PSYC6130:

UNDERSTANDING PEOPLE IN ORGANISATIONS

Module 1: Personality in the Workplace

Introduction

Personality is an important factor in the workplace. Personality influences job suitability, shapes workforce dynamics, and contributes to the effectiveness of an organisation. Furthermore, personality holds strong influence over employee motivation, work behaviour, and job performance. Understanding personality traits and individual differences within organisations provides a pathway to enhanced job satisfaction, improved productivity, and reduced turnover. Module 1 will provide students with foundation knowledge on job performance and employee motivation and will introduce the notion of personality and personality testing within organisations.

Learning Outcomes

- Summarise the five types of individual behaviour in organisations
- Describe the four factors that directly influence individual behaviour and performance
- Describe personality and discuss how the 'Big Five' personality dimensions and four MBTI types relate to individual behaviour in organisations.

This module connects to Course Learning Outcomes 1 and 2. You will learn about personality in this module, including how individual differences *shape individual behaviour* and what their links are with *workplace productivity*.

Readings

Required Readings

Textbook: McShane et al. (2019) – Chapter 2 "Individual Behaviour, Personality and Values" (pp. 40-55).

- Barrick, M. R., & Mount, M. K. (1991). <u>The big five personality dimensions and job performance: a meta-analysis</u>. *Personnel Psychology, 44*(1), 1-26. https://doi.org/10.1111/j.1744-6570.1991.tb00688.x
- Hough, L. M., & Oswald, F. L. (2008). <u>Personality Testing and Industrial—Organizational Psychology:</u> <u>Reflections, Progress, and Prospects</u>. *Industrial and Organizational Psychology, 1*(3), 272-290. https://doi.org/10.1111/j.1754-9434.2008.00048.x
- Kets de Vries, M. F. R. (2005). <u>The dangers of feeling like a fake</u>. *Harvard Business Review, 83*, 108-116.

McCrae, R. R., & John, O. P. (1992). <u>An introduction to the five-factor model and its applications</u>. *Journal of Personality, 60*(2), 175-215. <u>https://doi.org/10.1111/j.1467-6494.1992.tb00970.x</u>

Recommended Readings & Additional Resources

Students will be directed to additional (optional) readings and resources throughout this module document, on Canvas, and/or in the workbook/workshop supporting this module.

Module 1 Content

Job Performance

Before considering the influences on job performance, we must first consider how we understand and define job performance.

The textbook (McShane et al., 2019) suggests that job performance can be considered as one of two things: (1) individuals' on the job behaviours, and (2) the results of these behaviours. In general, job performance is considered as a combination of the two – i.e., the individual behaviours that enable employees to contribute to organisational goals.

As outlined in Figure 1 below, there are five categories of individual behaviour at work which are part of job performance.

Task performance

This refers to goal-directed behaviours under the individual's control that support organisational goals. There are 3 types:

- Proficient task performance: performing work efficiently and accurately with regards to quantity and quality.
- Adaptive task performance: how well employees modify thoughts and behaviour to respond to change
- Proactive task performance: how well employees take initiative and introduce new work patterns to benefit the organisation

The latter two types are most important in ambiguous work situations.

Organisational citizenship

Organisational citizenship behaviours are those activities which involve cooperation and helping others (e.g., assisting co-workers, adjusting schedules to accommodate co-workers, showing courtesy, and sharing work resources).

Other organisational citizenship behaviours are about the organisation rather than the people within it, including supporting the organisation's public image, taking discretionary action to help the organisation avoid potential pitfalls (linked to proactive task performance), and attending voluntary functions that support the organisation.

Interestingly, engaging in organisational citizenship behaviours can also improve the individual's own job performance because others in the organisation are more likely to support them. They also tend to improve team performance where team members' performance depends on one another. However, high engagement can also lead to work-family conflict (discussed in PSYC6120).

Counterproductive work behaviours

These are voluntary behaviours that may harm organisations' effectiveness. These could include harassing co-workers, creating conflict, taking shortcuts that reduce work quality, being untruthful, stealing, sabotaging work, avoiding work obligations, and wasting resources.

Joining and staying with the organisation

This relates to recruitment of people with appropriate skills and qualifications, which can be difficult in some industries. After recruitment, it is important to retain staff due to the cost of high turnover, both in terms of recruitment/selection processes to replace those who have left, as well as the knowledge that is lost when experienced people leave.

Maintaining work attendance

This refers to absenteeism and presenteeism, both of which can have negative effects on organisational performance. Like job performance more generally, absenteeism is affected by both individual characteristics (e.g., motivation), and situational characteristics (e.g., illness). People who have low job satisfaction or who are on the receiving end of counterproductive work behaviours such as harassment are more likely to be absent, as are those in teams with high absence norms.

Presenteeism refers to people attending work even when their capacity to work is diminished, which is likely to negatively affect their own health, the health of their co-workers, and may also reduce productivity overall. Presenteeism is more likely to occur for those with low job security and in companies with poor sick leave benefits, as well as those whose absence would be immediately problematic for many people. Some cultures also inadvertently encourage presenteeism.

The term "job performance" covers the five types of behaviour outlined above. So, what influences job performance?

Motivation, Ability, Role Perceptions, Situational Factors

Below, we will consider the aspects of the MARS model of job performance (Figure 1).

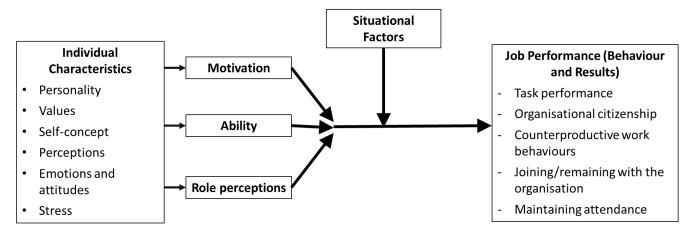


Figure 1. The MARS model of individual behaviour and results. Adapted from McShane et al. (2019).

Person x situation

According to the *person x situation* (or "interactionist") perspective, job performance is a result of a person's individual characteristics and the situation they are in.

Person

There are a wide variety of individual characteristics that are related to job performance. Ability is one of the most obvious of these. There are two types of ability: aptitude (natural talents) and learned capabilities (skills and knowledge). Having a high aptitude for a particular type of task will make acquiring the learned capabilities of that task quicker and easier.

However, it is important to understand that ability is not the only or even the most important predictor of job performance. As we will discuss throughout this and the next module, people's values, beliefs, and personality traits are all relevant to job performance.

Ability x motivation

This perspective elaborates on the "person" aspect of the *person x situation* formula outlined above, suggesting that two of the important characteristics of the person are their skill (i.e., ability, as outlined above) and their will (i.e., motivation). Hence, there is a distinction between a person's maximal possible performance and their typical performance, depending on the extent of their motivation. We will discuss motivation in more detail later in the course.

Situation

The latter half of the *person x situation* formula relates to the context or environment in which the job is being done. The most obvious aspect of the context is the pay: in many (if not most) cases, people would not perform jobs at all if there was not an external reward for doing so. Organisations in some industries attempt to improve job performance by introducing bonuses for achieving goals. For example, a lawyer may receive a bonus if their billings for the quarter reach a certain level, or a salesperson may receive a bonus if they sell a certain number of products. There is mixed evidence regarding the effectiveness of these types of incentives, which we will discuss in further detail when considering motivation in future modules.

Role perceptions might also be important predictors of job performance. These are defined as the individual's expected role obligations. People are more likely to do work that they see as part of their role obligations (consider the complaint that something is "not part of my job description!").

Together, these factors constitute the MARS model of job performance: motivation, ability, role perception, and situation. This module focuses on the first of the two individual characteristics listed in the table: **personality**. Our next module will focus on **values**.

The Big Five personality traits

There are many definitions of personality. According to the McShane et al. (2019) textbook, personality is "the relatively enduring pattern of thoughts, emotions and behaviours that characterise a person, along with the psychological processes behind those characteristics."

Gordon Allport, one of the founding figures of personality psychology, described it as "the dynamic organization within the individual of those psychophysical systems that determine his (her/their) unique adjustments to the environment" (1937).

More recently, personality has been considered in the context of different circumstances. Burton et al. (2019) defined personality as: "...the enduring patterns of thought, feeling, motivation and behaviour that are expressed in different circumstances."

The Five-Factor Model of Personality, also referred to as the Big Five or the FFM, are the five broad dimensions representing most personality traits (with the helpful acronym OCEAN):

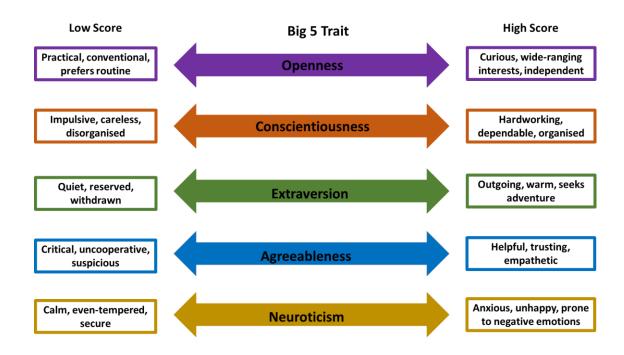


Figure 2. Big 5 Model of Personality. Adapted from https://sites.psu.edu/ladership/files/2017/09/Canoe-1mp86qo.jpe

How does personality predict work performance?

Personality mainly affects work performance through motivation. That is, some personality traits are associated with motivation, and motivation in turn affects work performance. The most important Big 5 predictors of various types of work performance are outline in Figure 3 below:

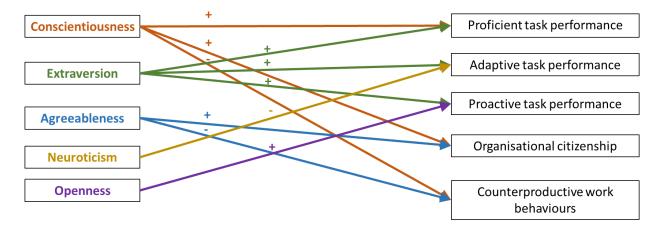


Figure 3. Big 5 personality predictors of work performance (adapted from McShane, 2019).

The information summarised in the table above tells us about the relation between **individual** personality and **individual** work performance. So, for example, extraversion is positively associated with proficient, adaptive, and proactive task performance. Conscientiousness is positively related to proficient and adaptive task performance, but negatively associated with proactive task performance.

There are also interesting relations between the **aggregated** personality traits of an entire team or organisation and the **overall work performance** of that team or organisation. For example, Neal et

al. (2012) found that conscientiousness was positively related to all types of task performance at all levels (individual, team, and organisational). So, conscientiousness is good for individual task performance, and high levels of average conscientiousness in a team and/or organisation is also good for their team/organisational performance.

On the other hand, some personality traits behave differently at the organisational level compared to the individual level. For example, while openness did not relate to individual task proficiency, it was negatively related to organisational task proficiency. This might occur because large groups of people who are high on openness do not work well together because they each want to express their own individual creativity rather than conforming to the norms and methods of the group. This highlights the importance of considering how different personalities will work together as a group, particularly in organisations where performance is dependent on cooperation.

Another consideration when looking at the relation between personality and job performance is the **type of work** being performed. For example, while conscientiousness predicts job performance in all occupations, extraversion is more predictive of job performance for managers and salespeople compared to police officers, skilled/semi-skilled workers (clerks, nurses' aides, farmers, truck drivers, production works, etc.), and professionals (engineers, architects, layers, accountants, teachers, doctors, and ministers).

Finally, personality can also predict the extent to which people will improve at their jobs in response to training. People high on openness tend to do well at training proficiency, possibly because being open to experiences more generally means that their attitudes towards learning is also positive. Extraversion was also positively associated with training proficiency, likely because the types of training assessed in the meta-analysis were usually interactive and required a high level of energy. However, extraversion is likely to be much less strongly associated with training proficiency when training is less reliant on energy and interaction with others. Hence, it might be useful to assess an organisation's personality make-up as part of the process for designing a training intervention.

As McShane mentions (p. 51), the Big 5 model does not capture all aspects of personality, and some of the missing aspects are also predictive of work performance, including honesty and interpersonal characteristics (e.g., readiness to retaliate, tendency towards prejudice).

An Extraversion Bias in Modern Organisations?

Although no one is a "pure" extrovert or introvert, most people can instinctively tell which end of the spectrum they are closer to, even without taking a test. Unfortunately, the modern (Western) world does not always reward or recognise introversion as valuable. Susan Cain's TED talk "The Power of Introverts" expands on this idea: https://ed.ted.com/lessons/susan-cain-the-power-of-introverts

- Cain relates a story about summer camp where it was conveyed that extraversion was more desirable than introversion.
- If you're interested and want to know more about Cain's research on introversion in organisations, you can read more about it in her book *Quiet*.



NOTE: Susan Cain admits that she takes a broader view of the Extraversion – Introversion domain than personality psychologists typically do. We might think of some of her inclusions as being better reflections of Neuroticism (for example Aron's concept of sensitivity), being able to work in a focused and engaged way as a concept called "flow" or the Big Five trait Conscientiousness (e.g., Csikszentmihalyi, 2009), etc. It makes for interesting reading.

The Myers Briggs Type Indicator

The five-factor model of personality has the most research support, but it is not the most popular personality test in organisations. That distinction goes to Jungian personality theory, which is measured through the Myers Briggs Type Indicator (MBTI; Figure 4). The MBTI was designed to measure the elements of Jungian personality theory, particularly preferences regarding perceiving and judging information.

As outlined in McShane et al. (2019), the MBTI is not usually a good predictor of job performance. It can sometimes predict employees' preferences for face-to-face vs virtual teamwork, but not the quality of team development or leadership effectiveness.

Despite its lack of predictive validity, the MBTI is extremely popular in management research, career counselling, and executive coaching. But why? One potential reason for its popularity lies in its structure. Unlike the Big 5 model, the MBTI assumes that different combinations of its traits result in 16 different "types" of people (Pittenger, 2005). For example, according to this typology, there are "promoters" and "supervisors," both of whom are high on sensing, thinking, and judging. The differentiation is that promoters are high on extraversion, while supervisors are high on introversion.

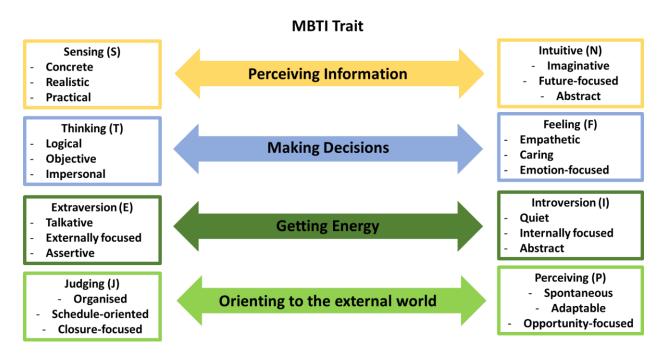


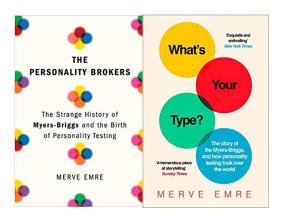
Figure 4. The MBTI model of personality (adapted from McShane et al., 2019).

The issue with this approach is that it does not account for people who sit in the middle of any types. The overarching assumption of the MBTI is that everyone has a clear preference one way or the other. Hence, someone who scores 49 on a 100-point introversion/extraversion scale will be classified an introvert, and someone who scores 51 will be classified as an extravert. Hence, in the example above, the person who scores 49 will be classed a supervisor, and the person who scores 51 will be classed a promoter, even though there is no real meaningful difference between these two scores.

Despite this issue, the simplicity of putting people into neat boxes without consideration for the fact that most people do not fall at either extreme of any spectrum is likely to be appealing to many leaders and hence might explain why the MBTI is so widely used.

Pittenger (2005) proposes two other reasons for the popularity of the MBTI – its marketing campaign, and the non-threatening interpretation of scores due to its recognition of both strengths and weakness of each personality types.

If you're interested in the history of the Myers-Briggs, Merve Emre has written <u>two books</u> on the subject:



NOTE: Merve Emre extends her discussion of the MBTI, and ultimately her poor opinion of it, to all personality testing, effectively labelling it a cult of personality testing. This is a little over-stated. Although the MBTI undoubtedly has its flaws (and as discussed in your textbook does not really predict workplace performance), it is useful as a feedback tool to higher-level managers who wish to understand their common way of responding a little better. The use and popularity of the MBTI are puzzling, but the MBTI does still have utility. We have simply over-extended its use.

Resilience and Self-Efficacy

As noted in McShane et al. (2019), resilience is the ability to adapt positively after a negative event, and is sometimes considered a personality trait (i.e., that some people are more resilient than others across different situations). Resilience is also a process – people who are resilient tend to learn from negative experiences and gain further strategies for dealing with other negative experiences in the future.

Resilience is associated with self-efficacy such that high self-efficacy increases resilience. People with high general self-efficacy believe that they can do what they set out to do. There are several aspects to self-efficacy, including the beliefs that one has the energy, resources, ability, and understanding of what needs to be done required to achieve their goal. Essentially, these reflect the MARS model outlined above – motivation (energy), ability, role perceptions (understanding of what needs to be done), and situation (resources).

Resilience and self-efficacy are related to work performance in several ways. Avey et al. (2010) found that, along with hope and optimism (the other aspects of psychological capital outlined in PSYC6120), resilience and self-efficacy are negatively associated with counterproductive work behaviours and intentions to quit, even after accounting for extraversion and conscientiousness (and demographic variables). Hence, workplaces that have high levels of resilience and self-efficacy are likely to have better work environments and lower turnover.

Sweetman et al. (2011) found that resilience and self-efficacy are also associated with increased creativity. Creative endeavours are inherently risky and challenging, and hence people with high self-efficacy are likely to feel more confident in their ability to navigate these challenges than those with low self-efficacy. Similarly, creativity often involves many "failures" before success, and hence having high levels of resilience can enable people to "bounce back" from unsuccessful attempts to learn from their mistakes and try again. Hence, workplaces with high levels of resilience and self-efficacy may be more creative and hence more adaptable and competitive in a rapidly changing world.

Imposter Phenomenon / Confidence

Confidence

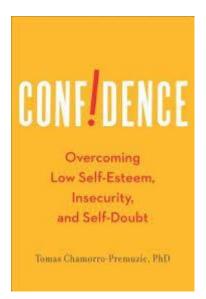
Confidence is a similar concept to self-efficacy. According to Stankov et al. (2014), confidence is the "state of being confident about the success of a particular act" (p. 747), whereas self-efficacy is "one's belief about one's capability to produce outcomes" (p. 749).

Confidence is highly valued in organisational settings. Business magazines and blogs are littered with articles entitled "How to be more confident at work" or "Why is confidence in the workplace important?" People tend to view displays of confidence as signs of competence (Chamorro-Premuzic, 2013). This means that leadership and managerial positions are often dependent on demonstrating high levels of confidence.

However, high confidence is not necessarily a reflection of high competence. The Dunning-Kruger effect demonstrates that people with low ability tend to over-estimate their abilities to a much greater extent than people with high ability (Schlösser et al., 2013). This means that confidence is a poor predictor of competence, and people who are overconfident are likely to be overrepresented at higher levels of organisational structures.

This has important implications for diversity and equity considerations. For example, because men tend to be more confident than women (at least in certain areas such as intelligence; Furnham & Chamorro-Premuzic, 2007), they are also viewed as more competent, and hence are more likely to rise to leadership positions, where overconfidence is especially dangerous for the organisation. Chamorro-Premuzic (2013) argues persuasively that, rather than encouraging women to "lean in" by adopting and displaying higher levels of confidence to overcome the gender bias in organisational leadership, we should instead try to view leadership in a way that does not reward high confidence without equal consideration for competence. You can get a quick and entertaining summary of Chamorro-Premuzic's work in his TED talk: https://www.youtube.com/watch?v=zeAEFEXvcBg

If you're interested in confidence in organisational settings, consider reading "Confidence" by Tomas Chamorro-Premuzic.



Dangers of IP

Above, we considered the dangers of overconfidence – that is, high confidence compared to ability. However, the opposite combination is also problematic in organisational settings. Some high-achieving individuals are under-confident compared to their abilities, have persistent self-doubt, and fear being exposed as "frauds." This is referred to as **imposter phenomenon**. Douglas (2020) summarises some of the work performance related outcomes associated with imposter feelings, including avoidance of leadership positions (which their competence should make them suitable for), increased stress and burnout, and decreased job satisfaction.

Further, Douglas (2020) outlines the effects of imposter feelings on work behaviour. People who feel like imposters tend to respond to their perceived lack of competence in one of two ways: (1) by over-preparation (to make up for their perceived lack of competence), or (2) by procrastination (to avoid confronting their task-related anxiety; Clance, 1985). Because they are high achievers, they will tend to receive positive feedback on the task once they complete it. However, they fail to internalise this positive feedback as a reflection of their abilities. Instead, those who over-prepared feel that their achievement was due to the unsustainably large amount of effort they put in, and those who

procrastinated feel that they scraped through on good luck alone. Hence, from an organisational perspective, people with imposter feelings may tend not to use their time effectively, either putting too much time into a task, or wasting time on procrastination due to anxiety.

Imposter feelings in those at the top of organisations can also have negative flow-on effects for those who report to them. Kets de Vries (2005) outlines how the over-preparation work ethic can cause those with imposter feelings to expect the same unreasonable level of effort from others they manage. They become too tough on their workplace subordinates, resulting in intimidation and higher turnover and absenteeism in their work units. Additionally, because they are afraid to trust their own judgement, leaders with imposter feelings are not effective decision-makers, tending to be fearful and overly cautious. Leaders with imposter feelings also tend to delegate their tasks to other workers with imposter feelings! And so, imposter feelings can become self-fulfilling prophecies, creating problematic work behaviours which do in fact lead to lower effectiveness and poorer performance.

Personality testing in organisations

So far, we have discussed various personality traits and individual differences that are relevant to work performance. For organisations to make use of this information, they would need to engage in some kind of personality testing or measurement. Some types of personality testing are already popular in organisational settings, in particular the MBTI and to a lesser extent, the Big 5 model. However, there are issues associated with measuring and using personality in organisational settings.

One criticism of the use of personality testing is that, although some traits are associated with work performance, there are better, more relevant predictors such as work samples and past performance. Another issue is that the "optimal" level of traits for work performance is unknown (and probably so dependent on situational factors as to be unknowable). For example, although extraversion is predictive of sales performance, too much extraversion may result in customers feeling overwhelmed (particularly if the customer is introverted!) and hence less likely to make a purchase.

From an equity and diversity perspective, there is sometimes concern that the use of personality tests might be biased against certain groups of people. Personality measures combined with cognitive ability measures often result in outcomes that are biased against members of some minority groups. Hence, the use of personality tests should be considered carefully in relation to their effect on the hiring of diversity group members and should be based on the characteristics identified in a job analysis for the relevant position. Even if the tests do not demonstrate a bias, some minority groups might be less likely to apply for jobs if they know they will need to take a personality test.

One final concern is that self-report personality tests are subject to faking, which could lead to inaccurate results regardless of whether the applicant knows what the company is looking for.

For a more thorough discussion of personality testing in the workplace, see Hough and Oswald (2015).

References

Allport, G. W. (1937). Personality: A psychological interpretation.

Avey, J. B., Luthans, F., & Youssef, C. M. (2010). <u>The additive value of positive psychological capital in predicting work attitudes and behaviors</u>. *Journal of Management*, *36*(2), 430-452.

- Burton, L., Kowalski, R. M., Westen, D. (2019.). *Psychology*. United Kingdom: John Wiley & Sons Australia, Limited.
- Chamorro-Premuzic, T. (2013). Why do so many incompetent men become leaders. Harvard Business Review, 22.
- Csikszentmihalyi, M. (2009). <u>Flow: The Psychology of Optimal Experience</u>. United Kingdom: HarperCollins e-books.
- Douglas, H. E. (2020, March). I am Lonely at the Top: Overcoming Imposter Phenomenon. *AusCham eAdvance* https://austchamthailandadvance.com/2020/02/25/march-2020-i-am-lonely-at-the-top-overcoming-imposter-phenomenon/
- Furnham, A., & Chamorro-Premuzic, T. (2007). Self-assessed intelligence and confidence for the acquisition of skills. *Zeitschrift für Personalpsychologie*, *6*(1), 28-36.
- Hough, L. M., & Oswald, F. L. (2015). <u>Personality Testing and Industrial—Organizational Psychology:</u> <u>Reflections, Progress, and Prospects</u>. *Industrial and Organizational Psychology, 1*(3), 272-290. doi:10.1111/j.1754-9434.2008.00048.x
- Kets de Vries, M. F. R. (2005). <u>The dangers of feeling like a fake</u>. *Harvard Business Review, 83*, 108-116.
- Neal, A., Yeo, G., Koy, A., & Xiao, T. (2012). <u>Predicting the form and direction of work role performance from the Big 5 model of personality traits</u>. *Journal of Organizational Behavior*, 33(2), 175-192.
- Pittenger, D. J. (2005). Cautionary comments regarding the Myers-Briggs Type Indicator. *Consulting Psychology Journal: Practice and Research*, *57*(3), 210–221. https://doi.org/10.1037/1065-9293.57.3.210
- Schlösser, T., Dunning, D., Johnson, K. L., & Kruger, J. (2013). <u>How unaware are the unskilled?</u>
 <u>Empirical tests of the "signal extraction" counterexplanation for the Dunning–Kruger effect in self-evaluation of performance</u>. *Journal of Economic Psychology*, *39*, 85-100.
- Stankov, L., Morony, S., & Lee, Y. P. (2014). <u>Confidence: the best non-cognitive predictor of academic achievement?</u>. *Educational psychology*, *34*(1), 9-28.
- Sweetman, D., Luthans, F., Avey, J. B., & Luthans, B. C. (2011). <u>Relationship between positive psychological capital and creative performance.</u> Canadian Journal of Administrative Sciences/Revue Canadianne des Sciences de l'Administration, 28(1), 4-13.