After studying this chapter, you should be able to:

1. Explain the factors that determine an individual’s personality.
2. Describe the Myers–Briggs Type Indicator personality framework.
3. Identify the key traits in the Big Five personality model.
4. Explain how the major personality attributes predict behavior at work.
5. Contrast terminal and instrumental values.
6. List the dominant values in today’s workforce.
7. Identify Hofstede’s five value dimensions of national culture.

Our personality shapes our behavior, so if we want to better understand the behavior of someone in an organization, it helps if we know something about his or her personality. In the first half of this chapter, we review the research on personality and its relationship to behavior. In the latter half, we look at how values shape many of our work-related behaviors.

**PERSONALITY**

Why are some people quiet and passive, whereas others are loud and aggressive? Are certain personality types better adapted for certain job types? Before we can answer these questions, we must address a more basic one: What is personality?

**What Is Personality?**

*Personality* can be thought of as the sum total of ways in which an individual reacts to and interacts with others. It is most often described in terms of measurable traits that a person exhibits.
Part II  The Individual in the Organization

Personality Traits

The early research on the structure of personality revolved around attempts to identify and label enduring characteristics that describe an individual’s behavior. Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal, and timid. Those characteristics, when they’re exhibited in a large number of situations, are called personality traits.

Much attention has been paid to personality traits because researchers have long believed that these traits could help in employee selection, matching people to jobs, and in guiding career development decisions. For instance, if certain personality types perform better on specific jobs, management could use personality tests to screen job candidates and improve employee job performance. However, early efforts to identify the primary traits that govern behavior resulted in long lists of traits that provided little practical guidance to organizational decision makers. Two exceptions are the Myers–Briggs Type Indicator and the Big Five model. Over the past 20 years, these two approaches have become the dominant frameworks for identifying and classifying traits.

The Myers–Briggs Type Indicator  The Myers–Briggs Type Indicator (MBTI) is the most widely used personality-assessment instrument in the world. It’s a 100-question personality test that asks people how they usually feel or act in particular situations. On the basis of the answers individuals give to the test questions, they are classified as extroverted or introverted (E or I), sensing or intuitive (S or N), thinking or feeling (T or F), and judging or perceiving (J or P). These terms are defined as follows:

- **Extroverted Versus Introverted**—Extroverted individuals are outgoing, sociable, and assertive. Introverts are quiet and shy.
- **Sensing Versus Intuitive**—Sensing types are practical and prefer routine and order. They focus on details. Intuitives rely on unconscious processes and look at the big picture.
- **Thinking Versus Feeling**—Thinking types use reason and logic to handle problems. Feeling types rely on their personal values and emotions.
- **Judging Versus Perceiving**—Judging types want control and prefer their world to be ordered and structured. Perceiving types are flexible and spontaneous.

These classifications are then combined into 16 personality types. Let’s take two examples. INTJs are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn. ESTJs are organizers. They are realistic, logical, analytical, and decisive and have a natural head for business or mechanics. They like to organize and run activities.

The MBTI is widely used by such organizations as Apple Computer, AT&T, GE, and the U.S. Armed Forces. In spite of its popularity, the evidence is mixed as to whether the MBTI is a valid measure of personality—with most of the evidence suggesting it isn’t. The best we can say is that it can be a valuable tool for increasing self-awareness and for providing career guidance. But because MBTI results tend to be unrelated to job performance, it probably should not be used as a selection test for choosing among job candidates.
The Big Five Model  In contrast to the MBTI, the five-factor model of personality—more typically called the Big Five—has received strong supporting evidence. An impressive body of research, accumulated in recent years, supports that five basic dimensions underlie all others and encompass most of the significant variation in human personality. The following are the Big Five factors:

- **Extroversion**—This dimension captures one’s comfort level with relationships. Extroverts tend to be gregarious, assertive, and sociable. Introverts tend to be reserved, timid, and quiet.

- **Agreeableness**—This dimension refers to an individual’s propensity to defer to others. Highly agreeable people are cooperative, warm, and trusting. People who score low on agreeableness are cold, disagreeable, and antagonistic.

- **Conscientiousness**—This dimension is a measure of reliability. A highly conscientious person is responsible, organized, dependable, and persistent. Those who score low on this dimension are easily distracted, disorganized, and unreliable.

- **Emotional stability** (often labeled by its converse, neuroticism)—This dimension taps a person’s ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure.

- **Openness to experience**—This dimension addresses one’s range of interests and fascination with novelty. Extremely open people are creative, curious, and artistically sensitive. Those at the other end of the openness category are conventional and find comfort in the familiar.

In addition to providing a unifying personality framework, research on the Big Five also has found relationships between these personality dimensions and job performance. Researchers examined a broad spectrum of occupations: professionals (including engineers, architects, accountants, attorneys), police, managers, salespeople, and semiskilled and skilled employees. The results showed that conscientiousness predicted job performance for all occupational groups. Evidence also finds a relatively strong and consistent relationship between conscientiousness and organizational citizenship behavior. This, however, seems to be the only Big Five personality dimension that predicts OCB.

For the other personality dimensions, predictability depended on both the performance criterion and the occupational group. For instance, extroversion predicted performance in managerial and sales positions. This finding makes sense because those occupations involve high social interaction. Similarly, openness to experience was found to be important in predicting training proficiency, which also seems logical. What wasn’t so clear was why positive emotional stability wasn’t related to job performance. Intuitively, it would seem that people who are calm and secure would perform better in almost all jobs than people who are nervous and depressed. The answer might be that some aspects of negative emotional stability—such as nervousness—might actually help job performance. Consider a stock trader at a Wall Street firm. If she fails to research all her options thoroughly and is never nervous about making the wrong transaction, she may fail to see the danger in, say, purchasing stock in a volatile young company. The other aspect of negative emotional stability—a depressive outlook—is bad for every job because when you’re depressed, it’s difficult to motivate
you make a decision, or to take a risk. So, it may be that negative emotional
stability has aspects that both help and hinder performance.

You may be interested to know that the Big Five have other implications for
work and for life. Let’s look at the implications of these traits one at a time.

Compared to introverts, extroverts tend to be happier in their jobs and in their
lives as a whole. They usually have more friends and spend more time in social situa-
tions than introverts. But they also appear to be more impulsive, as evidenced by the
fact that extroverts are more likely to be absent from work and engage in risky behav-
ior such as unprotected sex, drinking, and other impulsive or sensation-seeking
behavior.6

You might expect agreeable people to be happier than disagreeable people, and
they are, but only slightly. When people choose romantic partners, friends, or organi-
zational team members, agreeable individuals are usually their first choice. Agreeable
children do better in school and as adults are less likely to get involved in drugs or
excessive drinking.7

Interestingly, conscientious people live longer because they tend to take better
care of themselves (eat better, exercise more) and engage in fewer risky behaviors
(smoking, drinking/drugs, risky sexual or driving behavior).8 Still, conscientiousness
has its downside. It appears that conscientious people, probably because they’re so
organized and structured, don’t adapt as well to changing contexts. Conscientious
people are generally performance oriented. They have more trouble than less consci-
entious people learning complex skills early on because their focus is on performing
well rather than on learning.

People who score high on emotional stability are happier than those
who score low on emotional stability. Of the Big Five, emotional
stability is most strongly related to life satisfaction, to job satisfaction, and to
low stress levels. High scores on emotional stability also are associated
with fewer health complaints. One upside for low emotional stability:
When in a bad mood, such people make faster and better decisions com-
pared to emotionally stable people in bad moods.9

Finally, individuals who score high on openness to experience are more creative
in science and in art, tend to be less religious, and are more likely to be politically lib-
eral than those who score lower on openness to experience. Open people cope better
with organizational change and are more adaptable in changing contexts.

Major Personality Attributes Influencing OB

Let’s evaluate several additional personality attributes that can be powerful predictors
of behavior in organizations:

- Core self-evaluation
- Machiavellianism
- Narcissism
- Self-monitoring
- Risk taking
- Type A and proactive personalities
Core Self-Evaluation  People who have a positive core self-evaluation like themselves and see themselves as effective, capable, and in control of their environments. Those with a negative core self-evaluation tend to dislike themselves, question their capabilities, and view themselves as powerless over their environments.

Two main elements determine an individual’s core self-evaluation:

1. **Self-esteem** is defined as individuals’ degree of liking or disliking themselves and the degree to which they think they are worthy or unworthy as people. People who have a positive view of themselves and their capabilities tend to like themselves and see themselves as valuable. People with low self-esteem, however, are more susceptible to external influences, suggesting that individuals with low self-esteem depend on the receipt of positive evaluations from others. As a result, people with low self-esteem are more likely to seek approval from others and are more prone to conform to the beliefs and behaviors of those they respect than are people who believe in themselves. Studies have shown that people with low self-esteem may benefit more from training programs because their self-concept is more influenced by such interventions.

2. **Locus of control** is the degree to which people believe they are masters of their own fate. Internals are individuals who believe that they control what happens to them. Externals are individuals who believe that what happens to them is controlled by outside forces, such as luck or chance. Locus of control is an indicator of core self-evaluation because people who think they lack control over their lives tend to lack confidence in themselves. For example, if you think your success in school is determined by the whim of the professor or by blind luck, you probably don’t have a lot of confidence in your ability to get straight A’s, you would have an external locus of control, and most likely this would reflect a negative core self-evaluation.

How is the concept of core self-evaluations related to job satisfaction and job performance? On the issue of job satisfaction, people with positive core self-evaluations see more challenge in their jobs, which results in more satisfaction. Individuals with positive core self-evaluations also tend to obtain more complex and challenging jobs, perceive themselves as having control over their jobs, and tend to attribute positive outcomes to their own actions. Related to job performance, people with positive core self-evaluations perform better because they set more ambitious goals, are more committed to their goals, and persist longer when attempting to reach these goals. For example, one study of life insurance agents found that the majority of the successful salespersons had positive core self-evaluations.

You might wonder whether someone can be too positive. In other words, what happens when someone thinks he is capable but is actually incompetent? One study of Fortune 500 CEOs, for example, showed that many CEOs are overconfident and that this self-perceived infallibility often causes them to make bad decisions. Though overconfidence surely exists, very often we sell ourselves short and are less effective. If I decide I can’t do something, for example, I won’t try, and not doing it only reinforces my self-doubts.

**Machiavellianism**  The personality characteristic of Machiavellianism (Mach) is named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and use power. An individual high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify means. “If it works, use it” is consistent with a high-Mach perspective. A considerable amount of research has been
directed toward relating high- and low-Mach personalities to certain behavioral outcomes. High Machs manipulate more, win more, are persuaded less, and persuade others more than do low Machs. Yet these high-Mach outcomes are moderated by situational factors. It has been found that high Machs flourish (1) when they interact face to face with others rather than indirectly; (2) when the situation has a minimum number of rules and regulations, thus allowing latitude for improvisation; and (3) when emotional involvement with details irrelevant to winning distracts low Machs.

Should we conclude that high Machs make good employees? That answer depends on the type of job and whether you consider ethical implications in evaluating performance. In jobs that require bargaining skills (such as labor negotiation) or that offer substantial rewards for winning (as in commissioned sales), high Machs will be productive. But if ends can’t justify the means, if absolute standards of behavior exist, or if the three situational factors noted in the preceding paragraph are absent, our ability to predict a high-Mach’s performance will be severely curtailed.

**Narcissism** A person high in narcissism has a grandiose sense of self-importance, requires excessive admiration, has a sense of entitlement, and is arrogant. The term narcissist comes from the Greek myth of Narcissus, the story of a man so vain and proud that he fell in love with his own image.

In terms of the workplace, one study found that while narcissists thought they were better leaders than their colleagues, their supervisors actually rated them as worse leaders. For example, an Oracle executive described that company’s CEO Larry Ellison as follows: “The difference between God and Larry is that God does not believe he is Larry.” Because narcissists often want to gain the admiration of others and receive affirmation of their superiority, they tend to talk down (to treat others as if they were inferior) to those who threaten them. Narcissists also tend to be selfish and exploitive, and they often carry the attitude that others exist for their benefit. Studies indicate that narcissists are rated by their bosses as less effective at their jobs, particularly when it comes to helping other people.

**Self-Monitoring** Individuals high in self-monitoring show considerable adaptability in adjusting their behavior to external, situational factors. They are highly sensitive to external cues and can behave differently in different situations. High self-monitors are capable of presenting striking contradictions between their public persona and their private self. Low self-monitors can’t disguise themselves in that way. They tend to display their true dispositions and attitudes in every situation; hence, who they are and what they do display high behavioral consistency.

The evidence indicates that high self-monitors tend to pay closer attention to the behavior of others and are more capable of conforming than are low self-monitors. They also receive better performance ratings, are more likely to emerge as leaders, and show less commitment to their organizations. In addition, high self-monitoring managers tend to be more mobile in their careers, receive more promotions (both internal and cross-organizational), and are more likely to occupy central positions in an organization.

**Risk Taking** People differ in their willingness to take chances. This propensity to assume or avoid risk affects how long it takes managers to make a decision and how much information they require before making a choice. For instance, 79 managers...
worked on simulated personnel exercises that required them to make hiring decisions.\(^{25}\) High risk-taking managers made more rapid decisions and used less information in making their choices than did the low risk-taking managers. Interestingly, the decision accuracy was the same for both groups.

Although previous studies have shown managers in large organizations to be more risk averse than are growth-oriented entrepreneurs who actively manage small businesses, recent findings suggest that managers in large organizations may actually be more willing to take a risk than entrepreneurs.\(^{26}\) The work population as a whole also exhibits differences in risk propensity.\(^{27}\) As a result, it makes sense to recognize these differences and even to consider aligning risk-taking propensity with specific job demands. For instance, a high risk-taking propensity may lead to more effective performance for a stock trader in a brokerage firm because that type of job demands rapid decision making. On the other hand, a willingness to take risks might prove a major obstacle to an accountant who performs auditing activities. The latter job might be better filled by someone with a low risk-taking propensity.

**Type A Personality**  Do you know people who are excessively competitive and always seem to be experiencing a sense of time urgency? If you do, it’s a good bet that those people have a *Type A personality*. A person with a Type A personality is “aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so, against the opposing efforts of other things or other persons.”\(^{28}\) In the North American culture, such characteristics tend to be highly prized and positively associated with ambition and the successful acquisition of material goods. Type A’s:

1. are always moving, walking, and eating rapidly;
2. feel impatient with the rate at which most events take place;
3. strive to think or do two or more things at once;
4. cannot cope with leisure time;
5. are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire.

Type A’s operate under moderate to high levels of stress. They subject themselves to more or less continuous time pressure, creating for themselves a life of deadlines. These characteristics result in some rather specific behavioral outcomes. For example, Type A’s are fast workers, because they emphasize quantity over quality. In managerial positions, Type A’s demonstrate their competitiveness by working long hours and, not infrequently, making poor decisions because they make them too fast. Type A’s are also rarely creative. Because of their concern with quantity and speed, they rely on past experiences when faced with problems. They will not allocate the time necessary to develop unique solutions to new problems.

In contrast to the Type A personality is the Type B, who is exactly opposite. Type B’s are “rarely harried by the desire to obtain a wildly increasing number of things or participate in an endless growing series of events in an ever-decreasing amount of time.”\(^{29}\) Type B’s:

1. never suffer from a sense of time urgency with its accompanying impatience;
2. feel no need to display or discuss either their achievements or accomplishments unless such exposure is demanded by the situation;
3. play for fun and relaxation, rather than to exhibit their superiority at any cost;
4. can relax without guilt.

Do Type A’s differ from Type B’s in their ability to get hired? The answer appears to be “Yes.” Type A’s do better in job interviews because they are more likely to be judged as having desirable traits such as high drive, competence, aggressiveness, and success motivation.

**Proactive Personality** Individuals with a proactive personality identify opportunities, show initiative, take action, and persevere until meaningful change occurs. They create positive change in their environment, regardless or even in spite of constraints or obstacles. Not surprisingly, proactives have many desirable behaviors that organizations covet. For instance, the evidence indicates that proactives are more likely to be seen as leaders and more likely to act as change agents within the organization. Other actions of proactives can be positive or negative, depending on the organization and the situation. For example, proactives are more likely to challenge the status quo or voice their displeasure when situations aren’t to their liking. As individuals, proactives are more likely to achieve career success. This is because they select, create, and influence work situations in their favor. Proactives are more likely to seek out job and organizational information, develop contacts in high places, engage in career planning, and demonstrate persistence in the face of career obstacles.

**Personality and National Culture**

Do personality frameworks, like the Big Five model, transfer across cultures? Are dimensions like locus of control and the Type A personality relevant in all cultures? Let’s try to answer these questions.

The five personality factors identified in the Big Five model appear in almost all cross-cultural studies. This includes a wide variety of diverse cultures, such as China, Israel, Germany, Japan, Spain, Nigeria, Norway, Pakistan, and the United States. Most differences appear related to which dimensions are emphasized and whether countries are predominantly individualistic—meaning that people prefer to act as individuals rather than as members of groups—or collectivistic—where there’s a tight social framework in which people expect others in groups of which they are a part to look after them and protect them. Chinese companies, for example, use the category of conscientiousness more often and the category of agreeableness less often than do U.S. firms. And the Big Five appear to predict a bit better in individualistic cultures than in collectivist ones. But there is a surprisingly high amount of agreement, especially among individuals from developed countries. A comprehensive review of studies covering people from the 15-nation European Community found that conscientiousness was a valid predictor of performance across jobs and occupational groups. This is exactly what U.S. studies have found.

No common personality types dominate any given country, as high and low risk takers are found in almost all cultures. However, a country’s culture influences the dominant personality characteristics of its population. We can see this by looking at locus of control and the Type A personality. Evidence indicates that cultures differ in terms of people’s relationships to their environments. In some cultures, such as those in North America, people believe that they can dominate their environments. People in other societies, such as
Middle Eastern countries, believe that life is essentially preordained. Note the close parallel to internal and external locus of control.\textsuperscript{38} We should expect, therefore, a larger proportion of internals in U.S. and Canadian workforces than in the Saudi Arabian or Iranian workforces.

The prevalence of Type A personalities will be influenced somewhat by the culture in which a person grows up. Type A's reside in every country, but more are found in capitalistic countries, where achievement and material success are highly valued. It is estimated that about 50 percent of the North American population is Type A.\textsuperscript{39} This percentage shouldn't be too surprising. The United States and Canada both have a high emphasis on time management and efficiency. Both have cultures that stress accomplishments and acquisition of money and material goods. In cultures such as Sweden and France, where materialism is less revered, we would predict a smaller proportion of Type A personalities.

Values

While personality and values are related, they're not the same. Values are often very specific, describing belief systems rather than behavioral tendencies. Some beliefs or values don't say much about a person's personality, and people don't always act in ways consistent with their values.

Values represent basic, enduring convictions that “a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.”\textsuperscript{40} Values involve judgment because they represent an individual's ideas about what is right, good, or desirable. All of us have a hierarchy of values that form our value system. This system is identified by the relative importance we assign to values such as freedom, pleasure, self-respect, honesty, obedience, and equality. We can evaluate values in relation to two attributes:

1. The \textit{content attribute}, which says that a mode of conduct or end-state of existence is \textit{important}.
2. The \textit{intensity attribute}, which specifies \textit{how important} it is. When we rank an individual's values in terms of their intensity, we obtain that person's \textit{value system}.

Types of Values

Can we classify values? Yes we can, and two approaches help us to develop value typologies.

Rokeach Value Survey  Milton Rokeach created the Rokeach Value Survey (RVS).\textsuperscript{41} The RVS consists of two sets of values, with each set containing 18 individual value items. One set, called \textit{terminal values}, refers to desirable end-states. These are the goals that a person would like to achieve during his or her lifetime. The other set, called \textit{instrumental values}, refers to preferable modes of behavior, or means of achieving the terminal values. Exhibit 3-1 gives common examples for each of these sets.

Several studies confirm that the RVS values vary among groups.\textsuperscript{42} People in the same occupations or categories (for example, corporate managers, union members, parents, students) tend to hold similar values. For instance, one study compared corporate executives, members of the steelworkers' union, and members of a community activist group. Although a good deal of overlap was found among the three groups,
there were also some very significant differences (see Exhibit 3-2). The activists had value preferences that were quite different from those of the other two groups. They ranked *equality* as their most important terminal value; executives and union members ranked this value 12 and 13, respectively. Activists ranked *helpful* as their second-highest instrumental value. The other two groups both ranked it 14. These differences are important because executives, union members, and activists all have a vested interest in what corporations do. These differences make it difficult when these groups have to negotiate with each other, and they can create serious conflicts when they contend with each other over an organization’s economic and social policies.

**Contemporary Work Cohorts**  We have integrated several recent analyses of work values into four groups that attempt to capture the unique values of different cohorts or generations in the U.S. workforce. Exhibit 3-3 proposes that employees can be segmented by the era in which they entered the workforce. Because most people start work between the ages of 18 and 23, the eras also correlate closely with the chronological age of employees.

Before going any further, let’s acknowledge some limitations of this analysis:

1. We make no assumption that this framework applies universally across all cultures.
2. Very little rigorous research on generational values exists, so we have to rely on an intuitive framework.
3. These categories are imprecise. No law states that someone born in 1985 can’t have values similar to those of someone born in 1955.

Despite these limitations, values do change over generations, and some useful insights can be gained from analyzing values chronologically.

### Exhibit 3-1 Terminal and Instrumental Values in Rokeach Value Survey

<table>
<thead>
<tr>
<th>Terminal Values</th>
<th>Instrumental Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>A comfortable life (a prosperous life)</td>
<td>Ambitious (hardworking, aspiring)</td>
</tr>
<tr>
<td>An exciting life (a stimulating, active life)</td>
<td>Broad-minded (open-minded)</td>
</tr>
<tr>
<td>A sense of accomplishment (lasting contribution)</td>
<td>Capable (competent, efficient)</td>
</tr>
<tr>
<td>A world at peace (free of war and conflict)</td>
<td>Cheerful (lighthearted, joyful)</td>
</tr>
<tr>
<td>A world of beauty (beauty of nature and the arts)</td>
<td>Clean (neat, tidy)</td>
</tr>
<tr>
<td>Equality (brotherhood, equal opportunity for all)</td>
<td>Courageous (standing up for your beliefs)</td>
</tr>
<tr>
<td>Family security (taking care of loved ones)</td>
<td>Forgiving (willing to pardon others)</td>
</tr>
<tr>
<td>Freedom (independence, free choice)</td>
<td>Helpful (working for the welfare of others)</td>
</tr>
<tr>
<td>Happiness (contentedness)</td>
<td>Honest (sincere, truthful)</td>
</tr>
<tr>
<td>Inner harmony (freedom from inner conflict)</td>
<td>Imaginative (daring, creative)</td>
</tr>
<tr>
<td>Mature love (sexual and spiritual intimacy)</td>
<td>Independent (self-reliant, self-sufficient)</td>
</tr>
<tr>
<td>National security (protection from attack)</td>
<td>Intellectual (intelligent, reflective)</td>
</tr>
<tr>
<td>Pleasure (an enjoyable, leisurely life)</td>
<td>Logical (consistent, rational)</td>
</tr>
<tr>
<td>Salvation (saved, eternal life)</td>
<td>Loving (affectionate, tender)</td>
</tr>
<tr>
<td>Self-respect (self-esteem)</td>
<td>Obedient (dutiful, respectful)</td>
</tr>
<tr>
<td>Social recognition (respect, admiration)</td>
<td>Polite (courteous, well-mannered)</td>
</tr>
<tr>
<td>True friendship (close companionship)</td>
<td>Responsible (dependable, reliable)</td>
</tr>
<tr>
<td>Wisdom (a mature understanding of life)</td>
<td>Self-controlled (restrained, self-disciplined)</td>
</tr>
</tbody>
</table>

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EXHIBIT 3-2  Mean Value Ranking of Executives, Union Members, and Activists (Top Five Only)

<table>
<thead>
<tr>
<th>Terminal Instrumental Executive</th>
<th>Terminal Instrumental Union Members</th>
<th>Terminal Instrumental Activists</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Family security</td>
<td>2. Responsible</td>
<td>2. Helpfulness</td>
</tr>
<tr>
<td>5. Happiness</td>
<td>5. Independent</td>
<td>5. Capable</td>
</tr>
</tbody>
</table>


EXHIBIT 3-3  Dominant Work Values in Today’s Workforce

<table>
<thead>
<tr>
<th>Cohort</th>
<th>Entered the Workforce</th>
<th>Approximate Current Age</th>
<th>Dominant Work Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Veterans</td>
<td>1950s or early 1960s</td>
<td>65+</td>
<td>Hard-working, conservative, conforming; loyalty to the organization</td>
</tr>
<tr>
<td>Boomers</td>
<td>1965–1985</td>
<td>Early 40s to mid-60s</td>
<td>Success, achievement, ambition, dislike of authority; loyalty to career</td>
</tr>
<tr>
<td>Xers</td>
<td>1985–2000</td>
<td>Late 20s to early 40s</td>
<td>Work/life balance, team-oriented, dislike of rules; loyalty to relationships</td>
</tr>
<tr>
<td>Nexters</td>
<td>2000 to present</td>
<td>Under 30</td>
<td>Confident, financial success, self-reliant but team-oriented; loyalty to both self and relationships</td>
</tr>
</tbody>
</table>

Workers who grew up influenced by the Great Depression, World War II, the Andrews Sisters, and the Berlin blockade entered the workforce through the 1950s and early 1960s believing in hard work, the status quo, and authority figures. We call them **Veterans** (some use the label **Traditionalists**). Once hired, Veterans tended to be loyal to their employers and respectful of authority. They tend to be hardworking and practical. In terms of the terminal values on the RVS, these employees are likely to place the greatest importance on a comfortable life and family security.

**Boomers (Baby Boomers)** are a large cohort born after World War II when military veterans returned to their families and times were good. Boomers entered the workforce from the mid-1960s through the mid-1980s. This cohort was influenced heavily by the civil rights movement, women’s lib, the Beatles, the Vietnam War, and baby-boom competition. They brought with them a large measure of the “hippie ethic” and distrust of authority, but they place a great deal of emphasis on achievement and material success. They work hard and want to enjoy the fruits of their labors. They’re pragmatists who believe that ends can justify means. Boomers see the organizations that
employ them merely as vehicles for their careers. Terminal values such as a sense of accomplishment and social recognition rank high with them.

_Xers (Generation X)_ lives have been shaped by globalization, two-career parents, MTV, AIDS, and computers. They value flexibility, life options, and the achievement of job satisfaction. Family and relationships are very important to this cohort. Unlike Veterans, Xers are skeptical, particularly of authority. They also enjoy team-oriented work. Money is important as an indicator of career performance, but Xers are willing to trade off salary increases, titles, security, and promotions for increased leisure time and expanded lifestyle options. In search of balance in their lives, Xers are less willing to make personal sacrifices for the sake of their employer than previous generations were. On the RVS, they rate high on true friendship, happiness, and pleasure.

The most recent entrants to the workforce, the _Nexters_ (also called _Neters_, _Millennials, Generation Y_, and _Generation Next_) grew up during prosperous times but find themselves entering a post-boom economy. Though they face insecurity about their jobs and careers, they have high expectations and seek meaning in their work. Nexters are at ease with diversity and are the first generation to take technology for granted. They’ve lived much of their lives with ATMs, DVDs, cell phones, laptops, and the Internet. This generation tends to be money oriented and desirous of the things that money can buy. They seek financial success. Like Xers, they enjoy teamwork, but they’re also highly self-reliant. They tend to emphasize terminal values such as freedom and a comfortable life.

An understanding that individuals’ values differ but tend to reflect the societal values of the period in which they grew up can be a valuable aid in explaining and predicting behavior. Employees in their late sixties, for instance, are more likely to accept authority than their coworkers who are 10 or 15 years younger. And workers in their thirties are more likely than their parents to balk at having to work weekends and more prone to leave a job in mid-career to pursue another that provides more leisure time.

**Values, Loyalty, and Ethical Behavior**

Has there been a decline in business ethics? Although the issue is debatable, a lot of people think ethical standards began to erode in the late 1970s. If ethical standards have declined, perhaps we should look to our work cohorts model (see Exhibit 3-3) for a possible explanation. After all, managers consistently report that the action of their bosses is the most important factor influencing ethical and unethical behavior in their organizations. Given this fact, the values of those in middle and upper management should have a significant bearing on the entire ethical climate within an organization.

Through the mid-1970s, the managerial ranks were dominated by Veterans, whose loyalties were to their employers. When faced with ethical dilemmas, their decisions were made in terms of what was best for their organizations. Beginning in the mid- to late 1970s, Boomers began to rise into the upper levels of management. By the early 1990s, Boomers held a large portion of middle and top management positions in business organizations. The loyalty of Boomers is to their careers. Their focus is inward, and their primary concern is with looking out for themselves. Such self-centered values would be consistent with a decline in ethical standards. Could this help explain the alleged decline in business ethics beginning in the late 1970s?

The potential good news in this analysis is that Xers are now in the process of moving into middle-management slots and soon will be rising into top management.
Since their loyalty is to relationships, they are more likely to consider the ethical implications of their actions on others around them. The result? We might look forward to an uplifting of ethical standards in business over the next decade or two merely as a result of changing values within the managerial ranks.

Values Across Cultures

Because values differ across cultures, an understanding of these differences should be helpful in explaining and predicting behavior of employees from different countries.

Hofstede’s Framework for Assessing Cultures

One of the most widely referenced approaches for analyzing variations among cultures was done in the late 1970s by Geert Hofstede.47 He surveyed more than 116,000 IBM employees in 40 countries about their work-related values. He found that managers and employees vary on five value dimensions of national culture. They are listed and defined as follows:

- **High power distance** versus **low power distance**: Power distance is the degree to which people in a country accept that power in institutions and organizations is distributed unequally. A high-power-distance rating means that large inequalities of power and wealth exist and are tolerated in the culture. Such cultures are more likely to follow a class or caste system that discourages upward mobility of its citizens. A low-power-distance ranking indicates the culture discourages differences between power and wealth. These societies stress equality and opportunity.

- **Individualism** versus **collectivism**: Individualism is the degree to which people prefer to act as individuals rather than as members of groups and believe in individual rights above all else. Collectivism emphasizes a tight social framework in which people expect others in groups of which they are a part to look after them and protect them.

- **Masculinity** versus **femininity**: These dimensions reflect the degree to which the culture favors traditional masculine roles such as achievement, power, and control versus a culture that views men and women as equals. A high-masculinity rating indicates the culture has separate roles for men and women, with men dominating the society. A high-femininity rating means that the culture has little differentiation between male and female roles. High femininity does not mean that the culture emphasizes feminine roles; rather, it emphasizes equality between men and women.

- **Uncertainty avoidance**: This is the degree to which people in a country prefer structured over unstructured situations. In cultures that score high on uncertainty avoidance, people have an increased level of anxiety about uncertainty and ambiguity. Such cultures tend to emphasize laws, regulations, and controls that are designed to reduce uncertainty. In cultures that score low on uncertainty avoidance, individuals are less dismayed by ambiguity and uncertainty and have a greater tolerance for a variety of opinions. Such cultures are less rule oriented, take more risks, and more readily accept change.

- **Long-term orientation** versus **short-term orientation**: This newest addition to Hofstede’s typology focuses on the degree of a society’s long-term devotion to traditional values. People in cultures with long-term orientations look to the future and value thrift, persistence, and tradition. In a short-term orientation, people value the here and now, change is accepted more readily, and commitments do not represent impediments to change.
How does the United States score on Hofstede’s dimensions? The United States is very individualistic. In fact, it’s the most individualistic nation of all (closely followed by Australia and Great Britain). The United States also tends to be short term in its orientation and low in power distance (people in the United States tend not to accept built-in class differences between people). The United States is also relatively low on uncertainty avoidance, meaning that most Americans are relatively tolerant of uncertainty and ambiguity. In addition, the United States scores relatively high on masculinity, meaning that most Americans emphasize traditional gender roles (at least relative to such other countries as Denmark, Finland, Norway, and Sweden).

While Hofstede’s culture dimensions influenced OB researchers and managers enormously, critics point out several weaknesses:

- Although the data have since been updated, the original data are from 30 years ago and were based on a single company (IBM).
- Few researchers have read the details of Hofstede’s methodology closely and therefore are unaware of the many decisions and judgment calls he had to make (for example, reducing the cultural values to just five).
- Some of Hofstede’s results are unexpected. For example, Japan, which is often considered a highly collectivist nation, is considered only average on collectivism under Hofstede’s dimensions.48

Despite these concerns, Hofstede has been one of the most widely cited social scientists ever, and his framework has left a lasting mark on OB.

The GLOBE Framework for Assessing Cultures  Begun in 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) research program is an ongoing cross-cultural investigation of leadership and national culture. Using data from 825 organizations in 62 countries, the GLOBE team identified nine dimensions on which national cultures differ (see Exhibit 3-4 for examples of country ratings on each of the dimensions).49

- **Assertiveness**: The extent to which a society encourages people to be tough, confrontational, assertive, and competitive versus modest and tender.
- **Future orientation**: The extent to which a society encourages and rewards future-oriented behaviors such as planning, investing in the future, and delaying gratification. This is essentially equivalent to Hofstede’s long-term/short-term orientation.
- **Gender differentiation**: The extent to which a society maximizes gender role differences. This is equivalent to Hofstede’s masculinity/femininity dimension.
- **Uncertainty avoidance**: As identified by Hofstede, the GLOBE team defined this term as a society’s reliance on social norms and procedures to alleviate the unpredictability of future events.
- **Power distance**: As did Hofstede, the GLOBE team defined this as the degree to which members of a society expect power to be unequally shared.
- **Individualism/collectivism**: Again, this term was defined—as was Hofstede’s—as the degree to which individuals are encouraged by societal institutions to be integrated into groups within organizations and society.
- **In-group collectivism**: In contrast to focusing on societal institutions, this dimension encompasses the extent to which members of a society take pride in membership in
## EXHIBIT 3-4  GLOBE Highlights

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Countries Rating Low</th>
<th>Countries Rating Moderate</th>
<th>Countries Rating High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assertiveness</td>
<td>Sweden</td>
<td>Egypt</td>
<td>Spain</td>
</tr>
<tr>
<td></td>
<td>New Zealand</td>
<td>Ireland</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td>Switzerland</td>
<td>Philippines</td>
<td>Greece</td>
</tr>
<tr>
<td>Future orientation</td>
<td>Russia</td>
<td>Slovenia</td>
<td>Denmark</td>
</tr>
<tr>
<td></td>
<td>Argentina</td>
<td>Egypt</td>
<td>Canada</td>
</tr>
<tr>
<td></td>
<td>Poland</td>
<td>Ireland</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Gender differentiation</td>
<td>Sweden</td>
<td>Italy</td>
<td>South Korea</td>
</tr>
<tr>
<td></td>
<td>Denmark</td>
<td>Brazil</td>
<td>Egypt</td>
</tr>
<tr>
<td></td>
<td>Slovenia</td>
<td>Argentina</td>
<td>Morocco</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>Russia</td>
<td>Israel</td>
<td>Austria</td>
</tr>
<tr>
<td></td>
<td>Hungary</td>
<td>United States</td>
<td>Denmark</td>
</tr>
<tr>
<td></td>
<td>Bolivia</td>
<td>Mexico</td>
<td>Germany</td>
</tr>
<tr>
<td>Power distance</td>
<td>Denmark</td>
<td>England</td>
<td>Russia</td>
</tr>
<tr>
<td></td>
<td>Netherlands</td>
<td>France</td>
<td>Spain</td>
</tr>
<tr>
<td></td>
<td>South Africa</td>
<td>Brazil</td>
<td>Thailand</td>
</tr>
<tr>
<td>Individualism/collectivism*</td>
<td>Denmark</td>
<td>Hong Kong</td>
<td>Greece</td>
</tr>
<tr>
<td></td>
<td>Singapore</td>
<td>United States</td>
<td>Hungary</td>
</tr>
<tr>
<td></td>
<td>Japan</td>
<td>Egypt</td>
<td>Germany</td>
</tr>
<tr>
<td>In-group collectivism</td>
<td>Denmark</td>
<td>Japan</td>
<td>Egypt</td>
</tr>
<tr>
<td></td>
<td>Sweden</td>
<td>Israel</td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>New Zealand</td>
<td>Qatar</td>
<td>Morocco</td>
</tr>
<tr>
<td>Performance orientation</td>
<td>Russia</td>
<td>Sweden</td>
<td>United States</td>
</tr>
<tr>
<td></td>
<td>Argentina</td>
<td>Israel</td>
<td>Taiwan</td>
</tr>
<tr>
<td></td>
<td>Greece</td>
<td>Spain</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Humane orientation</td>
<td>Germany</td>
<td>Hong Kong</td>
<td>Indonesia</td>
</tr>
<tr>
<td></td>
<td>Spain</td>
<td>Sweden</td>
<td>Egypt</td>
</tr>
<tr>
<td></td>
<td>France</td>
<td>Taiwan</td>
<td>Malaysia</td>
</tr>
</tbody>
</table>

*A low score is synonymous with collectivism.


small groups, such as their family and circle of close friends and the organizations in which they are employed.

- **Performance orientation**: This refers to the degree to which a society encourages and rewards group members for performance improvement and excellence.

- **Humane orientation**: This is defined as the degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.

A comparison of the GLOBE dimensions against those identified by Hofstede suggests that the former has extended Hofstede’s work rather than replaced it. The GLOBE project confirms that Hofstede’s five dimensions are still valid while adding some dimensions and providing us with an updated measure of where countries rate on each dimension. As generations evolve and immigrants enter a nation, a country’s cultural values can change. For instance, the GLOBE survey suggests that the United States has become somewhat less individualist over time. We can expect future cross-cultural studies of human behavior and organizational practices to increasingly use the GLOBE dimensions to assess differences between countries.
LINKING AN INDIVIDUAL’S PERSONALITY AND VALUES TO THE WORKPLACE

Because managers today are less interested in an applicant’s ability to perform a specific job than with the flexibility to meet changing situations and commitment to the organization, in recent years managers have become interested in determining how well an employee’s personality and values match the organization. We’ll now discuss person–job fit and person–organization fit in more detail.

Person–Job Fit

Matching job requirements with personality characteristics is best articulated in John Holland’s personality–job fit theory. The theory is based on the notion of fit between an individual’s personality characteristics and the job. Holland presents six personality types and proposes that satisfaction and the propensity to leave a position depend on the degree to which individuals successfully match their personalities to a job. Each one of the six personality types has a congruent occupation. Exhibit 3-5 describes the six types and their personality characteristics and gives examples of congruent occupations.

Holland has developed a Vocational Preference Inventory questionnaire that contains 160 occupational titles. Respondents indicate which of these occupations they like or dislike, and their answers are used to form personality profiles. Using this procedure, research strongly supports the hexagonal diagram shown in Exhibit 3-6. This figure shows that the closer two fields or orientations are in the hexagon, the

EXHIBIT 3-5  Holland’s Typology of Personality and Congruent Occupations

<table>
<thead>
<tr>
<th>Type</th>
<th>Personality Characteristics</th>
<th>Congruent Occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realistic</td>
<td>Shy, genuine, persistent,</td>
<td>Mechanic, drill press operator,</td>
</tr>
<tr>
<td></td>
<td>stable, conforming, practical</td>
<td>assembly-line worker, farmer</td>
</tr>
<tr>
<td>Investigative</td>
<td>Analytical, original, curious, independent</td>
<td>Biologist, economist, mathematician, news reporter</td>
</tr>
<tr>
<td>Social</td>
<td>Sociable, friendly, cooperative, understanding</td>
<td>Social worker, teacher, counselor, clinical psychologist</td>
</tr>
<tr>
<td>Conventional</td>
<td>Conforming, efficient, practical, unimaginative, inflexible</td>
<td>Accountant, corporate manager, bank teller, file clerk</td>
</tr>
<tr>
<td>Enterprising</td>
<td>Self-confident, ambitious, energetic, domineering</td>
<td>Lawyer, real estate agent, public relations specialist, small business manager</td>
</tr>
<tr>
<td>Artistic</td>
<td>Imaginative, disorderly, idealistic, emotional, impractical</td>
<td>Painter, musician, writer, interior unsystematic decorator</td>
</tr>
</tbody>
</table>
more compatible they are. Adjacent categories are quite similar, whereas those diagonally opposite are highly dissimilar.

What does all this mean? The theory argues that satisfaction is highest and turnover lowest when personality and occupation are in agreement. Social individuals should be in social jobs, conventional people in conventional jobs, and so forth. The key points of this model are as follows:

1. There do appear to be intrinsic differences in personality among individuals.
2. There are different types of jobs.
3. People in jobs congruent with their personalities should be more satisfied and less likely to voluntarily resign than should people in incongruent jobs.

**Person–Organization Fit**

Attention in recent years has expanded to include matching people to *organizations* as well as *jobs*. Because organizations face a dynamic and changing environment, they require employees who are able to readily change tasks and move easily between teams, so it’s more important that employees’ personalities fit with the overall organization’s culture than with the characteristics of any specific job.

The person–organization fit essentially argues that people leave organizations that are not compatible with their personalities.\

Using the Big Five terminology, we could expect that the following:

- People high on extroversion fit better with aggressive and team-oriented cultures.
- People high on agreeableness match up better with a supportive organizational climate than one that focuses on aggressiveness.
- People high on openness to experience fit better into organizations that emphasize innovation rather than standardization.
By following these guidelines at the time of hiring, managers select new employees who fit better with the organization’s culture, which, in turn, should result in higher employee satisfaction and reduced turnover.

Research on person–organization fit has also looked at people’s values and whether they match the organization’s culture. The fit of employees’ values with the culture of their organization predicts job satisfaction, commitment to the organization, and low turnover.54

### IMPLICATIONS FOR MANAGERS

**Personality** What value, if any, does the Big Five provide to managers? Seeking employees who score high on conscientiousness, for instance, is probably sound advice. Similarly, screening candidates for managerial and sales positions to identify those high in extroversion also should pay dividends. In terms of exerting effort at work, impressive evidence suggests that people who score high on conscientiousness, extroversion, and emotional stability are likely to be highly motivated employees.55 Of course, situational factors must be considered—job demands, the degree of required interaction with others, and the organization’s culture—because they moderate the personality–job performance relationship. So, managers need to evaluate the job, the work group, and the organization to determine the optimum personality fit.

Although the Myers–Briggs Type Inventory has been widely criticized, it may have a place for use in organizations. In training and development, it can help employees to better understand themselves. It can provide aid to teams by helping members better understand each other. And it can open up communication in work groups and possibly reduce conflicts.

**Values** Why is it important to know an individual’s values? Although they don’t have a direct effect on behavior, values strongly influence a person’s attitudes, behaviors, and perceptions. So knowledge of an individual’s value system can provide insight into what makes the person tick.

Given that people’s values differ, managers can use the Rokeach Value Survey to assess potential employees and determine if their values align with the dominant values of the organization. Employees’ performance and satisfaction are likely to be higher if their values fit well with the organization. A person who places high importance on imagination, independence, and freedom is likely to be poorly matched with an organization that seeks conformity from its employees. Managers are more likely to appreciate, evaluate positively, and allocate rewards to employees who fit in, and employees are more likely to be satisfied if they perceive that they do fit in. This argues for management to strive during the selection of new employees to find job candidates who not only have the ability, experience, and motivation to perform but also possess a value system that is compatible with the organization’s.