

YEAR	TRIPOS	PAPER NO. & TITLE	NAME OF AUTHOR
2010	Engineering Tripos Part IIA	3E6 Organisational Behaviour	Dr Jochen Menges

1. (a) What is the difference between transactional and transformational leadership? [40%]

Students should identify the following points and cite a few key references (e.g., Bass 1985):

- Transactional Leaders: those who guide or motivate their followers in the direction of establish goals by clarifying role and task requirements.
- Transformational Leaders: those who inspire followers to transcend their own self-interests for the good of the organization and are capable of having a profound or extraordinary effect on their followers
- Transformational leadership builds on top of transactional leadership and produces levels of follower effort and performance that go beyond what would occur with a transactional approach alone.
- Transformational leadership provides a long-term perspective, while transactional leadership relies on short-term exchanges.
- Transformational leadership is emotionally appealing, while transactional leadership is rather rational.
- Transformational leadership focuses on values, while transactional leadership focuses on goals.

(b) Identify and explain at least four typical transformational leadership behaviours. [20%]

Students should identify four of the following behaviours and give a paragraph explanation for each:

- Providing a role model
- Articulating a vision
- Intellectual stimulation
- Communicating high performance expectations
- Fostering the acceptance of group goals
- Providing individualized support

(c) How does an ethical charismatic leader differ from an unethical charismatic leader?  
[40%]

Students should identify the following points and provide examples:

- Unethical Charismatic Leader:
  - uses power only for personal gain or impact
  - promotes own personal vision
  - censures critical or opposing views
  - demands own decisions be accepted without question
  - one-way communication
  - insensitive to followers' needs
  - relies on convenient external moral standards to satisfy self-interests
  
- Ethical Charismatic Leader:
  - uses power to serve others
  - aligns vision with followers' needs and aspirations
  - considers and learns from criticism
  - stimulates followers to think independently and to question the leader's view
  - open, two-way communication
  - coaches, develops, and supports followers; shares recognition with others
  - relies on internal moral standards to satisfy organizational and societal interests

2. (a) Why do emotions matter in the workplace? [50%]

- Emotions matters because employees are not isolated “emotional islands.” Rather, they bring all of themselves to work, including their traits, moods, and emotions, and their affective experiences and expressions influence others.
- Emotions affect...
  - ...job performance: an individual’s tendency to experience positive emotions and moods is associated with increases in a variety of work performance measures, including more positive supervisory evaluations, higher income, enhanced negotiating ability, and performing discretionary acts for the benefit of the organization; but findings are not entirely clear.
  - ...decision making: People in good moods or experiencing positive emotions are more likely to use heuristics, or rules of thumb, to help them make good decisions quickly. Despite some evidence to the contrary, people experiencing bad moods or negative emotions are more likely to take a significant amount of time to make a decision and may not come up with a better solution than would people in good moods.

- ...creativity: People who are in good moods tend to be more flexible and open in their thinking and therefore become more creative than are those in bad moods. Supervisors who encourage and provide positive feedback to their employees may end up with happier employees in good moods, who in turn become more creative. These findings are not universally accepted: some researchers find the opposite to be true.
- ...negotiation: Negotiations are emotional processes. But, the display of true emotions may prove disadvantageous in most negotiations. The display of feigned emotions (such as anger), however, may be very helpful in completing successful negotiations.
- ...leadership: Effective leaders know that emotional content is critical in their efforts to motivate employees. By arousing emotions and linking them to an appealing vision, leaders increase the likelihood that managers and employees alike will accept change.
- ...prosocial behaviour and deviant behaviour: Positive mood is associated with helping behaviour in general. Much deviant behaviour can be traced to negative emotions. Employees who feel negative emotions, especially anger or hostility, are more likely to engage in deviant workplace behaviour (defined as behaviour that violates established norms and threatens the organization, its members, or both).
- ...turnover / absence: positive affectivity (both state and trait) is associated with reduced absence and intention to turnover, and that negative affectivity (both state and trait) is associated with increased absence, intention to turnover, and actual turnover

(b) Critically examine the four dimensions of emotional intelligence? [20%]

Students should refer to key references (e.g., Goleman, 1995; Mayer & Salovey, 1990). For each dimension, students should write a paragraph of discussion:

- Perceiving and expressing emotions
- Using emotions to facilitate thinking
- Understanding emotions
- Regulating / managing emotions

(c) How can emotional intelligence reduce the stressful impact of emotional dissonance in the work place? [30%]

Students should refer to key references (e.g., Hochschild, 1983).

- Emotional Dissonance: situation in which employees have to project one emotion, while simultaneously feeling another.

- This dissonance can take a heavy toll on employees, resulting in emotional exhaustion and burnout.
- Employees have two ways to regulate emotions:
  - Surface Acting. The hiding of one's inner feelings and foregoing emotional expressions in response to organizational rules of appropriate emotional display (“display rules”). Surface acting tends to be very stressful for employees. Surface acting is associated with displayed emotions.
  - Deep Acting. Attempting to modify one's true inner feelings based on display rules. Deep acting is associated with felt emotions.
- Emotionally intelligent individuals are more likely to use these two acting strategies adaptively, so that they minimize the negative impact of emotional dissonance.

3. (a) Identify and discuss the three stages of socialisation through which employees become indoctrinated into an organisation’s culture. [30%]

Students should refer to key references (e.g., Fisher, 1986).

- New employees must adapt to the organizational culture in a process called socialization.
- There are three stages in this initial socialization:
  - Prearrival: This encompasses all the learning that occurs before a new member joins the organization. Each individual arrives with his or her own unique set of values, attitudes, and expectations both surrounding the work and the organization. That knowledge, plus how proactive their personality is, are the two critical predictors of how well the new employees will adjust to the new culture. The perception of being able to “fit in” is critical in the hiring process.
  - Encounter: This is when the new employee sees what the organization is really like and confronts the possibility that expectations and reality may diverge. If the employee's expectations prove to be reasonably accurate, the encounter stage merely provides a reaffirmation of the perceptions gained earlier. But when expectations and reality differ, new employees must undergo socialization that will detach them from their previous assumptions and replace them with another set the organization deems desirable. At the extreme, a new member may become disillusioned with the actualities of the job and resign: an indication of the failure of the selection process. The greater the number of friendship ties a newcomer has in the organization, the more likely he or she is to be committed.
  - Metamorphosis: In this final stage, relatively long-lasting changes take place as the employee has adjusted to the work itself and internalized the workgroup’s values and norms. The more management relies on socialization

programs that are formal, collective, fixed, serial, and emphasize divestiture, the greater the likelihood that the newcomer's differences and perspectives will be stripped away and replaced by standardized and predictable behaviours. Successful metamorphosis should have a positive effect on new employee productivity, organizational commitment, and turnover as the employee has internalized the norms of the organization and their work group.

(b) How do socialisation programs vary between different organisations? Discuss at least four dimensions of socialisation programs. [20%]

Students are expected to provide examples. They should identify four of the following dimensions and give a paragraph explanation for each:

- Formal versus Informal.
- Individual versus Collective.
- Fixed versus Variable.
- Serial versus Random
- Investiture versus Divestiture.

(c) How can organisational culture be transmitted to employees? [50%]

- In addition to the initial socialization process mentioned in the previous question, culture is transmitted to employees in a number of forms: stories, rituals, material symbols, and language.
- (1) Stories typically revolve around key events such as rule breaking, unlikely successes, workforce reductions, reactions to past mistakes, and methods of organizational coping that involve the organization's founders or other key personnel.
- (2) Rituals are repetitive sequences of activities that express and reinforce the key values of the organization.
- (3) Material symbols such as the size of offices, the elegance of furnishings, perquisites, awards and trophies, and the attire worn, convey to employees who is important, the degree of egalitarianism desired by top management, and the kinds of appropriate behaviour.
- (4) Specialized languages, acronyms or jargon serve as a means to identify and segregate members of a culture or subculture.

4. (a) Describe and critically evaluate the two most common methods of assessing personality in an organisational context. [35%]

- Most common are the self-reports surveys, where individuals evaluate themselves on a series of factors to determine the personality. These suffer from impression management activities and changes due to the emotional state of the respondent.
- A second type is observer-ratings surveys. In these surveys, a neutral party assesses the individual's personality. These observer-ratings surveys tend to be more accurate, but they depend on a sufficiently reliable observation. For a reliable observation, the observation needs to be of an adequate length and is ideally conducted by more than one person.

(b) Identify and comment on Big Five personality traits? [25%]

Students should refer to key references (e.g., McCrae & Costa, 1997). Students are expected to provide one paragraph explanation for each trait.

- Extraversion
- Agreeableness
- Conscientiousness
- Emotional Stability (or Neuroticism – its opposite)
- Openness to Experience

(c) Describe what is meant by the terms "person-job fit" and "person-organisation fit." Why are these concepts useful to managers? [40%]

- "person-job fit":
  - The person-job fit theory was developed by John Holland. It is based on the notion of fit between an individual's personality characteristics and his or her occupational environment.
  - The theory argues that satisfaction is highest and turnover lowest when personality and occupation are in agreement.
  - The key points of the model are (1) there do appear to be intrinsic differences in personality among individuals; (2) there are different types of jobs and (3) people in job environments congruent with their personality should be more satisfied and less likely to voluntarily resign than should people in incongruent jobs.
  - For example, Social individuals belong in jobs requiring social skills and so on.
- "person-organization fit":
  - The understanding that a person must be a good match to the organization itself has become increasingly important to managers. This concept argues that employees are more likely to leave an organization when their personalities do not match the organizational culture rather than when their skills or personalities are a good match with a particular job.

- The alignment of an employee's personality and values with an organization's culture is positively related to increased job satisfaction, lower turnover and higher organizational commitment. By testing and selecting based on this concept, managers can increase organizational outcomes. Some general rules, using Big Five terminology are:
  - If the organization's culture is aggressive and team-oriented, hire people high in extraversion.
  - If the organization's culture is supportive, hire people high in agreeableness.
  - If the organization's culture is innovative, hire people high in openness to experience.
- These concepts help managers reduce turnover, increase identity, improve collective satisfaction, help to align goals, and ultimately raise performance.

**END OF PAPER**