

Entrepreneurial Leadership & Organizational Behaviour

Prepared by Dr. Amany Ramadan

ENT 612

Lecture 8



Entrepreneurial Leadership & Organizational Behaviour

Lecture 8

ENT (612)

Prepared by
Dr. Amany Ramadan

Chapter

08

Organizational Behavior



The previous lecture covered the following topics

- Dimensions of Intellectual Ability
- General mental ability (GMA)
- Intellectual Ability and Job Satisfaction
- Physical Abilities
- Implementing Diversity Management Strategies
- Positive diversity climate
- Diversity management
- Diversity in Groups
- Diversity Programs
- Attitudes and Job Satisfaction
- The three components of an attitude.

Chapter

08

This lecture covers the following topics

- Outcomes of Job Satisfaction
- The Impact of Job Dissatisfaction
- Understanding the Impact
- Implications for Managers
- Emotions and Moods

Outcomes of Job Satisfaction

Job Performance

As a general rule, happy workers are more likely to be productive workers. Some researchers used to believe the relationship between job satisfaction and job performance was a myth, but a review of 300 studies suggested the correlation is quite robust. Individuals with higher job satisfaction perform better, and organizations with more satisfied employees tend to be more effective than those with fewer.

Organizational Citizenship Behavior (OCB)

It seems logical that job satisfaction should be a major determinant of an employee's organizational citizenship behavior. (OCBs) include people talking positively about their organizations, helping others, and going beyond the normal expectations of their jobs. Evidence suggests job satisfaction is moderately correlated with (OCB); people who are more satisfied with their jobs are more likely to engage in citizenship behavior.

Why does job satisfaction lead to OCB? One reason is trust. Research in 18 countries suggests that managers reciprocate employees' (OCBs) with trusting behaviors of their own. Individuals who feel their coworkers support them are also more likely to engage in helpful behaviors than those who have antagonistic coworker relationships.

Personality matters, too. Individuals with certain personality traits (agreeableness and conscientiousness, for example) are more satisfied with their work, which in turn leads them to engage in more (OCB). Finally, individuals who receive positive feedback on their (OCBs) from their peers are more likely to continue their citizenship activities.

Customer Satisfaction

Because service organization managers should be concerned with pleasing customers, it's reasonable to ask whether employee satisfaction is related to positive customer outcomes. For frontline employees who have regular customer contact, the answer is "yes." Satisfied employees appear to increase customer satisfaction and loyalty.

Life Satisfaction

Until now, we've treated job satisfaction as if it were separate from life satisfaction, but they may be more related than you think. Research in Europe indicates that job satisfaction is positively correlated with life satisfaction, and our attitudes and experiences in life spill over into our job approaches and experiences. Furthermore, life satisfaction decreases when people become unemployed, according to research in Germany, and not just because of the loss of income. For most individuals, work is an important part of life, and therefore it makes sense that our overall happiness depends in no small part on our happiness in our work (our job satisfaction).

The Impact of Job Dissatisfaction

The Impact of Job Dissatisfaction

What happens when employees dislike their jobs? One theoretical model—the exit–voice–loyalty–neglect framework—is helpful for understanding the consequences of dissatisfaction. The framework’s four responses differ along two dimensions:

constructive/destructive and **active/passive**. The responses are as follows:

Exit.

The exit response directs behavior toward leaving the organization, including looking for a new position or resigning. To measure the effects of this response to dissatisfaction, researchers study individual terminations and collective turnover—the total loss to the organization of employee knowledge, skills, abilities, and other characteristics.

Exit

Dissatisfaction expressed through behavior directed toward leaving the organization.

Voice. The voice response includes actively and constructively attempting to improve conditions, including suggesting improvements, discussing problems with superiors, and undertaking union activity.

Voice

Dissatisfaction expressed through active and constructive attempts to improve conditions.

Loyalty. The loyalty response means passively but optimistically waiting for conditions to improve, including speaking up for the organization in the face of external criticism and trusting the organization and its management to “do the right thing.”

Loyalty

Dissatisfaction expressed by passively waiting for conditions to improve.

Neglect. The neglect response passively allows conditions to worsen and includes chronic absenteeism or lateness, reduced effort, and an increased error rate.

Neglect

Dissatisfaction expressed through allowing conditions to worsen.

Exit and neglect behaviors are linked to performance variables such as productivity, absenteeism, and turnover. But this model expands employee responses to ***include voice and loyalty***—constructive behaviors that allow individuals to tolerate unpleasant situations or improve working conditions..

Counterproductive Work Behavior (CWB)

Counterproductive Work Behavior (CWB)

Substance abuse, stealing at work, undue socializing, gossiping, absenteeism, and tardiness are examples of behaviors that are destructive to organizations. They are indicators of a broader syndrome called counterproductive work behavior (CWB; related terms are deviant behavior in the workplace, or simply withdrawal behavior). Like other behaviors we have discussed, CWB doesn't just happen—the behaviors often follow negative and sometimes long-standing attitudes. Therefore, if we can identify the predictors of CWB, we may lessen the probability of its effects.

Counterproductive work behavior (CWB)

Intentional employee behavior that is contrary to the interests of the organization.

Generally, job dissatisfaction predicts CWB. People who are not satisfied with their work become frustrated, which lowers their performance and makes them more likely to commit CWB. Other research suggests that, in addition to vocational misfit (being in the wrong line of work), lack of fit with the organization (working in the wrong kind of organizational culture) predicts CWB. Our immediate social environment also matters. One German study suggests that we are influenced toward CWB by the norms of our immediate work environment, such that individuals in teams with high absenteeism are more likely to be absent themselves. CWB can, furthermore, be a response to abusive supervision from managers, which then spurs further abuse, starting a vicious cycle.

One important point about CWB is that dissatisfied employees often choose one or more specific behaviors due to idiosyncratic factors. One worker might quit. Another might use work time to surf the Internet or take work supplies home for personal use. *In short, workers who don't like their jobs "get even" in various ways.* Because those ways can be quite creative, controlling only one behavior with policies and punishments leaves the root cause untouched. Employers should seek to correct the source of the problem—the dissatisfaction—rather than try to control the different responses.

As a manager, you can take steps to mitigate CWB. You can poll employee attitudes, for instance, and identify areas for workplace improvement. If there is no vocational fit, the employee will not be fulfilled, so you can try to screen for that to avoid a mismatch. Tailoring tasks to a person's abilities and values should increase job satisfaction and reduce CWB. Furthermore, creating strong teams, integrating supervisors with them, providing formalized team policies, and introducing team-based incentives may help lower the CWB "contagion" that lowers the standards of the group.

Absenteeism

We find a consistent negative relationship between satisfaction and absenteeism, but the relationship is moderate to weak. Generally, when numerous alternative jobs are available, dissatisfied employees have high absence rates, but when there are few alternatives, dissatisfied employees have the same (low) rate of absence as satisfied employees. Organizations that provide liberal sick leave benefits are encouraging all their employees—including those who are highly satisfied—to take days off. You may find work satisfying yet still want to enjoy a three-day weekend if those days come free with no penalties.

Job embeddedness

The extent to which an employee's connections to the job and community result in an increased commitment to the organization.

Turnover

The relationship between job satisfaction and turnover is stronger than between satisfaction and absenteeism. Overall, a pattern of lowered job satisfaction is the best predictor of intent to leave. Turnover has a workplace environment connection too. If the climate within an employee's immediate workplace is one of low job satisfaction leading to turnover, there will be a contagion effect. This suggests managers should consider the job satisfaction (and turnover) patterns of co-workers when assigning workers to a new area. Employees' job embeddedness—connections to the job and community that result in an increased commitment to the organization—can be closely linked to their job satisfaction and the probability of turnover such that where job embeddedness is high, the probability of turnover decreases, particularly in collectivist (group-centred) cultures where membership in an organization is of high personal value. Job embeddedness also negatively predicts important employment outcomes of OCB, CWB, and absenteeism, and positively predicts job performance. Embedded employees thus seem more satisfied with their jobs and are less likely to want to consider alternative job prospects.

Understanding the Impact

Given the evidence we've just reviewed, it should come as no surprise that job satisfaction can affect the bottom line. One study by a management consulting firm separated large organizations into those with high morale (more than 70 percent of employees expressed overall job satisfaction) and medium or low morale (fewer than 70 percent). The stock prices of companies in the high-morale group grew 19.4 percent, compared with 10 percent for the medium- or low-morale group. Despite these results, many managers are unconcerned about employee job satisfaction. Others overestimate how satisfied employees are, so they don't think there's a problem when there is one. For example, in one study of 262 large employers, 86 percent of senior managers believed their organizations treated employees well, but only 55 percent of employees agreed; another study found 55 percent of managers, compared to only 38 percent of employees, thought morale was good in their organization.

Regular surveys can reduce gaps between what managers think employees feel and what they really feel. A gap in understanding can affect the bottom line in small franchise sites as well as in large companies. As manager of a KFC restaurant in Houston, Jonathan McDaniel surveyed his employees every three months. Results led him to make changes, such as giving employees greater say about which workdays they had off. McDaniel believed the process itself was valuable. “They really love giving their opinions,” he said. “That’s the most important part of it—that they have a voice and that they’re heard.” Surveys are no panacea, but if job attitudes are as important as we believe, organizations need to use every reasonable method find out how they can be improved.

Managers should be interested in their employees’ attitudes because attitudes influence behavior and indicate potential problems. Creating a satisfied workforce is hardly a guarantee of successful organizational performance, but evidence strongly suggests managers’ efforts to improve employee attitudes will likely result in positive outcomes, including greater organizational effectiveness, higher customer satisfaction, and increased profits.

Implications for Managers

Of the major job attitudes—job satisfaction, job involvement, organizational commitment, perceived organizational support (POS), and employee engagement—remember that an employee's job satisfaction level is the best single predictor of behavior.

Pay attention to your employees' job satisfaction levels as determinants of their performance, turnover, absenteeism, and withdrawal behaviors.

Measure employee job attitudes objectively and at regular intervals in order to determine how employees are reacting to their work.

To raise employee satisfaction, evaluate the fit between the employee's work interests and the intrinsic parts of the job; then create work that is challenging and interesting to the individual.

Consider the fact that high pay alone is unlikely to create a satisfying work environment.

Emotions and Moods

What are Emotions and Moods?

In our analysis of the role of emotions and moods in the workplace, we need three terms that are closely intertwined: affect, emotions, and moods. Affect is a generic term that covers a broad range of feelings, including both emotions and moods. Emotions are intense feelings directed at someone or something. Moods are less intense feelings than emotions and often arise without a specific event acting as a stimulus. Exhibit 4-1 shows the relationships among affect, emotions, and moods.

Exhibit 4-1 Affect, Emotions, and Moods

Affect

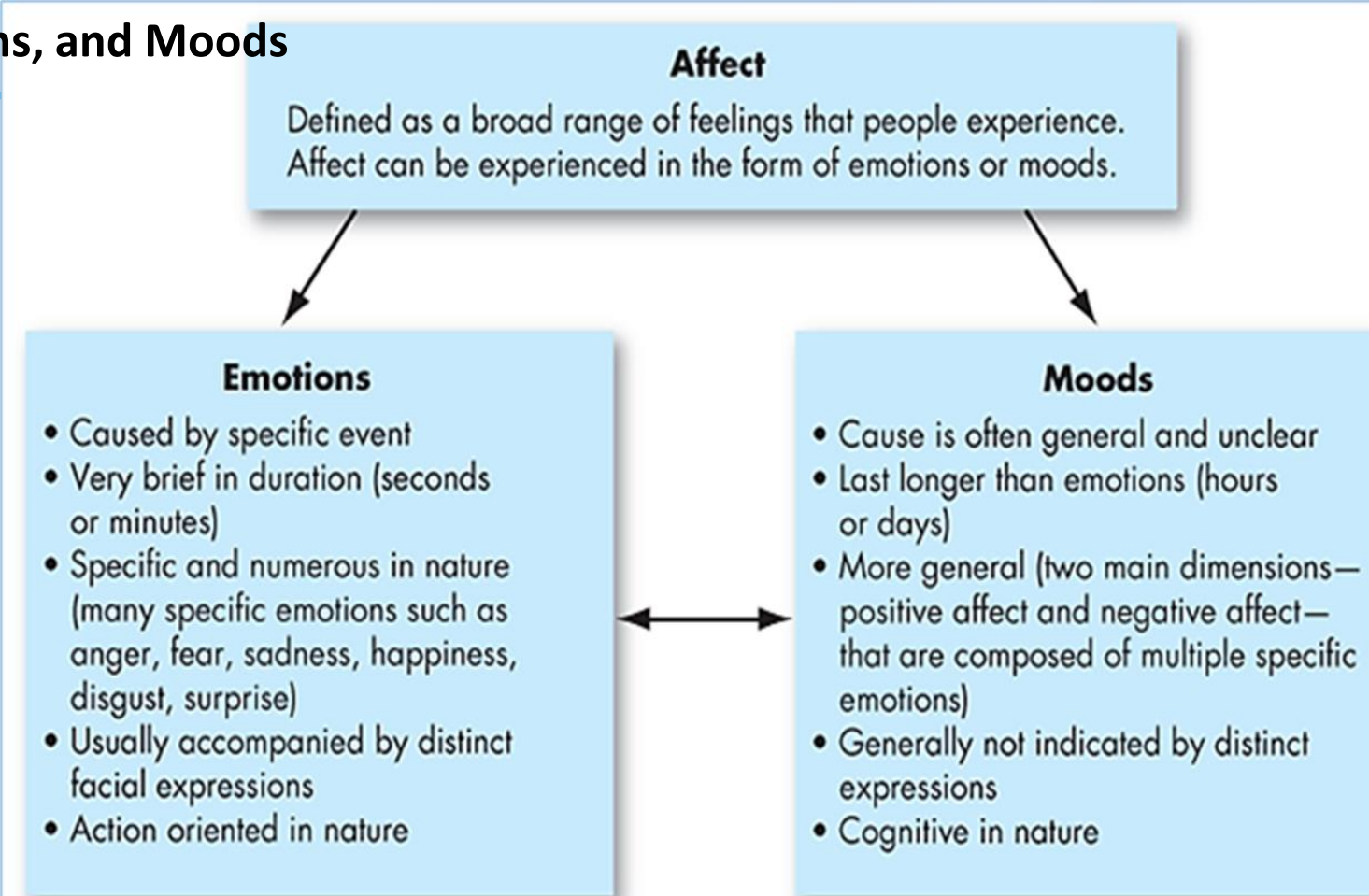
A broad range of feelings that people experience.

Emotions

Intense feelings that are directed at someone or something

Moods

Feelings that tend to be less intense than emotions and that lack a contextual stimulus.



First, as the exhibit shows, affect is a broad term that encompasses emotions and moods. **Second**, there are differences between emotions and moods. Emotions are more likely to be caused by a specific event and are more fleeting than moods. Also, some researchers speculate that emotions may be more action-oriented—they may lead us to some immediate action—while moods may be more cognitive, meaning they may cause us to think or brood for a while.

Affect, emotions, and moods are separable in theory; in practice, the distinction isn't always defined. When we review the OB topics on emotions and moods, you may see more information about emotions in one area and more about moods in another. This is simply the state of the research. Let's start with a review of the basic emotions.

The Basic Emotions

How many emotions are there? There are dozens, including anger, contempt, enthusiasm, envy, fear, frustration, disappointment, embarrassment, disgust, happiness, hate, hope, jealousy, joy, love, pride, surprise, and sadness. Numerous researchers have tried to limit them to a fundamental set. Other scholars argue that it makes no sense to think in terms of “basic” emotions, because even emotions we rarely experience, such as shock, can have a powerful effect on us. It’s unlikely psychologists or philosophers will ever completely agree on a set of basic emotions, or even on whether there is such a thing. Still, many researchers agree on six universal emotions—anger, fear, sadness, happiness, disgust, and surprise. We sometimes mistake happiness for surprise, but rarely do we confuse happiness and disgust.

Psychologists have tried to identify basic emotions by studying how we express them. Of our myriad ways of expressing emotions, facial expressions have proved one of the most difficult to interpret. One problem is that some emotions are too complex to be easily represented on our faces. Second, people may not interpret emotions from vocalizations (such as sighs or screams) the same way across cultures. One study found that while vocalizations conveyed meaning in all cultures, the specific emotions people perceived varied. For example, Himba participants (from northwestern Namibia) did not agree with Western participants that crying meant sadness or a growl meant anger. Lastly, cultures have norms that govern emotional expression, so the way we experience an emotion isn't always the same as the way we show it. For example, people in the Middle East and the United States recognize a smile as indicating happiness, but in the Middle East, a smile is also often interpreted as a sign of sexual attraction, so women have learned not to smile at men.

Cultural differences regarding emotions can be apparent between countries that are individualistic and collectivistic—broad terms that describe the general outlook of people in a society. Individualistic countries are those in which people see themselves as independent and desire personal goals and personal control. Individualistic values are present in North America and Western Europe, for example. Collectivistic countries are those in which people see themselves as interdependent and seek community and group goals. Collectivistic values are found in Asia, Africa, and South America, for example.⁹ For this application, we find that in collectivist countries, people are more likely to believe another's emotional displays are connected to their personal relationship, while people in individualistic cultures don't think others' emotional expressions are directed at them.

Individualistic

Countries/cultures in which people see themselves as independent and desire personal goals and personal control. Individualistic values are present in North America and Western Europe, for example.

Collectivistic

Cultural difference regarding emotions can be apparent between countries that are individualistic and collectivistic—broad terms that describe the general outlook of people in a society.

Moral Emotions

Researchers have been studying what are called moral emotions; that is, emotions that have moral implications because of our instant judgment of the situation that evokes them. Examples of moral emotions include sympathy for the suffering of others, guilt about our own immoral behavior, anger about injustice done to others, and contempt for those who behave unethically.

Moral emotions

Emotions that have moral implications because of our instant judgment of the situation that evokes them.

Another example is the disgust we feel about violations of moral norms, called moral disgust. Moral disgust is different from disgust. Say you stepped in cow dung by mistake—you might feel disgusted by it, but not moral disgust—you probably wouldn't make a moral judgment. In contrast, say you watched a video of a police officer making a sexist or racist slur. You might feel disgusted in a different way because it offends your sense of right and wrong. In fact, you might feel a variety of emotions based on your moral judgment of the situation.

The Basic Moods: Positive and Negative Affect

Emotions can be fleeting, but moods can endure... for quite a while. As a first step toward studying the effect of moods and emotions in the workplace, we classify emotions into **two categories: positive and negative**. Positive emotions—such as joy and gratitude—express a favorable evaluation or feeling. Negative emotions—such as anger and guilt—express the opposite. Keep in mind that emotions can't be neutral. Being neutral is being nonemotional

The two categories of emotions represent overall mood states, known as positive and negative affect (see Exhibit 4-2). We can think of **positive affect** as a mood dimension consisting of positive emotions such as excitement, enthusiasm, and elation at the high end (high positive affect) and boredom, depression, and fatigue at the low end (low positive affect, or lack of positive affect).

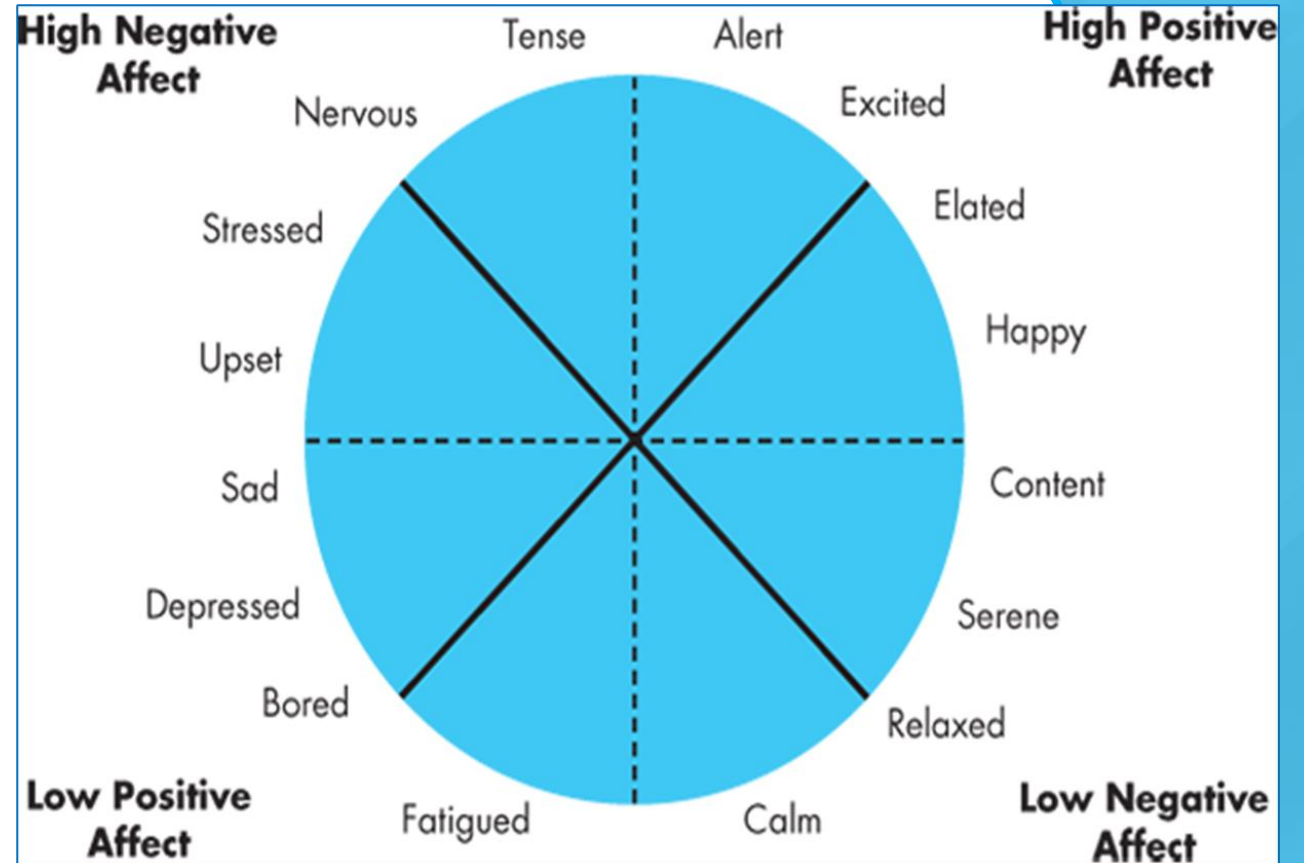
Negative affect is a mood dimension consisting of nervousness, stress, and anxiety at the high end (high negative affect) and contentedness, calmness, and serenity at the low end (low negative affect, or lack of negative affect). While we rarely experience both positive and negative affect at the same time, over time people do differ in how much they experience of each. Some people (we might call them emotional or intense) may experience quite a bit of high positive and high negative affect over, say, a week's time. Others (we might call them unemotional or phlegmatic) experience little of either. And still others may experience one much more predominately than the other

Positive affect

A mood dimension that consists of specific positive emotions such as excitement, self-assurance, and cheerfulness at the high end and boredom, sluggishness, and tiredness at the low end.

Negative affect

A mood dimension that consists of emotions such as nervousness, stress, and anxiety at the high end and relaxation, tranquility, and poise at the low end.



Experiencing Moods and Emotions

As if it weren't complex enough to consider the many distinct emotions and moods a person might identify, the reality is that we each experience moods and emotions differently. For most people, positive moods are somewhat more common than negative moods. Indeed, research finds a positivity offset, meaning that at zero input (when nothing in particular is going on), most individuals experience a mildly positive mood. This appears to be true for employees in a wide range of job settings. For example, one study of customer-service representatives in a British call center revealed that people reported experiencing positive moods 58 percent of the time, despite the stressful environment. Another research finding is that negative emotions lead to negative moods.

Positivity offset

The tendency of most individuals to experience a mildly positive mood at zero input (when nothing in particular is going on).

The Function of Emotions

Emotions may be a mystery, but they can be critical to an effectively functioning workplace. For example, employees with more positive emotions demonstrate higher performance and organizational citizenship behaviour (OCB), less turnover and counterproductive work behavior (CWB), particularly when they feel supported by their organizations in their effort to do well in their jobs. Gratefulness and awe have also been shown to positively predict OCB, which in turn increases trust and emotional expressions of concern.

Personality

Moods and emotions have a personality trait component, meaning that some people have built-in, natural tendencies to experience certain moods and emotions more frequently than others do. People also experience the same emotions with different intensities; the degree to which they experience them is called their affect intensity. **Affectively intense** people experience both positive and negative emotions deeply: when they're sad, they're really sad, and when they're happy, they're really happy.

Affect intensity

Individual differences in the strength with which individuals experience their emotions.

Time of Day

Moods vary by the time of day. A fascinating study assessed patterns by analyzing millions of Twitter messages from across the globe. The researchers noted the presence of words connoting positive affect (happy, enthused, excited) and negative affect (sad, angry, anxious).

The research shows that the negative effect is lowest in the morning and tends to increase over the course of the day and evening.

Day of the Week

Are people in their best moods on the weekends? In most cultures that is true—for example, U.S. adults tend to experience their highest positive effect on Friday, Saturday, and Sunday, and their lowest on Monday.

As for negative affect, Monday is the highest negative-affect day across most cultures. However, in some countries, negative affect is lower on Friday and Saturday than on Sunday. It may be that while Sunday is enjoyable as a day off (and thus we have higher positive affect), we also get a bit stressed about the week ahead (which is why negative affect is higher).

Weather

When do you think you would be in a better mood—when it's 30 degrees and sunny, or on a gloomy, cold, rainy day? Many people believe their mood is tied to the weather. However, a fairly large and detailed body of evidence suggests weather has little effect on mood, at least for most people. Illusory correlation, which occurs when we associate two events that in reality have no connection, explains why people tend to think weather influences them. For example, employees may be more productive on bad weather days, a study in Japan and the United States recently indicated, but not because of mood—instead, the worse weather removed some work distractions.

Illusory correlation

The tendency of people to associate two events when in reality there is no connection.

Stress

As you might imagine, stressful events at work (a nasty e-mail, impending deadline, loss of a big sale, reprimand from the boss, etc.) can negatively affect moods. The effects of stress also build over time. Mounting levels of stress can worsen our moods, as we experience more negative emotions.

Sleep

Sleep quality affects moods and decision making, and increased fatigue puts workers at risk of disease, injury, and depression. Poor or reduced sleep also makes it difficult to control emotions. Even one bad night's sleep makes us more angry and risk-prone. Poor sleep impairs job satisfaction and makes us less able to make ethical judgments. On the positive side, increased regular sleep enhances creativity, performance, and career success.

Exercise

You often hear that people should exercise to improve their mood. Does “sweat therapy” really work? It appears so. Research consistently shows exercise enhances people's positive moods. While not terribly strong overall, the effects are strongest for those who are depressed.

Age

Do young people experience more extreme positive emotions (so-called youthful exuberance) than older people? Surprisingly, no. What about age and satisfaction? Regarding life satisfaction, there is a cultural assumption that older people are more prone to depression and loneliness. Actually, a study of adults ages 18 to 94 found that positive moods increased with age. “Contrary to the popular view that youth is the best time of life, the peak of emotional life may not occur until well into the seventh decade,” researcher Laura Carstensen said.

Sex

Many people believe women are more emotional than men. Is there any truth to this? Evidence does confirm women experience emotions more intensely, tend to “hold onto” emotions longer than men, and display more frequent expressions of both positive and negative emotions, except anger. One study of participants from different countries found that men consistently reported higher levels of powerful emotions like anger, whereas women reported more powerless emotions like sadness and fear. Thus, there are some sex differences in the experience and expression of emotions.

Let’s put together what we’ve learned about emotions and moods with workplace coping strategies, beginning with emotional labor

Emotional Labor

Employees expend physical and mental labor by putting body and mind, respectively, into their jobs. But jobs also require emotional labor, an employee's expression of organizationally desired emotions during interpersonal transactions at work. Emotional labor is a key component of effective job performance. We expect flight attendants to be cheerful, funeral directors to be sad, and doctors to be emotionally neutral. At the least, your managers expect you to be courteous, not hostile, in your interactions with coworkers.

Emotional labour

A situation in which an employee expresses organizationally desired emotions during interpersonal transactions at work

Controlling Emotional Displays

The way we experience an emotion is obviously not always the same as the way we show it. To analyze emotional labor, we divide emotions into felt or displayed emotions. Felt emotions are our actual emotions. In contrast, displayed emotions are those the organization requires workers to show and considers appropriate in a given job. They're not innate; they're learned, and they may or may not coincide with felt emotions. For instance, research suggests that in U.S. workplaces, it is expected that employees should typically display positive emotions like happiness and excitement, and suppress negative emotions like fear, anger, disgust, and contempt.

Felt emotions

An individual's actual emotions

Displayed emotions

Emotions that are organizationally required and considered appropriate in a given job.

Displaying fake emotions requires us to suppress real ones. Surface acting is hiding inner feelings and emotional expressions in response to display rules. Surface acting is literally “putting on a face” of appropriate response to a given situation, like smiling at a customer when you don’t feel like it. Surface acting on a daily basis can also lead to emotional exhaustion at home, work-family conflict, and insomnia. In the workplace, daily surface acting leads to exhaustion, fewer OCBs, increased stress, and decreased job satisfaction. Perhaps due to the costs of creatively expressing what we don’t feel, individuals who vary their surface-acting responses may have lower job satisfaction and higher levels of work withdrawal than those who consistently give the same responses. Employees who engage in surface displays should be given a chance to relax and recharge. For example, a study that looked at how cheerleading instructors spent their breaks from teaching found those who used the time to rest and relax were more effective after their breaks than those who did chores during their breaks.

Surface acting

hiding one's inner feelings and forgoing emotional expressions in response to display rules.

Deep acting is trying to modify our true inner feelings based on display rules. Surface acting deals with displayed emotions, and deep acting deals with felt emotions. Deep acting is less psychologically costly than surface acting because we are actually trying to experience the emotion, so we experience less emotional exhaustion. In the workplace, deep acting can have a positive impact. For example, one study in the Netherlands and Germany found that individuals in service jobs earned significantly more direct pay (tips) after they received training in deep acting. Deep acting has a positive relationship with job satisfaction and job performance. Employees who can depersonalize or standardize their work interactions that require emotional labor may be able to successfully carry on their acting while thinking of other tasks, thus bypassing the emotional impact.

Deep acting: Trying to modify one's true inner feelings based on display rules.

Emotional Dissonance and Mindfulness

When employees have to project one emotion while feeling another, this disparity is called emotional dissonance. Bottled-up feelings of frustration, anger, and resentment can lead to emotional exhaustion. Long-term emotional dissonance is a predictor for job burnout, declines in job performance, and lower job satisfaction.

Emotional dissonance

Inconsistencies between the emotions people feel and the emotions they project.

Mindfulness

Objectively and deliberately evaluating the emotional situation in the moment.

References:

Organizational Behavior 14th Edition by Stephen P Robbins and Timothy A Judge.



Thank You