Organisational behaviour

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Preface to the second edition

Organisational behavior is an introduction to organisational psychology. It presents psychological and organisational theory in terms which can be used to describe and explain the behaviour of people in organisations. This knowledge can be applied by management to recruit, induct, train and motivate the right staff to perform satisfactorily and retain them.

This second edition pays attention to new developments in the digitization of our society. Recruitment and selection have become processes that can be conducted on-line; colleagues can take part in virtual discussions whenever and wherever, and stay up to date on all organisational matters.

This edition has been supplemented with new insight and recent studies. Various case studies, examples, illustrations and exercises have also been updated.
In our introduction, we show that organisations are complex systems that can be described from four different perspectives, being the open system, the technical system, the financial-economic system, and the socio-political system. This division serves as a broader framework for the perspectives covered in this book.

This book is accompanied by the website www.organisationalbehaviour.noordhoff.nl, which offers test questions to test the reader's knowledge of the study material and concepts covered in each chapter. The answers to the assignments that are part of the various chapters can also be found on the website. Additionally, the website offers links to interesting tests and experiments, as well as background information about individuals, topical subjects, and (doctoral) studies.

Groningen, Autumn of 2018

Gert Alblas
Ella Wijsman

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Introduction

It is hard to keep a bird's eye view of everything going on in an organisation at all times. The reality of organisational life is simply too complex. There are too many processes influencing the business activities that are needed to achieve the organisation's goals and to ensure its continuity. Looking at the complexities of that reality from an independent perspective allows us to make organisational reality somewhat more accessible; allows us to map it, to study it. Four of those perspectives are briefly described below, followed by an indication of the ones that are the central themes of this book.

The organisation as an open system
Organisations and companies are regularly faced with difficulties. Consider a clothing company collapsing as a result of customers turning to the world wide web for their shopping needs, or healthcare institutions finding themselves in financial troubles due to changes in healthcare acts. The circumstances under which organisations have to function can change to such an extent that these changes begin to threaten an organisation's continued existence if they are not addressed in time. This goes to show that organisations interact with the environments in which they operate.
Organisations may be considered open systems, since they have to deal with customers, suppliers, capital providers, unions, regulations and legislation, competitors, and technical and economic developments, to name a few. As such, managers find themselves confronted with a variety of questions and issues, including:
- Which developments in our environment are the biggest sources of influence?
- Which changes in development are we faced with, and what are the resulting opportunities and risks to our organisation?
- How should we respond to those opportunities and risks if we are to ensure the continuity of our organisation?

The greater the number of changes and the faster those changes occur, the more alert management needs to be.

The organisation as a technical system
Place an order at a restaurant, and you set off a chain of work processes. The waiter who provides you with a menu initiates a data flow that starts with the customer's order. That order is relayed to the bar and the kitchen. Once those departments have finished their activities, the waiter is informed that the order is ready for pickup and delivery to the table. Organisations rely on countless data flows to steer and calibrate the activities of their employees. Preparing the order is only possible if prior requirements have been met, such as drinks for the bar and resources and ingredients for the kitchen having been puchased. The supply of those products initiates a goods flow that starts with the supplier of the raw materials and ends with the customer.

The order placed with the waiter also initiates a transformation process consisting of pouring drinks and preparing dishes. Whether it is producing goods or providing services, an organisation can be considered a technical system which houses data flows, goods flows, and transformation processes. Properly structuring these flows is essential for optimum customer service.

The organisation as a financial-economical system
Money is an important requirement for initiating and continuing goods flows and transformation processes. Organisations rely on a monetary flow that starts with obtaining materials, labour, and capital. There are resources to be bought from suppliers, staff to be recruited, business space to be rented, production resources to be procured, and energy consumption to be paid. Costs precede benefits, and organisations are often required to invest before they can produce. This results in an outgoing monetary flow. Monetary resources required for this flow may first need to be borrowed through debt capital markets.
The transformation process results in products or services being made available for the sales market. Once these products or services are purchased and paid for, they result in an incoming monetary flow. Eventually, the incoming monetary flow should be large enough to accommodate the outgoing one. The existence of the organisation depends on its ability to obtain enough money to be able to afford its business processes. To that end, the organisation needs to produce products or services that are sufficiently appreciated and valued. On the one hand, value generates sufficient revenue; on the other hand, it ensures the credit rating required to borrow money through the debt capital market remains viable. A restaurant needs to achieve a certain level of turnover to offset its costs - and to possibly turn a profit. That is the only way to safeguard its continuity.

The organisation as a socio-political system
The production of goods and services involves people. These people perform operational activities, exchange information, consult and discuss, align their activities, perform managerial tasks, and solve problems - together. The division of labour is generally a fixed affair, covering who does what when with whom and as part of which department, division, or team. There are identifiable standardised activity patterns and prescribed contributions that make it possible to control and predict collaboration and interplay within the organisation. These are characteristics that establish the organisation as a kind of social system.
Many members of an organisation feel closer to the group or the department within which they operate than to staff members throughout the remainder of the organisation. Group members derive their status from their own group, which can be a source of information, aid, and social support. These positive gains are not established automatically. They require group members to work together properly and offer pleasant work circumstances: not an easy task.
The relationship between the individual and the organisation is considered a reciprocal relationship. The individual contributes to the organisation's functioning, and the organisation in turn contributes to the individual in the forms of money, status, security, social contact, and appreciation or valuation. These contributions are not inexhaustible, and the individual strive to maximising gains can come to stand at cross purposes to the organisation's objective of maximising profits. Members of an organisation

emphasize the interests of their own group over those of other groups or over that of the organisation as a whole. Differences in vision or interest between groups with respect to the distribution of scarce gains can soon lead to groups considering each other to be in competition. An organisation can therefore be considered a collection of parties whose interests are partly aligned and partly at conflict. Faced with situations like these, it falls to management to establish a balance between the different visions and interests. This makes an organisation a political system.

Organisational behaviour

Organisational Behaviour focusses on the organisation as a socio-political system from the perspective of organisational psychology. It deals with the behaviours of people in organisations. How do people interact? How do they influence each other? How do they align their interests to each other's and the organisation's goals?
These questions are approached from four different perspectives, being the individual perspective, the group perspective, the organisational perspective, and the environmental perspective.

Interrelated factors of influence on the behaviour of people in organisations

Individual factors
for example: needs, personality, capabilities, motives, attitudes

Group factors
for example: norms, roles, cohesion, conformity

Organisational factors
for example: culture, structure, leadership style, communication, decision-making, conflict

Environmental factors
for example: economic, technological, socio-cultural, and political factors

Source: Mullings, 2008 (edited)

1 Individual and organisation

- What motives do people have for working?
- How does motivation differ from one person to the next?
- What other personal characteristics play a role at work?
- What is the nature of the relationship between individual and organisation?
- What attitudes do people have towards work?

1

Maya applies for a job

Maya has applied for a job as assistant receptionist with a large transport company. She was very enthusiastic about the interview. She found the interviewers friendly and open. Unfortunately, during the guided tour of the building, she saw many older people. She also found the building to be gloomy and poorly maintained. However, her positive contact with the staff made her decide to accept the job. In an interview with the company magazine she says: "I like working with people and I can work 36 hours in four days. I then have a day off for my training at college."

Tom is looking for security

After ten years of working in industry, Tom is looking for a job in the non-profit sector. Now that Alma is pregnant with their second child, he wants to be at home more. He is looking for a less hectic job with shorter working hours. It seems sensible to him to choose a job with more job security, especially now that Alma has taken the risk of starting her own business. His eye is caught by an advertisement; perhaps he could work in IT for the municipality?

1.1 Behaviour and motivation

In the first example, Maya accepts a job offer because her future colleagues seem to be friendly and open. In the second example, Tom opts for a new job because it provides more security. Maya and Tom have different motives for choosing a certain job. These motives have to do with their motivation for working.

In this chapter, we provide an in-depth discussion on the subject of Motivation. But first, we turn our attention to behaviour.
The concept of behaviour deals with the perceivable interactions between human beings. Colleagues joining each other for coffee, checking their smart phones or sharing a joke; a door slamming in the distances; a friend running past without saying hi: there are many types of behaviour. The kind that managers like, is productive behaviour.
Human behaviour is a subject of interest to psychology and other sciences, such as sociology, anthropology, and political science. Psychology is interested in the scientific study of human behaviour as well as the mental processes at the basis of that behaviour. Mental processes are processes within the brain, thoughts and memories, perception, sensation, and so on. Studying behaviour involves more than explaining behaviour. It also deals with predicting and influencing behaviour. Relevant questions in the context of a work organisation would be: Why is this employee calling in sick so often? What can management do to prevent absenteeism and lower staff turnover rates? How can productive behaviour be encouraged? How do we stimulate staff collaboration? How do we motivate people? What type of behaviour should our executives display?

Motivation means the sum total of motives applicable to an individual at a certain time. These motives can lead to the willingness to make certain efforts. Motivation is derived from the Latin word “movere”, which means: to put into motion. **Motivation**

There are different theories as to the origin of motivation. These can be divided into three categories, which dictate that motivation is determined either by:
- Internal forces (needs).
- External forces (situation).
- A desire to balance internal and external forces.

The following paragraph first addresses these three schools of thought, after which we discuss two types of motivation: intrinsic and extrinsic.

1.1.1 Motivation through internal forces

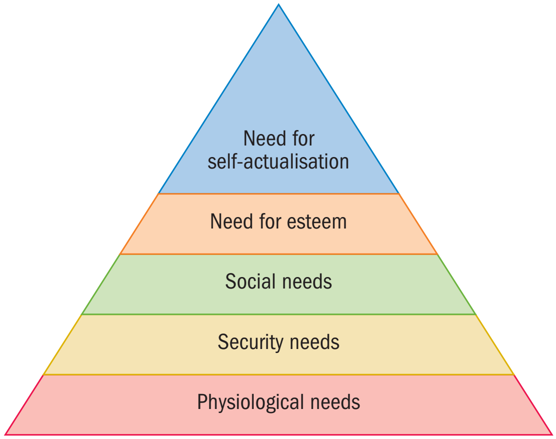
Since ancient times, people have been seeking answers to the questions: Why do we behave in a certain way? What inspires us? Is it gods or spirits? Or is it primitive forces within ourselves?
Freud, the founder of psychoanalysis, calls these internal forces “tendencies”. These tendencies are innate, have a physical origin. They are the wellsprings of behaviour. Modern psychologists usually call internal forces “needs”. **Needs**

There are different theories about needs. Here, we outline the theories of Maslow, Alderfer and McLelland.

Maslow's theory

Maslow (1943, 1954) argues that there are five needs which form the basis for any person's behaviour (see Figure 1.1):

FIGURE 1.1 Maslow's needs pyramid



Source: Maslow, 1943, 1954

1 **Physiological needs.** These are things that are necessary to sustain life (food and water, sleep, and a certain body temperature).
2 **Safety needs.** These are safety, security and protection.
3 **Social needs.** These include human contact, friendship, love and a sense of belonging.
4 **Need for esteem.** Esteem encompasses appreciation and respect by others.
5 **Self-actualisation needs.** These are knowledge, the pursuit of truth and wisdom, self-development and personal growth.

EXAMPLE 1.1

Needs

For Maya, her social needs are the most important at work. She also seeks self-development but she does so primarily in her free time. Tom used to need recognition, appreciation and respect, but now these things have become less important. He has built up sufficient self-confidence. Now, he is primarily looking for financial security, pleasant working conditions and time with his family.

Maslow's theory is based on two premises:
1 **Deprivation** of needs leads to activation. If there is perceived deprivation, an unsatisfied need, people will take action (activation). They take measures to satisfy this need. The strength of the activation depends on the degree of deprivation. Once the need is satisfied, the activity level subsides.
2 Needs are **hierarchically structured**. Maslow is of the opinion that there is a hierarchy of needs that is the same for all people. Lowest in the hierarchy

are the most fundamental needs (physiological needs). When these are satisfied, safety or security needs become dominant; next, the social needs, and so on. People can experience a need for recognition, for example, only once their underlying needs have been satisfied.

The first premise applies to the first four needs, which is why they are also called "deficiency needs". This is not the case with the last need, the need for self-actualisation, which is of a fundamentally different nature. People reaching this level are no longer driven by a deficit but by the wish to develop themselves into their "best" version possible. Maslow is of the opinion that by no means all people achieve their full development potential. According to him, only a small group of people achieve the highest level of self-actualisation.

Deficiency needs

Maslow's theory has received a great deal of criticism. For example, there is disagreement as to the hierarchy of needs. Some critics believe that different types of needs can be present at the same time. Maslow's grouping or classification of needs has also been questioned. Research has undermined the classification used by Maslow (Wahba & Bridwell, 1976). Moreover, the concept of self-actualisation has been criticised as being vague and therefore difficult to measure (Herman & Hulin, 1973). Finally, Maslow's hierarchy of needs is not applicable to non-Western cultures. For Chinese people, the need to be part of a group is greater than any other need. The need for self-actualisation is interpreted differently by the Chinese: it refers to the individual's contribution to society, rather than striving for individual goals. In general, research indicates that people's needs as they themselves perceive them can be better classified by a simpler system. An example of a simple system is Alderfer's ERG theory (1969, 1972).

Alderfer's theory

According to Alderfer, there are three types of needs. These are:

1 **Existential needs.** These relate to material security. The needs for good working conditions and a regular salary are existential needs. Existential needs are comparable to Maslow's physiological and safety needs.
2 **Relational needs.** These are the needs for good relations with other people and for love and friendship. People like to belong and they strive for appreciation and recognition. Relational needs can be compared with Maslow's social needs and need for recognition.
3 **Growth needs.** These are linked to opportunities for self-development. Growth needs correspond largely to Maslow's self-actualisation needs. The need for self-respect is counted among the growth needs by Alderfer, but for Maslow this need is part of the need for recognition.

Unlike Maslow, Alderfer argues that different types of need can be present simultaneously. There is no fixed order. Moreover, he posits the frustration-regression hypothesis: the more the satisfaction of higher needs is frustrated, the more important the lower-level needs become. Like Maslow, Alderfer is of the opinion that deprivation of needs leads to activation. People are primarily motivated to action if they perceive a deficit.

Frustration-regression hypothesis

American research based on the ERG theory yields interesting data (Hellriegel et al., 1989). People whose parents enjoyed higher levels of education turn out to have stronger growth needs than people whose parents had lower levels of education. Men turn out to have more existential needs and fewer relational needs than women. Women have more relational needs than existential needs.

ERG theory

Social needs: a party with colleagues.

Mclelland's theory

In every organisation, differences can be seen in the effort put in by different employees. There are people who slack off and others who always work hard. One person is ambitious and wants to get ahead while another is satisfied with what they have. According to McLelland (1971, 1976), every individual develops their own profile of needs in the first years of life. In such a profile, there is a dominant need, and this dominant need determines a person's orientation, independently of the situation in which persons find themselves. It becomes a stable characteristic. McLelland identifies three needs profiles:

Profile of needs

1 **Need for achievement**. If this need is dominant, people to which it applies are primarily focused on performing well. They will look for challenging situations that allow them to demonstrate their capabilities.
2 **Need for power**. People in whom this need is dominant strive for influence and control over others. They try to attain positions in which these can be achieved.
3 **Need for affiliation**. If this need is dominant, people are focused on the creation of good relationships with others.

The dominance of a certain need has been established through research. Andrews (1967) found that among middle and senior management, the need for power is primarily dominant. Kotter (1982) carried out research among 15 higher managers and found strong achievement and power needs. Among lower-level management, the need for affiliation is dominant (Kolb, Rubin & McIntyre, 1984). The question is whether the results of these studies prove that people have a stable dominant need. At first sight, it seems as though people ascend to a management position in an organisation due to a strong need for power. However, the situation can also be looked at from from the other way round. Through a higher position, people obtain power and consider it important for exercising their authority. This situation makes

their orientation dominant towards power. Lower-level management generally has little power. To achieve anything, they must enter into good relationships with their subordinates. They can then use these good relationships as a source of influence.
This reasoning fits in with McLelland's view that a dominant need is learned or acquired. In the learning process, the rewarding of behaviour reinforcement plays a major role. A manager who achieves something by exercising power has the tendency to repeat this approach. If 'being friendly' produces the desired effect, this style of approach can become dominant.

Reinforcement

Unlike the preceding theories, McLelland's assumes that needs are not innate but learned. He does, however, assume that learning takes place at a young age and that the dominant pattern, once developed, thereafter remains stable. This is open to debate. What has been learned can be changed or unlearned – for example, by training managers in a different approach. Research is necessary to provide a decisive answer to this question.

1.1.2 Motivation through external forces (the situation)

Behaviour is driven not only by need but also by the a person's situation. A growing child still has much to discover and learn before it can function purposefully. This learning partly takes place by trial and error, through a process of trial and error. In order to achieve something, a child will try out different behaviours. These do not always produce the desired results but occasionally, certain behaviours have the intended effect. Behaviour followed by a desired effect is more likely to be adopted in another similar situation compared to behaviour that elicits no effect or a negative effect. In this way, even a baby can learn that it can get attention simply by crying loudly. Thorndike calls this the law of effect: the consequences of an action determine whether someone has the inclination to repeat the action or not. If the consequences are attractive, there is positive reinforcement. If the consequences are unattractive, there is negative reinforcement.

Trial and error

Law of effect

Positive reinforcement

Negative reinforcement

Crying often has an effect.

EXAMPLE 1.2

Positive and negative reactions

Maya cracks jokes during her first progress meeting with her new colleagues. Her colleagues look offended and do not respond to her witticisms. They do respond, however, when she delivers a substantive contribution to the discussion. Maya stops making jokes after a while and acts in a more businesslike manner.

Conditioned

A certain action that is always followed by positive reinforcement will, after a time, automatically be taken in a similar situation. This action has become conditioned and is included in the behavioural repertoire. However, this action does produce the same effect in every situation.

EXAMPLE 1.3

Modifying behaviour

Maya discovers that she should not make jokes during the progress meeting. However, during coffee and lunch breaks, this same type of behaviour is very much appreciated.

Stimuli

Conditioning

The consequences of a certain action dependend on the characteristics of the situation. These characteristics are called stimuli. A new employee learns to distinguish between an official situation and a coffee break. In the first case, serious behaviour is expected and in the second case a less professional attitude is appreciated. In the process of conditioning, a link is first created between a stimulus (situation) and a response (action). Once this link has been established the situation automatically elicits the conditioned action. A large part of human behaviour is automatically elicited by a situation.

EXAMPLE 1.4

Automatic behaviour

William has worked on a milling machine for years. When he arrives in the morning, he has a long list of set actions, which must take place in a fixed order. First, he goes to the changing room. There, he takes overalls from his locker and changes into them. Subsequently, he greets his colleagues, chats with them, gets a cup of coffee from the machine and goes to the milling machine. There are all the order tickets for the orders he has to complete. He goes through the motions and subsequently programs his machine.

The type of behaviour elicited or not elicited by a given situation is connected to the process of reinforcement. The consequences of the behaviour of employees in an organisation have a notable effect on colleagues and line managers. The latter can elicit the desired behaviour or eliminate undesired behaviour by using positive or negative reactions. Positive reactions include offering attention, compliments, a smile help, information, more assignments, more freedom to organise work and promotion. Negative reactions are ignoring, giving disapproving glances, offering criticism or giving low assessments, and showing anger, or nagging.

By means of systematic reinforcement, the behaviour of an employee can be conditioned. In organisations this learning process can be used to make sure that (new) employees behave in the correct manner and so make a worthwhile contribution to the team.

1.1.3 Motivation through a desire to balance internal and external forces

The first two motivations for behaviour are, in a sense, opposites. On the one hand, people display behaviour because it is elicited by the situation. This is a pulling force. On the other hand, people are encouraged into behaviour by their needs. This is a pushing force. Both approaches suggest that people have no choice: either they follow their needs or they are conditioned into certain behaviour by the situation. In a number of cases, however, the behaviour that people display is the outcome of a process of consideration and choice. Here, both the needs of the person and the possibilities that the situation offers play an important role.

Pulling force

Pushing force

EXAMPLE 1.5

Ambition

Sonia is very ambitious and wants to advance a step in her career. The question is how she should proceed. Are there in fact higher positions to be attained within the bank where she now works? If so, how might she attain them? By working even harder and by establishing better relationships with the senior managers? By networking informally? Or would it be better to apply for a higher position somewhere else?

Before people make a choice, they consider the situation they are in, and also consider the opportunities they have of achieving certain goals or results. They also estimate the likely consequences of certain behaviour. The motivation to display or not to display certain behaviour is the result of a process of deliberation. Two theories describe the considerations that form the basis of behavioural choice: the expectancy theory and the attribution theory.

Expectancy theory

The process of deliberation that determines a certain behaviour is described by Vroom (1964) in his expectancy theory. According to this theory, whether people are inclined to make an effort in their work depends on various considerations:

Expectancy theory

1 The **connection between effort and performance.** This is the estimated likelihood that a certain effort will lead to good performance.

2 The **connection between performance and returns.** This is the extent to which someone believes that good performance will actually lead to attractive returns. Sometimes that connection is clear, because there is a clear reward system, but in many cases it is a matter of waiting to see if certain efforts lead to more appreciation, job security or promotion, for example.
3 The **value of the returns** that certain efforts produce. Work can provide various positive returns, such as good pay, high status, good social contacts and possibilities for growth. There can also be negative returns, such as frustration, physical discomfort, conflict and stress. The value of the returns is the sum of the advantages and disadvantages these extra efforts produce. Extra hard work can lead to a positive evaluation from the boss but a poorer relationship with colleagues, because they see it as showing off. Promotion can produce more salary and status but also more work pressure, worries and responsibility.

The value of the results of work is not the same for everyone. As we discuss in section 1.2, for some employees salary is the most important return, while for other employees challenging work, responsibility and appreciation have greater value. Research has shown that simply having work contributes to people's happiness (see the following example).

BUSINESSWEEK, MARSHALL EN KELLY GOLDSMITH

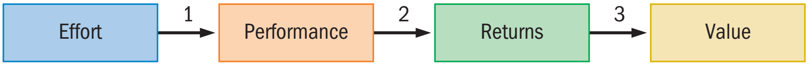
How Adults Achieve Happiness

How does an adult achieve a high level of contentment while living a frenetic and distraction-packed life? The two of us have just reviewed results from our new survey designed to elicit insights into short-term satisfaction (happiness) and long-term benefit (meaning) – both at work and away from it. Our respondents weren't randomly chosen. They're well-educated managers, entrepreneurs, and professionals, numbering over 3,000.
Our findings were in many cases unexpected but clear-cut. There is an incredibly high correlation between people's happiness and meaning at work and at home. In other words, those who experience happiness and meaning at work tend also to experience them outside of work.(...) Overall satisfaction at work increased only if both the amount of happiness and meaning experienced by employees simultaneously increased. (...)
What can companies do differently? They might stop asking, "What can the company do to increase employees' experience of happiness and meaning at work?" which encourages dependency. Instead, managers can encourage employees to ask themselves, "What can I do to increase my experience of happiness and meaning at work?" This strategy may produce a higher return in employee commitment – and do so at a lower cost.

According to expectancy theory, the more likely people estimate there to be a likelihood of achieving positive returns and the more valuable they consider those returns, the greater their effort will be. A student works hard for the upcoming exams, for example, thinking that by so doing they will pass (effort–outcome expectancy) and, by doing so, expecting to have more chance of obtaining work (outcome–return expectancy). Obtaining work has a high value (valence) for the student. If passing the exams is not a means to obtaining more attractive work and earning more money, the student will begin to wonder whether it makes sense to make any effort for the exams. Success is then not connected to attractive returns.

The relationship between effort, returns and values is shown in Figure 1.2.

FIGURE 1.2 The expectation model



The motivation for someone to make an effort is a function of:
1 Effort-performance expectation
2 Performance-returns expectation
3 Value of the returns

Employees within an organisation like to know whether their efforts lead to positive outcomes and thereby to other returns they consider valuable. How an organisation can take advantage of this fact and thus increase employees' motivation to perform is discussed in chapter 2.

It would seem as though Vroom's expectancy theory is about the more or less objective consideration of the chances of success and the value of returns. This is, however, not the case. It is primarily about subjective considerations and estimates – in particular:

1 the extent to which the relationship between effort and returns (equitability) is thought to be reasonable
2 the extent to which people regard themselves as capable of producing a good performance (self-image).

Attribution theory

Attribution theory

The attribution theory (Vroom, 1964; Kelley, 1972) explains why people are willing to make an effort. If people think that they can achieve success with their efforts, they will make those efforts. They are less willing to make efforts if they think that they no positive results can be achieved, whatever they do.

Attribution

How do people arrive at a positive estimation of their potential? This occurs through attribution. Attribution is a process by which people try to find out the causes of their own behaviour and the behaviour of others. Say that a manager of a large export company, for example, is annoyed to find that his excellently prepared proposal receives no support at all at a meeting. He has spent more than six months putting his plans on paper, and now everything seems to have failed. How can this be possible? The manager will want to find cause for the painful situation he finds himself in. The first thing he will ask himself is: "Am I the cause of this issue, or is it due to factors other than myself?" People will try to find out the causes of their failure or success. They do so by comparing themselves to others in the same situation and considering whether there is possibly a set pattern to their failure or success. In determining the causes of success or failure, people take the following into consideration:

- Whether they frequently fail or succeed in similar situations. This enables them to establish whether there is a fixed pattern (when I go out of the door, I always forget to turn off the lights) or whether it happens only occasionally.

- Whether others fail or succeed in the same situations. If others make the same mistakes, it must be because of the circumstances – for example, because it is very difficult to do well. If only they make mistakes, it will be because they are not as good as others.
- Whether they frequently fail or succeed in other situations.

The results of the considerations above determine whether a person should seek the cause of their success or failure in themselves or in the circumstances. If someone comes to the conclusion that he is the only one who does something wrong or does it well, and that this is frequently the case, then he will seek the cause in himself. We call this internal attribution.

Internal attribution

If others also regularly fail in comparable circumstances, then the causes should rather be sought outside oneself. The task was too difficult, for example, or there was too little time. There is external attribution if people ascribe their success or failure to circumstances.

External attribution

Self-image

Self-confidence

When people ascribe their success or failure to themselves, this influences their self-image. Self-image consists in the characteristics that people assign to themselves. For example, people can consider themselves sporty, jovial, modest or intelligent. If someone is regularly better than others in a certain area, e.g. sprinting, that person will ascribe this to their own ability. This produces a positive self-image in this area and thus gives self-confidence. The person will not avoid new situations involving sprinting and trusts that

they will again perform well. Someone with self-confidence does not avoid challenges. Someone who always performs poorly in certain situations in comparison to others will feel incompetent in that area and will have a tendency to shy away from those situations.

As people prefer to have a positive self-image, their internal attribution does not always be entirely objective. They have a tendency to be selective and attribute positive characteristics to themselves and negative characteristics to environmental factors. We call this a self-serving bias. In addition to this self-serving bias, there is fundamental attribution error. This error arises from the tendency to attribute someone else's behaviour to their characteristics rather than to external circumstances. If a manager finds that an employee is delivering an assignment late again, they will tend to attribute this to certain characteristics of the employee (laziness, inefficiency) rather than to circumstances (pressure, lack of data and suchlike).

Self-serving bias

Fundamental attribution error

People strive after a positive self-image, since it helps them meet their need to feel capable. Giving them the opportunity to demonstrate their competence increases their motivation to commit. Therefore, it is important for management to ensure that there are situations in which employees can implement their work abilities in a positive manner.

Self-image influences one's performance expectancy. Someone who feels competent will expect their efforts to generate better results than someone who does not feel competent.

1.1.4 Intrinsic and extrinsic motivation

To motivate people to perform well, it is important to have insight into their motives. What motives play a role in the work situation? We can identify two types of motive: intrinsic and extrinsic.

Work-intrinsic motives

Work-intrinsic motives to perform well relate to the challenge posed by the work itself and to satisfaction in the work. People do not do their best because they expect to be rewarded with greater recognition, a bonus or promotion, for example. They do their best because they like the work and derive satisfaction from performing well. To them, it is more about taking part than about winning. Intrinsic motivation is connected to the previously mentioned need for self-development, the need to be good at something and the need for independence and responsibility.

Work-extrinsic motives

Work-extrinsic motives to perform well relate to the returns that can be achieved, such as money, rewards, good working conditions, high status and promotion. It is more about winning, and less about taking part.

Guzzo et al. (1985) analysed more than a hundred studies and came to the conclusion that work-intrinsic motives have a greater motivational effect in organisations than work-extrinsic motives. Organisations can take advantage of this fact (see also chapter 2).

EXAMPLE 1.6

Needs during different life phases

Tom has a need for financial security, favourable employment terms, and good working conditions in this phase of his life. This is because Alma has become self-employed and has no protection against dismissal, no right to unemployment benefit, no pension fund, no collective labour agreement, no sickness benefit and no limitation of liability in the event of losses. She doesn't mind because she likes being independent, wants to take responsibility for her own work and finds the work challenging. The challenge of Tom's work is also important for him.

As seen in example 1.8, both types of motive can be present at the same time.

Employees who are primarily work-extrinsically motivated have an instrumental attitude towards their work. People used to say: "Having work means being able to put bread on the table." We describe this attitude in section 1.6.

People have different needs and interests (motives). All kinds of factors affect these, such as their health, the psychological and relational problems with which they are confronted, their social environment and culture. Motives can also change during one's lifetime. At 60 years old, a person usually has different needs from when they were 20. At 35 years old, one cannot indefinitely keep postponing a decision about whether or not to have children. Having a family changes one's needs and interests.

How people function in organisations is dependent not only on their needs but also on their abilities and competences, personality, attitudes and values.

1.2 Abilities and competences

Employees can be motivated to get a job or acquire a better position, but if they are not sufficiently competent, their efforts will fail. Intelligent people and people who are skilled socially and communicatively often have an advantage.

Abilities
Intelligence

People can have specific abilities, but there is a more general ability: intelligence. People differ in intelligence. Some learn more easily than others. Intelligent people are often quicker at resolving difficult problems and understanding situations. Intelligence is established with an IQ test. A high score in an IQ test suggests that a person will be able to learn a new job quickly, for example, and be successful at work (see also chapter 2). Nevertheless, an IQ score does not tell you everything: it establishes only the person's ability for reasoning, absorbing and processing information, thinking logically and analytically and having spatial awareness.
For success at work, other abilities are often also important. An employee should have specific knowledge and skills, for example.

EXAMPLE 1.7

Communicative skill

As a journalist, Alma has frequently reported on events in Eastern Europe. She speaks several Slavic languages, engages with people easily and is able to put her thoughts into words accurately. Now that she has started her own communications consultancy firm, these skills come in very handy.

Competence

Competence is not only about specific knowledge and skills necessary to perform well at work. Other abilities, personality traits and motives also play an important part (Kessels, 2011).
As a journalist, Alma's competence in Slavic languages comes in very handy. Her oral and writing skills are also up to standard. Her extroverted nature and ability to empathise with others allows her to easily connect with other people, and intrinsically motivates her to take care in managing and maintaining her relationships.
The skills that are required for a certain position are often listed in job advertisements in newspapers.

EXAMPLE 1.8

Job application?

Tom reads an advertisement in the newspaper which clearly specifies the abilities he must possess. He is expected to be able to work in a team, to be persuasive, to be independent and to be good at problem-solving. He thinks he has three of these four abilities. Teamwork is not his strongest point: he would rather work solo. He detests 'chatty' people who prevent him from getting rapid results.

1

1.3 Personality

People can differ greatly from one another. Some are impulsive, cheerful and exuberant, while others are serious and cannot express themselves easily.

EXAMPLE 1.9

Clashing personalities

Tom is easily irritated by his colleagues, whom he calls 'chatty'. These cheerful and exuberant colleagues are in turn irritated by Tom's serious behaviour. They also think that he shouldn't work so hard.

Personality

The pattern of characteristic thoughts, feelings and behaviours by which one person distinguishes themselves from another, and which remains fairly constant over time and in different situations, is called their personality.

Attempts have been made to describe the individuality of a person in terms of a number of personal characteristics, also called 'traits'. In terms of what personal characteristics can people be adequately described? Cattell (1973, 1982) identified 16 traits. Nowadays, the Big Five, an internationally known personality test (Goldberg, 1992), is widely used to establish a person's character. As its name suggests, this personality test has five dimensions:

1 Extraversion
At one extreme of this dimension is extraversion and at the other introversion. Extravert people are talkative, spontaneous and exuberant. They like to laugh and touch others. Introverted people are closed and taciturn. They keep their distance. Extravert people can cope with many stimuli. They like dealing with others. Introverted people screen themselves off from too many stimuli. They want to work in peace and quiet.

2 Agreeableness
At one extreme of this dimension is agreeableness and at the other self-absorption and disagreeableness. Agreeable people are gentle, kind-hearted, obliging and peaceful. Disagreeable people are unbending, unyielding and stubborn. Agreeable people are focused on the needs and interests of other people. Disagreeable people push for their own way and cut discussions short.

3 Conscientiousness
At one extreme of this dimension is conscientiousness and at the other laziness. Conscientious people are scrupulous, orderly, precise and careful. They work systematically and purposefully. They like to turn up on time. Lazy people are disordered, careless and frivolous. They lose things and do their work at the last minute.

EXAMPLE 1.10

Creative and immune to stress

Carlo has achieved a low score on conscientiousness in the Big Five test. It's true that he is a bit nonchalant, he says. He likes change and is not very focused on details. He begins all sorts of projects but is not so good at finishing them. Carlo can take on a lot of tasks at once without suffering any stress. He likes to improvise.

4 Emotional stability
At one end of this dimension is emotional stability and at the other end emotional instability (neuroticism). Emotionally stable people are imperturbable and cool-headed. They can detach themselves from problems and are immune to stress. Emotionally unstable people are panicky, anxious and emotional. They can quickly be overcome by emotion and have vivid imaginations.

5 Openness to experience
At one end of this dimension are people who are open to experience and at the other people who shut themselves off from new experiences. People who are open to experience are imaginative, creative and reflective. People who shut themselves off are over-polite and do not undertake anything on their own initiative. They agree with everything.

EXAMPLE 1.11

Social and careful

Natasha has not scored highly on openness to experience. It is not surprising. On the one hand, she doesn't like surprises and prefers a predictable environment. On the other hand, however, she does like variety. This can cause difficulty because the two desires are often incompatible.

What is the purpose of this personality test? For the individual employee, self-knowledge is important for making the right choices when selecting a profession or career and for personal development. People who are highly introverted and score low on agreeableness would be unwise to choose a profession in which they have to be around people. Examples are care professions, sales and management positions.

Big Five scores can also be used by employers in the selection process, in order to establish who is the right person for a certain position. A candidate should score highly on the characteristics that are required for the position in order to be considered (see chapter 2).

1.4 Attitudes

EXAMPLE 1.12

Car pooling?

Stimulated by some remarks made by his manager, Duncan is considering car pooling. He makes a list of positive factors: it saves costs; it is good for the environment (and the organisation wants to improve its performance in this respect); his manager is in favour of it. But he also feels car pooling doesn't suit him because he does not want to sit in a car with the same colleague every day; he would rather be on his own; he wants to be able to decide when to travel himself; the organisation should not force him to car pool. Therefore, I will not do it.

Attitude

The position that Duncan adopts with regard to car pooling in example 1.12 can be called an attitude. An attitude is a reasonably stable position with regard to other (groups of) people, types of behaviour, things or ideas.

Cognitive considerations

Affective or emotional considerations

How do people arrive at a certain attitude? Two factors play a part. In listing the advantages and disadvantages of car pooling, Duncan is using cognitive considerations. In allowing his feelings to come into play – for example, his reluctance to be forced – he is using affective or emotional considerations. Emotional considerations are often decisive in the attitudes that people adopt.

Attitudes elicit behaviour. If Duncan adopts a positive attitude to car pooling, there is a good chance that he will join in. However, the relationship between attitude and behaviour is not a direct one. Other factors intervene on the way from desire to action.

EXAMPLE 1.13

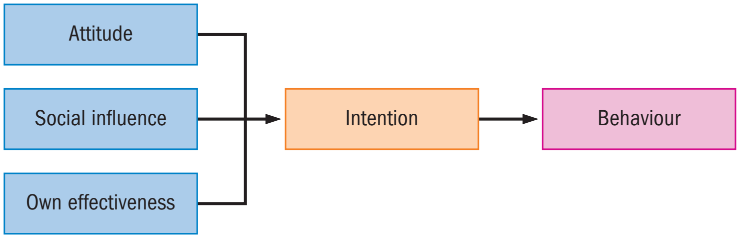
Impediments

In principle, Duncan intends to start car pooling, but in practice nothing comes of it because he has flexible working hours, so it is difficult to make regular arrangements with others. It is also difficult to find colleagues who can pick him up without having to make a big detour. The issue therefore remains problematic.

Behavioural intention

As the example shows, an attitude produces only a tendency to adopt certain behaviour. We call this a behavioural intention. Whether someone actually transforms this behavioural intention into behaviour is dependent on several factors. Three factors are set out in Kok's ASE model (De Vries, Mudde and Strecher, 1991): one's own attitude, the influence of the environment (society) and one's own effectiveness, i.e. the perceived likelihood of impediments to the adoption of the intended behaviour (see Figure 1.3).

FIGURE 1.3 The ASE model



According to the ASE model, the likelihood of adopting certain behaviour, such as car pooling, increases if:

- a person has a positive attitude towards car pooling;
- the person's social environment also has a positive attitude and pressure is put upon the individual to join in (e.g. if the majority of colleagues do it and they emphasise how financially beneficial it is and how it helps the environment by, for example, reducing traffic jams);
- a person finds that they can make the necessary arrangements with they colleagues. If this turns out to be difficult, they quickly give up.

People can experience uneasiness if their attitudes and behaviour are contradictory. This creates cognitive dissonance. For example, Duncan wants to help the environment and should therefore start car pooling, but at the same time he would like to decide for himself how he goes to work. Cognitive dissonance causes uneasiness and tension. This creates a need for 'dissonance reduction' and the brain attempts to reduce this dissonance.

Cognitive dissonance

EXAMPLE 1.14

How to eliminate cognitive dissonance

Duncan knows that he should start car pooling, but he doesn't do it. He combats his uneasiness by telling himself that sharing a car with a colleague doesn't make much difference to the environment, or that he is actually not particularly in favour of car pooling.

1.5 The relationship between individual and organisation

People generally like to be part of an organisation. This often produces a great deal of value, such as income, status and social contacts. These rewards do not just happen: people have to invest time and energy into the work that they do and they must adapt to the demands the organisation imposes on them.

EXAMPLE 1.15

In the organisation's interests

Carla, the head of the Marketing and Sales Department, is happy with her new employee, Johan, because he has a lively personality and the right skills. But she also wants Johan to exhibit appropriate behaviour and, for example, give the right impression to clients and external contacts.

1

Exchange relationship

The relationship between individual and organisation has the character of an exchange relationship. The employee helps to achieve organisational goals through their contribution. They make an effort, contribute time and energy to their work and place their physical and mental abilities at the organisation's disposal. The organisation can profit from those abilities, skills, personality and motivation. It offers rewards (benefits) in return. The organisation ensures that the employee benefits from such rewards as a good salary, interesting work, agreeable colleagues and attractive prospects.

Table 1.1 shows what can be exchanged between employees and organisations. For employees, the benefits are essentially of two types: economic and affective.

TABLE 1.1 Contribution and benefits of people in organisations

Contribution	Benefits
• Time	• Salary and perks
• Effort	• Interesting work
• Knowledge	• Social contacts
• Skills	• Appreciation and status
• Social support	• Training, education and career prospects

People turn a situation to their own advantage as much as possible, in order to make the exchange as favourable as possible for themselves. March and Simon (1958) therefore posit that an individual decides to work for an organisation on the basis of a negotiated contract (see chapter 2).

Mutual dependence

A result of the exchange relationship is mutual dependence. Individual and organisation need each other to achieve their goals. The organisation can function well only if it has employees who are prepared to achieve the desired results. The employee needs the organisation to achieve their individual goals, such as a good salary, meaningful work and self-development.

The mutual dependence is not complete. People can leave an organisation if the exchange no longer suits them. Organisations can replace people with other people. An employee spends only a certain amount of their time in the organisation; they have time to do other things, which may also bring them rewards.

Working with interruptions.

EXAMPLE 1.16

Leisure activities

Tom goes jogging with a neighbour twice a week and every Thursday evening he plays music in a band. He also tries to find the time to go swimming and play with his daughter every week. And perhaps he go on that dance course with Alma?

Not all of a person's abilities are always relevant to a position. The organisation has an interest in the employee making as much effort as possible, but too much personal investment in his work can lead to problems. The organisation uses people for part of their time and part of their potential. The relationship is therefore characterised by partial commitment on both sides.

This explanation of the exchange relationship suggests that people's commitment to organisations is based solely on economic considerations. This is not always the case. According to Etzioni (1961), three types of commitment are possible:

Commitment

1 **Obligation**. The employee's contribution is made under obligation. This can be the case in prison or in the armed forces.
2 **Use**. The employee's contribution leads to the results that the organisation wishes to achieve.
3 **Norms and values**. The employee's contribution is made for ideological or religious reasons. This is the case in a political organisation, for example.

The commitment of people to organisations can, of course, be based on several considerations. These considerations determine people's attitudes towards their work and the organisation.

1.6 Commitment

The emphasis on the exchange-based relationship between employees and their organisation suggests that employees consider whether to continue working for and put an effort into an organisation base their decision solely on rational considerations. This is not the case. Emotional considerations also play a role. How do employees become involved in the organisation they work for? The concept of commitment refers to the bond between a person and an organisation. The greater the level of commitment, the more the employee identifies with the organisation and they more they wish to remain part of it. Meyer and Allen (1997) distinguish between three types of commitment:

- Affective commitment. The feeling that one is part of an organisation (sense of community).
- Normative commitment. The feeling that leaving the organisation would not be the decent thing to do.
- Continuity commitment. The consideration that it would be too difficult to re-accumulate all that has been invested in the job so far (training, pension plan, promotion) at another company.

The first two types of commitment involve emotional considerations. The latter is to do with a rational one. Employees only experiencing continuity commitment remain in an organisation based on a cost-benefit analysis. Should they find out that they could do better elsewhere, they will leave the organisation. They are not prepared to offer additional effort or to help their colleagues. They put in just enough work to make sure they do not lose their job.

All three types of commitment influence the extent to which an employee is inclined to stay with an organisation. Affective commitment also relates to other factors. Employees with high levels of affective commitment show less absenteeism and a greater tendency to put in an effort for the organisation. What are the factors that determine the extent to which an employee shows commitment? The first is personal characteristics. Some individuals are more sensitive to their social environment, whereas others have a greater interest in their income or job security. The second is relational factors. Affective commitment increases as employees experience greater appreciation from their colleagues. The third factor is the nature of the work. Employees fulfilling functions that require a greater skill set, that offer them a sense of responsibility, and that they are able to perform to some level of personal discretion experience greater commitment than employees performing short-cycle routine jobs that require little training and whose activities have been strictly prescribed.

1.7 Job satisfaction

If commitment describes the extent to which someone feels bound to an organisation, work satisfaction means the extent to which someone perceives their work and working conditions as pleasant or enjoyable (Locke, 1976). How positively people view their work and working conditions is connected with the following factors:

1 **Work characteristics.** How someone perceives their work is often dependent on the extent to which the work is dull or varied, the extent to which it

appeals to their own character, the extent to which it is possible for them to influence the way in which the work is done, and the social status of the work.

2 Nature of the **social environment.** The social environment comprises colleagues and management. They can be pleasant or unpleasant to work with. They can also provide or fail to provide **social support** in situations where there is a need for it (see also subsection 10.4.2). Quite a few professions are hazardous or require emotional commitment. Consider police officers, firemen, prison wardens, nurses, social workers and teachers. In these professions, employees can be exposed to harassment, aggression, violence, accidents, illness and death. In these situations, social support helps the employee to achieve acceptance. But social support can also be beneficial in less serious situations, such as periods of work overload.

3 Nature of the **reward**. If an employee considers that the reward they derive from their work is commensurate with the effort that has to be made to carry out the work, there is said to be equitability (see also section 1.9).

Social support: a safety officer monitors the welfare of his colleagues as they extinguish a fire.

Research shows that it is primarily the characteristics of the work itself that influence work satisfaction (Judge and Hulin, 1993; Taber and Alliger, 1995). People with a high degree of work satisfaction have a high affective commitment to the organisation in which they work, have less inclination to leave the organisation, and perform better than people with low satisfaction (Arnold et al., 1998; Meyer et al., 1993).

1.8 Equitability

The attitude of people towards their work and the commitment that results from it are partly determined by the relationship between their efforts on behalf of the organisation (costs) and the results obtained (rewards). People make a cost-benefit analysis and strive for equitability.

Cost-benefit analysis

Equitability

Equitability means that the efforts people put in must be in proportion to the rewards they obtain. When people make a great deal of effort, they expect greater rewards than when they invest much less effort.
But what is a fair relationship between costs and rewards? In general, it is difficult to establish this objectively.

EXAMPLE 1.17

Comparing oneself to others

William earns a modal average income. He finds that he has to work hard in comparison with people in public service. They have it a lot easier, in his view. Still, he is reasonably satisfied with his salary, certainly if he compares his job to others that are physically more demanding, which sometimes pay even less.

What an employee considers a fair relationship between his efforts and his rewards is often arrived at by comparison. The process involves two types of comparison (Thibaut & Kelley, 1959):

- **General comparison level**. This arises from comparison with other people. It produces a norm that indicates the lower limit of a fair relationship between costs and benefits.
- **Comparison level for alternatives**. The cost-benefit relationship of the employee's current position is then compared with that of available alternatives.

Everyone has their own norms for determining whether their efforts are reasonable for the rewards they receive. These norms are primarily created by comparison with other people. From that process of comparison a lower limit for the cost-benefit ratio is established. If the costs are too high or the benefits too low, people will perceive the relationship as unfair. If the relationship between costs and benefits is more favourable or reasonable, then people see it as fair. People not only apply general norms, but also look at what alternatives are on offer.

EXAMPLE 1.18

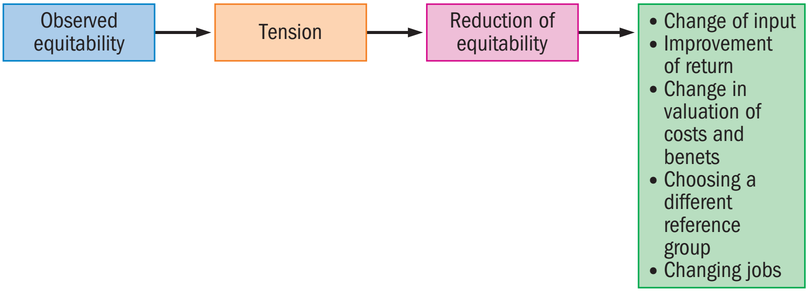
Alternatives

William has heard that in another factory employees doing the same work have better conditions and more opportunities to progress to a higher position. This alternative is thus more attractive in terms of the cost–benefit ratio.

Balance theory

The equitability theory can be regarded as a balance theory. If a lack of equitability is perceived, a feeling of tension arises. People will try to reduce this tension until a new balance is achieved (see Figure 1.4).

FIGURE 1.4 Reduction of equitability



Source: Thibaut & Kelley, 1981

When people perceive a lack of equitability, they can act in various ways:

- **Adaptation of effort**. If the rewards obtained are too low, people can decide to make less effort, thereby making the relationship between costs and rewards more equitable. If people find that they are getting too many rewards, they can increase their efforts.
- **Improving the rewards**. People can try to obtain better rewards, for example by asking for the working environment to be improved by reducing noise nuisance or providing better ventilation. Demands for pay increases are another example of this type of action.
- **Change of appreciation**. A lack of equitability can also be countered by a different appreciation of costs and rewards. People can, for example, perceive a lack of equitability because more rewards are obtained than is reasonable. In this case, they are overpaid. This can lead to a re-evaluation of the situation. The employee can convince himself and others of the special value of his contribution to the organisation. The employee may also consider the contributions of his colleagues. He can raise or lower his evaluation of their contributions until he finds it reasonable that they receive more or fewer rewards than he does.
- **Choosing a different reference group**. An employee can choose different people to compare himself with. He may realise that it is not realistic to keep comparing himself with colleagues who used to work with him in the department, for example. These colleagues now have very different tasks and are categorised at different functional levels.
- **Leaving or changing jobs**. If an employee continues to perceive a strong sense of a lack of equitability, he can opt to look for another job and resign.

In general, people are inclined to act sooner when they perceive themselves to be disadvantaged by a lack of equitability than when they perceive their rewards to be too great.

1.9 Changing relationships

Various organisations are working on reorganising their employees working conditions. Whereas employee work activities were formerly tied to particular fixed hours and locations, the introduction of New World of Work (NWW) has changed all that. This change involves the implementation of four principles (Baane et al., 2010):

1 Employees are able to perform their activities independently of place and time. They are largely able to determine when and where they work

themselves. This means: no fixed working location and fixed groups of colleagues working together at the same times. Flexible work means employees being able to determine where, with whom, and how they work. The core concept is that of flexibility in terms of time, space, and working method.

2 Direct supervision and control of employee activities are no longer possible. This means employers need to make agreements with their staff in terms of targets (results-based management).
3 Whenever and wherever they are at work, employees should be able to freely access the information and tools they require to do their job. Proper ICT-support is essential. Whether employees are working from home on during their commute, they should be able to sign in from anywhere to receive direct access to required information, or to contact colleagues, supervisor, or other parties (customers, project members, suppliers, etcetera).
4 Employees have flexible working relationships and contract types. Employees enter into arrangements dictating the degree of freedom with regards to their places and times and work.
In practice, this freedom comes in different forms. Some employees enjoy full freedom, others are required to spend at least 50% of their time at a predetermined location; some companies set a maximum to the number of virtual meetings, with face-to-face contact being required at specified times.

EXAMPLE 1.19

The case of Microsoft

Microsoft introduced flexible working without using blueprints or multi-annual planning. Director of Human Resources Management Ineke Hoekman-van Hasse: ‘The idea was for the human being to become the central axis in the age of working, independently of time or place. Another pillar was that there should be sufficient attention for cooperation and mutual communication. Top level management was the first to learn how to manage for results, learning to let go and trust their employees. This was followed by training modules that were open to all interested employees.’ At the same time, Microsoft was able to move to new offices. There were no fixed work stations or landline telephones, and all office spaces also doubles as meeting spaces. Employees are not subject to fixed office days, and teams themselves determine the number of physical meetings required to optimise their virtual collaboration. Some teams meet three times per week, others meet once every three months - which is made possible by everyone having learned to make use of the available technologies as efficiently as possible.

The New Way of Working: no fixed work stations or landline telephones.

The office no longer houses fixed locations that are the 'property' of a single employee. Those wanting to work at the office can make use of any work site not yet occupied. The office is less of a work location and more of facility promoting social interaction and cohesion and preventing detachment.

The introduction of NWW has changed something fundamental about the relationship between the individual and the organisation. Organisations that have implemented NWW are no longer the same types of social environments which can used to derive support, appreciation, and social contacts. The question is whether this will influence the exchange-based relationship between individuals and organisations and attitudes with regard to work. Proponents of NWW are promoting its implementation by emphasising the expected resulting benefits:

- improved employee satisfaction and commitment;
- improved employee performance;
- improved collaboration between employees and between organisational units;
- improved utilisation of available knowledge;
- improved customer satisfaction;
- reduced housing, travel, and ICT expenses;
- reduced absenteeism and unwanted staff turnover.

Sub-paragraph 2.5.3 discusses whether these positive effects will occur, what the negative (side-)effects are, and what conditions need to be met in order to make NWW a success.
Changes in relationships are also shown by the increasing numbers of company and organisational employees with a flexible employment contract instead of a permanent position. In the Netherlands, for example, the percentage of flex(ible) workers was only at 15% in 2004, but had gone up to 22% by 2014. The reasons for making use of flex workers differ per company. Firstly, flex workers can be used to compensate for fluctuations in production or service scope. Flex workers can easily be hired or let go as situations require (i.e. whenever they are or are not needed). Secondly, flex workers can be employed to meet a temporary demand for certain highly specialised work which the organisation does not have on its permanent payroll. This usually involves hiring self-employed workers.

Flex(ible) workers

NRC HANDELSBLAD, CAROLA HOUTEKAMER

Shifting flexibility

DAF lowers production due to collapsed export to Russia; flex workers the first to be sent home.

Each of the 140 lorries manufactured every day by DAF Trucks in Eindhoven is different. Different cab, different gear box, different coupling high, different colour.

You will not find robotic clamps holding the tools in the factory - just human hands. With the inevitable result being that, if fewer lorries are produced, fewer hands are required.
Per this month, DAF has lowered production from 164 to 140 trucks per day: a 15 percent drop compared to last year. A

weak rouble; a poor Russian market; a Western Europe that is only slowly picking up. And this is not the first drop in production - there was a drop from 212 to 164 lorries in 2014 already.
DAF's collective agreement, 'established by union agreement,' demands that no employee shall have performed more than 45 hours over or under their contract the end of the year. Any excess is to be paid out or waived. But over the course of the year, the 'balance' can grow to as many as 80 hours. And waiving the hours sometimes leads to inequality in the workplace, says Schippers.
DAF also employs flew workers; nearly one thousand. That number will be the first to be lowered now that production has gone down. Schippers: "We do not think Russia is anywhere near their normal levels. A more temporary dip would have been solved by looking at working hours. This is more of a structural issue." During brief dips and peaks, DAF prefers to retain the permanent crew. "Training somebody to work on the floor takes at least 120 hours. It is an expensive process."

Organisations using flex workers need to determine the ratio between the core of permanent employees and the scope of the flexible workforce. The continuity of production requires a sufficient number of staff members in the permanent core to perform those tasks that require substantial experience and/or specialised knowledge - since those can only be fulfilled by flex workers following a long training period, which costs time and money. The extent to which organisational culture and desired 'look' towards customers in terms of quality and (the provisions of) service are maintained are also factors that are influenced by the relative sizes of the permanent core and the flexible workforce. Employees with a flexible contract will feel less committed to the organisation by which they are employed, unless there is the possibility of a permanent contract. And those employees may also feel less motivated to conform to the company's standards of performance (see paragraph 2.5.3).

Job insecurity

One aspect of flex working is job insecurity; this insecurity may lead to certain levels of stress. The occurrence and severity of that stress depends on people's motives for choosing to perform flex work. We can distinguish between voluntary and involuntary motives. People who choose flex work because they do not want to commit to a permanent position, and who enjoy switching jobs regularly, do so from a voluntary motive. People who would prefer a permanent contract but are unable to obtain one, even though they still need an income, will be forced to agree to a flexible contract; their motive is involuntary. Only 20% of flex workers prefers a flexible contract. The remaining 80% is aiming for a permanent position.

Voluntary and involuntary motives

Research shows that, compared to permanent employees, flex workers who work from a voluntary motive are better motivated to deliver a solid performance than flex workers whose motive is involuntary (Koeman, 2006).

Tips for managers

1

As a manager, you have an interest in motivating employees. By holding regular performance appraisals, you will obtain an insight into the sources of motivation and needs of your employees.

Obtaining insight into sources of motivation
Ask your employees how they like their work and what their needs are. Ask the following questions:

- Are you instrumentally or emotionally involved committed to your work?
- Are you extrinsically or intrinsically motivated?
- How can I best satisfy your needs?

If you do not know exactly how your employees regard their work or what needs they have, you can ask the following questions:

- Why do you work for this organisation and what would you like to achieve?
- What do you like best about your work and working conditions?
- What do find most annoying in your work and working conditions?

Subsequently, adjust your means of motivation to your employees' preferences and needs.

Giving appreciation
Appreciation seems to be an important reward for just about everyone, and it also stimulates emotional involvement. Regularly offer compliments and social support as a token of appreciation. If you do not know whether that is sufficient, ask, for example, at every performance appraisal:

- What are good tokens of appreciation for you?

Discontented employees – i.e. those who perceive a lack of equitability between their efforts and their rewards – can be asked the following questions in a performance appraisal:

- To what extent are you satisfied with your salary and the appreciation you receive?
- Do you consider that you are sufficiently rewarded for the work you do here? If this is not the case, ask why.

Motivating discontented employees
If you have a discontented employee, the following applies:

- Take criticism or complaints seriously. Do not brand someone as a 'complainer'. Listen, ask lots of questions and see if anything can be done about the problem. Managers who never listen have complaining employees.
- See whether adjustments to the work are necessary. Does the work need to be more interesting or easier? Is there a lack of tools or facilities?
- Consider whether you yourself should handle the employee differently. Should you provide more appreciation and support? Should you show more interest in his problems? Should you direct your employee less and leave him alone more, or should you make it much clearer what you expect from him?
- Your employees wish to be rewarded equitably. This does not mean giving everyone exactly the same rewards. People are different and thus should be rewarded differently. Rewards can be given in the form of money or promotion, but there are other types of reward that your employees might appreciate, such as compliments, a dinner, flexible working hours or a week's holiday.

Summary

- People have different motives for making efforts for an organisation. These motives can result from internal forces, also called needs.

- Needs can be:
  - inborn
  - situation-dependent
  - a combination of inborn and situatio-nal factors.

- A person's functioning in an organisation is also dependent on:
  - personal characteristics
  - abilities
  - employee values and attitudes

- Types of commitment:
  - affective commitment
  - normative commitment
  - continuity commitment

- Job satisfaction is determined by:
  - the nature of the work
  - the relationships with colleagues and the manager
  - the rewards

- Types of rewards are:
  - economic (salary, bonus, company car)
  - affective (appreciation, status, good working relations, meaningful work)

- The relationship between the employee and the organisation is an exchange.

- The employee's contribution consists of:
  - time
  - energy
  - abilities

- The organisation's contribution comprises:
  - provision of work
  - rewards

- People strive for an equitable relationship between their efforts and their rewards. A lack of equitability leads to tension.

Assignments

1.1 Motivation, ambition, and commitment
John Paul is intrinsically motivated to work hard for his company, because he feels proud at helping to manufacture such wonderful products. He feels connected to the organisation, and believes that his work allows him to make good use of his skills. He is also ambitious, however, and has set his sights on a higher step on the corporate ladder. Will he be successful? He feels he is capable enough, but he is not looking for a management position by way of favouritism or sucking up. But those, it would seem, are exactly the types of behaviour that lead to success in his organisation.

a Do you think John Paul will put in effort to achieve a higher position? Use Vroom's expectancy theory in your answer.
b If John Paul chooses not go for a higher position, will that impact his commitment to and satisfaction with his work?

1.2 Personality and the Big 5
The staff of a medium-size ICT-company is spending a weekend of survival activities in France. The first assignment for the teams is to go rafting on a large float. John is an outgoing, social character, quick to take charge. Jerry is quiet, reserved, helpful and friendly, and keeps his eye firmly on the ball. Abby is talkative, restless, and masks her fear by cracking jokes. Chris is adventurous and creative. As far as she is concerned, the faster and the more thrilling the ride, the better. Eventually, the team manages a very good performance.

a Does that have to do with the combination of their personalities and abilities?
b Characterise the four individuals using the five dimensions of the Big Five.

1.3 How to reduce unfairness
Two young individuals (Ann and Bernie) started with a medium-sized organisation on the same day. Their education has been similar, and they are both highly motivated to explore the organisation and to develop their own skills. Ann receives extra attention from her managers, while Bernie receives her on the job training courtesy of two senior-employees. Ann is given many extra opportunities and is asked to take part in different projects. Bernie is not given the same opportunities, and he feels he is being treated unfairly. He becomes more and more withdrawn, and his commitment is waning. He starts to doubt his own capabilities, and becomes convinced that Ann is much better than he is.

a In which two ways can Bernie reduce the unfairness he experiences in the situation described?
b Imagine you were in Bernie's shoes. What would you do? Would you become upset and fight for your position? Or would you look for employment elsewhere? Study the book and find out how you might deal with this situation.

1.4 The New World of Working

NWW does not suit all employees equally. Research by Van Yperen (2012) shows that this philosophy is best suited for male supervisors who are able to work independently, exhibit strong autonomous qualities, and require less social interaction in the workplace.

a What types of needs do these supervisors have according to Alderfer?

b What types of personal characteristics do they probably exhibit on the dimensions of the Big Five personality test?