

Individual differences

1. Theories of human behaviour

Why human behave in the way they do. This is a complicated question as it involves who we are, what we are, and why do we do things.

1.1 Freud's psychoanalytic approach

Key assumption: people behave the way they do because of their inner psyche.

Three parts of the inner psyche

- The Id: Primal desires and basic nature → unconscious, impulsive, wild child, acts on pleasure principle
- Ego: Reason and self-control → most reflected in action, practical "grown up" self, exert self-control
- Superego: Quest for perfection → philosophical and spiritual ideas, moral regulator, punishes oneself when doing something wrong, culturally influenced

Tension → is created by conflicts between these three parts

Criticism → criticized as a pseudoscience based on unobservable, internal processes that are open to highly subjective, unscientific interpretation

1.2 Behaviourism and B.F. Skinner's reinforcement theory

S-R-R model of reinforcement

S – stimulus – external factor that triggers a behavioural response

R – Response – action or behaviour caused by stimulus

R – Reward – positive reinforcement of value to encourage repetition of the desired response/Punishment = negative reinforcement to distinguish undesired response

Limitations

- Human behaviour is not driven by stimulus (e.g. exert effort, alter goal, defending or denying, changing behaviour, give up, influenced by the person and the environment)
- Very complex, and inconsistent with the behaviourists' assumption and prediction
- Behaviourism cannot explain the range of human behaviours that are possible.

1.3 Bandura's social cognitive theory

According to this theory, a person's behaviour is influenced by both:

- his or her environment and their
- personal characteristics, including their personality, values, goals, etc.

Triadic reciprocal determinism (TRD).

- Triadic because there are three factors (person, environment and behaviours).
- Reciprocal because there is a two-way, mutual influence between each pair of factors.
- Determinism because each factor influences, or determines, the others.

This is the most underpinning model of human behaviour as it captures the complex interaction between each factors, ie. Personal characteristics and their environment

2. Cognitive ability

Cognitive ability refers to the capacity to learn, reason, problem solve, plan, think abstractly, and comprehend complex ideas.

2.1 Hierarchical model of cognitive ability

At the top, refers to the general cognitive ability, drives our sum total of abilities to solve problems.

There are many types of cognitive abilities under the general cognitive ability.

This is useful to understand why some people perform well on some types of tasks but not on other types. And how people will have unique strengths and weaknesses.

(Schmidt & Hunter) → collected data across 85 years Individual difference and job performance → cognitive ability is single strongest estimator in many types of work.

Limitation: Knowing how smart a person is does not tell us about their social skills, level of diligence, their values and ethics

2.2 Myths vs research findings

- Cognitive ability matters in all jobs, regardless of complexity – relationship is the strongest in most complex jobs (Hunter)
- All you need is a certain amount of cognitive ability and any more does not help - There is no a magical – for anything, performance is enhanced when cognitive ability reaches a high level

3. Personality

Personality refers to a person's unique and relatively stable set of characteristics or patterns of behaviour, thoughts, and emotions (Funder, 2012).

There are three basic beliefs underpinning personality theories:

- Personality traits, characteristics, and dispositions are relatively stable and enduring.
- They are major determinants of one's behaviour.
- They are likely to influence behaviours across a wide variety of situations.

Depending on the strength of situational and personal factors, individuals

- A particular trait lies on a spectrum, the stronger it is, the more likely that the person will show that trait across situations
- A situation can range from strong to weak. In strong situations, there is norms about how people should behave. In strong situations, people intend to weak according to the norms in the same way, regardless of their personal traits. In weak situations, there is a greater latitude for behaviours to vary so individual's personal traits tend to be more apparent.
- This is consistent with Bandura's triadic reciprocal determinism

3.1 Models of personality – Trait-based

The Big Five

- Conscientiousness – think before action – the best predictor of job performance
- Emotional stability – relax, handles
- Extraversion – degree of people being comfortable around people
- Agreeableness – dislike conflicts
- Openness to experience – seeks and think creatively

5% of performance accounted by personality.

- Conscientiousness is a valid predictor of job performance according to the ((Schmidt & Hunter)'s research

Critique

- Descriptive, rather than explanatory
- Do we have the right number of characteristics?

HEXACO

- 1 additional dimension to the big five model → 6 traits
- Honesty-humility: enjoying finding and exploring + fixed mind set vs. growing mind set + humble leaders improve the company's overall performance

- Individuals that are intellectually humble, tends to learn and improve constantly

3.2 Personality at work

Personality influences

- Work performance
- Organisational choice
- Career choice
- Career satisfaction

4. Emotional intelligence

EI is the ability to monitor one's own and others' emotions, to discriminate among them, and to use the information to guide one's thinking and actions (Salovey & Mayer, 1990, p. 189).

There are three main assumptions underpinning the concept of EI:

- Emotions play an important role in life and work.
- People vary in their ability to perceive, understand, use, and manage emotions.
- These differences affect individual adaptation in a range of contexts, including the workplace.

Characteristics

- Strong self-awareness
- Aware of own emotions
- Accurately detects emotions in others
- Uses this to manage interactions with others

4.1 Models of personality

Mixed models: EI as a diverse construct, including aspects of personality and ability

Ability-based models: EI as an ability or aptitude for processing affective information at its own right

4.2 EI abilities

4 levels of EI

- Self-awareness → accurately perceive your own emotion, understand when they are happening, understand your own weakness and strength
- Self-management → able for manage one's own emotion, directed by self-awareness, how to communicate, what to show and be in charge of what you do.
- Social awareness → perceive and understand others, see things from other's point of view
- Relationship management → use understandings to manage the interactions successfully

Does EI really matter?

- Yes
 - o Academic success – EI accounts for 10-12% grade increase in university
 - o Low EI is associated with bullying
- Distinction with personality and cognitive ability
 - o A distinct type of individual difference – when personality and cognitive ability holds constant, it is significant
 - o Not as clearly related to performance in work
- Why is it important?
 - o EI should be included as a factor when considering a career choice
 - o EI may be particularly important with relationships → to manage careers better
 - o More malleable

Reading notes: Upsides to Dark and Downsides to Bright Personality: A Multidomain Review and Future Research

In areas of human-resource management, strategic management, entrepreneurship, within groups and teams, organization performance, individual performance,

Bright traits

- socially desirable
- Downsides of bright traits
 - o Too conscientious → maladaptive to certain situations, hurt relationships
 - o Too high with open to experience → less committed to their organizations
 - o Too high in agreeableness → stress due to inability to cope with personal conflict
 - o Too high conscientiousness → useless in less complex jobs
 - o Emotional stability → may be perceived as lack of care of others' emotion

Dark traits

- socially undesirable
- positively relates to undesirable workplace outcome: counterproductive work behaviours, abusive supervision, unethical behaviour, job stress
- Upsides of dark traits
 - o High level of narcissism → may lead to high levels of adaptive or agentic behaviours when interacting with audience, egotism, self-esteem
 - o Emerging as leader → risk-taking,
- Disrupting selection process?
- not meant to imply a moral or ethical connotation to specific traits
- follows a traditional view that some traits, are beneficial for individuals and organizations, and some are detrimental

Motivation and goal setting

Sean Aiken's TED:

- The people who connects to the meaning of their work are the ones who are passionate about their job.
- Don't ask that the world needs, ask what makes you alive

Performance at work is determined by their ability and motivation.

1. Motivation

Motivation is the process that accounts for an individual's direction of behaviour, intensity of effort, and persistence or duration of effort toward the attainment of a set goal.

3 key elements

- 1) Direction
 - behaviour a person choose to have among a range of possible choices
 - influenced by goals
 - functional in that it can help to achieve a goal or dysfunctional
- 2) Intensity
 - How hard the people tries to accomplish a goal
 - Unless effort is channelled in functional path, intensity will have no guarantee to success → effort is of low quality
- 3) Persistence
 - The duration of effort toward the attainment of a set goal
 - The longer a person spends, indicates high motivation

2. Theories of motivation

2.1 Locke and Latham's goal setting theory

The basic assumption of Locke & Latham's (1990) goal-setting theory is that setting specific and difficult goals, with goal commitment and feedback, lead to higher performance.

This theory emphasizes the importance of setting specific and challenging goals, and also the importance of autonomy and feedback during goal pursuit.

A goal helps to (1) Focuses attention and (2) Defines what needs to be done

→ Goal-setting phases

1. Deliberation (What to do)
2. Implication (How to do it)

→ Goal-setting guidelines

1. Specific = more motive than vague
2. Challenging = are stimulus
3. Commitment

= if a goal is given rather than self-selected, an alternative can be compromising about the way to approach the goal

4. Receive feedback

= positive/good feedback on what you are doing right specifically is more influential than monetary rewards

= constructive negative feedback focuses on behaviour to be changed & shows how to change

2.2 Bandura's self-efficacy theory

Confidence is a key ingredient in goal-setting. If one believes they will achieve a goal, it is more likely that the person will achieve it. People with high level of self-efficacy tends to set more challenging goals.

What is self-efficacy? Bandura's social cognitive theory defines self-efficacy as an individual's beliefs about their capabilities to successfully complete various tasks being asked of them.

Your level of self-efficacy is likely to influence your motivation as it influences the direction of your behaviour, the intensity and persistence of your effort, as well as the types of goals you set.

Bandura believes self-efficacy is one of the best predictors of successful academic achievement.

- A heightened optimism
- Greater interest
- Tends to problem solve
- Perseverance
- More adaptive emotional and cognitive pattern

Sources of self-efficacy

- Forms from early childhood, develops through one's life as acquiring new skills and understanding
- 1) Mastery experiences (enactive mastery)
 - Most powerful
 - Success in managing task strengthens self-efficacy
 - So it is important to success → structuring the tasks → Break tasks down and make them achievable
 - 2) Social modelling (vicarious experience)
 - Seeing people similar to yourself being successful through effort build your confidence in you being successful in that task
 - 3) Social persuasion
 - Positive feedback from others overcomes self-doubt
 - 4) Physiological and emotional stress reactions
 - Aware of mood, emotional state, stress reaction
 - Not intensity of emotional and physiological reaction is important, what's important is how that reaction is interpreted

2.3 Deci and Ryan's self-determination theory and different types of motivation

- 1) **Intrinsic motivation** – inner/personal enjoyment → e.g. child playing with toys
- 2) Extrinsic motivation – to obtain an extrinsic reward/avoid a punishment → e.g. salary
- 3) **Extrinsic autonomous motivation** – no personal enjoyment, but believes there is a need to do it (benefiting others) → e.g. donate blood

Intrinsic sources of motivation are usually the most motivating, while extrinsic sources of motivation are less motivating. However, these exist on a spectrum and if you can develop extrinsic autonomous motivation, such as by feeling your work is important to you, then this type of extrinsic motivation is still beneficial.

Ryan and Deci argue that to be satisfied with our work, it is important for us to feel autonomous, competent, and related to others.

2.4 Does money buy happiness?

Relationship between pay and job satisfaction

- association between salary and job satisfaction = 2% (weak)
- employees report similar job satisfaction regardless of pay level

Tangible rewards tend to have substantially negative effect on intrinsic motivation

Dan Pink's TED: The candle problem:

Extrinsic rewards reduces creativity and worse at problem solving

- rewards concentrate one's mind
- Mechanic tasks → automatically done nowadays, high rewards high performance

- Cognitive tasks → human brain work with no single solution, high rewards → low performance
- Mismatch between science and business practice intrinsic motivation enhances performance
- New operating system
 - Autonomy
 - Mastery
 - Meaning

3. Managing motivational needs

According to Ryan and Deci, behaviour that is self-determined or intrinsically motivated is most likely to occur when an individual's need to feel competent, autonomous, and related to others are met.

3 motivational needs

- 1) Competent: *able to master their environment, matching their skills to their work*
- 2) Autonomous: *what they are doing reflects who they are/doing things that matters to you, asking others about their ideas and invite them to participate in decision-making*
- 3) Related to others: *meaningful and trustful connections with others, give opportunity to have nourishing social interaction e.g. teamwork, social events, more client interactions)*

Extrinsic rewards are not always harmful

- Deadlines and rewards are helpful
- Only when people perceive them as coercive

Reading notes: *What monetary rewards can and cannot do: How to show employees the money*

Monetary rewards

→ A powerful motivator

- Employer retention
- Performance improvements (compared to those received social recognition or performance feedback instead)

→ Undesirable outcomes

- Generous amounts fails to motivate
- Counterproductive (e.g. financial misrepresentation)
- Declined performance levels due to fear of failure
- Sense of entitlement to certain amount of pay-outs → pay-level dissatisfaction, intention to quit

What it can do?

- Productivity increase 30% (introduction of individual monetary incentives)
- One of the most important factor leading to acceptance of job offer
- High level of pay to high performer → retains high contributors
- Enhance well-beings: family, leisure, physical, personal development
- Symbol of social status
- *But: Value of monetary rewards does not always reflect what the employees think or what they do*

What it cannot do?

- Does not improve job-relevant knowledge, skills and abilities (unless invested in training activities)
- Do not necessarily initiate job enrichment
- Does not prevent unethical and counterproductive employee behaviours

Design of successful monetary reward systems

- 1) define and measure performance accurately
- 2) make rewards contingent on performance
- 3) reward employees in a timely manner