



## Course Learning Outcomes for Unit VIII

Upon completion of this unit, students should be able to:

1. Identify basic business concepts.
  - 1.1 Define organizational behavior.

## Reading Assignment

In order to access the following resource(s), click the link(s) below:

Anuradha. (2016). Leadership for the new age. *Human Capital*, 19(11), 17-19. Retrieved from <https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=114479691&site=ehost-live&scope=site>

Coleman, H. (2016). Looking for leadership. *Electrical Wholesaling*, 97(5), 32-33. Retrieved from <https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=115373513&site=ehost-live&scope=site>

Johnson, P. (2016). Leadership, emotional intelligence & organizational change. *Leadership Excellence Essentials*, 33(2), 12. Retrieved from <https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=112819555&site=ehost-live&scope=site>

Otken, A. B., & Cenkci, T. (2015). Big five personality traits and organizational dissent: The moderating role of organizational climate. *Business & Economics Research Journal*, 6(2), 1-23. Retrieved from <https://libraryresources.columbiasouthern.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=102325465&site=ehost-live&scope=site>

Click [here](#) to access an interactive tutorial that covers employee motivation.

## Unit Lesson

### Understanding the Foundation of Behavior in Organizations

Studying the foundation of behavior in an organization is important to understanding how individual differences influence goal setting, interpersonal interactions, and conflict in the workplace. The discipline of *organizational behavior* examines the relationship between individuals and group performance in meeting organizational goals and objectives. Understanding the underlying causes of individual behavior in organizations is essential to management's ability to exercise the right leadership required for organizational success.

### Attitudes

First, let's examine the *attitudes* of individuals in an organization. An attitude is a cognitive and affective predisposition that influences a person to act a certain way. Attitudes first begin cognitively or with thoughts held in the mind of an individual. An individual who has a positive cognition about work will be optimistic about work-related issues. However, individuals with a negative cognition about their jobs will demonstrate less commitment and enthusiasm for solving problems. Understanding these attitudes has significant implications for leaders who are responsible for motivating individuals towards organizational goals.

Work-related attitudes are also of interest to managers because these attitudes affect the way employees perform. For example, job satisfaction and organizational commitment are two variables that are related to high job performance. When employees are satisfied in the workplace, turnover will be lower than when employees are dissatisfied. Also, happy employees mean happy customers. Organizational commitment is the direct result of positive attitudes. Loyal, committed employees typically exceed job expectations and are heavily involved with the organization overall.

There is a distinct difference between attitudes and *moods*. While attitudes manifest themselves more permanently with individuals, moods are more transitory. Therefore, managers are less likely to concern themselves with employee moods because moods are less likely to linger into an individual's performance on a regular basis. On the other hand, attitudes are typically more permanent and have a tendency to impact an individual's performance for a greater period of time.

## **Personality**

In the workplace, consistent attitudes are indicative of an individual's personality. The term *personality* is used to describe a stable pattern of behavior regarding ideas, objects, or people in an environment. In the workplace, the *big five* personality factors are used to describe various degrees of traits that individuals display, and these factors vary on a continuum. The big five personality factors are extroversion, agreeableness, conscientiousness, emotional stability, and openness to experience (Otken & Cenkcı, 2015). Generally speaking, having a moderate to high degree of each of the five personality factors is a desirable range for most employees. However, individuals will vary on each of the aspects when evaluated on a continuum.

Some attitudes and behaviors are based on an individual's personality. For example, individuals with a strong locus of control have a tendency to place a greater responsibility of success or failure on internal factors rather than external factors. Individuals with a high locus of control view rewards as a direct result of their own work success.

Some organizations will administer a personality test that helps individuals determine if they are right for the job. This is an important aspect of management; therefore, managers must disclose the various aspects of a particular job and assess the candidate's skills before he or she is actually hired for a job to determine if the fit is mutual.

## **Perception**

Individuals will often approach issues differently because of various *perceptions* of the situation. Perception is the process used to make sense of elements in one's surroundings by selecting, organizing, and interpreting information from the environment. Perceptions are shaped by an individual's background, experiences, cultural and religious beliefs, and sometimes education.

One important aspect to understand is that perception is real to the perceiver. In other words, if an individual perceives that a situation is real, the situation is indeed real to the individual. To illustrate, many organizations have strict guidelines and policies regarding sexual harassment. If an individual believes that he or she has experienced sexual harassing behavior, this phenomenon is real to the perceiver.

The process of perceiving occurs in steps. First, information is observed from the environment through our senses: We have the ability to see, taste, touch, hear, and smell. Next, we screen the data and select only the information that we will process further. Then, we organize the selected data into a *schema* or pattern of meaningful information for interpretation and responding purposes. The differences in perception among individuals in the workplace are influenced by how information is selected and organized. Individuals differ in the selection of information we choose to pay attention to, and we have different perceptions on the relative importance of issues. This makes it extremely difficult to define problems in organizations and their underlying causes.

## **Perceptual Selectivity**

One tendency to perceive stimuli on different levels of importance is called *perceptual selectivity*. Since we are given so much sensory data, it is easy to tune information out because we cannot process all the information given at once. We retain some information and eliminate other information. The concept of

perceptual selectivity is a complex sensory process in which we determine which sensory information will receive attention. In this process, we retain some information and exclude other information.

To illustrate, imagine you are driving home from work and the gas gauge is on empty (observation based on sight). You know this indicates low fuel and decide to search for the closest gas station. While driving to the gas station, you pass several fast food restaurants, clothing retail stores, and other establishments. However, you pay them no attention because you perceive their importance to be irrelevant at the moment. This same phenomenon occurs in the workplace. We often prioritize and address information we receive based upon our perception of what is relatively important at the moment. We are selective in what we choose to pay attention to in most situations.

## **Perceptual Distortions**

*Perceptual distortions* are errors in perceptual judgment that arise from inaccuracies in the perceptual process. You are probably familiar with the most common perceptual distortions. A prominent distortion that occurs in the workplace and other organizations is *stereotyping*. Stereotyping involves the notion of assigning individuals to a group or a broad category and then assigning widely held generalizations about the group to the individual. Managers who recognize this issue should take steps to adjust their perceptions to reality.

Another example of a distortion is the *halo effect*. With the halo effect, the perceiver develops an overall impression of an individual based on one characteristic. A manager who develops a favorable impression of an employee based on his or her work attendance only is an example of the halo effect. *Projection* is a distortion error that occurs when the perceiver attributes his or her own personal traits onto another individual. For example, a manager who is achievement oriented might mistakenly assume subordinates are also achievement oriented and structure challenging jobs in the department to meet this assumption.

## **Attributions**

*Attributions* are judgments pertaining to what caused a specific course of action or a situation. General rules of thumb exist that influence whether attributions are internal or external to an individual. *Distinctiveness* is the term used to describe behavior that is unusual for an individual. Distinctiveness can be observed when an individual arrives to work late one morning, but is typically on time every day. In this situation, one can attribute the late arrival to external attribution. *Consensus* describes situations when people respond to a phenomenon the same way. If an entire department arrives late for work, we can attribute the behavior to an external attribute. Perhaps the employees encountered delays due to construction near the building site. Consistency pertains to a relatively stable pattern of behavior over a period of time. When an individual is habitually late for work, we can attribute the inconsistency to an internal attribute. In such case, this characteristic is typical to the individual's personality.

While these general rules apply in most situations, we sometimes underestimate the influence of external factors and overestimate the influence of internal factors. This phenomenon is called *fundamental attribution error*. For example, when an individual is promoted from a supervisor to a department manager, we might attribute the promotion to qualifications of the individual that led to the promotion. However, the promotion might have been influenced by external factors such as the urgent need to fill a position due to an employee taking medical leave. Another distortion that occurs is overestimating the contribution of internal factors to an individual's success and underestimating the extent of external factors to his or her failure. This occurs when individuals grant themselves too much credit for what is accomplished well and overestimate external factors to their failures. Managers who might praise themselves too much for exceeding production goals while giving staff too much blame for increasing safety incident reports are *exhibiting self-serving bias behavior*.

## **Emotional Intelligence**

The term *emotional intelligence* entails the ability to be consciously aware of one's emotions and to manage oneself and one's relationships in mature and constructive ways. Individuals who understand emotional intelligence can be savvy in their dealings with individuals to improve their success in the workplace. Individuals who are consciously aware of attitudes, personalities, or perceptions that negatively impact organizational goals can exercise greater emotional intelligence to manage these behaviors. If negative attitudes from management, supervisors, and subordinates go unrecognized or uncontrolled, a myriad of other negative condemnations may occur, including communications breakdown and reduced employee

collaboration. Having emotional intelligence and using it allows one to be successful by reasoning and learning to recognize emotions and direct them to facilitate the accomplishments needed for success.

#### Reference

Otken, A. B., & Cenkci, T. (2015). Big five personality traits and organizational dissent: The moderating role of organizational climate. *Business and Economics Research Journal*, 6(2), 1-23.