of the future; perhaps a pay raise if the manager believes things went well, perhaps a warning if the manager believes things went poorly. Rather than feeling motivated and optimistic about having learned things from the meeting that could help them improve, employees leave these meetings obsessed with the negatives. They ruminate about their standing, they wonder how bias and politics may have played a role, and they question the value and relevance of the information provided.

The authors provide many examples of ways to improve feedback between managers and employees, all of which seem to be distilled in their definition of feedback itself; "Clear and specific information that's sought or extended with the sole intention of helping individuals or groups improve, grow, or advance." As an example, the authors explain how effective feedback should involve ongoing shared conversations initiated by either party that bring information to light, and where the focus is on what's getting in the way of progress and how to address the challenges.

year." That is, performance feedback based on results doesn't provide people with the information they need to improve. 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 For a perspective on the effective use of performance feedback, see our **OB at the Bookstore** feature. 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 of losing seasons, would Coach Auriemma be considered a low performer?



Mike Carlson/Getty Images Sport/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



2.2

What is task performance?

an expressionless flight attendant robotically demonstrate how to insert the seatbelt tongue into 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 company 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 searching for candidates who possess not only a wide range of skills and abilities to adapt to various job demands, but also 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 relevant only 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 right away (or at all, in some instances), it's important to recognize creative performance behaviors, as well as the creative outcomes that result from those behaviors.¹⁹

TABLE 2-1 Behaviors Involved in Adaptability

BEHAVIORS	SPECIFIC EXAMPLES
Handling emergencies or crisis situations	Quickly analyzing options for dealing with danger or crises and their implications; making split-second decisions based on clear and focused thinking
Handling work stress	Remaining composed and cool when faced with difficult circumstances or a highly demanding workload or schedule; acting as a calming and settling influence to whom others can look for guidance
Solving problems creatively	Turning problems upside-down and inside-out to find fresh new approaches; integrating seemingly unrelated information and developing creative solutions
Dealing with uncertain and unpredictable work situations	Readily and easily changing gears in response to unpredictable or unexpected events and circumstances; effectively adjusting plans, goals, actions, or priorities to deal with changing situations
Learning work tasks, technologies, and work situations	Quickly and proficiently learning new methods or how to perform previously unlearned tasks; anticipating change in the work demands and searching for and participating in assignments or training to prepare for these changes
Demonstrating interpersonal adaptability	Being flexible and open-minded when dealing with others; listening to and considering others' viewpoints and opinions and altering one's own opinion when it's appropriate to do so
Demonstrating cultural adaptability	Willingly adjusting behavior or appearance as necessary to comply with or show respect for others' values and customs; understanding the implications of one's actions and adjusting one's approach to maintain positive relationships with other groups, organizations, or cultures

Source: Adapted from E.E. Pulakos, S. Arad, M.A. Donovan, and K.E. Plamondon, "Adaptability in the Workplace: Development of a Taxonomy of Adaptive Performance," *Journal of Applied Psychology* 85 (2000), pp. 612–24.

2.3

How do organizations identify the behaviors that underlie task performance?

Now that we've given you a general understanding of task performance behaviors, you might be wondering how organizations identify the sets of behaviors that represent "task performance" for different jobs. Many organizations identify task performance behaviors by conducting a **job analysis**. Although there are many different ways to conduct a job analysis, most boil down to three steps. First, a list of the activities involved in a job is generated. This list generally results from data from several sources, including observations, surveys, and interviews of employees. Second, each activity on this list is rated by "subject matter experts," according to things like the importance and frequency of the activity. Subject matter experts generally have experience performing the job or managing the job and therefore are in a position to judge the importance of specific activities to the organization. Third, the activities that are rated highly in terms of their importance and frequency are retained and used to define task performance. Those retained behaviors then find their way into training programs as learning objectives and into performance evaluation systems as measures to evaluate task performance.

As an example, to determine training objectives for production workers, Toyota uses a highly detailed job analysis process to identify important tasks as well as the behaviors necessary

to effectively complete those tasks.²⁰ The core job tasks involved in the job of a bumper-molding operator, for example, include “routine core tasks,” “machine tending,” and “quality,” and each of these tasks further consists of several more detailed steps. For example, routine core tasks include de-molding, trimming, spray-molding, and sanding. Each of these tasks can be broken down further into more detailed steps, and in turn, the



Eric Gay/Associated Press

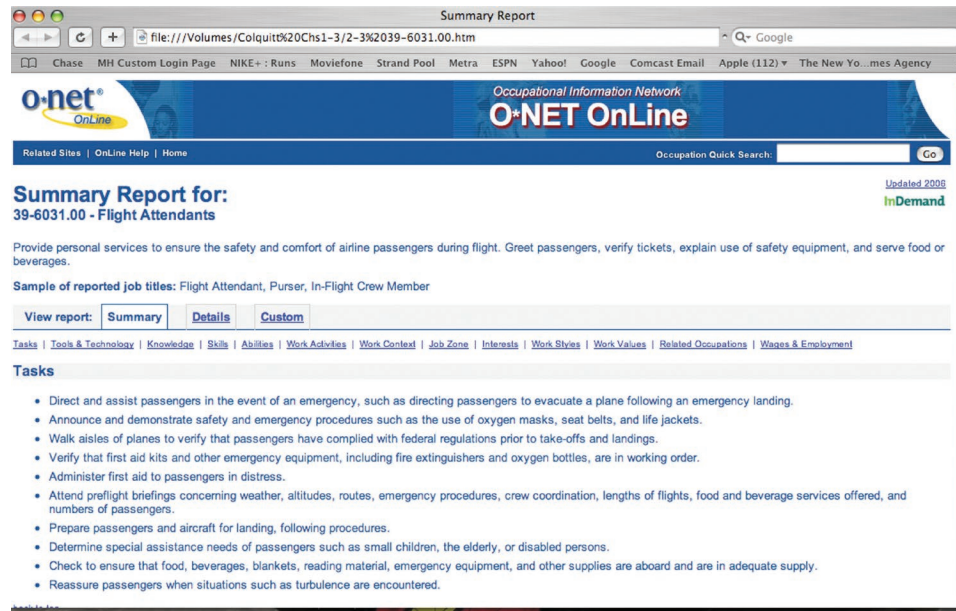
Toyota production workers assemble vehicles using a highly standardized and efficient set of tasks.

specific behaviors involved in each step become the focus of the training. For instance, to de-mold the left side of the bumper, the worker must “use left thumb to push along edge of bumper,” “place pressure in the crease of thumb,” “push toward left side away from mold,” and “grasp top edge when bumper is released.” Although this level of detail might seem like an awful lot of analysis for what one might imagine to be a relatively straightforward job, Toyota competes on the basis of quality and cost, and its success in selling millions of Priuses, Camrys, Tacomas, and Highlanders each year has been attributed to its ability to train production workers to follow the standardized and efficient procedures.²¹

Men’s Wearhouse, the Houston-based retailer, provides another good example of an organization that uses task performance information to manage its employees.²² The company first gathers information about the employee’s on-the-job behaviors. For example, the job of wardrobe consultant involves greeting, interviewing, and measuring customers properly, ensuring proper alteration revenue is collected, and treating customers in a warm and caring manner. After the information is gathered, senior managers provide feedback and coaching to the employee about which types of behaviors the employee needs to change. The feedback is not framed as an evaluation, but rather, as constructive criticism meant to improve the employee’s behavior. Put yourself in the place of a Men’s Wearhouse wardrobe consultant for a moment. Wouldn’t you rather have your performance evaluated on the basis of behaviors such as those mentioned, rather than some overall index of sales? After all, those behaviors are completely within your control, and the feedback you receive from your boss will be more informative than the simple directive to “sell more suits next year than you did this year.”

If organizations find it impractical to use job analysis to identify the set of behaviors needed to define task performance, they can turn to a database the government has created to help with that important activity. The **Occupational Information Network** (or **O*NET**) is an online database that includes, among other things, the characteristics of most jobs in terms of tasks, behaviors, and the required knowledge, skills, and abilities (<http://www.onetonline.org>). Figure 2-1 shows the O*NET output for a flight attendant’s position, including many of the tasks discussed previously in this chapter. Of course, O*NET represents only a first step in figuring out the important tasks for a given job. Many organizations ask their employees to perform tasks that their competitors do not, so their workforce performs in a unique and valuable way. O*NET cannot capture those sorts of unique task requirements that separate the most effective organizations from their competitors.

For example, the authors of a book titled *Nuts* identify “fun” as one of the dominant values of Southwest Airlines.²³ Southwest believes that people are willing to work more productively and creatively in an environment that includes humor and laughter. Consistent with this belief, flight attendant task performance at Southwest includes not only generic flight attendant activities, such as those identified by O*NET, but also activities that reflect a sense of humor, such as telling jokes to passengers.²⁴ As another example, Nisshinbo Automotive, a part of the Japanese company Nisshinbo Holdings, was faced with the challenge of increasing productivity with fewer workers. It developed a system where it evaluated and compensated employees not only for behaviors reflected in their job descriptions, but also in behaviors that supported the company’s mission defined more broadly.²⁵ In summary, though O*NET may be a good place to start, the

FIGURE 2-1 O*NET Results for Flight Attendants

O*NET

task information from the database should be supplemented with information regarding behaviors that support the organization's values and strategy.

Before concluding our section on task performance, it's important to note that task performance behaviors are not simply performed or not performed. Although poor performers often fail to complete required behaviors, it's just as true that star performers often exceed all expectations for those behaviors and the results which follow.²⁶ Moreover, although star performers are much rarer than those who perform poorly or at average levels, they are often quite visible in their fields.²⁷

CITIZENSHIP BEHAVIOR

Sometimes employees go the extra mile by actually engaging in behaviors that are not within their job description—and thus that do not fall under the broad heading of task performance. This situation brings us to the second category of job performance, called **citizenship behavior**, which is defined as voluntary employee activities that may or may not be rewarded but that contribute to the organization by improving the overall quality of the setting or context in which work takes place.²⁸ Have you ever had a coworker or fellow student who was especially willing to help someone who was struggling? Who typically attended optional meetings or social functions to support colleagues? Who maintained a good attitude, even in trying times? We tend to call those people "good citizens" or "good soldiers."²⁹ High levels of citizenship behavior earn them such titles. Although there are many different types of behaviors that might seem to fit the definition of citizenship behavior, research suggests two main categories that differ according to who benefits from the activity: coworkers or the organization (see Figure 2-2).³⁰

The first category of citizenship behavior is the one with which you're most likely to be familiar: **interpersonal citizenship behavior**. Such behaviors benefit coworkers and colleagues and involve assisting, supporting, and developing other organizational members in a way that goes beyond normal job expectations.³¹ For example, **helping** involves assisting coworkers who have heavy workloads, aiding them with personal matters, and showing new employees the ropes when they first arrive on the job. Although helping may require a great deal of time and effort, it often makes a big difference in the lives of others, and for this reason, those who help others often experience



2.4

What is citizenship behavior?