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**ОРГАНИЗАЦИОННОЕ ПОВЕДЕНИЕ
на английском языке**

ЮНИТА 3

ORGANIZATIONAL BEHAVIOR

UNIT 3

**PERCEPTION. PERCEPTION AND INDIVIDUAL
DECISION MAKING**

МОСКВА 1999

ORGANIZATIONAL BEHAVIOR

Course:

Unit 1. Foundations of Organizational Behavior.

Unit 2. Organizational Behavior and Culture.

Unit 3. Perception. Perception and Individual Decision Making.

Unit 4. Basic Motivation Concepts. Communication: A Process View.

Unit 5. Foundations of Group Behavior. Communication and Group
Decision Making.

Unit 6. Leadership and Power.

UNIT 3

Perception. Perception and Individual Decision Making

This unit is dedicated to so important subject as organizational behavior. It consists of methodological section (test-training, role-play, situations for discussion) and file of materials for study.

For the students of the Modern University for the Humanities.

Юнита соответствует профессиональной образовательной
программе № 2

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* Глоссарий расположен в середине учебного пособия и предназначен для самостоятельного заучивания новых понятий.

ТЕМАТИЧЕСКИЙ ПЛАН

Perception. Factors Influencing Perception. Person Perceptions. Making Judgements about others. Attribution Theory. The Link between Perception and Individual Decision Making. The Optimizing Decision-Making Model. Alternative Decision-Making Models. Values. Attitudes. Job Satisfaction.

ЛИТЕРАТУРА

1. Robbins S. Organizational behavior. Prentice Hall. Any edition.

Примечание. Знаком (*) отмечены работы, на основе которых составлен научный обзор.

1. WHAT IS PERCEPTION AND WHY IS IT IMPORTANT?

Perception can be defined as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. However, as we have noted, what one perceives can be substantially different from objective reality. It need not be, but there is often disagreement. For example, it is possible that all employees in a firm may view it as a great place to work—favorable working conditions, interesting job assignments, good pay, an understanding and responsible management—but, as most of us know, it is very unusual to find such agreement.

Why is perception important in the study of OB? Simply because people's behavior is based on their perception of what reality is, not on reality itself. The world as it is perceived is the world that is behaviorally important.

2. FACTORS INFLUENCING PERCEPTION

How do we explain that individuals may look at the same thing, yet perceive it differently? A number of factors operate to shape and sometimes distort perception. These factors can reside in the *perceiver*, in the object or *target* being perceived, or in the context of the *situation* in which the perception is made.

2.1. The Perceiver

When an individual looks at a target and attempts to interpret what he or she sees, that interpretation is heavily influenced by personal characteristics of the individual perceiver. Have you ever bought a new car and then suddenly noticed a large number of cars like yours on the road? It's unlikely that the number of such cars suddenly expanded. Rather, your own purchase has influenced your perception so that you are now more likely to notice them. This is an example of how factors related to the perceiver influence what he or she perceives. Among the more relevant personal characteristics affecting perception are attitudes, motives, interests, past experience, and expectations.

* Жирным шрифтом выделены новые понятия, которые необходимо усвоить, знание этих понятий будет проверяться при тестировании.

Sandy likes small classes because she enjoys asking a lot of questions of her teachers. Scott, on the other hand, prefers large lectures. He rarely asks questions and likes the anonymity that goes with being lost in a sea of bodies. On the first day of classes this term, Sandy and Scott find themselves walking into the university auditorium for their introductory course in psychology. They both recognize that they will be among some eight hundred students in this class. But given the different attitudes held by Sandy and Scott, it shouldn't surprise you to find that they interpret what they see differently. Sandy sulks, while Scott's smile does little to hide his relief in being able to blend unnoticed into the large auditorium. They both see the same thing, but they interpret it differently. A major reason is that they hold divergent *attitudes* concerning large classes.

Unsatisfied needs or *motives* stimulate individuals and may exert a strong influence on their perceptions. This was dramatically demonstrated in research on hunger. Individuals in the study had not eaten for varying numbers of hours. Some had eaten an hour earlier, while others had gone as long as sixteen hours without food. These subjects were shown blurred pictures, and the results indicated that the extent of hunger influenced the interpretation of the blurred pictures. Those who had not eaten for sixteen hours perceived the blurred images as pictures of food far more frequently than did those subjects who had eaten only a short time earlier.

This same phenomenon has application in an organizational context as well. It would not be surprising, for example, to find that a boss who is insecure perceives a subordinate's efforts to do an outstanding job as a threat to his or her own position. Personal insecurity can be transferred into the perception that others are out to "get my job," regardless of the intention of the subordinates. Likewise, people who are devious are prone to see others as also devious.

It should not surprise you that a plastic surgeon is more likely to notice an imperfect nose than a plumber is. The supervisor who has just been reprimanded by her boss for the high level of lateness among her staff is more likely to notice lateness by an employee tomorrow than she was last week. If you are preoccupied with a personal problem, you may find it hard to be attentive in class. These examples illustrate that the focus of our attention appears to be influenced by our *interests*. Because our individual interests differ considerably, what one person notices in a situation can differ from what others perceive.

Just as interests narrow one's focus, so do one's *past experiences*. You perceive those things to which you can relate. However, in many instances your past experiences will act to nullify an object's interest.

Objects or events that have never been experienced before are more noticeable than those that have been experienced in the past. You are more likely to notice a machine that you have never seen before than a standard

filing cabinet that is exactly like a hundred others you have previously seen. Similarly, you are more likely to notice the operations along an assembly line if this is the first time you have seen an assembly line. In the late 1960s and early 1970s, women and minorities in managerial positions were highly visible because, historically, these positions were the province of white males. Today, these groups are more widely represented in the managerial ranks, so we are less likely to take notice that a manager is female, African-American, Asian-American, or Latino.

Finally, *expectations* can distort your perceptions in that you will see what you expect to see. If you expect police officers to be authoritative, young people to be unambitious, personnel directors to “like people,” or individuals holding public office to be “power hungry,” you may perceive them this way regardless of their actual traits.

2.2. The Target

Characteristics in the target that is being observed can affect what is perceived. Loud people are more likely to be noticed in a group than are quiet ones. So, too, are extremely attractive or unattractive individuals. Motion, sounds, size, and other attributes of a target shape the way we see it.

Because targets are not looked at in isolation, the relationship of a target to its background influences perception, as does our tendency to group close things and similar things together.

What we see is dependent on how we separate a figure from its general background. For instance, what you see as you read this sentence is black letters on a white page. You do not see funny-shaped patches of black and white because you recognize these shapes and organize the black shapes against the white background. The object on the left may at first look like a beige vase. However, if beige is taken as the background, we see two blue profiles. At first observation, the group of objects on the right appears to be some blue modular figures against a beige background. Closer inspection will reveal the word “FLY” once the background is defined as blue.

Objects that are close to each other will tend to be perceived together rather than separately. As a result of physical or time proximity, we often put together objects or events that are unrelated. Employees in a particular department are seen as a group. If in a department of four members two suddenly resign, we tend to assume that their departures were related when, in fact, they may be totally unrelated. Timing may also imply dependence when, for example, a new sales manager is assigned to a territory and, soon after, sales in that territory skyrocket. The assignment of the new sales manager and the increase in sales may not be related—the increase may be due to the introduction of a new product line or to one of many other reasons—but there is a tendency to perceive the two occurrences as related.

Persons, objects, or events that are similar to each other also tend to be grouped together. The greater the similarity, the greater the probability that we will tend to perceive them as a common group. Women, blacks, or members of any other group that has clearly distinguishable characteristics in terms of features or color will tend to be perceived as alike in other, unrelated, characteristics as well.

2.3. The Situation

The context in which we see objects or events is important. Elements in the surrounding environment influence our perceptions.

I may not notice a twenty-five-year-old female in an evening gown and heavy makeup at a nightclub on Saturday night. Yet that same woman so attired for my Monday morning management class would certainly catch my attention (and that of the rest of the class). Neither the perceiver nor the target changed between Saturday night and Monday morning, but the situation is different. Similarly, you are more likely to notice your subordinates goofing off if your boss from head office happens to be in town. Again, the situation affects your perception. The time at which an object or event is seen can influence attention, as can location, light, heat, or any number of situational factors.

3. PERSON PERCEPTION: MAKING JUDGMENTS ABOUT OTHERS

Now we turn to the most relevant application of perception concepts to OB. This is the issue of person perception.

3.1. Attribution Theory

Our perceptions of people differ from our perceptions of inanimate objects like desks, machines, or buildings because we make inferences about the actions of people that we don't make about inanimate objects. Nonliving objects are subject to the laws of nature, but they have no beliefs, motives, or intentions. People do. The result is that when we observe people, we attempt to develop explanations of why they behave in certain ways. Our perception and judgment of a person's actions, therefore, will be significantly influenced by the assumptions we make about the person's internal state.

Attribution theory has been proposed to develop explanations of the ways in which we judge people differently, depending on what meaning we attribute to a given behavior. Basically, the theory suggests that when we observe an individual's behavior, we attempt to determine whether it was

internally or externally caused. That determination, however, depends largely on three factors: (1) distinctiveness, (2) consensus, and (3) consistency. First, let's clarify the differences between internal and external causation and then we will elaborate on each of the three determining factors.

Internally caused behaviors are those that are believed to be under the personal control of the individual. *Externally* caused behavior is seen as resulting from outside causes; that is, the person is seen as forced into the behavior by the situation. If one of your employees is late for work, you might attribute his lateness to his parting into the wee hours of the morning and then oversleeping. This would be an internal attribution. But if you attribute his arriving late to a major automobile accident that tied up traffic on the road that this employee regularly uses, then you would be making an external attribution.

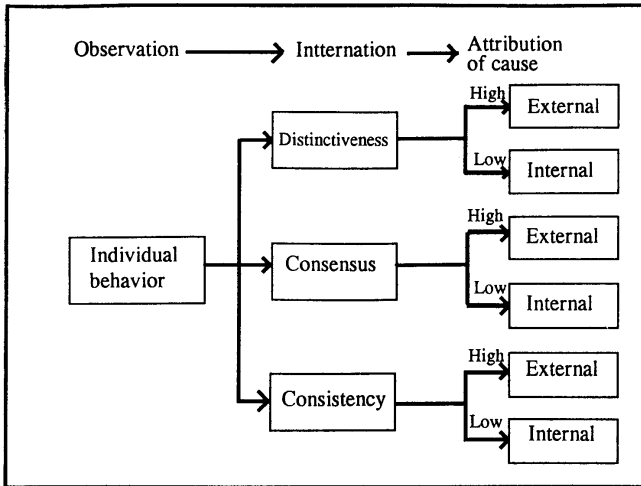
Distinctiveness refers to whether an individual displays different behaviors in different situations. Is the employee who arrives late today also the source of complaints by co-workers for being a "goof-off"? What we want to know is if this behavior is unusual or not. If it is, the observer is likely to give the behavior an external attribution. If this action is not unusual, it will probably be judged as internal.

If everyone who is faced with a similar situation responds in the same way, we can say the behavior shows *consensus*. Our late employee's behavior would meet this criterion if all employees who took the same route to work were also late. From an attribution perspective, if consensus is high, you would be expected to give an external attribution to the employee's tardiness, whereas if other employees who took the same route made it into work on time, your conclusion as to causation would be internal.

Finally, an observer looks for *consistency* in a person's actions. Does the person respond the same way over time? Coming in ten minutes late for work is not perceived in the same way for the employee for whom it is an unusual case (she hasn't been late for several months), as for the employee for whom it is part of a routine pattern (she is regularly late two or three times a week). The more consistent the behavior, the more the observer is inclined to attribute it to internal causes.

Figure 1 summarizes the key elements in attribution theory. It would tell us, for instance, that if an employee—let's call her Ms. Smith—generally performs at about the same level on other related tasks as she does on her current task (low distinctiveness), if other employees frequently perform differently—better or worse—than Ms. Smith does on that current task (low consensus), and if Ms. Smith's performance on this current task is consistent over time (high consistency), her manager or anyone else who is judging Ms. Smith's work is likely to hold her primarily responsible for her task performance (internal attribution).

Figure 1. Attribution Theory



One of the more interesting findings from attribution theory is that there are errors or biases that distort attributions. For instance there is substantial evidence that when we make judgments about the behavior other people, we have a tendency to underestimate the influence of external factors and overestimate the influence of internal or personal factors. This is called the **fundamental attribution error** and can explain why a sales manager is prone to attribute the poor performance of her sales agents to laziness rather than the innovative product line introduced by a competitor. There is also a tendency for individuals to attribute *their own* successes to internal factors like ability or effort while putting the blame for failure on external factors like luck. This is called the **self-serving bias** and suggests that feedback provided to employees in performance reviews will be predictably distorted by recipients depending on whether it is positive or negative.

3.2. Frequently Used Shortcuts in Judging Others

We use a number of shortcuts when we judge others. Perceiving and interpreting what others do is burdensome. As a result, individuals develop techniques for making the task more manageable. These techniques are frequently valuable—they allow us to make accurate perceptions rapidly and provide valid data for making predictions. However, they are not foolproof. They can and do get us into trouble. An understanding of these shortcuts can be helpful toward recognizing when they can result in significant distortions.

SELECTIVE PERCEPTION Any characteristic that makes a person, object, or event stand out will increase the probability that it will be perceived. Why? Because it is impossible for us to assimilate everything we see—only certain stimuli can be taken in. This explains why, as we noted earlier, you're more likely to notice cars like your own or why some people may be reprimanded by their boss for doing something that when done by another employee goes unnoticed. Since we can't observe everything going on about us, we engage in **selective perception**. A classic example shows how vested interests can significantly influence what problems we see.

Dearborn and Simon performed a perceptual study in which twenty-three business executives read a comprehensive case describing the organization and activities of a steel company. Six of the twenty-three executives were in the sales function, five in production, four in accounting, and eight in miscellaneous functions. Each manager was asked to write down the most important problem he found in the case. Eighty-three percent of the sales executives rated sales important, while only twenty-nine percent of the others did so. This, along with other results of the study, led the researchers to conclude that the participants perceived aspects of a situation that related specifically to the activities and goals of the unit to which they were attached. A group's perception of organizational activities is selectively altered to align with the vested interests they represent. In other words, where the stimuli are ambiguous, as in the steel company case, perception tends to be influenced more by an individual's base of interpretation (that is, attitudes, interests, and background) than by the stimulus itself.

But how does selectivity work as a shortcut in judging other people? Since we cannot assimilate all that we observe, we take in bits and pieces. But these bits and pieces are not chosen randomly; rather, they are selectively chosen according to our interests, background, experience, and attitudes. Selective perception allows us to "speed-read" others, but not without the risk of drawing an inaccurate picture. Because we see what we want to see, we can draw unwarranted conclusions from an ambiguous situation. If there is a rumor going around the office that your company's sales are down and that large layoffs may be coming, a routine visit by a senior executive from headquarters might be interpreted as the first step in management's identification of people to be fired, when in reality such an action may be the farthest thing from the mind of the senior executive.

HALO EFFECT When we draw a general impression about an individual based on a single characteristic, such as intelligence, sociability, or appearance, a **halo effect** is operating. This phenomenon frequently occurs when students appraise their classroom instructor. Students may isolate a single trait such as enthusiasm and allow their entire evaluation to be tainted by how they judge the instructor on this one trait. Thus, an instructor may be

quiet, assured, knowledgeable, and highly qualified, but if his style lacks zeal, he will be rated lower on a number of other characteristics.

The reality of the halo effect was confirmed in a classic study where subjects were given a list of traits like intelligent, skillful, practical, industrious, determined, and warm and asked to evaluate the person to whom these traits applied. Based on these traits, the person was judged to be wise, humorous, popular, and imaginative. When the same list was modified to substitute cold for warm in the trait list, a completely different set of perceptions was obtained. Clearly, the subjects were allowing a single trait to influence their overall impression of the person being judged.

The propensity for the halo effect to operate is not random. Research suggests that it is likely to be most extreme when the traits to be perceived are ambiguous in behavioral terms, when the traits have moral overtones, and when the perceiver is judging traits with which he or she has had limited experience.

CONTRAST EFFECTS There's an old adage among entertainers who perform in variety shows: Never follow an act that has kids or animals in it. Why? The common belief is that audiences love children and animals so much that you will look bad in comparison. In a similar vein, your author remembers when he was a college freshman having to give a presentation in a speech class. I was scheduled to speak third that morning. After both of the first two speakers stammered, stumbled, and forgot their lines, I suddenly got a rush of confidence because I figured that even though my talk might not go too well, I'd probably get a pretty good grade. I was counting on the instructor raising my evaluation after contrasting my speech to those that immediately preceded it.

These two examples demonstrate how **contrast effects** can distort perceptions. We don't evaluate a person in isolation. Our reaction to one person is often influenced by other persons we've recently encountered.

An illustration of how contrast effects operate is an interview situation in which one sees a pool of job applicants. Distortions in any given candidate's evaluation can occur as a result of his or her place in the interview schedule. The candidate is likely to receive a more favorable evaluation if preceded by mediocre applicants, and a less favorable evaluation if preceded by strong applicants.

PROJECTION It is easy to judge others if we assume they are similar to us. For instance, if you want challenge and responsibility in your job, you assume that others want the same. This tendency to attribute one's own characteristics to other people — which is called **projection** — can distort perceptions made about others.

People who engage in projection tend to perceive others according to what they themselves are like rather than according to what the person being observed is really like. When observing others who actually *are* like them,

these observers are quite accurate — not because they are perceptive, but rather because they always judge people as being similar to themselves, so when they finally find someone who is, they are naturally correct. When managers engage in projection, they compromise their ability to respond to individual differences. They tend to see people as more homogeneous than they really are.

STEREOTYPING When we judge someone on the basis of our perception of the group to which he or she belongs, we are using the shortcut called **stereotyping**. F.Scott Fitzgerald engaged in stereotyping in his reported conversation with Ernest Hemingway when he said, “The very rich are different from you and me.” Hemingway’s reply, “Yes, they have more money,” indicated that he refused to generalize characteristics about people based on their wealth.

Generalization, of course, is not without advantages. It makes assimilating easier since it permits us to maintain consistency. It is less difficult to deal with an unmanageable number of stimuli if we use stereotypes. But the problem occurs when we inaccurately stereotype. All accountants are *not* quiet and introspective just as all salespeople are *not* aggressive and outgoing.

In an organizational context, we frequently hear comments that represent stereotyped representation of certain groups: “Managers don’t give a damn about their people, only getting the work out”; or “Union people expect something for nothing.” Clearly, these judgments are stereotypes, but if people expect to perceive managers or union workers this way, that is what they will perceive, whether it is true or not of an individual manager or worker.

Obviously, one of the problems of stereotypes is that they are so widespread, despite the fact that they may not contain a shred of truth or may be irrelevant. Their being widespread may only mean that many people are making the same inaccurate perception based on a false premise about a group.

3.3. Specific Applications in Organizations

People in organizations are always judging each other. Managers must appraise their subordinates’ performances. We evaluate how much effort our co-workers are putting into their jobs. When a new person joins a department, he or she is immediately “sized up” by the other department members. In many cases, these judgments have important consequences for the organization. Let us briefly look at a few of the more obvious applications.

EMPLOYMENT INTERVIEW A major input into who is hired and who is rejected is the employment interview. It’s fair to say that few people are hired without an interview. But the evidence indicates that interviewers make

perceptual judgments that are often inaccurate. Additionally, interrater agreement among interviewers is often poor; that is, different interviewers see different things in the same candidate and thus arrive at different conclusions about the applicant.

Interviewers generally draw early impressions that become very quickly entrenched. If negative information is exposed early in the interview, it tends to be more heavily weighted than if that same information comes out later. Studies indicate that most interviewers' decisions change very little after the first four or five minutes of the interview. As a result, information elicited early in the interview carries greater weight than does information elicited later and a "good applicant" is probably characterized more by the absence of unfavorable characteristics than by the presence of favorable characteristics.

Importantly, who you think is a good candidate and who I think is one may differ markedly. Because interviews usually have so little consistent structure and interviewers vary in terms of what they are looking for in a candidate, judgments of the same candidate can vary widely. If the employment interview is an important input into the hiring decision—and it usually is—you should recognize that perceptual factors influence who is hired and eventually the quality of an organization's labor force.

EMPLOYEE EFFORT An individual's future in an organization is usually not dependent on performance alone. In many organizations, the level of an employee's effort is given high importance. Just as teachers frequently consider how hard you try in a course as well as how you perform on examinations, so often do managers. And assessment of an individual's effort is a subjective judgment susceptible to perceptual distortions and bias. If it is true, as some claim, that "more workers are fired for poor attitudes and lack of discipline than for lack of ability," then appraisal of an employee's effort may be a primary influence on his or her future in the organization.

EMPLOYEE LOYALTY Another important judgment that managers make about employees is whether they are loyal to the organization. Few organizations appreciate employees, especially those in the managerial ranks, disparaging the firm. Further, in some organizations, if the word gets around that an employee is looking at other employment opportunities outside the firm, that employee may be labeled as disloyal and cut off from all future advancement opportunities. The issue is not whether organizations are right in demanding loyalty, but that many do, and that assessment of an employee's loyalty or commitment is highly judgmental. What is perceived as loyalty by one decision maker may be seen as excessive conformity by another. An employee who questions a top-management decision may be seen as disloyal by some, yet caring and concerned by others. When evaluating a person's attitude, as in loyalty assessment, we must recognize that we are involved with person perception.

4. THE LINK BETWEEN PERCEPTION AND INDIVIDUAL DECISION MAKING

Individuals in organizations make decisions. That is, they make choices from among two or more alternatives. Top managers, for instance, determine their organization's goals, what products or services to offer, how best to organize corporate headquarters, or where to locate a new manufacturing plant. Middle- and lower-level managers determine production schedules, select new employees, and decide how pay raises are to be allocated. Of course, making decisions is not the sole province of managers. Nonmanagerial employees also make decisions that affect their jobs and the organizations they work for. The more obvious of these decisions might include whether to come to work or not on any given day, how much effort to put forward once at work, and whether to comply with a request made by the boss. Individual decision making, therefore, is an important part of organizational behavior. But how individuals in organizations make decisions, and the quality of their final choices, are largely influenced by their perceptions.

Decision making occurs as a reaction to a problem. There is a discrepancy between some *current* state of affairs and some *desired* state, requiring consideration of alternative courses of action. So if your car breaks down and you rely on it to get to school, you have a problem that requires a decision on your part. Unfortunately, most problems don't come neatly packaged with a label "problem" clearly displayed on them. One person's *problem* is another person's *satisfactory state of affairs*. One manager may view her division's two percent decline in quarterly sales to be a serious problem requiring immediate action on her part. In contrast, her counterpart in another division of the same company, who also had a two percent sales decrease, may consider that quite satisfactory. So the awareness that a problem exists and that a decision needs to be made is a perceptual issue.

Moreover, every decision requires interpretation and evaluation of information. Data is typically received from multiple sources and it needs to be screened, processed, and interpreted. What data, for instance, is relevant to the decision and what isn't? The perceptions of the decision maker will answer this question. Alternatives will be developed and the strengths and weaknesses of each will need to be evaluated. Again, because alternatives don't come with "red flags" identifying themselves as such or with their strengths and weaknesses clearly marked, the individual decision maker's perceptual process will have a large bearing on the final outcome.

5. THE OPTIMIZING DECISION-MAKING MODEL

Let's begin by describing how individuals should behave in order to maximize some outcome. We will call this the **optimizing model** of decision making.

5.1. Steps in the Optimizing Model

Table 2. outlines the six steps an individual should follow, either explicitly or implicitly, when making a decision.

TABLE 2. Steps in the Optimizing Decision-Making Model

1. Ascertain the need for a decision
 2. Identify the decision criteria
 3. Allocate weights to the criteria
 4. Develop the alternatives
 5. Evaluate the alternatives
 6. Select the best alternative
-

STEP 1: ASCERTAIN THE NEED FOR A DECISION The first step requires recognition that a decision needs to be made. The existence of a problem—or, as we stated previously, a disparity between some desired state and the actual condition—brings about this recognition. If you calculate your monthly expenses and find that you're spending \$50 more than you allocated in your budget, you have ascertained the need for a decision. There is a disparity between your desired expenditure level and what you're actually spending.

STEP 2: IDENTIFY THE DECISION CRITERIA Once an individual has determined the need for a decision, the criteria that will be important in making the decision must be identified. For illustration purposes, let's consider the case of a high school senior confronting the problem of choosing a college. The concepts derived from this example may be generalized to any decision a person might confront.

For the sake of simplicity; let's assume that our high school senior has already chosen to attend college (versus other, noncollege options). We know that the need for a decision is precipitated by graduation. Once she has recognized this need for a decision, the student should begin to list the criteria or factors that will be relevant to her decision. For our example, let's assume she has identified the following criteria about the colleges she is considering attending: annual cost, availability of financial aid, admission requirements, status or reputation, size, geographic location, curricula. These criteria represent what the decision maker thinks is relevant to her decision. Note that, in this step, what is *not* listed is as important as what *is*. For example, our high school senior did not consider factors such as where her friends were going to

school, availability of part-time employment, and whether freshmen are required to reside on campus. To someone else making a college selection decision, the criteria used might be considerably different.

This second step is important because it identifies only those criteria that the decision maker considers relevant. If a criterion is omitted from this list, we treat it as irrelevant to the decision maker.

STEP 3: ALLOCATE WEIGHTS TO THE CRITERIA The criteria listed in the previous step are not all equally important. It's necessary, therefore, to weight the factors listed in Step 2 in order to prioritize their importance in the decision. All the criteria are relevant, but some are more relevant than others.

How does the decision maker weight criteria? A simple approach would merely be to give the most important criteria a number—say ten—and then assign weights to the rest of the criteria against this standard. So the result of Steps 2 and 3 is to allow decision makers to use their personal preferences both to prioritize the relevant criteria and to indicate their relative degree of importance by assigning a weight to each. Table 3. lists the criteria and weights our high school senior is using in her college decision.

TABLE 3. Criteria and Weights in Selection of a College

Criteria	Weights
Availability of financial aid	10
School's reputation	10
Annual cost	8
Curricula offering	7
Geographic location	6
Admission requirements	5
Quality of social life	4
School size	3
Male-female ratio	2
Physical attractiveness of the campus	2

STEP 4: DEVELOP THE ALTERNATIVES The fourth step requires the decision maker to list all the viable alternatives that could possibly succeed in resolving the problem. No attempt is made in this step to appraise the alternatives; only to list them. To return to our example, let us assume that our high schooler has identified eight potential colleges—Alpha, Beta, Delta, Gamma, Iota, Omega, Phi, and Sigma.

STEP 5: EVALUATE THE ALTERNATIVES Once the alternatives have been identified, the decision maker must critically evaluate each one. The strengths and weaknesses of each alternative will become evident when they are compared against the criteria and weights established in Steps 2 and 3.

The evaluation of each alternative is done by appraising it against the weighted criteria. In our example, the high school senior would evaluate each college using every one of the criteria. To keep our example simple, we'll assume that a ten means that the college is rated as "most favorable" on that criterion. The results from evaluating the various alternative colleges are shown in Table 4.

Keep in mind that the ratings given the eight colleges shown in Table 4 are based on the assessment made by the decision maker. Some assessments can be made in a relatively objective fashion. If our decision maker prefers a small school, one with an enrollment of one thousand is obviously superior to one with ten thousand students. Similarly, if a high male-female ratio is sought, 3:1 is clearly higher than 1.2:1. But the assessment of criteria such as reputation, quality of social life, and the physical attractiveness of the campus reflects the decision maker's values. The point is that most decisions contain judgments. They are reflected in the criteria chosen in Step 2, the weights given to these criteria, and the evaluation of alternatives. This explains why two people faced with a similar problem—such as selecting a college—may look at two totally different sets of alternatives or even look at the same alternatives but rate them very differently.

Table 4 represents an evaluation of eight alternatives only against the decision criteria. It does not reflect the weighting done in Step 3. If one choice had scored ten on every criterion, there would be no need to consider the weights. Similarly, if the weights were all equal, you could evaluate each alternative merely by summing up the appropriate column in Table 4. For instance, Omega College would be highest, with a total score of eighty-four. But our high school senior needs to multiply each alternative against its weight. The result of this process is shown in Table 5. The summation of these scores represents an evaluation of each college against the previously established criteria and weights.

STEP 6: SELECT THE BEST ALTERNATIVE The final step in the optimizing decision model is the selection of the best alternative from among those enumerated and evaluated. Since best is defined in terms of highest total score, the selection is quite simple. The decision maker merely chooses the alternative that generated the largest total score in Step 5. For our high school senior, that means Delta College. Based on the criteria identified, the weights given to the criteria, and the decision maker's evaluation of each college on each of the criteria, Delta College scored highest and thus becomes the best.

TABLE 4

Evaluation of Eight Alternatives Against the Decision Criteria*

Criteria	Alternatives							
	Alpha College	Beta College	Delta College	Gamma College	Iota College	Omega College	Phi College	Sigma College
Availability of financial aid	5	4	10	7	7	8	3	7
School's reputation	10	6	6	6	9	5	9	6
Annual cost (low cost preferred)	5	7	8	8	5	10	5	8
Curricula offering	6	10	8	9	8	8	9	8
Geographic location	6	7	10	10	6	9	10	7
Admission requirements (in terms of likelihood of acceptance)	7	10	10	10	8	10	8	10
Quality of social life	10	5	7	7	3	7	10	8
School size	10	7	7	7	9	7	9	4
Male-female ratio	2	2	8	8	8	10	2	8
Physical attractiveness of the campus	8	10	6	3	4	10	5	9

* The colleges that achieved the highest rating for a criterion are given ten points.

5.2. Assumptions of the Optimizing Model

The steps in the optimizing model contain a number of assumptions. It is important to understand these assumptions if we are to determine how accurately the optimizing model describes actual individual decision making.

The assumptions of the optimizing model are the same as those that underlie the concept of **rationality**. Rationality refers to choices that are consistent and value-maximizing. Rational decision making, therefore implies that the decision maker can be fully objective and logical. The individual is assumed to have a clear goal, and all of the six steps in the optimizing model are assumed to lead toward the selection of the alternative that will maximize that goal. Let's take a closer look at the assumptions inherent in rationality and, hence, the optimizing model.

GOAL-ORIENTED The optimizing model assumes that there is no conflict over the goal. Whether the decision involves selecting a college to attend, determining whether or not to go to work today, or choosing the right applicant to fill a job vacancy, it is assumed that the decision maker has a single, well-defined goal that he or she is trying to maximize.

TABLE 5. Evaluation of College Alternatives

Criteria (and weight)	Alternatives							
	Alpha College	Beta College	Delta College	Gamma College	Iota College	Omega College	Phi College	Sigma College
Availability of financial aid (10)	50	40	100	70	70	80	30	70
School's reputation (10)	100	60	60	60	90	50	90	60
Annual cost (8)	40	56	64	64	40	80	40	64
Curricula offering (7)	42	70	56	63	56	56	63	56
Geographic location (6)	36	42	60	60	36	54	60	42
Admission requirements (5)	35	50	50	50	40	50	40	50
Quality of social life (4)	40	20	28	28	12	28	40	32
School size (3)	30	21	21	21	27	21	27	12
Male-female ratio (2)	4	4	16	16	16	20	4	16
Physical attractiveness of the campus (2)	16	20	12	6	8	20	10	18
Totals	393	373	467	438	395	459	404	420

ALL OPTIONS ARE KNOWN It is assumed that the decision maker can identify *all* the relevant criteria and can list *all* viable alternatives. The optimizing model portrays the decision maker as fully comprehensive in his or her ability to assess criteria and alternatives.

PREFERENCES ARE CLEAR Rationality assumes that the criteria and alternatives can be assigned numerical values and ranked in a preferential order.

PREFERENCES ARE CONSTANT The same criteria and alternatives should be obtained every time because, in addition to the goal and preferences being clear, it is assumed that the specific decision criteria are constant and the weights assigned to them are stable over time.

FINAL CHOICE WILL MAXIMIZE THE OUTCOME The rational decision maker, following the optimizing model, will choose the alternative that rates highest. This most preferred solution will, based on Step 6 of the process, give the maximum benefits.

6. ALTERNATIVE DECISION-MAKING MODELS

Do individuals actually make their decisions the way the optimizing model predicts? Sometimes. When decision makers are faced with a simple problem having few alternative courses of action, and when the cost of searching out and evaluating alternatives is low, the optimizing model provides a fairly accurate description of the decision process. Buying a pair of shoes or

a new personal computer might be examples of decisions where the optimizing model would apply. But many decisions, particularly important and difficult ones — the kind a person hasn't encountered before and for which there are no standardized or programmed rules to provide guidance — don't involve simple and well-structured problems. Rather, they're characterized by complexity, relatively high uncertainty (all the alternatives, for example, are unlikely to be known), and goals and preferences that are neither clear nor consistent. This category of decision would include choosing a spouse, considering whether to accept a new job offer in a different city, selecting among job applicants for a vacancy in your department, developing a marketing strategy for a new product, deciding where to build an additional manufacturing plant, and determining the proper time to take your small company public by selling stock in it. In this section, we'll review three alternatives to the optimizing model: the satisficing or bounded rationality model, the implicit favorite model, and the intuitive model.

6.1. The Satisficing Model

The essence of the **satisficing model** is that, when faced with complex problems, decision makers respond by reducing the problems to a level at which they can be readily understood. This is because the information-processing capability of human beings makes it impossible to assimilate and understand all the information necessary to optimize. Since the capacity of the human mind for formulating and solving complex problems is far too small to meet all the requirements for full rationality, individuals operate within the confines of **bounded rationality**. They construct simplified models that extract the essential features from problems without capturing all their complexity. Individuals can then behave rationally within the limits of the simple model.

How does bounded rationality work for the typical individual? Once a problem is identified, the search for criteria and alternatives begins. But the list of criteria is likely to be far from exhaustive. The decision maker will identify a limited list made up of the more conspicuous choices. These are the choices that are easy to find and that tend to be highly visible. In most cases, they will represent familiar criteria and the tried-and-true solutions. Once this limited set of alternatives is identified, the decision maker will begin reviewing them. But the review will not be comprehensive. That is not all the alternatives will be carefully evaluated. Instead, the decision-maker will begin with alternatives that differ only in a relatively small degree from the choice currently in effect. Following along familiar and wellworn paths, the decision maker proceeds to review alternatives only until he or she identifies an alternative that satisfices—one that is satisfactory and sufficient. So the satisficer settles for the first solution that is “good enough,” rather than

continuing to search for the optimum. The first alternative to meet the “good enough” criterion ends the search, and the decision maker can then proceed toward implementing this acceptable course of action.

6.2. The Implicit Favorite Model

Another model designed to deal with complex and nonroutine decisions is the **implicit favorite model**. Like the satisficing model, it argues that individuals solve complex problems by simplifying the process. However, simplification in the implicit favorite model means not entering into the difficult “evaluation of alternatives” stage of decision making until one of the alternatives can be identified as an implicit “favorite.” In other words, the decision maker is neither rational nor objective. Instead, early in the decision process, he or she implicitly selects a preferred alternative. Then the rest of the decision process is essentially a decision confirmation exercise, where the decision maker makes sure that his or her implicit favorite is indeed the “right” choice.

The implicit favorite model evolved from research on job decisions by graduate management students at the Massachusetts Institute of Technology. Clearly, these students knew and understood the optimizing model. They had spent several years repeatedly using it for solving problems and analyzing cases in accounting, finance, management, marketing, and quantitative methods courses. Moreover, the job choice decision was an important one. If there was a decision where the optimizing model should be used, and a group experienced in using it, this should be it. But the researcher found that the optimizing model was not followed. Rather, the implicit favorite model provided an accurate description of the actual decision process.

The implicit favorite model is outlined in Figure 7. Once a problem is identified, the decision maker implicitly identifies an early favorite alternative. But the decision maker doesn’t end the search at this point. In fact, the decision maker is often unaware that he or she has already identified an implicit favorite and that the rest of the process is really an exercise in prejudice. So more alternatives will be generated. This is important, for it gives the appearance of objectivity. Then the confirmation process begins. The alternative set will be reduced to two—the choice candidate and a confirmation candidate. If the choice candidate is the only viable option, the decision maker will try to obtain another acceptable alternative to become the confirmation candidate, so he or she will have something to compare against. At this point, the decision maker establishes the decision criteria and weights. A great deal of perceptual and interpretational distortion is taking place, with the selection of criteria and their weight being “shaped” to ensure victory for the favored choice. And, of course, that’s exactly what transpires. The evaluation demonstrates unequivocally the superiority of the choice candidate over the confirmation candidate.

FIGURE 6. The Optimizing Model

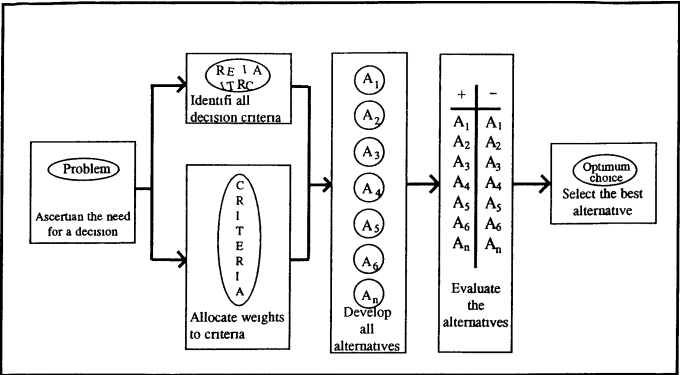
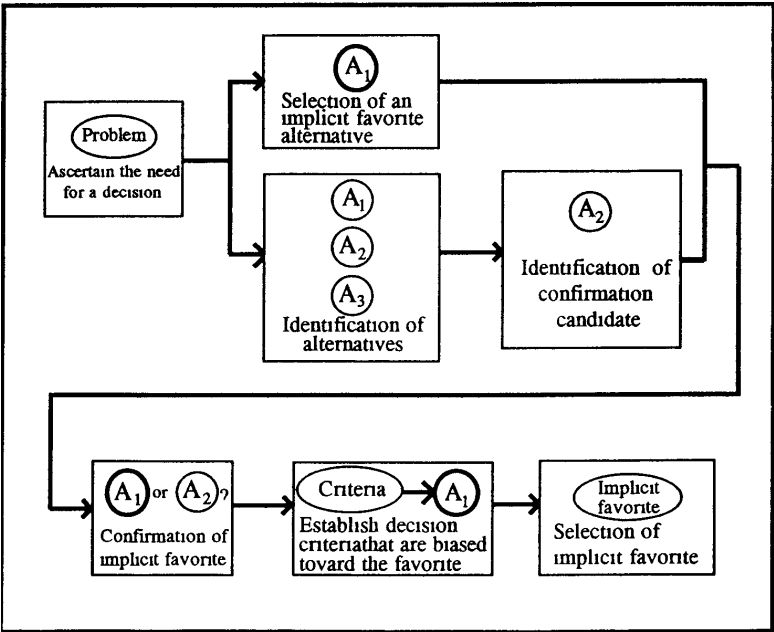


FIGURE 7. The Implicit Favorite Model



6.3. The Intuitive Model

What do we mean by intuitive decision making? There are a number of ways to conceptualize intuition. For instance, some consider it a form of extra sensory power or sixth sense, and some believe it is a personality trait that a limited number of people are born with. For our purposes we'll define

intuitive decision making as an unconscious process created out of distilled experience. It doesn't necessarily operate independently of rational analysis rather the two complement each other.

Research on chess playing provides an excellent example of how intuition works. Novice chess players and grandmasters were shown an actual, but unfamiliar, chess game with about twenty five pieces on the board. After five on ten seconds the pieces were removed and each was asked to reconstruct the pieces by position. On average, the grandmaster could put twenty-three or twenty-four pieces in their correct squares, while the novice was able to replace only six. Then the exercise was changed. This time the pieces were placed randomly on the board. Again, the novice got only about six correct, but so did the grandmaster! The second exercise demonstrated that the grandmaster didn't have any better memory than the novice. What he did have was the ability, based on the experience of having played thousands of chess games to recognize patterns and clusters of pieces that occur on chessboards in the course of games. Studies further show that chess professionals can play fifty or more games simultaneously, where decisions often must be made in only seconds, and exhibit only a moderately lower level of skill than when playing one game under tournament conditions, where decisions take half an hour or longer. The expert's experience allows him or her to recognize a situation and draw upon previously learned information associated with that situation to quickly arrive at a decision choice. The result is that the intuitive decision maker can decide rapidly with what appears to be very limited information.

When are people most likely to use intuitive decision making? Eight conditions have been identified: (1) when a high level of uncertainty exists; (2) when there is little precedent to draw on; (3) when variables are less scientifically predictable; (4) when "facts" are limited; (5) when facts don't clearly point the way to go; (6) when analytical data are of little use; (7) when there are several plausible alternative solutions to choose from, with good arguments for each; and (8) when time is limited and there is pressure to come up with the right decision.

Is there a standard model people follow when using intuition? Individuals seem to follow one or two approaches. They apply intuition to either the front end or the back end of the decision making process.

When intuition is used at the front end the decision maker tries to avoid systematically analyzing the problem, but instead gives intuition a free rein. The idea is to try to generate unusual possibilities and new option that might not normally emerge from an analysis of past data or traditional ways of doing things. A back end approach to using intuition relies on rational analysis to identify and allocate weights to decision criteria, as well as to develop and evaluate alternatives. Once this is done, the decision maker

stops the analytical process in order to “sleep on the decision” for a day or two before making the final choice.

7. IMPLICATIONS FOR PERFORMANCE AND SATISFACTION

7.1. Perception

Individuals behave in a given manner based not on the way their external environment actually is but, rather, on what they see or believe it to be. Because individuals act on their interpretations of reality rather than on reality itself, it is clear that perception must be a critical determinant of our dependent variables.

An organization may spend millions of dollars to create a pleasant work environment for its employees. However, in spite of these expenditures, if an employee believes that his or her job is lousy, that employee will behave accordingly. It is the employee's perception of a situation that becomes the basis on which he or she behaves. The employee who perceives his or her supervisor as a hurdle reducer and an aid to help him or her do a better job and the employee who sees the same supervisor as “big brother, closely monitoring every motion, to ensure that I keep working,” will differ in their behavioral responses to their supervisor. The difference has nothing to do with the reality of the supervisor's actions; the difference in employee behavior is due to different perceptions.

The evidence suggests that what individuals *perceive* from their work situation will influence their productivity more than will the situation itself.

7.2. Individual Decision Making

Individuals think and reason before they act. It is because of this that an understanding of how people make decisions can be helpful for explaining and predicting their behavior.

Under some decision situations, people follow the optimizing model. But for most people, and most nonroutine decisions, this is probably more the exception than the rule. Few important decisions are simple or unambiguous enough for the optimizing model's assumptions to apply. So we find individuals looking for solutions that *satisfice* rather than optimize, injecting biases and prejudices into the decision process, and relying on intuition.

The alternative decision models we presented can help us explain and predict behaviors that would appear irrational or arbitrary if viewed under optimizing assumptions. Let's look at a couple of examples.

Employment interviews are complex decision activities. The interviewer finds himself or herself inundated with information. Research indicates that interviewers respond by simplifying the process. Most interviewers' decisions change very little after the first four or five minutes of the interview. In a half-hour interview, the decision maker tends to make a decision about the suitability of the candidate in the first few minutes and then uses the rest of the interview time to select information that supports the early decision. In so doing, interviewers reduce the probability of identifying the highest-performing candidate. They bias their decision toward individuals who make favorable first impressions.

8. VALUES, ATTITUDES, AND JOB SATISFACTION

Is capital punishment right or wrong? How about racial quotas in hiring — are they right or wrong? If a person likes power, is that good or bad? The answers to these questions are value laden. Some might argue, for example, that capital punishment is right because it is an appropriate retribution for crimes like murder and treason. However, others might argue, just as strongly, that no government has the right to take anyone's life.

Values represent basic convictions that “a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.” They contain a judgmental element in that they carry an individual's ideas as to what is right good, or desirable. Values have both content and intensity attributes. The content attribute says that a mode of conduct or end-state of existence is important. The intensity attribute specifies how important it is. When we rank an individual's values in terms of their intensity, we obtain that person's value system. All of us have a hierarchy of values that forms our **value system**. This system is identified by the relative importance we assign to such values as freedom, pleasure, self-respect, honesty, obedience and equality.

8.1. Importance of Values

Values are important to the study of organizational behavior because they lay the foundation for the understanding of attitudes and motivation and because they influence our perceptions. Individuals enter an organization with preconceived notions of what “ought” and what “ought not” to be. Of course, these notions are not value-free. On the contrary, they contain interpretations of right and wrong. Further, they imply that certain behaviors or outcomes are preferred over others. As a result, values cloud objectivity and rationality.

Values generally influence attitudes and behavior.

8.2. Sources of Our Value Systems

The values we hold are essentially established in our early years — from parents, teachers, friends, and others. Your early ideas of what is right and wrong were probably formulated from the views expressed by your parents. Think back to your early views on such topics as education, sex, and politics. For the most part, they were the same as those expressed by your parents. As you grew up, and were exposed to other value systems, you may have altered a number of your values. For example, in high school, if you desired to be a member of a social club whose values included the conviction that “every person should carry a gun,” there is a good probability that you changed your value system to align with that of the members of the club, even if it meant rejecting your parents’ value that “only gang members carry guns, and gang members are bad”.

Interestingly, values are relatively stable and enduring. This has been explained as a result of the way in which they are originally learned. As children, we are told that a certain behavior or outcome is *always* desirable or *always* undesirable. There are no gray areas. You were told, for example that you should be honest and responsible. You were never taught to be just a little bit honest or a little bit responsible. It is this absolute or “black-or-white” learning of values that more or less assures their stability and endurance.

The process of questioning our values, of course, may result in a change. We may decide that these underlying convictions are no longer acceptable. More often our questioning merely acts to reinforce those values we hold.

TABLE 8. Ranking of Values by Importance Among Three Groups

Ministers	Purchasing Executives	Scientists in Industry
1. Religious	1. Economic	1. Theoretical
2. Social	2. Theoretical	2. Political
3. Aesthetic	3. Political	3. Economic
4. Political	4. Religious	4. Aesthetic
5. Theoretical	5. Aesthetic	5. Religious
6. Economic	6. Social	6. Social

8.3. Types of Values

Can we classify values? The answer is: Yes! In this section, we’ll review three approaches to developing value typologies.

ALLPORT AND ASSOCIATES One of the earliest efforts to categorize values was made by Allport and his associates. They identified six types of values.

- 1. *Theoretical*: Places high importance on the discovery of truth through a critical and rational approach
- 2. *Economic*: Emphasizes the useful and practical
- 3. *Aesthetic*: Places the highest value on form and harmony
- 4. *Social*: Assigns the highest value to the love of people
- 5. *Political*: Places emphasis on acquisition of power and influence
- 6. *Religious*: Is concerned with the unity of experience and understanding of the cosmos as a whole

TABLE 9. Terminal and Instrumental Values in Rokeach Value Survey

Terminal Values	Instrumental Values
A comfortable life (a prosperous life)	Ambitious (hard-working, aspiring)
An exciting life (a stimulating, active life)	Broadminded (open-minded)
A sense of accomplishment (lasting contribution)	Capable (competent, effective)
A world at peace (free of war and conflict)	Cheerful (lighthearted, joyful)
A world of beauty (beauty of nature and the arts)	Clean (neat, tidy)
Equality (brotherhood, equal opportunity for all)	Courageous (standing up for your beliefs)
Family security (taking care of loved ones)	Forgiving (willing to pardon others)
Freedom (independence, free choice)	Helpful (working for the welfare of others)
Happiness (contentedness)	Honest (sincere, truthful)
Inner harmony (freedom from inner conflict)	Imaginative (daring, creative)
Mature love (sexual and spiritual intimacy)	Independent (self-reliant, self-sufficient)
Terminal Values	Instrumental Values
National security (protection from attack)	Intellectual (intelligent, reflective)
Pleasure (an enjoyable, leisurely life)	Logical (consistent, rational)
Salvation (saved, eternal life)	Loving (affectionate, tender)
Self-respect (self-esteem)	Obedient (dutiful, respectful)
Social recognition (respect, admiration)	Polite (courteous, well-mannered)
True friendship (close companionship)	Responsible (dependable, reliable)
Wisdom (a mature understanding of life)	Self-controlled (restrained, self-disciplined)

ROKEACH VALUE SURVEY Milton Rokeach created the Rokeach Value Survey (RVS). The RVS consists of two sets of values, with each set containing eighteen individual value items. One set, called **terminal values**, refers to desirable *end states* of existence. These are the goals that a person would like to achieve during his or her lifetime. The other set, called **instrumental values**, refers to preferable *modes of behavior*, or means of

achieving the terminal values. Table 9 gives common examples for each of these sets.

Several studies confirm that the RVS values vary among groups. As with Allport’s findings, people in the same occupations or categories (e.g., corporate managers, union members, parents, students) tend to hold similar values. For instance, one study comparing corporate executives, members of the steelworkers’ union, and members of a community activist group found a good deal of overlap among the three groups, but also some very significant differences (See Table 10). The activists had value preferences that were quite different from those of the other two groups. They ranked equality as their most important terminal value, executives and union members ranked this value 14 and 13, respectively. Activists ranked “helpful” as their second highest instrumental value. The other two groups both ranked it 14. These differences are important, since executives, union members, and activists all have a vested interest in what corporations do. “When corporations and critical stakeholder groups such as these [other] two come together in negotiations or contend with one another over economic and social policies, they are likely to begin with these built-in differences in personal value preferences. Reaching agreement on any specific issue or policy where these personal values are importantly implicated might prove to be quite difficult”.

TABLE 10. Mean Value Rankings of Executives, Union Members, and Activists (Top 5 Only)

Executives		Union Members		Activists	
Terminal	Instrumental	Terminal	Instrumental	Terminal	Instrumental
1. Self-respect	1. Honest	1. Family security	1. Responsible	1. Equality	1. Honest
2. Family security	2. Responsible	2. Freedom	2. Honest	2. A world at peace	2. Helpful
3. Freedom	3. Capable	3. Happiness	3. Courageous	3. Family security	3. Courageous
4. A sense of accomplishment	4. Ambitious	4. Self-respect	4. Independent	4. Self-respect	4. Responsible
5. Happiness	5. Independent	5. Mature love	5. Capable	5. Freedom	5. Capable

CONTEMPORARY WORK COHORTS Your author has integrated a number of recent analyses of work values into a four-stage model that attempts to capture the unique values of different cohorts or generations in the U.S. workforce. (No assumption is made that this framework would universally apply across all cultures.) Table 11. proposes that employees can be segmented by the era in which they entered the work force. Because most people start work between the ages of eighteen and twenty-three, the eras also correlate closely with the chronological age of employees.

TABLE 11. Dominant Values in Today's Work Force

Stage	Entered the Work Force	Approximate Current Age	Dominant Work Values
I. Protestant work ethic	1940s -1950s	50-70	Hard work, conservative; loyalty to the organization
II. Existential	1960s -Mid-1970s	40-50	Quality of life, nonconforming, seeks autonomy; loyalty to self
III. Pragmatic	Mid-1970s-Mid-1980s	30-40	Success, achievement, ambition, hard work; loyalty to career
IV. Symmetry	Mid-1980s-Present	Under 30	Flexibility, job satisfaction, leisure time; loyalty to relationships

Workers who grew up during the Great Depression and World War II entered the work force in the 1940s and 1950s believing in the Protestant work ethic. Once hired, they tended to be loyal to their employer. In terms of the terminal values on the RVS, these employees are likely to place the greatest importance on a comfortable life and family security.

Employees who entered the work force during the 1960s through the mid-1970s brought with them a large measure of the "hippie ethic" and existential philosophy. They are more concerned with the quality of their lives than with the amount of money and possessions they can accumulate. Their desire for autonomy has directed their loyalty toward themselves rather than toward the organization that employs them. In terms of the RVS, freedom and equality rate high.

Work values can be seen in characters from past television shows. Ward Cleaver, the father on "Leave it to Beaver," represented the era when Protestant Work Ethics' values dominated. The elder Keatons from "Family Ties" espoused existential values, while their son, Alex, typified pragmatism. Although the show's name doesn't fit, "Thirtysomething's" Michael and Hope reflected the symmetry values of today's younger worker.

Individuals who entered the work force from the mid-1970s through the mid-1980s reflect the society's return to more traditional values, but with far greater emphasis on achievement and material success. Born towards the end of the Baby Boom period, these workers are pragmatists who believe that ends can justify means. They see the organizations that employ them merely as vehicles for their careers. Terminal values like a sense of accomplishment and social recognition rank high with them.

Our final category encompasses the "twentysomething" generation. They value flexibility, life options, and the achievement of job satisfaction. Family and relationships are very important to this cohort. Money is important as an indicator of career performance, but they are willing to trade off salary

increases, titles, security, and promotions for increased leisure time and expanded lifestyle options. In search of symmetry in their lives, these more recent entrants into the work force are less willing to make personal sacrifices for the sake of their employer than previous generations were. On the RVS, they rate high on true friendship, happiness, and pleasure.

Attitudes are evaluative statements — either favorable or unfavorable concerning objects, people, or events. They reflect how one feels about something. When I say “I like my job,” I am expressing my attitude about work.

Attitudes are not the same as values, but the two are interrelated. You can see this by looking at the three components of an attitude: cognition, affect, and behavior.

The belief that “discrimination is wrong” is a value statement. Such an opinion is the **cognitive component** of an attitude. It sets the stage for the more critical part of an attitude — its **affective component**. Affect is the emotional or feeling segment of an attitude and is reflected in the statement “I don’t like Jon because he discriminates against minorities.” Finally, and we’ll discuss this issue at considerable length later in this section, affect can lead to behavioral outcomes. The **behavioral component** of an attitude refers to an intention to behave in a certain way toward someone or something. So, to continue our example, I might choose to avoid Jon because of my feeling about him.

Viewing attitudes as made up of three components—cognition, affect, and behavior—is helpful toward understanding their complexity and the potential relationship between attitudes and behavior. But for clarity’s sake, keep in mind that the term *attitude* essentially refers to the affect part of the three components.

8.4. Types of Attitudes

A person can have thousands of attitudes, but OB focuses our attention on a very limited number of job related attitudes. These job related attitudes tap positive or negative evaluations that employees hold about aspects of their work environment. Most of the research in OB has been concerned with three attitudes job satisfaction, job involvement, and organizational commitment.

JOB SATISFACTION The term *job satisfaction* refers to an individual’s general attitude toward his or her job. A person with a high level of job satisfaction holds positive attitudes toward the job, while a person who is dissatisfied with his or her job holds negative attitudes about the job. When people speak of employee attitudes, more often than not they mean job satisfaction. In fact, the two are frequently used interchangeably. Because of

the high importance OB researchers have given to job satisfaction, we'll review this attitude in considerable detail later in this chapter.

JOB INVOLVEMENT The term **job involvement** is a more recent addition to the OB literature. While there isn't complete agreement over what the term means, a workable definition states that job involvement measures the degree to which a person identifies psychologically with his or her job and considers his or her perceived performance level important to selfworth. Employees with a high level of job involvement strongly identify with and really care about the kind of work they do.

High levels of job involvement have been found to be related to fewer absences and lower resignation rates. However, it seems to more consistently predict turnover than absenteeism, accounting for as much as sixteen percent of the variance in the former.

ORGANIZATIONAL COMMITMENT The third job attitude we shall discuss is **organizational commitment**. It's defined as a state in which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. So, high *job involvement* means identifying with one's specific job, while high *organizational commitment* means identifying with one's employing organization.

8.5. Cognitive Dissonance Theory

Can we additionally assume from this consistency principle that an individual's behavior can always be predicted if we know his or her attitude on a subject? If Mr Jones views the company's pay level as too low, will a substantial increase in his pay change his behavior, that is, make him work harder? The answer to this question is, unfortunately, more complex than merely a "Yes" or "No".

Leon Festinger, in the late 1950s, proposed the theory of **cognitive dissonance**. This theory sought to explain the linkage between attitudes and behavior. Dissonance means an inconsistency. Cognitive dissonance refers to any incompatibility that an individual might perceive between two or more of his or her attitudes, or between his or her behavior and attitudes. Festinger argued that any form of inconsistency is uncomfortable and that individuals will attempt to reduce the dissonance and, hence, the discomfort. Therefore, individuals will seek a stable state where there is a minimum of dissonance.

Of course no individual can completely avoid dissonance. You know that cheating on your income tax is wrong, but you "fudge" the numbers a bit every year, and hope you're not audited. Or you tell your children to brush after every meal, but *you* don't. So how do people cope? Festinger would propose that the desire to reduce dissonance would be determined by the importance of the elements creating the dissonance, the degree of influence

the individual believes he or she has over the elements, and the rewards that may be involved in dissonance.

If the elements creating the dissonance are relatively unimportant, the pressure to correct this imbalance will be low. However, say that a corporate manager — Mrs. Smith — believes strongly that no company should pollute the air or water. Unfortunately Mrs. Smith, because of the requirements of her job, is placed in the position of having to make decisions that would trade off her company's profitability against her attitudes on pollution. She knows that dumping the company's sewage into the local river (which we shall assume is legal) is in the best economic interest of her firm. What will she do? Clearly, Mrs. Smith is experiencing a high degree of cognitive dissonance. Because of the importance of the elements in this example, we cannot expect Mrs. Smith to ignore the inconsistency. There are several paths that she can follow to deal with her dilemma. She can change her behavior (stop polluting the river). Or she can reduce dissonance by concluding that the dissonant behavior is not so important after all ("I've got to make a living, and in my role as a corporate decision maker, I often have to place the good of my company above that of the environment or society"). A third alternative would be for Mrs. Smith to change her attitude ("There is nothing wrong in polluting the river"). Still another choice would be to seek out more consonant elements to outweigh the dissonant ones ("The benefits to society from our manufacturing our products more than offset the cost to society of the resulting water pollution").

The degree of influence that individuals believe they have over the elements will have an impact on how they will react to the dissonance. If they perceive the dissonance to be an uncontrollable result — something over which they have no choice — they are less likely to be receptive to attitude change. If, for example, the dissonance-producing behavior is required as a result of the boss's directive, the pressure to reduce dissonance would be less than if the behavior was performed voluntarily. While dissonance exists, it can be rationalized and justified.

Rewards also influence the degree to which individuals are motivated to reduce dissonance. High rewards accompanying high dissonance tends to reduce the tension inherent in the dissonance. The rewards act to reduce dissonance by increasing the consistency side of the individual's balance sheet.

These moderating factors suggest that just because individuals experience dissonance they will not necessarily move directly toward consistency; that is, toward reduction of this dissonance. If the issues underlying the dissonance are of minimal importance, if an individual perceives that the dissonance is externally imposed and is substantially uncontrollable by him or her, or if rewards are significant enough to offset

the dissonance, the individual will not be under great tension to reduce the dissonance.

What are the organizational implications of the theory of cognitive dissonance? It can help to predict the propensity to engage in attitude and behavioral change. If individuals are required, for example, by the demands of their job to say or do things that contradict their personal attitude, they will tend to modify their attitude in order to make it compatible with the cognition of what they have said or done. Additionally, the greater the dissonance—after it has been moderated by importance, choice, and reward factors—the greater the pressures to reduce it.

8.6. Measuring the A-B Relationship

We have maintained throughout this chapter that attitudes affect behavior. The early research work on attitudes assumed that they were causally related to behavior; that is, the attitudes that people hold determine what they do. Common sense, too, suggests a relationship. Is it not logical that people watch television programs that they say they like or that employees try to avoid assignments they find distasteful?

However, in the late 1960s, this assumed relationship between attitudes and behavior (A-B) was challenged by a review of the research. Based on an evaluation of a number of studies that investigated the A-B relationship, the reviewer concluded that attitudes were unrelated to behavior or, at best, only slightly related. More recent research has demonstrated that the A-B relationship can be improved by taking moderating contingency variables into consideration.

MODERATING VARIABLES One thing that improves our chances of finding significant A-B relationships is the use of both specific attitudes and specific behaviors. It is one thing to talk about a person's attitude toward "preserving the environment" and another to speak of his or her attitude toward recycling. The more specific the attitude we are measuring, and the more specific we are in identifying a related behavior, the greater the probability that we can show a relationship between A and B. If you ask people today whether they are concerned about preserving the environment, most will probably say "Yes." That doesn't mean, however, that they separate out recyclable items from their garbage. The correlation between a question that asks about concern-for-protecting-the-environment and recycling may be only +.20 or so. But as you make the question more specific—by asking, for example, about the degree of personal obligation one feels to separate recyclable items—the A-B relationship is likely to reach +.50 or higher.

Another moderator is social constraints on behavior. Discrepancies between attitudes and behavior may occur because the social pressures on the individual to behave in a certain way may hold exceptional power. Group

pressures, for instance, may explain why an employee who holds strong anti-union attitudes attends pro-union organizing meetings.

Still another moderating variable is experience with the attitude in question. The A-B relationship is likely to be much stronger if the attitude being evaluated refers to something with which the individual has experience. For instance, most of us will respond to a questionnaire on almost any issue. But is my attitude toward starving fish in the Amazon any indication of whether I'd donate to a fund to save these fish? Probably not! Getting the views of college students with no work experience on job factors that are important in determining whether they would stay put in a job is an example of an attitude response that is unlikely to predict much in terms of actual turnover behavior.

SELF-PERCEPTION THEORY While most A-B studies yield positive results — that attitudes do influence behavior—the relationship tends to be weak before adjustments are made for moderating variables. But requiring specificity, an absence of social constraints, and experience in order to get a meaningful correlation imposes severe limitations on making generalizations about the A-B relationship. This has prompted some researchers to take another direction — to look at whether behavior influences attitudes. This view, called **self-perception theory**, has generated some encouraging findings. Let's briefly review the theory.

When asked about an attitude toward some object, individuals recall their behavior relevant to that object and then infer their attitude from their past behavior. So if an employee were asked about her feelings about being a payroll clerk at Exxon, she would likely think, "I've had this same job at Exxon as a payroll clerk for ten years, so I must like it!" Self-perception theory, therefore, argues that attitudes are used, after the fact, to make sense out of an action that has already occurred rather than as devices that precede and guide action.

Self-perception theory has been well supported. While the traditional attitude-behavior relationship is generally positive, it is also weak. In contrast, the behavior-attitude relationship is quite strong. So what can we conclude? It seems that we are very good at finding reasons for what we do, but not so good at doing what we find reasons for.

8.7. An Application: Attitude Surveys

The preceding review should not discourage us from using attitudes to predict behavior. In an organizational context, most of the attitudes management would seek to inquire about would be ones with which employees have some experience. If the attitudes in question are specifically stated, management should obtain information that can be valuable in guiding their decisions relative to these employees. But how does management get information about employee attitudes? The most popular method is through the use of **attitude surveys**.

Table 12 illustrates what an attitude survey might look like. Typically, attitude surveys present the employee with a set of statements or questions. Ideally, the items are tailored to obtain the specific information that management desires. An attitude score is achieved by summing up responses to individual questionnaire items. These scores can then be averaged for job groups, departments, divisions, or the organization as a whole.

As Keith Dunn of McGuffey’s found in the opening case at the beginning of this chapter, results from attitude surveys frequently surprise management. Consistent with our discussion of perceptions in the previous chapter, the policies and practices that management views as objective and fair may be seen as inequitable by employees in general or by certain groups of employees. That these distorted perceptions have led to negative attitudes about the job and organization should be important to management. This is because employee behaviors are based on perceptions, not reality. Remember, the employee who quits because she believes she is underpaid—when, in fact, management has objective data to support that her salary is highly competitive—is just as gone as if she had actually been underpaid. The use of regular attitude surveys can alert management to potential problems and employees’ intentions early so that action can be taken to prevent repercussions.

TABLE 12. Sample Attitude Survey

Please answer each of the following statements using the following rating scale:

- 5 = Strongly agree
- 4 = Agree
- 3 = Undecided
- 2 = Disagree
- 1 = Strongly disagree

Statement	Rating
1. This company is a pretty good place to work.	—
2. I can get ahead in this company if I make the effort.	—
3. This company’s wage rates are competitive with those of other companies.	—
4. Employee promotion decisions are handled fairly.	—
5. I understand the various fringe benefits the company offers.	—
6. My job makes the best use of my abilities.	—
7. My work load is challenging but not burdensome.	—
8. I have trust and confidence in my boss.	—
9. I feel free to tell my boss what I think.	—
10. I know what my boss expects of me.	—

8.8. Job Satisfaction

The two most widely used approaches are a single global rating and a summation score made up of a number of job facets. The single global rating method is nothing more than asking individuals to respond to one question, such as “All things considered, how satisfied are you with your job?” Respondents then reply by circling a number between one and five that corresponds with answers from “Highly Satisfied” to “Highly Dissatisfied.” The other approach — a summation of job facets — is more sophisticated. It identifies key elements in a job and asks for the employee’s feelings about each. Typical factors that would be included are the nature of the work, supervision, present pay, promotion opportunities, and relations with co-workers. These factors are rated on a standardized scale and then added up to create an overall job satisfaction score.

8.9. Job Satisfaction as a Dependent Variable

We now turn to considering job satisfaction as a dependent variable. That is, we seek an answer to the question: *What* work-related variables determine job satisfaction? An extensive review of the literature indicates that the more important factors conducive to job satisfaction are mentally challenging work, equitable rewards, supportive working conditions, and supportive colleagues.

MENTALLY CHALLENGING WORK Employees tend to prefer jobs that give them opportunities to use their skills and abilities and offer a variety of tasks, freedom, and feedback on how well they are doing. These characteristics make work mentally challenging. Jobs that have too little challenge create boredom, but too much challenge creates frustration and feelings of failure. Under conditions of moderate challenge, most employees will experience pleasure and satisfaction.

EQUITABLE REWARDS Employees want pay systems and promotion policies that they perceive as being just, unambiguous, and in line with their expectations. When pay is seen as fair based on job demands, individual skill level, and community pay standards, satisfaction is likely to result. Of course, not everyone seeks money. Many people willingly accept less money to work in a preferred location or in a less demanding job or to have greater discretion in the work they do and the hours they work. But the key in linking pay to satisfaction is not the absolute amount one is paid; rather, it is the perception of fairness. Similarly, employees seek fair promotion policies and practices. Promotions provide opportunities for personal growth, more responsibilities, and increased social status. Individuals who perceive that promotion decisions are made in a fair and just manner, therefore, are likely to experience satisfaction from their jobs.

SUPPORTIVE WORKING CONDITIONS Employees are concerned with their work environment for both personal comfort and facilitating doing a good job. Studies demonstrate that employees prefer physical surroundings that are not dangerous or uncomfortable. Temperature, light, noise, and other environmental factors should not be at either extreme—for example, having too much heat or too little light. Additionally, most employees prefer working relatively close to home, in clean and relatively modern facilities, and with adequate tools and equipment.

SUPPORTIVE COLLEAGUES People get more out of work than merely money or tangible achievements. For most employees, work also fills the need for social interaction. Not surprisingly, therefore, having friendly and supportive co-workers leads to increased job satisfaction. The behavior of one's boss also is a major determinant of satisfaction. Studies generally find that employee satisfaction is increased when the immediate supervisor is understanding and friendly, offers praise for good performance, listens to employees' opinions, and shows a personal interest in them.

DON'T FORGET THE PERSONALITY - JOB FIT! Above we presented Holland's personality-job fit theory. As you remember, one of Holland's conclusions was that high agreement between an employee's personality and occupation results in a more satisfied individual. His logic was essentially this: People with personality types congruent with their chosen vocations should find that they have the right talents and abilities to meet the demands of their jobs; are thus more likely to be successful on those jobs; and, because of this success, have a greater probability of achieving high satisfaction from their work. Studies to replicate Holland's conclusions have been almost universally supportive. It's important, therefore, to add this to our list of factors that determine job satisfaction.

8.10. Job Satisfaction as an Independent Variable

Managers' interest in job satisfaction tends to center on its effect on employee performance. Researchers have recognized this interest, so we find a large number of studies that have been designed to assess the impact of job satisfaction on employee productivity, absenteeism, and turnover. Let's look at the current state of our knowledge.

SATISFACTION AND PRODUCTIVITY A number of reviews were done in the 1950s and 1960s, covering dozens of studies that sought to establish the relationship between satisfaction and productivity. These reviews could find no consistent relationship. In the 1990s, though the studies are far from unambiguous, we can make some sense out of the evidence.

The early views on the satisfaction-performance relationship can be essentially summarized in the statement "a happy worker is a productive

worker.” Much of the paternalism shown by managers in the 1930s, 1940s, and 1950s — forming company bowling teams and credit unions, having company picnics, providing counseling services for employees, training supervisors to be sensitive to the concerns of subordinates — was done to make workers happy. But belief in the happy worker thesis was based more on wishful thinking than hard evidence. A careful review of the research indicates that if there is a positive relationship between satisfaction and productivity, the correlations are consistently low—in the vicinity of 0.14. However, introduction of moderating variables has improved the relationship. For example, the relationship is stronger when the employee’s behavior is not constrained or controlled by outside factors. An employee’s productivity on machine-paced jobs, for instance, is going to be much more influenced by the speed of the machine than his or her level of satisfaction. Similarly, a stockbroker’s productivity is largely constrained by the general movement of the stock market. When the market is moving up and volume is high, both satisfied and dissatisfied brokers are going to ring up lots of commissions. Conversely, when the market is in the doldrums, the level of broker satisfaction is not likely to mean much. Job level also seems to be an important moderating variable. The satisfaction-performance correlations are stronger for higher-level employees. Thus, we might expect the relationship to be more relevant for individuals in professional, supervisory, and managerial positions.

Another point of concern in the satisfaction-productivity issue is the direction of the causal arrow. Most of the studies on the relationship used research designs that could not prove cause and effect. Studies that have controlled for this possibility indicate that the more valid conclusion is that productivity leads to satisfaction rather than the other way around. If you do a good job, you intrinsically feel good about it. Additionally, assuming that the organization rewards productivity, your higher productivity should increase verbal recognition, your pay level, and probabilities for promotion. These rewards, in turn, increase your level of satisfaction with the job.

SATISFACTION AND ABSENTEEISM We find a consistent negative relationship between satisfaction and absenteeism, but the correlation is moderate—usually less than 0.40. While it certainly makes sense that dissatisfied employees are more likely to miss work, other factors have an impact on the relationship and reduce the correlation coefficient. For example, remember our discussion of sick pay versus well pay. Organizations that provide liberal sick leave benefits are encouraging all their employees — including those who are highly satisfied — to take days off. Assuming that you have a reasonable number of varied interests, you can find work satisfying and yet still take off work to enjoy a three-day weekend, tan yourself on a warm summer day, or watch the World Series on television if

those days come free with no penalties. Also, as with productivity, outside factors can act to reduce the correlation.

An excellent illustration of how satisfaction directly leads to attendance, where there is a minimum impact from other factors, is a study done at Sears, Roebuck. Satisfaction data were available on employees at Sears' two headquarters in Chicago and New York. Additionally, it is important to note that Sears' policy was not to permit employees to be absent from work for avoidable reasons without penalty. The occurrence of a freak April 2 snowstorm in Chicago created the opportunity to compare employee attendance at the Chicago office with attendance in New York, where the weather was quite nice. The interesting dimension in this study is that the snowstorm gave the Chicago employees a built-in excuse not to come to work. The storm crippled the city's transportation, and individuals knew they could miss work this day with no penalty. This natural experiment permitted the comparison of attendance records for satisfied and dissatisfied employees at two locations—one where you were expected to be at work (with normal pressures for attendance), and the other where you were free to choose with no penalty involved. If satisfaction leads to attendance, where there is an absence of outside factors, the more satisfied employees should have come to work in Chicago, while dissatisfied employees should have stayed home. The study found that, on this April 2, day, absenteeism rates in New York (the control group) were just as high for satisfied groups of workers as for dissatisfied groups. But in Chicago, the workers with high satisfaction scores had much higher attendance than did those with lower satisfaction levels. These findings are exactly what we would have expected if satisfaction is negatively correlated with absenteeism.

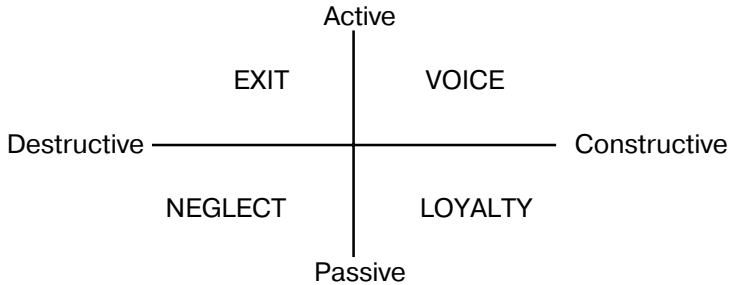
SATISFACTION AND TURNOVER Satisfaction is also negatively related to turnover, but the correlation is stronger than what we found for absenteeism. Yet, again, other factors such as labor market conditions, expectations about alternative job opportunities, and length of tenure with the organization are important constraints on the actual decision to leave one's current job.

Evidence indicates that an important moderating variable on the satisfaction-turnover relationship is the employee's level of performance. Specifically, level of satisfaction is less important in predicting turnover for superior performers. Why? The organization typically makes considerable efforts to keep these people. They get pay raises, praise, recognition, increased promotional opportunities, and so forth. Just the opposite tends to apply to poor performers. Few attempts are made by the organization to retain them. There may even be subtle pressures to encourage them to quit. We would expect, therefore, that job satisfaction is more important in influencing poor performers to stay than superior performers. Regardless of level of satisfaction, the latter are more likely to remain with the organization

because the receipt of recognition, praise, and other rewards gives them more reasons for staying.

8.11. How Employees Can Express Dissatisfaction

Figure 13. Responses to Job Dissatisfaction.



One final point before we leave the issue of job satisfaction: Employee dissatisfaction can be expressed in a number of ways. For example, rather than quit, employees can complain, be insubordinate, steal organizational property, or shirk a part of their work responsibilities. Figure 13 offers four responses that differ from one another along two dimensions: constructiveness/destructiveness and activity/passivity. They are defined as follows:

Exit: Behavior directed toward leaving the organization. Includes looking for a new position as well as resigning.

Voice: Actively and constructively attempting to improve conditions. Includes suggesting improvements, discussing problems with superiors, and some forms of union activity.

Loyalty: Passively but optimistically waiting for conditions to improve. Includes speaking up for the organization in the face of external criticism and trusting the organization and its management to “do the right thing.”

Neglect: Passively allowing conditions to worsen. Includes chronic absenteeism or lateness, reduced effort, and increased error rate.

Exit and neglect behaviors encompass our performance variables — productivity, absenteeism, and turnover. But this model expands employee response to include voice and loyalty — constructive behaviors that allow individuals to tolerate unpleasant situations or to revive satisfactory working conditions. It helps us to understand situations, such as those sometimes found among unionized workers, where low job satisfaction is coupled with low turnover. Union members often express dissatisfaction through the grievance procedure or through formal contract negotiations. These voice mechanisms allow the union members to continue in their jobs while

convincing themselves that they are acting to improve the situation. Why is it important to know an individual's values? Although they don't have a direct impact on behavior, values strongly influence a person's attitudes. So knowledge of an individual's value system can provide insight into his or her attitudes.

Given that people's values differ, managers can use the Rokeach Value Survey to assess potential employees and determine if their values align with the dominant values of the organization. An employee's performance and satisfaction are likely to be higher if his or her values fit well with the organization. For instance, the person who places high importance on imagination, independence, and freedom is likely to be poorly matched with an organization that seeks conformity from its employees. Managers are more likely to appreciate, evaluate positively, and allocate rewards to employees who "fit in," and employees are more likely to be satisfied if they perceive that they do fit. This argues for management to strive during the selection of new employees to find job candidates who not only have the ability, experience, and motivation to perform, but also a value system that is compatible with the organization's.

Managers should be interested in their employees' attitudes because attitudes give warnings of potential problems and because they influence behavior. Satisfied and committed employees, for instance, have lower rates of turnover and absenteeism. Given that managers want to keep resignations and absences down — especially among their more productive employees — they will want to do those things that will generate positive job attitudes.

Managers should also be aware that employees will try to reduce cognitive dissonance. More important, dissonance can be managed. If employees are required to engage in activities that appear inconsistent to them or that are at odds with their attitudes, the pressures to reduce the resulting dissonance are lessened when the employee perceives that the dissonance is externally imposed and is beyond his or her control or if the rewards are significant enough to offset the dissonance.

8.12. CASE: Keith Dunn

It was 1983, and Keith Dunn opened his first McGuffey's restaurant in Asheville, North Carolina. He started the business out of frustration over all the abuse he had suffered personally while working at big restaurant chains such as TGI Friday's and Bennigan's. His restaurant would be different. He was going to be authentically employee-oriented.

Dunn's Asheville restaurant was an immediate success. He soon opened another in a nearby city. It too started fast. Faithful to his original intentions, Dunn sought to make his employees feel appreciated. He gave them a free drink and a meal at the end of every shift, let them give away

appetizers and desserts, and provided them with health and dental insurance plus a week of paid vacation each year.

Dunn was convinced that he had created a people-oriented business and a highly satisfied group of employees. He was aware that sales had plateaued and then declined a bit at each of his restaurants a few months after each opened, but he had all kinds of external rationalizations to explain this occurrence.

In 1986, Dunn was feeling a bit wary. He needed a shot of confidence. He knew how his 230 employees felt about him, but he wanted to hear it from them. That's why he decided to send them an attitude survey. He wanted to see their satisfaction in writing. One day he gathered up the anonymous questionnaires, sat down in his small office with one of his partners by his side, and began to open the envelopes. His eyes zoomed directly to the question where employees were asked to rate the owners' performance on a scale of one to ten. He couldn't believe what he was reading: "Zero," "Zero," "Two" "Zero," "One"...The written comments, too, said similar things: "Your nose is in the air"; "You never say hello"; "You're never around." How could his employees be so ungrateful, Dunn wondered. Why weren't they as thrilled as he was with the chain's growth and expansion? Out of curiosity, Dunn called in an assistant and asked him a favor. Can you calculate our annual turnover rate? Came the reply: "220 percent, sir."

Dunn realized that he had lost sight of the original reason why he had started McGuffey's. He had gotten more involved with impressing his bankers than in listening to his employees. He didn't know his employees' real needs and concerns. They felt ignored, resentful, and abandoned. In response, the restrooms weren't getting scrubbed as thoroughly, the food wasn't arriving quite piping hot, the servers weren't smiling as often. And sales were declining!

Dunn got the message. He began to listen to his employees and make the changes they felt were important. For example, employees now participate much more in decision making. They're helping to design new restaurants as well as their compensation programs. Today, McGuffey's is again a fun place to work at. Turnover is below sixty percent—roughly one-quarter the industry average. Sales and profits are at record levels. And the employees don't hate Keith Dunn anymore.

COURSE TASKS:

1. Make up a logic scheme of your basic knowledge on unit's theme.

2. SELF - ASSESSMENT:

1. Define perception.
2. "That you and I agree on what we see suggests we have similar backgrounds and experiences." Do you agree or disagree? Discuss.
3. What is attribution theory? What are its implications for explaining organizational behavior?
4. What factors do you think might create the fundamental attribution error?
5. How might perceptual factors be involved when an employee receives a poor performance appraisal?
6. How does selectivity affect perception? Give an example of how selectivity can create perceptual distortion.
7. What is stereotyping? Give an example of how stereotyping can create perceptual distortion.
8. Give some positive results of using shortcuts when judging others.
9. What is the optimizing decision-making model? Under what conditions is it applicable?
10. Explain the satisficing model. How widely applicable do you think this model is?
11. Contrast the implicit favorite model to the satisficing model.
12. "For the most part, individual decision making in organizations is an irrational process." Do you agree or disagree? Discuss.
13. Contrast the Protestant work ethic, existential, pragmatic, and symmetry typologies with the terminal values identified in the Rokeach Value Survey.
14. "Thirty-five years ago, young employees we hired were ambitious, conscientious, hard-working, and honest. Today's young workers don't have the same values." Do you agree or disagree with this manager's comments? Support your position.
15. Do you think there might be any positive and significant relationship between the possession of certain personal values and successful career progression in organizations like Merrill Lynch, the AFL-CIO, and the city of Cleveland's police department? Discuss.
16. Contrast the cognitive and affective components of an attitude.
17. What is cognitive dissonance and how is it related to attitudes?
18. What is self-perception theory? Does it increase our ability to predict behavior?

19. What contingency factors can improve the statistical relationship between attitudes and behavior?
20. Why does job satisfaction receive so much attention by OB researchers? Do you think this interest is shared by practicing managers?
21. What determines job satisfaction?
22. What is the relationship between job satisfaction and productivity?
23. What is the relationship between job satisfaction and **absenteeism**? **Turnover**? Which is the stronger relationship?
24. Contrast exit, voice, loyalty, and neglect as employee responses to job dissatisfaction.

3. TEST-TRAINING:

Decision-Making Style Questionnaire

Part 1.

Circle the response that comes closest to how you usually feel or act. There are no right or wrong responses to any of these terms.

1. I'm more careful about
 - a. people's feelings
 - b. their rights
2. I usually get on better with
 - a. imaginative people
 - b. realistic people
3. It is a higher compliment to be called
 - a. a person of real feeling
 - b. a consistently reasonable person
4. In doing something with other people, it appeals more to me
 - a. to do it in the accepted way
 - b. to invent a way of my own
5. I get more annoyed at
 - a. fancy theories
 - b. people who don't like theories
6. It is higher praise to call someone
 - a. a person of vision
 - b. a person of common sense
7. I more often let
 - a. my heart rule my head
 - b. my head rule my heart
8. I think it is a worse fault

- a. to show too much warmth
 - b. to be unsympathetic
9. If I were a teacher, I would rather teach
- a. courses involving theory
 - b. fact courses

Part 2.

Which word in the following pairs appeals to you more? Circle **A.** or **B.**

- 10. a. Compassion
b. Foresight
- 11. a. Justice
b. Mercy
- 12. a. Production
b. Design
- 13. a. Gentle
b. Firm
- 14. a. Uncritical
b. Critical
- 15. a. Literal
b. Figurative
- 16. a. Imaginative
b. Matter-of-fact

ROLE PLAY

PART 1:

CASE-INCIDENT 1

Read the text and prepare to answer the questions.

“I DON’T MAKE DECISIONS”

I met Ted Kelly for the first time at a cocktail party. He was the plant manager at a large chemical refinery in town. About ten minutes into our conversation, I asked him about his leadership style.

Ted: “I don’t make decisions at my plant.”

Author: “You use democratic leadership?”

Ted: “No, I said I don’t make decisions! My subordinates are paid to make decisions. No point in my doing their job.”

I didn’t really believe what I was hearing. I guess Ted sensed that, so he invited me to visit his plant. I asked him when I could come over. “Any time you like, except Mondays between 1 and 3 p.m.”

The middle of the next week, I popped in on Ted announced.

He had no secretary. He was lying on his sofa, half asleep. My arrival seemed to jar him awake. He offered me a seat.

Our conversation began by my inquiring exactly what he did every day. "You are looking at it. I sleep a lot. Oh year, I read the four or five memos I get from head office every week." I couldn't believe what I was hearing. Here was a fifty-year-old, obviously successful executive telling me he doesn't do anything.

He could tell that I wasn't buy his story.

"If you don't believe what I'm saying, check with my subordinates," he told me. He said he had six department managers working for him. I asked him to choose one I could work with.

"No, I can't do that. Remember I don't make decisions. Here - these are the names and numbers of my department managers. You call them."

I did just that. I picked Peter Chandler, who headed up quality control. I dialed his number. I told him that I wanted to talk to him about his boss's leadership style. He said, "Come on over. I've got nothing to do anyway."

When I arrived at Pete's office, he was starting out the window. We sat down and he began to laugh. "I'll bet Ted's been telling you about how he doesn't make decisions." I concurred.

"It's all true," he injected. "I've been here for almost three years and I've never seen him make a decision."

I couldn't figure out how this could be. "How many people do you have working here?" I asked.

Peter: "About two hundred."

Author: "How does this plant's operating efficiency stack up against the others?"

Peter: "Oh, we're number one out of the eighteen refineries."

This is the oldest refinery in the company, too. Our equipment may be outdated, but we're as efficient as they come."

Author: "What does Ted Kelly do?"

Peter: "Beats me. He attends the staff meetings on Monday afternoon from 1 to 3, but other than that, I don't know."

Author: "I get it. He makes all the decisions at the decisions at that once-a-week staff meeting?"

Peter: "No, each department head tells what key decisions he has made last week. We then criticize each other. Ted says nothing. The only thing he does at those meetings is listen and pass on any happenings up at headquarters."

I wanted to learn more, so I went back to Ted's office. I found him clipping his fingernails. What followed was a long conversation in which I learned the following facts:

The two-hour weekly staff meeting is presided over by one of the department heads. They choose among themselves who will be their leader. It's a permanent position. Any problem that has come up during the week, if it can't be handled by a manager, will first be considered by several of the managers together. Only if the problem is still unresolved at that level. They are never taken to Ted Kelly's level.

The performance record at Kelly's plant is well known in the company. Three of the last four new plant managers have come out of Kelly's plant. When recommending candidates for a plant management vacancy, Ted always selects the department head who presides over the staff meetings, so there is a great deal of competition to lead the meetings. Additionally, because of Kelly's plant record for breeding management talent, whenever there is a vacancy for a department manager at Kelly's plant, the best people in the company apply for it.

QUESTIONS:

1. Why does Ted Kelly's decision-making work?
2. Is Ted Kelly abrogating his decision-making responsibilities?
3. Would you like to work for Ted Kelly? Why?
4. Would you want Ted Kelly working for you? Why?

CASE-INCIDENT 2

Read the text and prepare to answer the questions.

HOW WORKERS' ATTITUDES SHAPE PRODUCTIVITY AND QUALITY AT TWO GM PLANTS

This is a story of two General Motors auto plants. One is in Michigan and produces GM's luxury models using the latest in manufacturing technology. The other is in Oklahoma, manufactures plain-vanilla family cars, and is burdened with 1960s-vintage technology. In addition to the differences in the cars they make and the technology they use, these plants have very different quality records. One produces the highest-ranking Big Three model on the list of the ten most trouble-free cars compiled by J. D. Power & Associates, while the other is rated in the lowest quarter among all

GM plants on overall product quality. The surprise in this story is that it's the outdated plant in Oklahoma that is GM's high-quality producer.

The Oklahoma City plant employs fifty-three hundred workers. The cars it produces – the Pontiac 6000, the Buick Century, and the Oldsmobile Cutlass Ciera – are nine-year-old relics of GM's look-alike fiasco of the

mid1980s. But what makes this plant special is its management and its work force. Jack Evans, the plant manager, is determined to make his plant as competitive as the plants of his Japanese rivals. His employees are enthusiastically adopting the Japanese “learn production” process, which emphasizes doing more with less. For instance, the plant has introduced just-in-time manufacturing methods to cut inventory costs. This alone has cut its inventory by thirty-seven percent in four years and taken twenty percent off the time needed to fill a dealer’s order. Evans has also introduced an extensive set of training classes, which, unlike those at other GM plants, are taught by union personnel rather than management. Evans has successfully convinced his employees that it’s in their best interest to cut costs, work harder, and accept changes. Quality cars mean higher sales, which translate into more worker overtime and better job security.

The other plant is in Orion Township, Michigan. This seven-year-old factory uses fifty-six hundred employees and some 170 robots to build Cadillac Fleetwoods and Oldsmobile Ninety-Eights. On some days, the cars have more than three times the company goal of two defects per car, according to GM’s own measurements. And while the Oklahoma City plant is characterized by labor-management cooperation, the Orion Township facility is an ongoing battleground. Police have had to be called several times in recent years to handle fights among workers. Employees quarrel over anything and everything, especially efforts to improve quality. Union members openly acknowledge their distrust of GM management. In trying to get Orion up to speed, GM keeps changing management. The plant has had four plant managers in its seven years, compared with only one at Oklahoma City during the same period. Union officials at Orion question the value of developing a working relationship with a manager who will likely soon be heading out the revolving door.

The contrast between the two plants’ workforces largely stems from their initial composition. Orion’s workers were assembled from the more senior employees at several dozen other GM plants in Michigan. They brought with them a history of long, painful layoffs in the early 1980s, when GM was closing and consolidating factories. Most believed that GM wouldn’t close this brand-new facility no matter what they did. The Oklahoma City factory hired most of its workers locally. They came in untainted by past GM practices. They also received wages and benefits that, by Oklahoma standards, were extremely high.

QUESTIONS :

1. How can employees working at two similar-sized plants in the same company have such different attitudes?
2. Why doesn’t cognitive dissonance result in improved attitudes of the workers in Orion Township?

3. Describe how employees at Orion Township seem to be expressing their dissatisfaction.
4. If you were a GM consultant, what recommendations would you make to improve quality and productivity at Orion Township?

PART 2: Situation for tutorial

WORK ATTITUDE EXERCISE

OBJECTIVE : To compare attitudes about the work force.

TIME : Approximately thirty minutes.

PROCEDURE : Answer the following five questions:

1. Generally, American workers (pick one)
☐ a. are highly motivated and hardworking
☐ b. try to give a fair day's effort
☐ c. will put forth effort if you make it worthwhile
☐ d. try to get by with a low level of effort
☐ e. are lazy and/or poorly motivated
2. The people I have worked with (pick one)
☐ a. are highly motivated and hardworking
☐ b. try to give a fair day's effort
☐ c. will put forth effort if you make it worthwhile
☐ d. try to get by with a low level of effort
☐ e. are lazy and/or poorly motivated
3. Compared to foreign workers, American workers are (pick one)
☐ a. more productive
☐ b. equally productive
☐ c. less productive
4. Over the past twenty years, American workers have (pick one)
☐ a. improved in overall quality of job performance
☐ b. remained about the same in quality of job performance
☐ c. deteriorated in overall
5. If you have a low opinion of the United States work force, give the one step (or action) that could be taken that would lead to the most improvement.

Your instructor will aggregate the class results for questions 1 through 4 by a show of hands. Responses for question 5 will be listed on the chalkboard.

Your instructor will provide data from other student attitude responses to these questions, then lead the class in discussing the implications or accuracy of these attitudes.

ORGANIZATIONAL BEHAVIOR
ОРГАНИЗАЦИОННОЕ ПОВЕДЕНИЕ НА АНГЛИЙСКОМ ЯЗЫКЕ
Юнита 3
Perception. Perception and Individual Decision Making

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