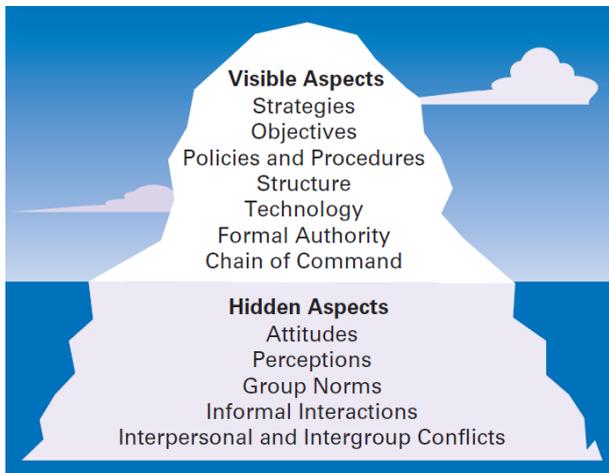**INTRODUCTION OF MANAGEMENT**

SUMMARY

CHAPTER 15

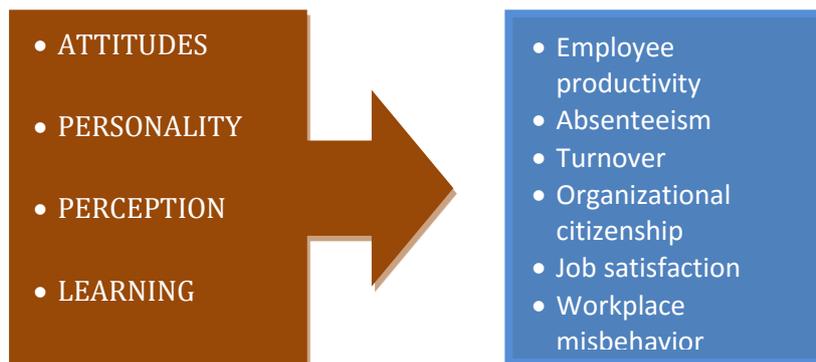**UNDERSTANDING AND MANAGING INDIVIDUAL BEHAVIOR**

CHAPTER 15
UNDERSTANDING AND MANAGING INDIVIDUAL BEHAVIOR

- The Organization as an Iceberg

Visible Aspects
Strategies
Objectives
Policies and Procedures
Structure
Technology
Formal Authority
Chain of Command

Hidden Aspects
Attitudes
Perceptions
Group Norms
Informal Interactions
Interpersonal and Intergroup Conflicts

- Organizational Behavior (OB): The study of the actions of people at work. Focus of OB:
  - Individual behavior: Attitudes, personality, perception, learning, and motivation
  - Group behavior: Norms, roles, team building, leadership, and conflict
  - Organizational: Structure, culture, and human resource policies and practices
  - Goals of OB is to explain, predict and influence behavior.

- **Employee productivity:** A performance measure of both efficiency and effectiveness
  Absenteeism: The failure to report to work when expected
  Turnover: The voluntary and involuntary permanent withdrawal from an organization
  Organizational Citizenship Behavior (OCB): Discretionary behavior that is not a part of an employee's formal job requirements, but which promotes the effective functioning of the organization.
  Job Satisfaction: The individual's general attitude toward his or her job
  Workplace Misbehavior: Any intentional employee behavior that has negative consequences for the organization or individuals within the organization. Types of misbehavior are:
    o Deviance
    o Aggression
    o Antisocial behavior
    o Violence

- Psychological factors affecting employee behavior:

- ATTITUDES
- PERSONALITY
- PERCEPTION
- LEARNING

- Employee productivity
- Absenteeism
- Turnover
- Organizational citizenship
- Job satisfaction
- Workplace misbehavior

- Attitudes: Evaluative statements—either favorable or unfavorable—concerning objects, people, or events. Components of an attitude are:
  - Cognitive component: The part of an attitude that's made up the beliefs, opinions, knowledge,or information held by a person.
  - Affective component: The part of an attitude that's made up the emotional or feeling part of an attitude.
  - Behavioral component: The part of an attitude that's made up the intention to behave in a certain way.

- Job satisfaction — Job satisfaction is affected by level of income earned and by the type of job a worker does.

  Job Satisfaction and Productivity
  - The correlation between satisfaction and productivity is fairly strong.
  - Organizations with more satisfied employees are more effective than those with fewer satisfied employees.

  Job Satisfaction and Absenteeism
  - Satisfied employees tend to have lower levels of absenteeism, although satisfied employees are bound to take company approved days off (e.g. sick days)

  Job Satisfaction and Turnover
  - Satisfied employees have lower levels of turnover; dissatisfied employees have higher levels of turnover.
  - Turnover is affected by the level of employee performance.
    - The preferential treatment afforded superior employees makes satisfaction less important in predicting their turnover decisions.

  Job Satisfaction and Customer Satisfaction
  - The level of job satisfaction for frontline employees is related to increased customer satisfaction and loyalty.
  - Interaction with dissatisfied customers can increase an employee's job dissatisfaction.
  - Actions to increase job satisfaction for customer service workers:
    - Hire upbeat and friendly employees.
    - Reward superior customer service.
    - Provide a positive work climate.
    - Use attitude surveys to track employee satisfaction.

  Job Satisfaction and Organizational Citizenship Behavior (OCB)
  - Relationship between job satisfaction and OCB is tempered by perceptions of fairness
  - Individual OCB is influenced by work group OCB

  Job Satisfaction and Workplace Misbehavior
  - Dissatisfied employees will respond somehow
  - Not easy to predict exactly how they'll respond

- Job involvement: The degree to which an employee identifies with his or her job, actively participates in it, and considers his or her performance to be important to his or her self-worth.

- Organizational Commitment: The degree to which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization.
    - Leads to lower levels of both absenteeism and turnover.
    - Could be becoming an outmoded measure as the number of workers who change employers increases

- Perceived organizational support: Employees' general belief of employees that their organization values their contribution and cares about their well-being.
    - o Represents the commitment of the organization to the employee.
    - o Providing high levels of support increases job satisfaction and lower turnover.

- People seek consistency in two ways:
    - o Consistency among their attitudes.
    - o Consistency between their attitudes and behaviors.

    If an inconsistency arises, individuals:
    - o Alter their attitudes, or
    - o Alter their behavior, or
    - o Develop a rationalization for the inconsistency

- Cognitive dissonance: Any incompatibility or inconsistency between attitudes or between behavior and attitudes. Any form of inconsistency is uncomfortable and individuals will try to reduce the dissonance.
    The intensity of the desire to reduce the dissonance is influenced by:
    - The importance of the factors creating the dissonance.
    - The degree to which an individual believes that the factors causing the dissonance are controllable.
    - Rewards available to compensate for the dissonance.

- Attitude Surveys: Surveys that elicit responses from the employees through questions about how they feel about their jobs, work groups, supervisors, or their organization. It provides management with feedback on employee perceptions of the organization and their jobs.
    Implication for Managers
    - o Attitudes warn of potential behavioral problems:
        - Managers should do things that generate the positive attitudes that reduce absenteeism and turnover.
    - o Attitudes influence behaviors of employees:
        - Managers should focus on helping employees become more productive to increase job satisfaction.
    - o Employees will try to reduce dissonance unless:
        - Managers identify the external sources of dissonance.

- Personality: The unique combination of emotional, thought and behavioral patterns that affect how a person reacts and interacts with others.

- Myers Briggs Type Indicator (MBTI): A general personality assessment tool that measures the personality of an individual using four categories:

    - ➤ Social interaction: Extrovert or Introvert (E or I)
    - ➤ Preference for gathering data: Sensing or Intuitive (S or N)
    - ➤ Preference for decision making: Feeling or Thinking (F or T)

➢ Style of decision making: Perceptive or Judgmental (P or J)

- Examples of MBTI Types

TYPES	DESCRIPTION
INFJ (introvert, intuitive, feeling, judgmental)	Quietly forceful, conscientious, and concerned for others. Such people succeed by perseverance, originality, and the desire to do whatever is needed or wanted. They are often highly respected for their uncompromising principles.
ESTP (extrovert, sensing, thinking, perceptive)	Blunt and sometimes insensitive. Such people are matter-of-fact and do not run back, worry or hurry. They enjoy whatever comes along. They work best with real things that can be assembled or disassembled.
ISFP (introvert, sensing, feeling, perceptive)	Sensitive, kind, modest, shy, and quietly friendly. Such people strongly dislike run back disagreements and will avoid them. They are loyal followers and quite often are relaxed about getting things done.
ENTJ (extrovert, intuitive, thinking, judgmental)	Warm, friendly, candid, and decisive; also usually skilled in anything that requires reasoning and intelligent talk, but may sometimes overestimate what they are capable of doing.

- The Big-Five Model
  - o Extraversion: Sociable, talkative, and assertive
  - o Agreeableness: Good-natured, cooperative, and trusting
  - o Conscientiousness: Responsible, dependable, persistent, and achievement oriented
  - o Emotional stability: Calm, enthusiastic, and secure or tense, nervous, and insecure
  - o Openness to experience: Imaginative, artistically sensitive, and intellectual

- Additional Personality Insights
  - ➢ Locus of Control
    - ▪ Internal locus: persons who believe that they control their own destiny.
    - ▪ External locus: persons who believe that what happens to them is due to luck or chance (the uncontrollable effects of outside forces).
  - ➢ Machiavellianism (Mach): The degree to which an individual is pragmatic, maintains emotional distance, and seeks to gain and manipulate power—ends can justify means.
  - ➢ Self-Esteem (SE): The degree to which people like or dislike themselves
    - High SEs
      - Believe in themselves and expect success.
      - Take more risks and use unconventional approaches.
      - Are more satisfied with their jobs than low SEs.
    - Low SEs
      - Are more susceptible to external influences.
      - Depend on positive evaluations from others.
      - Are more prone to conform than high SEs.

  - ➢ Self-Monitoring: An individual's ability to adjust his or her behavior to external, situational factors.

- High self-monitors.
  - Are sensitive to external cues and behave differently in different situations.
  - Can present contradictory public persona and private selves—impression management..
- Low self-monitors:
  - Do not adjust their behavior to the situation.
  - Are behaviorally consistent in public and private.

- Risk Taking: The propensity (or willingness) to take risks. High risk-takers take less time and require less information than low risk-takers when making a decision. Organizational effectiveness is maximized when the risk-taking propensity of a manager is aligned with the specific demands of the job assigned to the manager.

- Emotions: Intense feelings (reactions) that are directed at specific objects (someone or something). Universal emotions:
  - Anger
  - Fear
  - Sadness
  - Happiness
  - Disgust
  - Surprise

Emotional Intelligence (EI): The ability to notice and to manage emotional cues and information.

Dimensions of EI:
1. Self-awareness: knowing what you're feeling
2. Self-management: managing emotions and impulses
3. Self-motivation: persisting despite setbacks and failures
4. Empathy: sensing how others are feeling
5. Social skills: handling the emotions of others

- Personality Job Fit Theory (Holland)
  - An employee's job satisfaction and likelihood of turnover depends on the compatibility of the employee's personality and occupation.
  - Key points of the theory:
    - There are differences in personalities.
    - There are different types of jobs.
    - Job satisfaction and turnover are related to the match between personality and job for an individual.

- Perception: A process by which individuals give meaning (reality) to their environment by organizing and interpreting their sensory impressions. Factors influencing perception are:
  - The perceiver's personal characteristics—interests, biases and expectations
  - The target's characteristics—distinctiveness, contrast, and similarity
  - The situation (context) factors—place, time, location—draw attention or distract from the target

- Attribution Theory
  - How the actions of individuals are perceived by others depends on what meaning (causation) we attribute to a given behavior.
    - Internally caused behavior: under the individual's control
    - Externally caused behavior: due to outside factors
  - Determining the source of behaviors:

- Distinctiveness: different behaviors in different situations
- Consensus: behaviors similar to others in same situation
- Consistency: regularity of the same behavior over time
  - Fundamental attribution error
    - The tendency to underestimate the influence of external factors and to overestimate the influence of internal or personal factors.

- Self-serving bias
  - The tendency of individuals to attribute their successes to internal factors while blaming personal failures on external factors.

- Assumed similarity: The assumption that others are like oneself.
  Stereotyping: Judging someone on the basis of our perception of a group he or she is a part of.
  Halo effect: A general impression of an individual that is influenced by a single characteristic of thatperson.
  Learning: Any relatively permanent change in behavior that occurs as a result of experience. Theories of learning are operant conditioning and social learning.

- Operant conditioning (B.F. Skinner): The theory that behavior is a function of its consequences and is learned through experience.
  - Operant behavior: voluntary or learned behaviors
    - Behaviors are learned by making rewards contingent to behaviors.
    - Behavior that is rewarded (positively reinforced) is likely to be repeated.
    - Behavior that is punished or ignored is less likely to be repeated.

- Social Learning: The theory that individuals learn through their observations of others and through their direct experiences.
  - Attributes of models that influence learning:
    - Attentional: the attractiveness or similarity of the model
    - Retention: how well the model can be recalled
    - Motor reproduction: the reproducibility of the model's actions
    - Reinforcement: the rewards associated with learning the model behavior

- Shaping Behavior: The process of guiding learning in graduated steps using reinforcement or lack of reinforcement. Shaping methods are:
  - Positive reinforcement: rewarding desired behaviors.
  - Negative reinforcement: removing an unpleasant consequence once the desired behavior is exhibited.
  - Punishment: penalizing an undesired behavior.
  - Extinction: eliminating reinforcement for an undesired behavior.

- Managing Generational Differences in the Workplace

  - Gen Y: individuals born after 1978
    - Bring new attitudes to the workplace that reflect wide arrays of experiences and opportunities
    - Want to work, but don't want work to be their life
    - Challenge the status quo
    - Have grown up with technology

- Managing Negative Behavior in the Workplace
  - Tolerating negative behavior sends the wrong message to other employees
  - Both preventive and responsive actions to negative behaviors are needed:
    - ❖ Screening potential employees.
    - ❖ Responding immediately and decisively to unacceptable behavior.
    - ❖ Paying attention to employee attitudes.