CHAPTER ONE

WHAT IS ORGANIZATIONAL BEHAVIOR?

Learning Objectives

After studying this chapter, you should be able to do the following:

1.1: Define the concept of organizational behavior (OB).

1.2: List and give examples of the four sources of information used in evidence-based management (EBM).

1.3: Define critical thinking, and explain the critical thinking skills leaders need.

1.4: Describe the scientific method used in OB research.

1.5: Discuss five types of outcome variables studied in OB.

1.6: Compare the levels of analysis in OB research.

1.7: Develop plans for using OB research to improve employee job performance.

1.8: Compare and contrast Theory X and Theory Y assumptions.

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A CRISIS OF LEADERSHIP?

Recent polls conducted by the Gallup organization show that about 70% of people who hold full-time jobs in the United States either hate their jobs or have “mentally checked out.”¹ In December 2015, the majority of workers were “not engaged” (50.8%), while another 17.2% were “actively disengaged.” This is a large impact considering that an estimated 100 million people work full time in the United States. Even worse, many of the Gallup survey respondents reported actively engaging in destructive behavior by spreading their dissatisfaction throughout their organizations. Workers who hate their jobs affect the organization’s bottom line. One recent analysis estimates that low engagement costs U.S. companies over $350 billion in revenue every year, and disengaged employees are more likely to quit their jobs, resulting in another $11 billion that employers spend to replace them, according to statistics from the Bureau of National Affairs.² One of the most important things the Gallup study found is that the source of dissatisfaction is not pay or the number of hours worked, however.

Most employees in Gallup’s studies consistently report that the reason for their disengagement from work is their boss. And this is not new. This study was a follow-up of an earlier study conducted since 2010, which showed similar discontent with work and bosses. The graph in Figure 1.1 shows that employee engagement has been stagnant over the years, with no significant improvement. Why? Isn’t there something that can be done to improve the well-being, motivation, and productivity of people at work? Is anyone working on addressing the concerns of the workforce? The answer is yes. There is a field of study called organizational behavior (or sometimes called OB for short) that studies the challenges leaders face in the workforce. Unfortunately, much of the knowledge that could help leaders improve the experience of work is tucked away in scientific journals that few managers have the time to read.

The goal of this book is to help you become an effective leader—not the kind of leader described in the Gallup poll that produces discontented and unengaged workers. You can choose to be a leader who understands...
the fundamentals of OB—how to motivate followers, resolve conflicts, lead teams, and even help them manage stress during change. For example, effective communication is essential for leadership, and this is covered in Chapter 12. After reading this textbook, your approach to leading others will be grounded in the most important and current research conducted on organizations.

WHAT IS ORGANIZATIONAL BEHAVIOR?

Learning Objective 1.1: Define the concept of organizational behavior (OB).

OB is defined as the study of individuals and their behaviors at work. It is a multidisciplinary and multilevel research area that draws from applied psychology, cultural anthropology, communication, and sociology. This textbook draws upon all of these areas with a focus on applied social psychology. Social psychologists study the behavior of individuals in groups, so it makes sense that the study of how leaders influence people and their OB is grounded in this field of psychology.

OB is a relatively young field in comparison to areas in the field of medicine—and even psychology from which it draws. There were management practices in place since the early 1900s with Frederick Taylor’s approach to “scientific management,” which was the study of how work could be designed to make production work (particularly assembly lines) more efficient. Most scholars agree, however, that OB originated with the human relations movement ignited by the Hawthorne studies (conducted between 1927 and 1932), which led to a focus on the role of human behavior in organizations. The Hawthorne studies were two studies conducted by Australian-born psychologist Elton Mayo at the Western Electric Company near Chicago.

Mayo spent most of his career at Harvard University and was interested in how to increase productivity in assembly lines. The first study was designed to examine the effects of lighting in the plants on worker productivity. However, the research team had a surprise. Productivity increased rather than decreased even though the lights were being dimmed. Perplexed by this finding, the research team interviewed the workers and learned that the workers appreciated the attention of the research team and felt that they were receiving special treatment. And then productivity declined after the researchers left the plant. This has been called the Hawthorne effect and refers to positive responses in attitudes and performance when researchers pay attention to a particular group of workers.

The second Hawthorne study was designed to investigate a new incentive system. However, instead of the incentive system increasing workers’ production, the social pressure from peers took over and had more impact on worker productivity than pay increases. Workers formed into small groups and set informal standards for production, requiring coworkers to reduce their production so pay was more equal among the group members.

The Hawthorne researchers concluded that the human element in organizations was more important than previously thought, and they learned that workers want attention. This is still relevant today. For example, recent work demonstrates that when employers provide gifts to employees (termed empathy wages), it elicits feelings of gratitude.
The “human relations” movement followed the Hawthorne studies, and OB emerged as a distinct field of study in the 1950s. The term *organizational behavior* first appeared in 1957 in a book by Chris Argyris, *Personality and Organization: The Conflict Between System and the Individual*. Today, OB researchers have PhDs from psychology departments (in the area of industrial and organizational psychology) and business schools. They teach from the research base on OB and conduct research that addresses important challenges facing organizational leaders today.

**Disciplines Contributing to Organizational Behavior**

There are a number of disciplines that contribute to the study of OB. Studies of individual differences such as personality (Chapter 2 of this textbook) draw from the fields of psychology and industrial and organizational psychology. These fields also contribute to our understanding of human performance. Individual reactions to work, such as emotions and attitudes, also draw from psychology research but also from social psychology. Motivation theory has been influenced by psychology as well as economics. Understanding decision making (Chapter 5) draws from economic theory. Research on leaders as influencers and motivators (Section III) draws from applied social psychology. *Applied social psychology* is the study of how people interact in groups and addresses significant challenges facing leaders as organizations use teams more regularly to get things done (Chapter 10). Trends such as the need to compete in a global marketplace, organizational restructuring, and rapid changes in technology have resulted in the need to lead through change. Research in the areas of sociology and anthropology help us understand organizational culture and leading change. OB is an applied field of study aimed at problem solving for organizational leaders. Thus, OB is a multidisciplinary field that draws upon the best ideas and research from several disciplines.

The goal of OB as a field is to improve the functioning of the organization and how employees experience their work. For example, OB researchers study how job satisfaction affects employee well-being. Another example is how a leader’s vision affects follower motivation and performance toward goals. A third example is how perceptions of politics at work might lead to an employee quitting the organization (this is called *turnover*). Low productivity and turnover cost organizations millions of dollars. Beyond the impact on costs, employee well-being is a major concern for forward-thinking organizations today. OB researchers develop guidelines that directly address such challenges. Based on research, leaders can make better decisions to make their organization more effective and better places to work. It’s important for OB researchers to translate their evidence into practical guidelines for managers to follow. Next, the journey from theory to practical applications will be discussed.

**From Theory to Practice**

OB is an applied science, so first it is necessary to briefly review what science is all about. The goals of science—any science—are as follows:

1. **Description:** What does the process look like?
2. **Prediction:** Will the process occur again? And when?
3. **Explanation:** Why is this happening?
4. **Control:** Can we change whether or not this happens?

For example, the forecasting of extra workers needed for a toy store during the holiday season is an important process for ensuring the best customer service. Human resource managers have an understanding of how many customers will visit the store based upon prior holiday seasons (in other words, a theory) and can describe their need for extra workers. This theory is also fairly high on explanation since the store managers have some understanding of why customers visit their store and when volume increases. Prediction is important since managers need to project with some accuracy how many extra seasonal workers they will need to hire to ensure that customers will be served and not have
long wait times at the cash registers. However, hiring forecasts are not always accurate, resulting in unhappy customers or the hiring of too many seasonal workers that wait idly for customers to visit. In this example, the science is moderate for prediction. For control, one could say that the science is low because there are many reasons why customers may not visit the store that are outside of the organization's control (e.g., customers may be able to purchase the toys online). This example illustrates why theories are so important to applied science. The better the initial understanding of how many workers will be needed, the better the store manager should be able to predict how many seasonal workers to hire for the season and for how long. Theories are important to OB as a science since theory is translated into practical advice for managers, and this is illustrated by Google's Project Oxygen in the boxed insert.

The phrase “there is nothing as practical as a good theory” has been attributed to social psychologist Kurt Lewin. Theories build upon prior research and extend into new areas of importance to leaders. A researcher generates hypotheses about human behavior in organizations and then gathers data to test it. Research eliminates the guesswork about what will work (or not work), and this helps leaders solve the problems they face every day. The ability to translate research to practice has been termed evidence-based management (EBM).

RESEARCH IN ACTION

How Google Proved Management Matters

Google faced a challenge. Ever since the company started, it’s highly trained and self-motivated engineers questioned whether they needed managers. In the high-technology culture, employees actually believed that managers did more harm than good. But Google grew rapidly and by 2013 had 37,000 employees with just 5,000 managers, 1,000 directors, and 100 vice presidents. The organizational structure was flat rather than hierarchical. How could Google’s managers convince its skeptical employees that they needed managers to operate effectively and remain competitive?

Google launched Project Oxygen to prove that managers don’t make a difference (this was their hypothesis). “Luckily, we failed,” said project co-lead Neal Patel. To accomplish the goal, they hired several PhD researchers to form a people analytics team. As with everything Google does, they applied hypothesis-driven research methods to analyze the “soft skills” of managers. Project Oxygen was a multi-year research study designed to uncover the key management behaviors that predict employee satisfaction and organizational effectiveness. One part of the project was an employee survey about their managers’ behaviors. The research team also interviewed employees who were quitting about the behaviors of their managers and why they were leaving Google. The team discovered that there was less turnover on teams with the best managers. They also documented a statistical relationship between high-scoring managers’ behaviors and employee satisfaction. So they concluded that managers did matter and then conducted another study to learn specifically what Google’s best managers did.

Here’s what they found. Project Oxygen identified eight behaviors shared by high-scoring managers:

- Is a good coach
- Empowers the team and does not micromanage
- Expresses interest in, and concern for, team members’ success and personal well-being
- Is productive and results-oriented
- Is a good communicator — listens and shares information
- Helps with career development
- Has a clear vision and strategy for the team
- Has key technical skills that help him or her advise the team

Because this project was evidence-based, the sceptical engineers were convinced that the best managers did make a difference. In describing (Continued)
Project Oxygen, David A. Garvin from the Harvard Business School notes: “Data-driven cultures, Google-discovered, respond well to data-driven change.” Google now offers training and feedback to low-scoring managers. However, they learned that the best approach is to have panels of highly rated managers tell their stories about how they coach and empower their teams. Rather than being told what to do by upper management, they get advice from their colleagues.

**Discussion Questions:**

1. Why did they use an evidence-based approach? Describe the type(s) of evidence Google used in their research.
2. Are you convinced that managers matter? Why or why not? What additional evidence would you like to see?
3. Create a brief description of the design for the next steps in Project Oxygen to further develop Google’s managers.


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**EVIDENCE-BASED MANAGEMENT**

**Learning Objective 1.2:** List and give examples of the four sources of information used in evidence-based management (EBM).

The term *evidence-based* was originally employed in the field of medicine to guide how doctors make decisions regarding patient care. EBM improves a leader’s decisions by disciplined application of the most relevant and current scientific evidence. Although many definitions of EBM are available, this is the most frequently quoted and widely used:8 EBM means making decisions about the management of employees, teams, or organizations through the conscientious, explicit, and judicious use of four sources of information:

1. **The best available scientific evidence**—for example, research published on OB
2. **The best available organizational evidence**—for example, interviews or surveys completed by people in an organization
3. **The best available experiential evidence**—for example, the intuition of the leader and his or her expert opinions
4. **Organizational values and stakeholders’ concerns**—for example, stock price or groups that focus on whether the organization employs environmentally friendly practices

How can a leader use these sources of evidence to make better decisions? First, leaders must have the ability (basic skills and competencies), motivation (behavioral beliefs, behavioral control, and normative beliefs), and opportunity (support that overcomes barriers) to practice EBM.9 For example, EBM was applied to an operational problem in a hospital. Researchers tracked the process through interviews. An EBM decision process was implemented by a

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(Continued)
physician manager. This research concluded that the “fit” between the decision maker and the organizational context enables more effective evidence-based processes. Leader involvement at all levels is essential for EBM to work in practice, as well as collaboration with researchers.

The following standards may be applied by leaders using EBM to ask questions and challenge their thinking about their organizations:

1. **Stop treating old ideas as if they were brand new.** This has resulted in a cynical workforce that may view innovations from leaders as short-term fads (e.g., positive changes such as total quality management, teams, and engagement). Progress cannot be made by treating old ideas as new ones; cynicism could be reduced by presenting ideas that have been able to “stand the test of time” as best practices rather than new ideas.

2. **Be suspicious of “breakthrough” studies and ideas.** Question whether some new ideas in management are really breakthroughs, and be wary of claims about new management principles that may be either overstated or understated.

3. **Develop and celebrate collective brilliance.** In theory, a diverse collection of independent decision makers (although not expert) makes better predictions on the average compared to an expert decision maker. In a sense, this is how the “ask the audience” lifeline works on the game show *Who Wants to Be a Millionaire?* A contestant can ask the audience for the answer to a question and the audience votes. The contestant then sees the percentages of people who chose each answer. It’s interesting to see that often the audience is right. The contestant is thus gathering the collective brilliance of a random group of decision makers. See the following box for another method that may be used to develop collective brilliance: the Delphi decision-making method.

4. **Emphasize drawbacks as well as virtues.** An interesting example of this is the marketing of an energy drink called Cocaine. Cocaine contains three and a half times the amount of caffeine as Red Bull. It was pulled from U.S. shelves in 2007 after the FDA declared that its producers, Redux Beverages, were marketing their drink as an alternative to street drugs, and this was determined to be illegal. The FDA pointed to the drink’s labeling and advertising, which included the statements “Speed in a Can” and “Cocaine—Instant Rush.” Despite the controversy, Redux Beverages continued to produce and market the beverage in limited markets and online.

5. **Use success (and failure) stories to illustrate sound practices but not in place of a valid research method.** For example, Circuit City went bankrupt in 2009 but was a “great company” in the now-classic book *Good to Great*. What happened to Circuit City? Alan Wurtzel, the former CEO and the son of the founder, saw the threats coming from Best Buy and Amazon in the early 2000s, and he knew the company was headed for decline. “After I left, my successors became very focused on the bottom line—the profit margin,” Wurtzel told a group at the University of Richmond. “They were too focused on Wall Street. That was the beginning of the end,” said the former CEO as he recalled the rise and fall of the great company. The lesson here is that no matter how great a company is, care must be taken not to simply copy what they do in today’s changing business environment. There is no substitute for a careful analysis and diagnosis before embarking on a search for solutions.

6. **Adopt a neutral stance toward ideologies and theories.** An example of this is that most management “gurus” are from North America (e.g., Peter Drucker, Tom Peters, Ken Blanchard). This is not to say that their ideology isn’t useful. However, in a global world, EBM demands that we question whether ideology developed in North America applies abroad. EBM would also suggest that we search for theories developed overseas to locate experts from other countries with important ideas.
BEST PRACTICES

Using the Delphi Method to Harness Collective Brilliance

The Delphi method is a systematic decision-making technique that employs a panel of independent experts. It was developed by the RAND Corporation in the 1950s by Olaf Helmer and Norman Dalkey to systematically solicit the view of experts related to national defense. The term Delphi originates from Greek mythology. Delphi was the site of the Delphic oracle, where people would go to get insight from the gods. Thus, the method was thought of as brainstorming by a panel of experts.

Here’s how it works. An expert panel is chosen and given a proposal. Members of the group are selected because they are experts or they have information related to the problem. Next, a series of questionnaires or surveys are sent to the experts (the Delphi group) through a facilitator who oversees the process. The group does not meet face-to-face. All communication is normally in writing (typically e-mail). Experts are given a proposal and complete an assessment of it over several rounds. These experts can be co-located or they can be dispersed geographically and submit their ideas from anywhere in the world electronically. The responses are collected and analyzed to determine conflicting viewpoints on each point. The process continues in order to work toward synthesis and building consensus. After each round, a facilitator provides an anonymous summary of the experts’ predictions or problem solutions from the previous round as well as the rationale each expert provided. Participants are encouraged to revise their earlier solutions in light of the replies of other members of the group. Over time, the expert panel converges on the best solution or prediction. This technique allows a leader to gather information from a wide range of expert sources to make better decisions, thereby utilizing the wisdom of many (or collective brilliance).

The success of this process depends upon the facilitator’s expertise and communication skills. Also, each response requires adequate time for reflection and analysis. The major merits of the Delphi process are

• elimination of interpersonal problems,
• efficient use of experts’ time,
• diversity of ideas, and
• accuracy of solutions and predictions.

Discussion Questions:

1. How should experts used in a Delphi decision-making process be selected? Would paying experts influence their participation in the process and/or the outcome?
2. To harness collective brilliance using Delphi, how many decision makers do you think should be invited to participate? In other words, is there a minimum number to gain a broad-enough perspective? How many is too many?
3. Do you feel that this process is worth the time and effort to improve a decision? Why or why not?


In making important organizational decisions, the leader may include information gathered from one or all four of the sources described previously in the definition of EBM. This can result in a lot of information. So how can a leader sort through it all and determine what is most relevant to the problem at hand? The answer lies in critical thinking,
a process that has been developed for over 2,500 years, beginning with the ancient Greeks and the Socratic Method, which is the process of learning by questioning everything. Critical thinking skills are applied to sort through all of the information gathered and then prioritize it (and even discard evidence that appears to be invalid or irrelevant to the problem).

WHAT IS CRITICAL THINKING?

Learning Objective 1.3: Define critical thinking, and explain the critical thinking skills leaders need.

Critical thinking can be defined as follows: “Critical thinking calls for persistent effort to examine any belief or supposed form of knowledge in the light of evidence that supports it and the further conclusions to which it tends.” Critical thinking is a mode of thinking about a problem we face where the problem solver improves the quality of the process by taking control of it and applying rigorous standards. The process has been described as having three interrelated parts:

1. the elements of thought (reasoning);
2. the intellectual standards that applied to the elements of reasoning; and
3. the intellectual traits associated with a cultivated critical thinker that result from the consistent and disciplined application of the intellectual standards to the elements of thought.

Critical thinking involves using justification; recognizing relationships; evaluating the credibility of sources; looking at reasons or evidence; drawing inferences; identifying alternatives, logical deductions, sequences, and order; and defending an idea. Critical thinking requires the decision maker in an organization to apply a complex skill set to solve the problem at hand. A set of guidelines for critical thinking is shown in Table 1.1. Critical thinking is, in short, self-directed, self-disciplined, self-monitored, and self-corrective thinking. It requires rigorous standards of problem solving and a commitment to overcome the inclination to think that we have all of the answers. A recent study demonstrated that students’ attitudes toward and beliefs about critical thinking skills is related to their GPA due to effective argumentation and reflective thinking.

Table 1.1 Critical Thinking Skills

<table>
<thead>
<tr>
<th>Skills</th>
<th>We are thinking critically when we do the following:</th>
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<tbody>
<tr>
<td>Rationality</td>
<td>• Rely on reason rather than emotion</td>
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<td></td>
<td>• Require evidence, ignore no known evidence, and follow evidence where it leads</td>
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<tr>
<td></td>
<td>• Are concerned more with finding the best explanation than being right, analyzing apparent confusion, and asking questions</td>
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<tr>
<td>Self-awareness</td>
<td>• Weigh the influences of motives and bias</td>
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<tr>
<td></td>
<td>• Recognize our own assumptions, prejudices, biases, or point of view</td>
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Table 1.1 (Continued)

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<th>Honesty</th>
<th>• Recognize emotional impulses, selfish motives, nefarious purposes, or other modes of self-deception</th>
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</table>
| Open-mindedness | • Evaluate all reasonable inferences  
• Consider a variety of possible viewpoints or perspectives  
• Remain open to alternative interpretations  
• Accept a new explanation, model, or paradigm because it explains the evidence better, is simpler, or has fewer inconsistencies or covers more data  
• Accept new priorities in response to a reevaluation of the evidence or reassessment of our real interests  
• Do not reject unpopular views out of hand |
| Discipline | • Are precise, meticulous, comprehensive, and exhaustive  
• Resist manipulation and irrational appeals  
• Avoid snap judgments |
| Judgment | • Recognize the relevance and/or merit of alternative assumptions and perspectives  
• Recognize the extent and weight of evidence |
| In sum: | • Critical thinkers are by nature skeptical. They approach texts with the same skepticism and suspicion as they approach spoken remarks.  
• Critical thinkers are active, not passive. They ask questions and analyze. They consciously apply tactics and strategies to uncover meaning or assure their understanding.  
• Critical thinkers do not take an egotistical view of the world. They are open to new ideas and perspectives. They are willing to challenge their beliefs and investigate competing evidence. |

Critical thinking enables us to recognize a wide range of subjective analyses of otherwise objective data and to evaluate how well each analysis might meet our needs. Facts may be facts, but how we interpret them may vary.

By contrast, passive, noncritical thinkers take a simplistic view of the world. They see things in black and white, as either/or, rather than recognizing a variety of possible understanding. They see questions as yes or no with no subtleties, they fail to see linkages and complexities, and they fail to recognize related elements.


When it comes to asking questions, some of the best ideas come from a book by Ian Mitroff called *Smart Thinking for Crazy Times: The Art of Solving the Right Problems.* Mitroff warns us about solving the wrong problems even though leaders solve them with great precision in organizations. This happens because they don’t ask the right questions. Mitroff provides advice to managers who fall into the trap of solving the wrong problems by spelling out why managers do it in the first place. The five pathways to error are

1. picking the wrong stakeholders by not paying attention to who really cares about the problem;
2. selecting too narrow a set of options by overlooking better, more creative options;
3. phrasing a problem incorrectly by failing to consider at least one “technical” and one “human” variation in stating a problem;
4. setting the boundaries of a problem too narrowly by ignoring the system the problem is embedded in; and
5. failing to think systemically by ignoring the connection between parts of the problem and its whole.
So what questions should a manager be asking? Mitroff provides the following list of the basic questions facing all organizations (and ones we should be asking frequently if we expect to gain buy-in from employees for the implementation of their solutions):

- What businesses are we in?
- What businesses should we be in?
- What is our mission?
- What should our mission be?
- Who are our prime customers?
- Who should our customers be?
- How should we react to a major crisis, especially if we are, or are perceived to be, at fault?
- How will the outside world perceive our actions?
- Will others perceive the situation as we do?
- Are our products and services ethical?

In OB, there is a systematic method to answer questions. As the field was developing, scholars adopted much of their methodological approach from the social sciences, which were following research methods from the physical sciences. These methods are applied to address problems and opportunities faced by organizational leaders.

**THE SCIENTIFIC METHOD**

**Learning Objective 1.4:** Describe the scientific method used in OB research.

How do OB researchers know what they know? As discussed earlier, it begins with a problem to solve. For example, a problem might be a leader’s concern that only about 50% of their employees are satisfied with their work. First, the leader reviews the available knowledge on job satisfaction (i.e., the scientific evidence from EBM) and learns that the way supervisors treat followers may improve job satisfaction. Based on theory, the leader forms hypotheses, or predictions, regarding what might improve job satisfaction. An example of a hypothesis is “A leader’s appreciation of workers’ efforts will lead to increased job satisfaction.” The next step is to collect observations from the organization. This might be, for example, through interviews with employees or surveys completed by employees. Once data are collected, the hypothesis is tested with statistical techniques. For additional information on the research designs that are used by open researchers, refer to the Appendix of this textbook.

The basic research process described previously is depicted in Figure 1.2. As the figure shows, research is an ongoing process that begins with observations that lead to interesting questions. Next, hypotheses and testable predictions are formulated. Data are collected to test these predictions and are then refined, altered, expanded, or rejected (the center of the figure). Based on these results, additional predictions and data collections follow until general theories of OB begin to emerge. These theories then lead us to frame additional observation, and the research cycle continues. As noted in the introduction to this chapter, OB is an applied field, and this is underscored by the typical outcome variables.
that are studied. Researchers focus on outcomes that are of interest to leaders in organizations, such as employee job satisfaction and productivity. Next, the types of outcomes typically studied in OB research will be reviewed.

OUTCOME VARIABLES IN ORGANIZATIONAL BEHAVIOR

Learning Objective 1.5: Discuss five types of outcome variables studied in OB.

In the preceding example, leader appreciation of workers is the independent variable. Worker engagement is the dependent variable (i.e., it depends on the independent variable: leader appreciation). Since OB is an applied science, the outcome variables studied are typically variables that leaders are interested in improving. There are five broad groups of outcome variables studied: performance, work-related attitudes, employee well-being, motivation, and employee withdrawal.
Performance

Productivity (or job performance) is one of the most important outcomes in OB. Performance can be actual performance as collected in organizational records (e.g., the number of forms correctly processed in an insurance company) or it may be rated by supervisors and/or peers (e.g., the supervisor rates the follower’s work quality on a scale of 1 to 7, with 1 being poor and 7 being outstanding). Organizational citizenship behavior (OCB) is the worker’s willingness to go above and beyond what is required in his or her job description to help others at work. OCB is considered to be performance beyond the expectations of a person’s job description—extrarole performance. While OCB is often studied as an important performance outcome variable, it has also been shown that OCB predicts individual and organizational outcomes as well. A large-scale review of the OCB literature found that OCB predicts employee performance, reward-allocation decisions, and a variety of withdrawal-related criteria (employee turnover intentions, actual turnover, and absenteeism).

Work-Related Attitudes

The measurement of work-related attitudes is an important aspect of OB research, and job satisfaction has long been studied as an outcome variable. For example, there is a measure of job satisfaction dating back to 1935 that is still employed in organizational studies today: the Hoppock Job Satisfaction Blank shown in Table 1.2. Loyalty to an organization, known as organizational commitment, is another key attitude that has proven to be important because it is related to job satisfaction and is one of the strongest predictors of turnover. Organizational commitment is an employee’s relationship with the organization he or she works for. In other words, OB researchers can measure a person’s loyalty, and this predicts whether or not they will quit in the future. Also, lack of loyalty results in people being absent from work more often. Uncommitted workers are less motivated and perform at lower levels. Another contemporary outcome variable that is

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Table 1.2 A Measure of Job Satisfaction: The Hoppock Job Satisfaction Blank

<table>
<thead>
<tr>
<th>A. Which one of the following shows how much of the time you feel satisfied with your job?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Never.</td>
</tr>
<tr>
<td>2. Seldom.</td>
</tr>
<tr>
<td>3. Occasionally.</td>
</tr>
<tr>
<td>4. About half of the time.</td>
</tr>
<tr>
<td>5. A good deal of the time.</td>
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<tr>
<td>6. Most of the time.</td>
</tr>
<tr>
<td>7. All the time.</td>
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<tr>
<th>B. Choose one of the following statements that best tells how well you like your job.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I hate it.</td>
</tr>
<tr>
<td>2. I dislike it.</td>
</tr>
<tr>
<td>3. I don’t like it.</td>
</tr>
<tr>
<td>4. I am indifferent to it.</td>
</tr>
<tr>
<td>5. I like it.</td>
</tr>
<tr>
<td>6. I am enthusiastic about it.</td>
</tr>
<tr>
<td>7. I love it.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>C. Which one of the following best tells how you feel about changing your job?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I would quit this job at once if I could.</td>
</tr>
<tr>
<td>2. I would take almost any other job in which I could earn as much as I am earning now.</td>
</tr>
<tr>
<td>3. I would like to change both my job and my occupation.</td>
</tr>
<tr>
<td>4. I would like to exchange my present job for another one.</td>
</tr>
<tr>
<td>5. I am not eager to change my job, but I would do so if I could get a better job.</td>
</tr>
<tr>
<td>6. I cannot think of any jobs for which I would exchange.</td>
</tr>
<tr>
<td>7. I would not exchange my job for any other.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>D. Which one of the following shows how you think you compare with other people?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. No one dislikes his job more than I dislike mine.</td>
</tr>
<tr>
<td>2. I dislike my job much more than most people dislike theirs.</td>
</tr>
<tr>
<td>3. I dislike my job more than most people dislike theirs.</td>
</tr>
<tr>
<td>4. I like my job about as well as most people like theirs.</td>
</tr>
<tr>
<td>5. I like my job better than most people like theirs.</td>
</tr>
<tr>
<td>6. I like my job much better than most people like theirs.</td>
</tr>
<tr>
<td>7. No one likes his job better than I like mine.</td>
</tr>
</tbody>
</table>

gaining research attention is employee engagement. Employee engagement can be defined as “a relatively enduring state of mind referring to the simultaneous investment of personal energies in the experience or performance of work.” In Chapter 4 of this book, you will learn more about these and other work attitudes and how they are studied in OB research.

**Employee Well-Being**

In addition to job satisfaction, researchers are also interested in other indicators of employee well-being. Some studies examine outcomes such as emotional exhaustion, psychosomatic health complaints, and physical health symptoms. Recent research has shown that leaders not doing their job (i.e., passive leadership) undermines employee well-being because having a weak leader increases role stress and depletes employees’ psychological resources for coping with the stress. Another study found that being asked to do an illegitimate task predicted lower employee well-being (lower self-esteem and job satisfaction with increased anger and depression). An illegitimate task is one that is outside of the boundaries of a person’s job: “For example, an administrative assistant asked to care for an executive’s child, while the executive attends a meeting may be feeling ‘this is not my job!’” The recommendations from these two studies for leaders seem clear: Being passive will affect your followers’ well-being negatively, but so will giving them tasks that are inappropriate. Well-being has emerged as an important outcome variable in OB, and some studies have added engagement as another indicator of well-being.

**Motivation**

Classic views on motivation describe both extrinsic and intrinsic motivation as being equally important. Extrinsic motivation is based on the rewards from the organization’s compensation system such as pay and bonuses. Intrinsic motivation, on the other hand, is related to the value of the work itself. As with attitudes, motivation has been studied as an outcome variable but also as an independent variable that predicts productivity. Prosocial motivation is a new concept of motivation that assesses the degree to which employees behave in a way that benefits society as a whole. You will learn more about motivation and rewards in Chapters 8 and 9 of this textbook.

**Employee Withdrawal**

As noted earlier, an employee quitting the organization is costly in terms of the money and time spent to recruit, hire, and train replacements. There is much research in OB on the reasons why employees think about quitting (turnover intentions) and actual turnover. The availability of outside employment opportunities is a factor, but thoughts of quitting may be related to other outcomes such as lower job satisfaction and engagement. And if the economy improves and the job market improves with it, workers may eventually leave for other opportunities. Another costly form of employee withdrawal is absenteeism, since workers may not come to work when they are dissatisfied and there are few alternative jobs available.

**LEVELS OF ANALYSIS IN ORGANIZATIONAL BEHAVIOR**

Learning Objective 1.6: Compare the levels of analysis in OB research.

Individual behavior in an organization may be influenced by processes at different levels in the organization. The most basic level is the individual level. For example, an individual’s personality and experiences would explain much...
of their behavior, and differences in these variables among people would help explain why people behave differently. Other differences between people’s behavior occur at the dyad (or two-party) level. An example would be a mentor and a protégé. Still, other sources include group- and team-level influences on individual behavior. An example would be a team that has high-performance norms that encourage a team member to perform at his or her best. Additional influences on individual behavior may come from the organizational level. For example, in organizations with strong cultures, the cultural characteristics can have a profound influence on an individual member’s behavior. To illustrate this, one needs to look no further than the U.S. Marine Corps. The Marine Corps has a strong culture that includes pride, and this inspires Marines to excel (this is evident in their recruiting ads: “The few, the proud, the Marines”; you will learn more about organizational culture in Chapter 14 of this book). There is also the industry level of analysis where comparisons are made across different industries (this is more typical for research in strategic management than OB). However, this level is included here to provide a complete listing of levels of analysis in organizational research. All levels may influence employee performance in organizations, and this is discussed in the next section.

HOW OB RESEARCH INCREASES EMPLOYEE PERFORMANCE

Learning Objective 1.7: Develop plans for using OB research to improve employee job performance.

The chapters in this book will address all of the levels that may influence individual behavior and show how processes at one level may affect processes at another level. For example, a positive organizational culture may increase the commitment of individuals to their work and, in turn, their performance. Table 1.3 provides examples of hypotheses at the different levels of analysis discussed previously. This table illustrates how OB research at all levels may help leaders improve employee performance.

As this table illustrates, understanding OB has strong influences on employee performance. Thus, understanding behavior in organizations is every manager’s job. But some managers engage in behaviors that decrease employee performance. One of the reasons why managers do this is because they hold subconscious assumptions regarding employees’ willingness to work hard. An important theory of such managerial assumptions emerged in the 1960s and suggested that managers’ assumptions regarding their followers’ motivation affects the way they treat them. If a manager assumes that followers are lazy and will perform poorly, they treat them in ways that control their behavior and decrease creativity. In contrast, if a manager assumes that their followers are smart and motivated, they allow them to participate in decisions and give them goals that stretch their talents. This theory described two sets of leader behaviors related to these assumptions—Theory X and Theory Y. This theory provides a good opportunity to apply your critical thinking skills.

Critical Thinking Question: Which level(s) do you think have the most influence on individual behavior in organizations and why?

Table 1.3  Examples of How Organizational Behavior Research Relates to Performance

<table>
<thead>
<tr>
<th>Level</th>
<th>Example Organizational Behavior Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
<td>The personality characteristic of conscientiousness is positively related to employee performance.</td>
</tr>
<tr>
<td>Dyad</td>
<td>High-quality relationships with bosses lead to higher employee performance.</td>
</tr>
<tr>
<td>Group and team</td>
<td>Team conflict is negatively related to employee performance.</td>
</tr>
<tr>
<td>Organizational</td>
<td>A strong, positive organizational culture is positively related to employee performance.</td>
</tr>
<tr>
<td>Industry</td>
<td>Employee performance is higher in the financial services industry compared with government organizations.</td>
</tr>
</tbody>
</table>
THEORY X AND THEORY Y

Learning Objective 1.8: Compare and contrast Theory X and Theory Y assumptions.

One of the most influential books in OB is The Human Side of Enterprise by Douglas McGregor. This book is important because it presents the idea that leader behaviors are influenced by fundamental assumptions and beliefs about human nature. Most managers are not aware of their underlying assumptions; thus, their influence on behavior is pervasive yet hard to detect. These assumptions are divided into pessimistic (Theory X) and optimistic (Theory Y) views of human nature. Theory X leaders assume that people are basically lazy, don’t like to work, and avoid responsibility. This type of manager’s related behaviors include being directive, engaging in surveillance, and coercion. In contrast, Theory Y leaders assume that people are internally motivated, like to work, and will accept responsibility. These managers’ related behaviors are to allow discretion, participation, and the encouragement of creativity on the job.

Although McGregor proposed Theory X and Y over 55 years ago, most quantitative research did not emerge until relatively recently. However, research findings on these managerial assumptions are interesting. For example, one study showed that Theory Y assumptions were more related to participative decision-making by leaders. Further, participative decision-making is actually perceived as a threat by Theory X managers because it reduces their power. Theory Y managers viewed participation differently and saw it as a positive influence on their power and effectiveness. Another study of 50 military leaders and 150 of their followers found that the Theory Y management style was significantly and positively associated with subordinates’ satisfaction with the leader, organizational commitment, and organizational citizenship behaviors. The Theory X management style had a significantly negative impact on subordinates’ satisfaction with the leader but no significant impact on commitment and organizational citizenship behavior. The findings of this study in the military environment are interesting because they suggest that Theory Y relates to satisfaction but may not always relate to commitment and performance. The authors concluded that Theory X/Y assumptions provide unique insights into leadership behavior and outcomes.

Critical Thinking Questions: Why do you think that Theory X/Y has had such a strong influence on understanding leadership? Can you think of other assumptions that managers may hold in their subconscious mind that influence how they treat their followers?

PLAN FOR THIS TEXTBOOK

There are numerous challenges facing leaders of organizations today. Most organizations are experiencing rates of change unlike anything we have seen in the past. External pressures have been created from mergers, downsizing, restructuring, and layoffs as organizations strive to remain competitive or even survive. Other external forces are global competition, product obsolescence, new technology, government mandates, and demographic changes in the workforce itself. Internally, leaders must effectively communicate to followers, peers, and bosses. Managing poor performance is
one of the most challenging tasks a manager must do. As noted at the beginning of this chapter, addressing the pervasive problem of worker disengagement will be a challenge for leaders in the years ahead. The changes organizations have undergone have resulted in followers who are filled with cynicism and doubt about their leaders and organization. Ethics scandals in business have fueled the perception that leaders have lost the credibility to lead their organizations in a principled way.

By now, you have realized that OB is a problem-focused discipline aimed at making organizations more effective. Your ability as a leader will be enhanced through knowledge of the theory and applications from OB research. Each chapter will review the essential and most current theory and research, and relate it to how you can develop your leadership skills. At the end of each chapter, there are tools for your “toolkit,” where you will directly apply the theories through cases, self-assessments, and exercises. At the end of this chapter, Toolkit Activity 1.1 is a personal leadership development plan where you can apply the concepts and research covered in the textbook to your own development as a leader by setting goals and specific behavior strategies to meet them. For example, a student who set a specific goal to improve their coaching of other students that they tutor in accounting would formulate specific coaching behaviors and commit to engaging in them once per week. To gain feedback, the student would have the tutored students rate their coaching behavior by providing a yes or no answer to the following statement after each tutoring session: My tutor provides specific knowledge that has improved my accounting performance. Since leaders are expected to be coaches, this process should help the student improve their coaching skills for the future.

The figure on page 1 (Section I opening page) shows an overview of the entire book and how the material is tied together to impact the challenges of shaping organizational culture and leading change. Leadership is a theme that runs through the textbook with each chapter concluding with implications for leaders. This introductory chapter has provided an overview of EBM and critical thinking that should be applied to all of the following chapters. Next, the importance of understanding individuals in organizations is covered in Chapters 2 through 5, including personality, emotions and moods, job attitudes as well as perception, and decision making. The next section addresses the leader’s role as an influencer and motivator (Chapters 6 through 9). First, leadership is covered, highlighting evidence-based recommendations for you to follow to become effective. Organizations are political entities, and the role of power and politics is discussed in Chapter 7. The role of leaders as motivators is covered next in Chapters 8 and 9. Following this, the role of leaders as relationship builders is covered in Chapters 10 through 13, which builds upon the core leadership theories covered in Chapter 6 (leadership). Section IV addresses the topics of teams, conflict, organizational communication, diversity, and leading across cultures. Finally, the role of leaders as change agents is discussed in Chapters 14 and 15, which discuss organizational culture, leading change, and stress management. As you read this book, refer back to this figure as a map of how to organize the vast amount of theory and research on OB that has been generated for decades. It won’t seem so overwhelming if you can place the material in the four broad groupings as shown in the figure. This textbook generally follows the levels of analysis noted in the current chapter: individuals, dyads (leadership and influence), groups, and organizations.

**LEADERSHIP IMPLICATIONS: THINKING CRITICALLY**

The goal of this book and your OB course is for you to become a more effective leader in organizations. To accomplish this, you will need to learn to think critically about the material you encounter. This may go against your intuition, which tells you to “see what you want to see” and confirm what you already believe. For example, you may think that OB is just all “touchy-feely” stuff that has no practical value. Try to keep an open mind and overcome any biases or preconceived ideas you may have about leadership or management. Linda B. Nilson, author of several books including *Creating Self-Regulated Learners: Strategies to Strengthen Students’ Self-Awareness and Learning Skills*, suggests that you ask the following questions about your readings:

- What is your interpretation/analysis of this argument?
- What are your reasons for favoring that interpretation analysis? What is your argument?
Let’s practice critical thinking. Try to apply these questions to your results for the Theory X/Y Self-Assessment 1.1. In completing the Theory X/Y Self-Assessment, you learned that your subconscious assumptions about human nature will influence how you treat your followers. Interpret your results and check your arguments by asking the questions above. If you are Theory X, try to develop an alternative explanation for your results. Examine your Theory Y scores to determine if you have some tendency to believe that workers are self-motivated. If you are Theory Y, look at your Theory X scores to better understand the strength of your Theory Y assumptions. If you are a strong Theory Y leader, you are on your way to creating a participative and empowering work environment for your followers. In every chapter of this textbook, you will have the opportunity to take additional self-assessments that will challenge you to examine your own assumptions, attitudes, and behaviors by applying the critical thinking questions above. Through this understanding, you will be able to adjust your leadership style to become more effective.

A critical thinking filter has already been applied to the OB literature since this book includes the most relevant and evidence-based theory and research. You will need to think critically yourself and decide whether this approach will be a useful one for you to adopt into your management skill set. Throughout this textbook, you will be challenged to apply your own critical thinking skills based upon your own experiences with behavior in organizations and your study of this book. This is the evidence-based approach to learning OB. For example, Self-Assessment 1.2 tests your experiential evidence—what you already know about OB. To aid in this process, you will find Critical Thinking Questions to challenge you to think critically about the material throughout the book. You may choose to read further from the Suggestions for Further Reading or conduct your own research on topics you find particularly interesting. Complete the activities in the Toolkit sections to apply the material to your own leadership development. In this chapter, the activity is for you to start a Personal Leadership Development Plan where you can log the most useful approaches and develop plans to track your progress. The Case Studies found at the end of each chapter encourage you to apply organizational science to a real-world problem. By studying the chapters and completing the activities, this book should serve as a point of departure for your growth as you become an effective organizational leader with a comprehensive understanding of behavior in organizations.

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KEY TERMS

absenteeism, 14  
critical thinking, 8  
evidence-based approach, 18
applied social psychology, 4  
employee well-being, 14  
evidence-based management (EBM), 5
TOOLKIT ACTIVITY 1.1: Personal Leadership Development Plan

As you study the evidence-based research in this textbook, use the following development plan to tie the concepts to specific action plans and measurable outcomes that you find most useful.

Name: _____________________________________________________________________________________

Date: ______________________________________________________________________________________

Leadership Development Plan

<table>
<thead>
<tr>
<th>Goal</th>
<th>Connection to Course</th>
<th>Behavior Strategies and Frequency (fill in below)</th>
<th>Measurable Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1A</td>
<td></td>
<td>1C.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1B</td>
<td>1C.2</td>
</tr>
<tr>
<td>2</td>
<td>2A</td>
<td>2B</td>
<td>2C.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2B</td>
<td>2C.2</td>
</tr>
<tr>
<td>3</td>
<td>3A</td>
<td>3B</td>
<td>3C.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3B</td>
<td>3C.2</td>
</tr>
</tbody>
</table>

Plan Detail

Complete the following for each of the goals listed previously.

1. **Goals:** This section is where you enter your development objectives. These objectives should be written so they read as goals you desire to achieve—for example, “I want to improve my team communication skills.”

   A. **Connection to course material:** This section is where you tie each of your development objectives into the material you learned in this course. This will reinforce course material and help translate it into practice. For example, you would write a few paragraphs relating the exercises or material on communication to why you find your listening skills to need development. Be specific (e.g., cite exercises, articles, material from text or lecture). Fill out this chart: 1A to 3A.

   B. **Behavior strategies and frequency:** This section is the “how” portion. How will you achieve your goals? How often will you perform these tasks? This is the heart of your development plan. You should create specific strategies that will push you toward the completion of your goals—for example, “Practice active listening once a day.” Fill out this chart for each goal: 1B to 3B.
### GOAL: 1B

<table>
<thead>
<tr>
<th>TimeFrame</th>
<th>Behavior Strategy to Practice</th>
<th>Time Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>All the time</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Weekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Biweekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Monthly</td>
<td>☑</td>
<td></td>
</tr>
</tbody>
</table>

### GOAL: 2B

<table>
<thead>
<tr>
<th>TimeFrame</th>
<th>Behavior Strategy to Practice</th>
<th>Time Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>All the time</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Weekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Biweekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Monthly</td>
<td>☑</td>
<td></td>
</tr>
</tbody>
</table>

### GOAL: 3B

<table>
<thead>
<tr>
<th>TimeFrame</th>
<th>Behavior Strategy to Practice</th>
<th>Time Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>All the time</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Weekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Biweekly</td>
<td>☑</td>
<td></td>
</tr>
<tr>
<td>Monthly</td>
<td>☑</td>
<td></td>
</tr>
</tbody>
</table>

**C. Measurable outcome:** This section helps you measure your success toward each goal.

*Note:* You can have more than three goals in your plan. Just be sure to complete all sections.

**Discussion Questions**

1. If you are achieving your goal, how would you notice the change in your leadership?
2. Specifically what will improve?
3. How will you measure it? Develop or find a metric—for example, “I will have the person who I listen to fill out an evaluation of my listening skills, rating them on a 1 (poor) to 5 (excellent) scale” (1C to 3C).

**CASE STUDY 1.1: Organizational Science in the Real World**

The skills and techniques of research are valuable to an organization’s leaders. The following case study illustrates how research can be used to solve a challenge facing a government organization. Imagine that you are the leader in this organization. As you read the case, consider how you might use the four sources of EBM rather than your own intuition to solve the pressing problems.

The state of Florida implemented the federal government’s decree that individuals applying for or renewing their driver’s license must provide a number of documents to verify their identity. Resulting
from the REAL ID Act of 2005, these measures were  
set forth by the federal government to help develop a  
national identity database through the Department of  
Motor Vehicles (DMV; or Bureau of Motor Vehicles  
(BMV] depending on the state) to not only prevent  
identity theft but also prevent terrorists and illegal  
immigrants from accessing identities. Phase 1 of the  
act had to be completed by 2014, with the target com-  
pletion of all the phases by 2017. This was clearly an  
important mandate, and attention to the details of  
implementation was essential to ensure both compli-  
ance and success.

The mandate to make these changes came at a  
challenging time. This requirement was not the only  
major change Florida was making to its driver’s license  
processes. Prior to this, the state of Florida merged the  
state’s DMV with each county’s tax collector. County  
tax collectors are often small organizations with 100  
employees or fewer working at a handful of offices in  
each county to serve their patrons. Previously, tax collec-  
tors’ offices handled vehicle registration, license plates,  
property taxes, and hunting and fishing licenses. The  
DMV handled only driver’s licenses and identification  
cards. The purposes of this merger were to save money  
for the state, save time for citizens, and make the entire  
process easier. Thus, most DMV employees were not  
retained when the organizations were merged. So the  
an organization had already undergone downsizing, and  
remaining employees were nervous about their jobs.  
Also, tax collector employees had to be trained on a  
variety of new processes and procedures within a short  
period of time.

After these initiatives were rolled out statewide,  
the general manager of one county’s tax collector offices  
noticed a number of changes. Employees were discon-  
tented and turnover skyrocketed. Large numbers of  
employees began to quit where previously they worked  
for the organization until they retired. Similarly, only  
1 of 6 new hires was retained for more than 6 months  
after the changes. Retaining a skilled workforce became  
a major concern for the offices.

Customer service declined. Before the merger, cus-  

tomers typically handled their transactions within half an  
hour or less. However, driver’s licenses take significantly  
longer. Because the REAL ID Act requires documenta-  
tion to be scanned into state and nationwide databases, it  
takes about an hour to apply for or renew licenses if there  
are no problems or delays. This has resulted in excessive  
wait times for customers. The tax collector tried to  
address this issue with requiring appointments for those  
seeking driver's licenses. However, not all patrons made  
appointments; instead, they continued to just show up,  
creating delays for those with appointments. While these  
patrons were denied and offered to schedule an appoint-  
ment, they often became belligerent and sometimes ver-  
bally abusive to the staff.

Customers were often upset and irritated not only  
by the excessive wait time but also by the amount of doc-  
umentation they had to produce. They were also upset  
by having to renew driver’s licenses in person whereas  
previously they could renew by mail or the Internet. Tax  
collector employees were still friendly and polite with  
customers, but there was definitely some underlying ten-  
sion resulting from the more complicated transactions.  
The camaraderie and morale among employees deterio-  
rated; employee engagement was low.

Now it is your turn. Imagine that you are the office  
manager and are trying to solve the organization’s prob-  
lems. You simply can’t revert the business back the way  
it was before the state’s mandated changes, and you’re  
not sure what needs to be fixed and where to go in the  
future.

**Discussion Questions**

1. **How could research help this small organization?**
   What would you hope to gain as the leader?

2. **What dependent variables should you, as the leader,  
   consider researching? Why?**

3. **Review the sources of EBM discussed in this chapter.**
   Which ones would you rely most on and why?

4. **Think about the research designs discussed in the**
   **Appendix on Research Designs used in OB at the**
   **end of the book. Which one(s) do you think would**
   **be appropriate for the manager to use? Would there**
   **be any benefit to using multiple methods, and if**
   **so, in what order would you conduct the research**
   **studies?**
SELF-ASSESSMENT 1.1: Are You Theory X or Theory Y?

This self-assessment exercise identifies whether your leadership philosophy is Theory X or Theory Y as determined by research. The goal of this assessment is for you to learn about your general assumptions about people and work, and to understand how this may affect how you lead them. There are no right or wrong answers, and this is not a test. You don’t have to share your results with the others unless you wish to do so.

Part I. Taking the Assessment

For each of the statements below, circle the number that indicates the degree to which you agree or disagree.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Most people will try to do as little work as possible.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Most people are industrious.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. Most people are lazy and don’t want to work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. People naturally like to work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. Most employees will slack off if left alone by managers.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6. Most employees are capable of providing ideas that are helpful to the organizations where they work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>7. Employees possess imagination and creativity.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>8. Employees’ ideas are generally not useful to organizations.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>9. Most employees lack the ability to help the organizations where they work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>10. Most employees are trustworthy.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Part II. Scoring Instructions

In Part I, you rated yourself on 10 questions. Add the numbers you circled in each of the columns to derive your score for Theory X and Theory Y. During class, we will discuss each approach, its strengths and weaknesses, and how this may affect your leadership style.

<table>
<thead>
<tr>
<th>Theory X</th>
<th>Theory Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
</tr>
</tbody>
</table>

Source: Adapted from Kopelman, Pratts, and Falk (2012).
Interpretation

If your Theory X score is greater than 12, your assumptions are more in line with Theory X. If your Theory Y score is greater than 12, your assumptions are more in line with Theory Y.

Discussion Questions

1. Were you surprised by your results? What does this tell you about how you view human nature?
2. Compare your scores with five other students in the class. Do you believe that most people are more Theory X or Theory Y?
3. How will your X/Y assumptions relate to how you may listen to the ideas of your followers and allow them to participate in decisions you are responsible for?

SELF-ASSESSMENT 1.2: Assessing Your Experiential Evidence Base

Some students think OB is common sense. Are the following statements true or false? The answers follow.

<table>
<thead>
<tr>
<th>Statement</th>
<th>True</th>
<th>False</th>
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<tbody>
<tr>
<td>1. A happy worker is a productive worker.</td>
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<td>2. Larger teams perform better because there are more people to do the work.</td>
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<td>3. Performance appraisals have high accuracy.</td>
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<td>4. People perform better when asked to do their best.</td>
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<td>5. When trust is broken with your leader, it is best to take the blame and apologize.</td>
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<td>6. Money is the best motivator.</td>
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<td>7. Leaders should treat everyone the same in their work group.</td>
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<tr>
<td>8. A work group can be &quot;moody.&quot;</td>
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<tr>
<td>9. Group spirit improves team decisions.</td>
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<td>10. Conflict in organizations should be minimized.</td>
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<td>11. Models developed in the United States will work anywhere.</td>
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<td></td>
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<tr>
<td>12. It’s best to commit to a course of action and follow through no matter what.</td>
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</tbody>
</table>

Answers

1. True. What is important is what the worker is happy about. But generally, happier people are more productive. You’ll learn why in Chapter 4.
2. False. No. In fact, larger teams underperform due to increased conflict, free-riding, and other group dysfunctions. Research shows that there is an optimal group size for high performance, and you will learn what it is in Chapter 10.
3. False. No. There are a number of perceptual biases that can affect how a leader evaluates followers. You need to be aware of them so you can guard against these errors, and you will know about them after reading Chapter 5.
4. False. While this seems intuitive, people actually achieve higher performance when the leader gives them a specific goal rather than a “do your...
best goal.” You will read more on the motivating properties of goals in Chapter 8.

5. False. No. Research on trust repair shows that admitting guilt may not be the best strategy. You will learn what the research shows you should do in Chapter 6.

6. False. While this may surprise you, pay may actually decrease intrinsic motivation. You will learn about how to best reward employees in Chapter 9.

7. False. Research on the leader–member exchange (LMX) model of leadership shows that effective leaders treat each follower differently based upon their skills, motivation, and need for development on the job. You will read more about this in Chapter 6.

8. True. What? Yes, it can. Multilevel research has shown that negative affect (a “blue” mood) can be aggregated to the group level—and it affects group functioning. You will learn more about this in Chapter 3.

9. False. While cohesion can be a positive force in teams, it does not always result in the best decisions. Too much group spirit can result in groupthink and impair a group’s decision making. You will read about this and other group dysfunctions in Chapter 10.

10. False. Actually, research shows that some conflict can be healthy since it can generate interest and challenge for followers. In Chapter 11, you will learn more about how to harness conflict and channel it toward increased motivation.

11. False. Research on cultural differences indicates that we need to consider cultural values before we generalize research findings from one country to another. You will learn about cross-cultural differences in Chapter 13.

12. False. While it is important to commit to goals, research shows that escalation of commitment to a failing course of action is a decision trap. Learn how to avoid this and other traps in Chapter 5.

Discussion Questions
1. How did you do? Were you surprised by some of the research evidence on these topics?

2. Which of these topics are particularly of interest to you? Why?

3. Did you feel that you had to guess at some of these?

OB research takes the guesswork out of being an effective leader! So keep reading!