

#### **CHAPTER 2**

# **Individual Differences: Personality and Ability**

## **LEARNING OBJECTIVES**

- 1. Understand the nature of personality and how it is determined by both nature and nurture.
- 2. Describe the Big Five personality traits and their implications for understanding behavior in organizations.
- 3. Appreciate the ways in which other personality traits, in addition to the Big Five, influence employees' behaviors in organizations.
- 4. Describe the different kinds of abilities that employees use to perform their jobs.
- 5. Appreciate how organizations manage ability through selection, placement, and training.

\*\*\*\*\*Use PowerPoint #1 Here; Use PowerPoint #2, and #3 Here to Review Learning Objectives\*\*\*\*\*

## **OPENING CASE**

Forging into China

What does it take to expand a large manufacturing firm into emerging markets such as Israel and China?

## \*\*\*\*\*Use PowerPoint #4 Here to Begin the Opening Case\*\*\*\*

This case reveals the answer to this question by relating how Gary Heiman, CEO of Standard Textile Co., expanded the privately held firm first into Israel and, more recently, into Linyi, China. Expanding any firm's operations is challenging at the least, but an international expansion brings additional and unique challenges not experienced in a domestic expansion. In addition, Mr. Heiman had to convince family members that this was a smart move; this is often extremely difficult in family-owned businesses. While Mr. Heiman seems to have all the "right" personality traits for success, a good manager must remember that there are no "ideal" personality traits that will guarantee success.

## **Class Question:**

What personality traits of Gary Heiman contributed to his success in expanding Standard Textile Co. into China?

#### Answer:

According to information presented in this case, openness to new experiences, conscientious determination, persistence, and dedication provided the foundation for the

firm's successful expansion. Students should note that Mr. Heiman's personality traits match the Big Five discussed in the first part of this chapter. Ask students to suggest other traits that Mr. Heiman probably has. For example, he seems to be able to influence his family and executives, a need for achievement, ambitious, and internal locus of control.

## **CHAPTER SUMMARY**

The two main types of individual differences are personality differences and ability differences. Understanding the nature, determinants, and consequences of individual differences is essential for managing organizational behavior. Because people differ so much from each other, an appreciation of the nature of individual differences is necessary to understand why people act the way they do in organizations. Major points in the chapter include:

# \*\*\*\*\*Use PowerPoint #5 here to Introduce Chapter Summary Paragraph Above\*\*\*\*

- 1. Personality is the pattern of relatively enduring ways in which a person feels, thinks, and behaves. Personality is determined by nature (biological heritage) and nurture (situational factors). Organizational outcomes that have been shown to be predicted by personality include job satisfaction, work stress, and leadership effectiveness. Personality is not a useful predictor of organizational outcomes when there are strong situational constraints. Because personality tends to be stable over time, managers should not expect to change personality in the short run. Managers should accept employees' personalities as they are and develop effective ways to deal with people.
- 2. Feelings, thoughts, attitudes, and behaviors in an organization are determined by the interaction of personality and situation.
- 3. The Big Five personality traits are extraversion (or positive affectivity), neuroticism (or negative affectivity), agreeableness, conscientiousness, and openness to experience. Other personality traits particularly relevant to organizational behavior include locus of control, self-monitoring, self-esteem, Type A and Type B personalities, and the needs for achievement, affiliation, and power.
- 4. In addition to possessing different personalities, employees also differ in their abilities, or what they are capable of doing. Two major types of ability are cognitive ability and physical ability.
- 5. Types of cognitive ability can be arranged in a hierarchy with general intelligence at the top. Specific types of cognitive ability are verbal ability, numerical ability, reasoning ability, deductive ability, ability to see relationships, ability to remember, spatial ability, and perceptual ability.

- 6. There are two types of physical ability: motor skills (the ability to manipulate objects) and physical skills (a person's fitness and strength).
- 7. Both nature and nurture contribute to determining physical ability and cognitive ability. A third, recently identified, ability is emotional intelligence.
- 8. In organizations, ability can be managed by selecting individuals who have the abilities needed to accomplish tasks, placing employees in jobs that capitalize on their abilities, and training employees to enhance their ability levels.

## **CHAPTER OUTLINE**

\*\*\*\*\*Use PowerPoint #1, #2, #3, #4, and #5 to Begin the Discussion of the Chapter Outline (if not previously used) here\*\*\*\*

#### 1. THE NATURE OF PERSONALITY

- A. People's personalities can be described in a variety of ways.
  - 1). **Personality** is the pattern of relatively enduring ways in which a person feels, thinks, and behaves.
  - 2). Personality is an important factor in accounting for why employees act the way they do in organizations and why they have favorable or unfavorable attitudes toward their jobs and organizations.

\*\*\*\*\*Use Learning Objective #1 Here; Use *personality* Here; Use PowerPoint #6 Here \*\*\*\*\*

- B. Determinants of Personality: Nature and Nurture
  - 1). Personality is partially determined by **nature**, or biological heritage.
    - a. Specific genes for personality have not yet been identified.
    - b. Research suggests that 50 percent of the variation we observe in people's personalities can be attributed to nature (genetic factors).
    - c. The other 50 percent reflects the influence of **nurture**, or life experiences.

\*\*\*\*\*Use nature and nurture Here; Use Exhibit 2.1 Here; Use PowerPoint #8 Here\*\*\*\*

- 2). Personality develops over time, responding to the experiences people have as children and as adults.
- 3). Personality is quite stable over periods of time ranging from 5 to 10 years.
- 4). Managers should not expect to change employees' personalities.
- 5). Personality is an important individual difference that managers should take into account.

\*\*\*\*\*\*Use Learning Objective #1 Here; Use Questions for Discussion and Review #1 Here; Use PowerPoint #7 Here\*\*\*\*\*

- C. Personality and the Situation
  - 1). Research suggests that personality is useful for explaining and predicting how employees generally feel, think, and behave on the job.
  - 2). Personality has been shown to influence several work-related attitudes and behaviors.
  - 3). The organizational situation also affects work attitudes and behaviors.
    - a. In those organizations in which situational pressures on employees' behaviors are strong, personality may not be a good predictor of on-the-job behavior.
  - 4). It is the interaction of personality and situational factors that determine how people think, feel, and behave in general and, specifically, how they do so within an organization.

## **Focus on Diversity**

Liane Pelletier Transforms Alaska Communications

Liane Pelletier moved to Alaska to become CEO of Alaska Communications Systems (ACS). She left a secure management position with Sprint to take charge of a firm that was structured on products instead of customers.

**Q:** Why would a manager decide to leave a successful career and take the risk of accepting a CEO position in Alaska? Explain and comment.

**A:** According to information presented in the story, Ms. Pelletier enjoys outdoor adventure and new experiences. Her personality also demonstrates she enjoys challenge, and the opportunity to implement positive change by transforming the structure of the firm.

\*\*\*\*\*Use Exhibit 2.2 Here; Use Questions for Discussion and Review #2 and #3
Here; Use Small Group Break-Out Exercise Here; Use PowerPoint #9 Here\*\*\*\*\*

- D. Personality: A Determinant of the Nature of Organizations
  - 1). Ben Schneider has developed a framework, called the **attraction-selection-attrition (ASA) framework**, in which personality determines the nature of whole organizations.
  - 2). He suggests that individuals with similar personalities tend to be attracted to an organization (attraction) and hired by it (selection) and individuals with other types of personalities tend to leave the organization (attrition).
  - 3). Having similarity of personalities in an organization can be both positive and negative.

\*\*\*\*\*\*Use attraction-selection-attrition (ASA) framework Here; Use Questions for

#### Discussion and Review #4 Here; Use PowerPoint #10 Here\*\*\*\*

## 2. THE BIG FIVE MODEL OF PERSONALITY

- A. Researchers have spent considerable time and effort trying to identify personality types.
  - Personality is often described in terms of *traits* (a specific component of personality that describes particular tendencies a person has to feel, think, and act in certain ways.
  - 2). Most psychologists agree that the traits that make up a person's personality can be organized in a hierarchy.
  - 3). The "Big Five" model of personality places five general personality traits at the top of the trait hierarchy: *extraversion*, *neuroticism*, *agreeableness*, *conscientiousness*, and *openness to experience*.

\*\*\*\*\*\*Use *trait* Here; Use Exhibit 2.3 Here; Use Questions for Discussion and Review #5 Here; Use PowerPoint #11 Here\*\*\*\*\*

4). A person can be high, low, average, or anywhere in between on the continuum for any dimension of personality.

\*\*\*\*\*\*Use Exhibit 2.4 Here; Use Learning Objective #2 Here; Use PowerPoint #12 Here\*\*\*\*\*

#### B. Extraversion

- 1). Extraversion (or positive affectivity) is a personality trait that predisposes individuals to experience emotional states and feel good about themselves and about the world around them.
- 2). Extraverts (people on the high end of the extraversion scale) tend to be sociable, affectionate, and friendly.
- 3). Introverts (people on the low end of the extraversion scale) are less likely to experience positive emotional states and have fewer social interactions with others.

\*\*\*\*\*Use extraversion (or positive affectivity) Here; Use Exhibit 2.5 Here; Use Learning Objective #2 Here; Use PowerPoint #13 and #14 Here\*\*\*\*

#### C. Neuroticism

- 1). **Neuroticism (or negative affectivity)** reflects people's tendency to experience negative emotional states, feel distressed, and generally view themselves and the world around them negatively.
- 2). Individuals high on neuroticism are more likely to experience negative emotions and stress over time and across situations.
- 3). All normal, psychologically healthy individuals possess neuroticism to some degree.

\*\*\*\*\*\*Use neuroticism (or negative affectivity) Here; Use Exhibit 2.6 Here; Use Learning Objective #2 Here; Use PowerPoint #15 and #16 Here\*\*\*\*\*

D. Agreeableness

- 1). **Agreeableness** is the trait that captures the distinction between individuals who get along well with other people and those who do not.
- 2). Likeability in general, and the ability to care for others and to be affectionate, characterize individuals who are high on agreeableness.
- 3). Agreeableness can be an asset in jobs that hinge on developing good relationships with other people.

\*\*\*\*\*Use agreeableness Here; Use Exhibit 2.7 Here; Use Learning Objective #2 Here; Use Questions for Discussion and Review #6 Here; Use PowerPoint #17 and #18 Here\*\*\*\*

#### E. Conscientiousness

- 1). **Conscientiousness** is the extent to which an individual is careful, scrupulous, and persevering.
- 2). Individuals high on conscientiousness are organized and have a lot of self-discipline.

\*\*\*\*\*Use conscientiousness Here; Use Exhibit 2.7 Here; Use Learning Objective #2 Here; Use PowerPoint #19 and #20 Here\*\*\*\*\*

# F. Openness to Experience

- 1). **Openness to experience** captures the extent to which an individual is original, open to a wide variety of stimuli, has broad interests, and is willing to take risks as opposed to being narrow-minded and cautious.
- 2). For jobs that change frequently, require innovation, or involve considerable risk, individuals who are open to experience may have an advantage.
- 3). Entrepreneurs often score high in this area.
- 4). On the opposite side, some organizations are sometimes afraid to take the risks that employees high on openness to experience thrive on.

\*\*\*\*\*Use openness to experience Here; Use Exhibit 2.7 Here; Use Learning Objective #2 Here; Use PowerPoint #21 and #22 Here\*\*\*\*

### **Global View**

#### Fujio Mitarai Cuts Costs and Develops New Products at Canon

Fujio Mitarai, president and CEO of Canon, Inc., has turned around Canon's fortunes and tripled its net profits since assuming the top post at this global camera, printer, fax, and copier maker in 1997. Mitarai has made many changes at Canon; changes that reflect his high levels of conscientiousness and openness to experience. He realized that he needed to cut costs and boost profitability. His conscientiousness helped him to take the steps needed to make this happen. His openness to experience has helped to innovate and be labeled as one of *Business Week's* "Best Managers." He prefers value-added insiders on his board. He has also increased spending on research and development, producing over 17,000 patents since 1995.

- **Q:** Fujio Mitarai has been characterized as having "openness." How has his "openness" helped him to manage Canon?
- A: Mr. Mitarai's openness to experience has influenced him throughout his life. His time in the New York office of Canon helped him to understand the U.S. market and its consumers. His openness to both the Japanese and American way of managing assisted him in becoming a role model for other managers. He uses many American practices in his own management style. Lastly, his view of openness has changed the way that Canon manufactures its cameras and copiers. He has brought "cell production" methods to the assembly line (a "cell" is made up of six workers who assemble products in a small area rather than on a long assembly line). To sum, Mr. Mitarai's openness to new experiences led him to a foreign country where he learned about international markets and different ways of managing both people and processes. To date he has been successful in bringing Canon back on track to corporate success.
  - G. In summary, there is no such thing as a good or bad personality profile.
    - 1). Each person is unique and has a different type of personality that may be suited to different kinds of organizational situations.

\*\*\*\*\*\*Use Learning Objective #2 Here; Use OB: Increasing Self-Awareness Here; Use Experiential Exercise Here\*\*\*\*\*

# You're the Management Expert

*Understanding a New Employee* 

Marty Feldman owns a music store that caters to all kinds of musicians ranging from beginners to those who play professionally. The store is located in the heart of New York City. Feldman recently added Paul Carvacchio, a pianist, to his staff. Though Carvacchio seems to be very adept in servicing customers, uncovering customer needs, making sales, and demonstrating his expertise, he seems dissatisfied with his job and periodically complains about small things and is often critical. However, when asked, Carvacchio says he is satisfied with the job.

- **Q:** Why does Carvacchio sometimes act like he is dissatisfied with working at the store when he has indicated he likes his job and he is performing well?
- **A:** Review the "Big Five" personality characteristics. Note that Carvacchio is high on neuroticism or negative affectivity (i.e., he helps customers and is active in satisfying their needs, makes sales, and must be interacting effectively). He appears to not be low on extraversion or agreeableness; however, he is often dissatisfied and complains (i.e., indications of negative affectivity). Explore other student suggestions with specific examples from the story.

## \*\*\*\*\* Use Topic for Debate Here\*\*\*\*

#### 3. OTHER ORGANIZATIONALLY RELEVANT PERSONALITY TRAITS

A. Several other specific personality traits are relevant to understanding and managing behavior in organizations.

## \*\*\*\*\*Use Exhibit 2.8 Here; Use PowerPoint #23 Here\*\*\*\*

#### B. Locus of Control

- 1). People differ in how much control they believe they have over the situation they are in and over what happens to them.
- 2). The locus of control trait captures the difference between individuals who seem in control and those who are not.
- 3). *Externals*, individuals with an **external locus of control**, tend to believe that outside forces are largely responsible for their fate, and they see little connection between their own actions and what happens to them.
- 4). *Internals*, individuals with an **internal locus of control**, think that their own actions and behaviors have an impact in determining what happens to them.
- 5). In organizations, internals are more easily motivated than externals and do not need as much direct supervision because they are more likely to believe that their work behaviors influence important outcomes such as how well they perform their jobs, and the pay increases, praise, job security, and promotions they receive.

# \*\*\*\*\*Use external locus of control and internal locus of control Here; Use Learning Objective #3 Here; Use PowerPoint #24 Here\*\*\*\*

#### C. Self-Monitoring

- 1). **Self-monitoring** is the extent to which people try to control the way they present themselves to others.
- 2). High self-monitors want their behavior to be socially acceptable and so are attuned to any social cues that signal appropriate behavior in a situation. The opposite is true for low self-monitors.
- 3). High self-monitors tend to perform well in sales positions or consulting.
- 4). Low self-monitors are useful when open, honest feedback is needed.

\*\*\*\*\*Use self-monitoring Here; Use Exhibit 2.9 Here; Use Learning Objective #3 Here; Use Questions for Discussion and Review #7 Here; Use PowerPoint #25 and #26 Here\*\*\*\*\*

#### D. Self-Esteem

- 1). **Self-esteem** is the extent to which people have pride in themselves and their capabilities.
- 2). Individuals with high self-esteem think they are generally capable and worthy people who can deal with most situations.

- 3). Individuals with low self-esteem question their self-worth, doubt their capabilities, and are apprehensive about their ability to succeed in different endeavors.
- 4). Self-esteem influences people's choices of activities and jobs.
- 5). Challenges and goals are impacted.

# \*\*\*\*\*Use self-esteem Here; Use Learning Objective #3 Here; Use PowerPoint #27 Here\*\*\*\*

## E. Type A and Type B Personalities

- 1). Individuals who are **Type A** have an intense desire to achieve, are extremely competitive, have a sense of urgency, are impatient, and can be hostile.
  - a. Because these individuals are so driven, they can be difficult to get along with.
  - b. These individuals, though they have the drive to accomplish, do not do well in situations that require a lot of interaction with others.
  - c. These individuals are more likely to have more conflicts.
- 2). **Type B** individuals are more relaxed and easygoing.

\*\*\*\*\*\*Use *Type A* and *Type B* Here; Use Learning Objective #3 Here; Use PowerPoint #28 Here\*\*\*\*\*

#### F. Needs for Achievement, Affiliation, and Power

- 1). David McClelland has done extensive research on three traits that are present in all people to varying degrees—the need for achievement, the need for affiliation, and the need for power.
- 2). Individuals with a high **need for achievement** have a special desire to perform challenging tasks well and to meet their own personal standards for excellence.
  - a. They like to be in situations in which they are personally responsible for what happens.
  - b. Entrepreneurs and managers often have this need.
- 3). Individuals with a high **need for affiliation** are especially concerned about establishing and maintaining good relations with other people.
  - a. They not only want to be liked by others but also want everyone to get along with everyone else.
  - b. They like working in groups and are sensitive to other people's feelings.
  - c. Though this need is valuable it may run contrary to getting tough goals accomplished.
  - d. These people may not be effective in situations where others must be evaluated.
- 4). Individuals with a high **need for power** have a strong desire to exert emotional and behavioral control or influence over others.
  - a. These people are likely to be found in managerial jobs and leadership positions.
  - b. This need is not a bad need and is often the mark of a successful leader.
- 5). Research by Michael Stahl suggests that managers should have high need for achievement and power.

\*\*\*\*\*\*Use need for achievement, need for affiliation, and need for power Here; Use Learning Objective #3 Here; Use Questions for Discussion and Review #8 Here; Use PowerPoint #29 Here\*\*\*\*\*

Teaching Tip on Personality: To make certain that learners understand that there is neither good nor bad personality profiles (a difficult concept for many undergraduates who are in the midst of trying to find themselves and to figure out how to develop), ask them to describe briefly situations in which each of the personality profiles would be desirable in an organization (the Big Five, locus of control, self-monitoring, self-esteem, Type A and B, and needs for achievement, affiliation and power). Have them do this in triads and then use their results as the basis for a discussion in which you reinforce the major point: there is no one "good" personality from an organizational viewpoint. If you begin the discussion with the Big Five traits, you might leave neuroticism as the last of the Big Five to cover because for most undergraduates, the common connotations of this word work against its being seen as having any desirable contribution. Functional examples that draw on neuroticism might include responsibilities in which detail focus is important, such as accounting, editing, computer programming, design work (architectural, fashion, interior, landscape). Moderate neuroticism also balances high levels of agreeableness and extraversion. To continue the discussion, move to a consideration of possible negative impacts of some of the other traits. This discussion concludes that by matching personality traits and the situation, the manager enables organizational members to contribute in ways that support the organization's ability to achieve its goals. Being able to assess personality and develop balanced combinations of personality traits into a productive work group or team is a valuable managerial skill.

# G. How Personality Is Measured

- 1). By far the most common and cost-effective means of assessing the personality traits of adults is through scales developed to measure personality.
  - a. To complete these scales, individuals answer a series of questions about themselves.
  - b. Though some people attempt to distort answers to personality scale questions, such distortion is not viewed as a serious problem by researchers.

## \*\*\*\*\*Use Exhibits 2.5, 2.6, 2.7, and 2.9 for Examples Here\*\*\*\*

### 4. THE NATURE OF ABILITY

- A. We must not only look at each employee's personality but also at the *abilities*, *aptitudes*, and *skills* the employee possesses.
  - 1). **Ability** is what a person is capable of doing.
  - 2). Two types of ability affect performance: cognitive or mental ability and physical ability.

## \*\*\*\*\*Use ability Here; Use PowerPoint #30 Here\*\*\*\*

- B. Cognitive Ability
  - 1). Psychologists have identified many types of cognitive ability and grouped them in a hierarchy.
  - 2). The most general dimension of cognitive ability is *general intelligence*.

\*\*\*\*\*Use Exhibits 2.10 and 2.11 Here; Use PowerPoint #31 and 32 Here\*\*\*\*

- 3). Research suggests that cognitive ability predicts performance on the job, as long as the ability in question is relied on in performing the job.
- 4). Cognitive ability is an important predictor to group or team performance.

# \*\*\*\*\*\*Use Learning Objective #4 Here; Use Questions for Discussion and Review #9 Here\*\*\*\*\*

## C. Physical Ability

- 1). Two types of physical ability are motor skill and physical skill.
- 2). *Motor skill* is the ability to physically manipulate objects in an environment.
- 3). Physical skill is a person's fitness and strength.
- 4). Research has shown that there appear to be eleven basic motor skills and nine physical skills.
- D. Where Do Abilities Come from and How Are They Measured?
  - 1). Like personality, both cognitive ability and physical ability are determined by nature and nurture.
  - 2). General intelligence is determined by the genes we inherit from our parents and by situational factors.
  - 3). Standardized tests (i.e., GMAT and SAT) are designed to measure certain basic aptitudes and abilities that people are probably born with.

## \*\*\*\*\*Use Exhibit 2.12 Here; Use PowerPoint #33 Here\*\*\*\*

- 4). Both nature and nurture determine physical ability.
- 5). Since paper-and-pencil measures of cognitive ability are generally accurate, managers rely on such measures as useful indicators of the underlying ability they are measuring.
  - a. Critics point out that factors such as ethnic backgrounds may influence such standard measurements and must be therefore considered.
- 6). Physical activity can be measured by having a person engage in the relevant activity.
- 7). Sometimes people are not given the opportunity to use their abilities on the job.
  - a. Research shows that high percentage of respondents believe that many of their skills are underutilized.
- 8). Cognitive and physical abilities can degenerate or become impaired because of a variety of factors (i.e., drug abuse).
- 9). "Fitness for duty" tests are common.

\*\*\*\*\*Use Learning Objective #4 Here; Use OB: Increasing Self-Awareness Here (if not previously used); Use Experiential Exercise (if not previously used) Here; Use Topic for Debate (if not previously used) Here; \*\*\*\*\*

- E. Emotional Intelligence: A New Kind of Ability
  - 1). **Emotional intelligence** is the ability to understand and manage one's own feelings and emotions and the feelings and emotions of others.
  - 2). Emotional intelligence reflects having a good understanding of how to use emotions to promote effective functioning and well-being.

\*\*\*\*\*\*Use emotional intelligence Here; Use Exhibit 2.13 Here; Use PowerPoint #34 and #35 Here \*\*\*\*\*

- 3). Research on emotional intelligence is in its early stages.
- 4). Recent theorizing and research suggests that emotional intelligence is an especially important ability for leaders and managers.
  - a. Enables them to understand and relate well to others as well as understand themselves.
  - b. Enables them to maintain their enthusiasm and confidence and communicate a vision.

\*\*\*\*\*Use Learning Objective #4 Here; Use New York Times Case #1
Here; Use A Question of Ethics Here\*\*\*\*

#### 5. THE MANAGEMENT OF ABILITY IN ORGANIZATIONS

- A. For managers, the key issue regarding abilities is to make sure that employees have the abilities they need to perform their jobs effectively.
  - 1). There are three fundamental ways to manage ability in organizations to ensure that this match-up happens: *selection*, *placement*, and *training*.

\*\*\*\*\*\*Use Learning Objective #5 Here; Use Question for Discussion and Review #10 Here; Use PowerPoint #36 Here \*\*\*\*\*

#### B. Selection

- 1). Managers can control ability in organizations by selecting individuals who have the abilities the organization needs.
  - a. Managers have to identify the tasks they want the employees to accomplish.
  - b. Managers need to identify which abilities are needed to accomplish these tasks.
  - c. Managers then need to develop accurate measures of these abilities.
- 2). The key question becomes whether a person's score on the ability measure actually predicts performance on the task in question.

\*\*\*\*\*\*Use Learning Objective #5 Here; Use *New York Times* Case 2 Here; Use PowerPoint #36 (previously used) Here \*\*\*\*\*

## C. Placement

- 1). Managers must accurately match each employee to a job that will capitalize on his or her abilities.
- 2). Placement involves more than just assigning new employees to appropriate positions.
  - a. It also involves horizontal moves or promotions within the organization.

\*\*\*\*\*Use Learning Objective #5 Here; Use PowerPoint #36 (previously used)
Here \*\*\*\*\*

Teaching Tip: Students have recently participated in a process that has measured their ability and then selected and placed them, the process of college admissions. Ask them to think about the strengths and weaknesses of how their abilities were measured. What criteria were used to evaluate them in the selection process? Do they think that the SAT/ACT adequately measure their ability to achieve in their college courses? Was their emotional intelligence assessed? How? There is pending federal regulation to eliminate admission preferences now given to legacies (relatives of alumni/ae and donors). Is this a good idea? Once they were admitted to the organization (selection), they were placed in appropriate level courses (math and foreign language are the most common examples of placement). How was that placement decided? Was it appropriate? Now bridge to the job market they will face once they are graduated. There are no job SATs. How can they influence that selection process in positive ways? This is an opportunity to encourage strategic thinking about their career development while they apply the selection, training, and placement concepts.

## D. Training

- 1). Whereas selection and placement are concerned with *nature* aspects of ability, training acknowledges that *nurture* also contributes to ability levels.
- 2). Training can be an effective means of enhancing employees' abilities.
- 3). Job-appropriate training increases employees' skills and abilities, and ultimately, their job performance.
- 4). Training is also appropriate to bring new and advanced technology to the organization to gain or enhance competitive advantage.
  - a. Providing training is an effective means of recruiting and retaining employees.
- 5). Training can be used to increase employees' level of emotional intelligence.
  - a. Emotional intelligence training often begins with strengths and weakness assessment.
  - b. With such training, employees can be guided or coached to help them realistically analyze their own feelings and behavior (as well as the feelings of others).

\*\*\*\*\*Use Our Company Here; Use Learning Objective #5 Here; Use OB: Increasing Self-Awareness Here if not previously used; Use PowerPoint #36 (used previously) Here \*\*\*\*\*

# EXERCISES IN UNDERSTANDING AND MANAGING ORGANIZATIONAL BEHAVIOR

## **Questions for Review**

1. Why is it important to understand that both nature and nurture shape an employee's personality?

Nature, a person's inherited genetic makeup, influences personality development. Nurture, refers to personality development over time, based on experiences. It's important to understand the difference between *nature* and *nurture* because of the implications they each have for changes in one's personality. Because much of an individual's personality is inherited, personality is partially determined at birth and remains stable over time. However, life experiences over time cause gradual personality change. Powerful experiences cause more rapid personality changes. Nature charts the course for personality development whereas nurture is the rudder that adjusts and changes the course, refining personality throughout a person's life.

2. What are some situations in which you would not expect employees' personalities to influence their behavior?

The person-situation debate centers on the role of personality in understanding and predicting attitudes and behavior at work, compared to situational factors. The "person" position holds that personality is important; the "situation" position holds that feelings, thoughts, or behavior due to personality are unimportant because situational factors dictate behavior. Either may predict behavior depending on the work situation. Where there are strong situational pressures, personality may not be a good predictor of on-the-job behavior. Weak situational factors give workers more choice in job performance, so personality plays a more important role. The contributions made on the job sometimes depend on personality traits.

Situations in which personalities do not influence behavior include those with strong situational pressures: assembly line work; surgery and other medical tasks (filling prescriptions, reading x-rays); service and repair of machinery, appliances, automobiles; operation of nuclear power plants; piloting airplanes; and working in fast-food restaurants.

3. What are some situations in which you would expect employees' personalities to influence their behavior?

Examples include those with weak situational pressures such as computer software design, sales, leading people, teaching, writing, and entrepreneurial situations.

4. Is it good for organizations to be composed of individuals with similar personalities? Why or why not?

According to the research of Ben Schneider, the "personality" of an organization is the product of the personalities of its workers. His *Attraction-Selection-Attrition Framework* suggests that individuals with similar personalities tend to be attracted to and selected by an organization, and those with dissimilar personalities leave the organization. It may not be good for organizations to be composed of individuals with similar personalities because they may analyze opportunities and problems in the same way and, as a result, be resistant to making needed operational changes. Homogeneity of personalities within an organization may produce poor performance or failure.

5. A lawyer needs to score high on which of the Big Five personality traits? Why?

The Big Five personality traits consist of extroversion, neuroticism, agreeableness, conscientiousness, and openness to experience. A lawyer should be high on conscientiousness and agreeableness. Individuals high on conscientiousness are careful, organized, persevering, scrupulous, and possess self-discipline. Lawyers must be disciplined in their work to manage individual cases as well as a full caseload. They must be highly organized enough to manage the detail of their cases and persevere against all odds for their client and for justice. High levels of agreeableness would be beneficial because the characteristics of this trait (trust, straightforwardness, tender-mindedness) would help a lawyer forge better, more trusting relationships with clients. However, agreeableness may not always be good for a lawyer when the lawyer has to be blunt with clients (tell them the truth rather than what they want to hear) or operate in a hostile courtroom or question a hostile witness. Lawyers can also be open to experiences. Law is not static and is constantly changing. Lawyers must appreciate change and be able to adapt. In conclusion, it is suggested that the instructor begin this question asking students to list all the traits (skills) necessary for a lawyer. Follow with a comparison to the Big Five personality traits. How many from the first list can be directly or indirectly matched to the items on the Big Five list? This should stimulate a good discussion about personality traits and effectiveness on the job.

6. What are some jobs or situations in which workers high on agreeableness would be especially effective?

The agreeableness trait centers upon the ability to get along well with other people. Individuals high in this trait are characterized as being likable, approachable, affectionate, trusting, and straightforward. This trait is desirable for anyone who works closely with other people or who must build relationships to be successful. These individuals would be most effective in sales, social service, or any situation that requires teamwork. However, many times conflict is good (especially on teams). Conflict can produce varied ideas and opinions that are necessary for successful problem solution. Conflict can occur without disagreeableness or sharp words.

7. When might self-monitoring be dysfunctional in an organization?

Self-monitoring refers to the extent to which people try to control the way they present themselves to others. Individuals high on self-monitoring want their behavior to be socially acceptable, they strive to behave in a situationally appropriate manner, and they are good at managing the impressions others have of them. Because these individuals are wary of doing or saying anything that might not be perceived as appropriate by others, they may be reluctant to provide critical feedback or express different ideas or opinions. Problems may be understated or ignored altogether, and tired concepts or procedures may be allowed to continue.

8. What levels of need for achievement, power, and affiliation might be desirable for an elementary school teacher?

Individuals with a high need for achievement perform challenging tasks well and meet their own standards for excellence. Those with a high need for affiliation desire to establish and maintain good relationships with others. Individuals with a high need for power have a strong desire to exert emotional and behavioral control over others.

At the elementary school level, it is important for the teacher to gain the trust, respect, and friendship of the students to create an interest in learning. The teacher must provide honest and objective feedback to help a student succeed. As such, elementary school teachers should have moderate to high levels of need for affiliation to establish and maintain strong relationships with students, while providing feedback at the risk of alienating the student. Because of the unstructured classroom setting, the teacher must set and meet high standards of performance to be effective in imparting knowledge to the students. Thus, the teacher should also have high levels of need for achievement. An elementary teacher should have a moderate need for power—the teacher needs to control so that students engage in the appropriate learning activities. However, the desire to exert control over the students should not interfere with effective teaching methods or affect the students' attitudes about education and learning.

9. What types of abilities are especially important for an upper-level manager (such as the president of a division) to possess and why?

To be effective, upper-level managers should possess high levels of *verbal ability*. Such ability is critical because the position requires extensive communication. The upper-level manager constantly reads and interprets reports and memos and must have a firm command of vocabulary. Further, the upper-level manager must communicate the contents of reports as well as personal initiatives or directives to subordinate managers via the written and spoken word. A high level of *numerical ability* enables a manager to assess the current state of the business and produce sound financial forecasts. High levels of *reasoning ability* and *ability to see relationships* are critical for effectively analyzing organizational conditions and performance, solving problems, and making accurate comparisons of division operation and performance. Accurate comparisons enable a manager to gather valuable marketplace information.

10. What are the three ways in which ability can be managed in organizations?

The three fundamental ways to manage ability in organizations to ensure that employees have the abilities they need to perform their jobs effectively include selection, placement, and training.

## **OB:** Increasing Self-Awareness

## Characteristics of People and Jobs

Before beginning this exercise, have students review the following key words and concepts such as: personality, nurture, attraction-selection-attrition (ASA) framework, and self-esteem. Students are free to choose any job unless you wish to provide guidelines or boundaries. Be sure the student answers each question carefully and matches the job and its characteristics to the proper personality traits as revealed in the chapter discussion, figures, or tables. Pick one or two of the best student papers to share in class.

## **A Question of Ethics**

1. What are the ethical implications of emotional intelligence training?

Students may respond to this question in a variety of ways, however, it is important that the discussion begin by reviewing the material found in the chapter on this subject. Emotional intelligence training could result in developing skills in manipulation and control that could be construed as being negative. Guidelines should be established by the organization before any training is undertaken. Trainers should be approved and monitored.

2. What steps can organizations take to ensure that employees' emotional intelligence is put to good use and not used for personal gain or unethical purposes?

Many organizations are now stating their views toward ethical conduct via an ethical mission statement that accompanies the usual corporate mission statement. On Web sites this is often found as part of the organization's disclosure and rules of conduct link. Employees can be informed of their responsibility to the organization, its publics, and its customers. Sensitivity training can be conducted. The organization can also empower an officer in charge of ethics to monitor the ethical affairs that arise in the organization. This would also appear to be an excellent area for training and role-play. It also might be wise to conduct an emotional intelligence audit of organizational members so that talents, skills, or deficiencies could be recognized. Students should list other ideas for addressing this issue.

#### **Small Group Break-Out Exercise**

## **Understanding Situational Influences**

Students are free to respond to the information contained in this question as they see fit. In order to begin the discussion students should review the material in the chapter on situations

that might alter one's behavior. For example, does one's behavior change in a large gathering such as a football or basketball game? Does one's behavior change if a social setting is paired with a stimulant such as alcohol? As in the case of Enron, does one's behavior change based on a perceived culture? Is the leadership of top managers responsible for an individual employee's behavior?

## **Topic for Debate**

Review the elements of good oral presentation and write them on the board before beginning the debate.

The two teams should review the material in the text on personality and its role in the organization before beginning the debate. Especially see the section entitled *Personality: A Determinant of the Nature of Organizations*. Debates work best if each team writes out points for presentation in advance and does not just "wing it." Since debates also stir the emotions be sure to carefully monitor the exchange.

As starters for the discussion, Team A should construct examples (see chapter or other references) of how personality is linked to successful management, decision making, and productivity. This team might also show how mismatched personalities and jobs lead to problems (i.e., an aggressive policeman or uncaring social worker).

As starters for the discussion Team B should review material in the chapter that indicates that there is no "right" set of personality traits that ensure success in management. The issue of discrimination should also be addressed. Assessment effectiveness of personality traits could also be used.

#### **Experiential Exercise**

#### **Individual Differences in Teams**

Begin by pointing out some behaviors that effective teams practice: establish a common mission; assess strengths and weaknesses; develop individual goals; secure agreement on a way to achieve goals; develop accountability for individual and group actions; build trust; maintain a mix of skills and personalities; provide training; and create opportunities for successes. Ask students to review the "Big Five" model before beginning the exercise. If the instructor chooses to not list the items presented by the teams on the board, appoint a scribe.

#### **New York Times** Cases in the News

#### Case #1

"The Math Whiz vs. the Media Moguls in a Battle for Millions"

#### Synopsis

This case describes the rise and fall of Gemstar-TV Guide International. Mr. Henry C. Yuen built a huge company through a strategy of developing and acquiring product patents that control television viewing. Mr. Yuen is described as lacking in interpersonal skills, and lacking in ethics. He ruined relationships and violated numerous Securities and Exchange Commission regulations by inflating profits and stock value.

### Questions for Discussion

1. Based on the material in the case and the chapter content, how would you describe Henry Yuen's personality?

Big Five Model of Personality: In the article, one could easily assume that Mr. Yuen is

- More introverted than extroverted as he is apparently not sociable, affectionate, or friendly.
- Neurotic, as he appears to have a negative orientation toward the work situation, propels himself to improve performance in areas that require a high degree of quality control, critical thinking and evaluation.
- Low on agreeableness, as he appears to be antagonistic, mistrustful, unsympathetic, uncooperative, and rude.
  - High on conscientiousness, as he appears to be careful, persevering, organized, and has a lot of self-discipline.
  - High on openness to experience, as Mr. Yuen is very original, has broad interests, and is willing to take many risks to start and grow his company.

Mr. Yuen appears to have an internal locus of control, low self-monitoring (he is not particularly concerned about behaving in a situationally appropriate manner), high self-esteem, and is most likely a Type A.

According to McClelland's Traits, Mr. Yuen appears to have a high need for Achievement and Power, but a low need for Affiliation.

2. How might his personality and the situation he was in have contributed to his actions at Gemstar?

One might speculate that the more negative aspects of Mr. Yuen's personality might have become more dominant due to his concerns of losing control of his business to business partners John C. Malone and Rupert Murdock. Both Malone and Murdock have reputations as hardened business men.

3. How would you characterize his abilities?

There is no doubt that Mr. Yuen has high general and cognitive intelligence. As a mathematician and lawyer, he started and built a very successful company. One of the more flattering statements made about him in the article is that he is a brilliant strategist. A former friend described his physical ability as being fast and decisive.

4. Based on the information in the case, do you think he is high or low on emotional intelligence? Why? Be specific.

Low – while he can control his own emotions, he isn't interested in controlling or influencing others' emotions. There are numerous examples in the case of his lack of tact or caring about others.

### Case #2

"Served as King of England, Said the Resume"

## **Synopsis**

This article contains a series of questions and answers about the need to be accurate and truthful when preparing a resume.

# Questions for Discussion

1. How is the management of ability in organizations affected when job applicants lie on their resumes?

*Employers may end up hiring people who lack the abilities to perform the job.* 

2. In what ways can lying on resumes hurt job applicants?

Job applicants who are found to have lied on their resume are typically terminated.

3. How does lying on resumes affect employers?

By hiring people who lack the desired experience and abilities to effectively perform jobs, companies face increased turnover and the costs related to terminating, recruiting, orienting, and training new people.

4. Why do some people feel the need to lie on their resumes?

They feel insecure about their experiences and/or abilities.

#### Self-Assessment Library

Students who have Prentice Hall's Self-Assessment Library 3.3 should access "Module 1, What About Me?" Direct them to complete:

- Assessment I-A-1, "What's My Basic Personality?"
- Assessment I-A-2, "What's My Jungian 16-Type Personality?"
- Assessment I-A-3, "Am I a Type A?"

Once they have completed the assessment exercises, they should then review their scores and the analysis of their scores. If you want them to use their results for a class activity, have them print their scores.

There are a variety of ways that you can use student scores in teaching your course. Two suggestions include:

- Students can identify their personal strengths and weaknesses in this area, and then identify how they can capitalize on their strengths by choosing an appropriate career. They can also identify self-improvement techniques to strengthen their weaknesses.
- Teams can evaluate each others' strengths and weaknesses to determine how they can delegate tasks more efficiently among members of the team. Care should be taken here to protect student privacy, as some students may not want to share some of their more intimate and revealing results; do not force students to reveal any information that they choose to keep private.

## Our Company Scenario (Team Activity)

<u>Note to the Instructor</u>: If you have not used an Our Company Scenario before, please refer to the complete instructions near the end of this Instructor's Manual before proceeding.

<u>Preparation</u>: Provide one copy of the Our Company handout on the next two pages to each team, as well as copies of the candidates' short bios. Each company (or team) should also receive one set of all of the biographies.

Our Company Chapter 2 Individual Differences: Personality and Ability	
Company Name:	Date:
Partners Participating:	
must hire 50 new employees to good job of recruiting applican position that you have decided for educational background; th	ners, having recently decided to start your business, now o get your business up and running. You have done a very ats, and now must review the top five resumes for the first to fill. All of the candidates have met your requirements erefore, you are now ready to review their experience and who conducted an initial interview.
Instructions: Decide which jo	bb in your new company must be filled first. Write that job
Your answers to these question	the five resumes, and then answer the questions below. Is should lead you to choose the best candidate for the job. In the big Five personality traits of each of the five
Emily –	
Jacob –	
Christopher –	
Ceecee –	
Margarita –	
2. Describe one or more of five candidates.	of the other personality traits that seem to fit each of the
Emily –	
Jacob –	
Christopher –	

Ceecee –	
Margarita –	
3. Describe the different kinds of abilities the ideal candidate for this job will have.	
4. Based on your answers to questions 1, 2, and 3, which candidate will you hire to fill this position? Why did you choose this person?	
5. What additional training, if any, will this person need once he/she has been hired?	

## **Short Biographies of the Candidates**

## 1. Emily Blingbleing

<u>Interviewer's Notes</u>: Ms. Blingbleing was extremely friendly and outgoing with an agreeable personality. Her personal appearance is exceptional. She seemed very concerned that she was interviewing well and if she was giving me the "correct" answers to my questions. When I asked about any innovations or suggestions she made to solve problems at her previous positions, she could not think of any. She did not indicate whether or not this position is of interest to her.

# Previous Experience:

2007 Miss Hidden Valley Beauty Contest Winner January – June 2007 The Gap. Sales Clerk

August – December 2006 American Eagle. Sales Clerk April – July 2006 The Limited. Sales Clerk

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#### 2. Jacob Morose

<u>Interviewer's Notes</u>: Mr. Morose is a serious and highly intellectual person who was very quick to answer each of my questions. He needed little time to consider his answers, and yet answered each question very well. He had some difficulty making and keeping eye contact, but otherwise presented himself well. His personal appearance is acceptable for the position he interviewed for. His answers to several questions indicate that he has a strong desire to perform high-quality work, but there were also some indications that this might slow down his performance somewhat. It appears that he commonly makes suggestions for solving problems, and expressed some impatience when former employers did not act on his suggestions. He expressed a strong desire to be hired for this position.

# <u>Previous Experience</u>:

February 2002 – present Systems Analyst. Ciscyco Systems.

November 1995 – February 2002 Security Guard. Backyard Home Security

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#### 3. Christopher Wavehopper

<u>Interviewer's Notes</u>: Chris was easy and pleasant to talk with. He was quick to smile and laugh, and seemed quite comfortable throughout the interview. He comes across as confident in his abilities. He commented that his previous positions were all part time, as he was finishing his education. His personal appearance was a bit informal for this position, as he needed a different haircut, and more appropriate clothes and shoes. However, quality workmanship seems to be quite important to him, and he discussed a previous experience in which he devised and recommended an innovation that a previous employer implemented that benefited the company by reducing the breakage rate of products in the manufacturing process. He expressed a strong desire to be hired for this position.

## Previous Experience:

May 2006 – present Ron-Tom's Surf Shack. Sales Clerk May 2005 – August 2005 Surf's Up Charlies. Board Shaper.

May 2004 – August 2004 Molly's Pub. Table Busser.

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## 4. Ceecee Shrilling

<u>Interviewer's Notes</u>: Ceecee was well prepared for this interview and presented herself well. She answered each question carefully and thoughtfully, and seemed anxious to make a good impression. However, each answer seemed to avoid going into the topic in depth, and she seemed at times to avoid giving a firm opinion or answer. She seemed very friendly and anxious to please, and presented an appearance that meets the requirements for this position. When asked about innovations or problems solved for previous employers, she responded by discussing innovations that she helped other people to develop. She did not indicate whether she was interested in this position.

Previous Experience:

June 2004 – present All-Broke Mortgage Brokers. Assistant Manager.

July 2002 – June 2004 Sports Stuff A-Plenty. Assistant Manager

June 2000 – July 2002 All Shrimp All the Time Restaurant. Assistant Manager

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## 5. Margarita Tyme:

<u>Interviewer's Notes</u>: Margarita was a very lively, friendly, and happy person, was obviously very excited to be interviewed, and expressed a very strong desire to be hired for this position. Her appearance was a bit overdone for this position, but is still acceptable. She listed many innovations and problems that she solved for her current employer. In addition, Ms. Tyme is fully bilingual in Spanish and English.

# <u>Previous Experience</u>:

January 2004 – Present Brennier's Pub and Grill. Server

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## Suggested Answers to Our Company Scenario for Chapter 2

The students should choose the candidate that best fits the needs of the position. Recall the discussion in the chapter that managers need an understanding of employees' personalities and the situations in which they perform. For example, Margarita might be the best candidate for a position in a restaurant, while Jacob might be best for a high-tech start-up firm.

1. Identify the most prominent of the Big Five personality traits of each of the five candidates.

Emily – Extrovert, slightly neurotic, agreeable, it is unclear if she is conscientious, and does not appear to be very open to new experiences.

Jacob – Introvert, somewhat neurotic, somewhat agreeable, extremely conscientious, and open to new experiences.

Christopher – Extrovert, no noticeable neurosis, agreeable, somewhat lacking in conscientiousness, and open to new experiences.

Ceecee – Somewhat extroverted, apparently neurotic yet somewhat agreeable given her reluctance to fully answer questions, and not obviously conscientious. She is apparently somewhat open to new experiences as demonstrated by the fact that she has worked in three very different types of businesses.

Margarita – Extroverted and agreeable, no obvious evidence of neuroticism, apparently conscientious, and some evidence of openness to experience.

2. Describe one or more of the other personality traits that seem to fit each of the five candidates. (Locus of control, self-monitoring, self-esteem, Type A/B, Needs for Achievement/Affiliation/Power)

Emily – External locus of control, high self-monitoring, borderline low self-esteem, probably more Type A than B, and a strong need for achievement and affiliation.

Jacob – Internal locus of control, high self-monitoring, high self-esteem, Type A, strong need for achievement and power.

Christopher – Internal locus of control, low self-monitoring, moderate self-esteem, Type B, strong need for affiliation.

Ceecee – External locus of control, moderate self-monitoring, low self-esteem, Type B, strong need for affiliation.

Margarita – Internal locus of control, moderate self-monitoring, moderate self-esteem, midway between Type A and Type B, and strong need for achievement.

3. Describe the different kinds of abilities the ideal candidate for this job will have.

Students should identify cognitive, physical (motor and physical), and emotional intelligence required by the job they are attempting to fill.

4. Based on your answers to questions 1, 2, and 3, which candidate will you hire to fill this position? Why did you choose this person?

Students should have matched the best candidate for the position they need to fill.

5. What additional training, if any, will this person need once he/she has been hired?

Students should recognize that a managerial job requires more cognitive ability than physical ability, and should provide the appropriate kinds of training, including a thorough orientation, training in technology, and perhaps even emotional intelligence. If the position is not in management, then motor skills or physical skills training might be required.