

YEAR	TRIPOS	PAPER NO. & TITLE	NAME OF AUTHOR
2012	Engineering Tripos Part IIA	3E6 Organizational Behaviour	Dr Jochen Menges

1. (a) What determines job satisfaction? [30%]

Students should state that there are several theories explaining job satisfaction. The most recent theory is Affective Events Theory by Weiss and Cropanzano (1996).

- According to this theory, work attitudes such as job satisfaction, are influenced both directly and indirectly by the work environment. The work environment includes aspects such as the work itself, pay, promotion chances, supervision, and co-workers. The cognitive assessment of these aspects directly influences job satisfaction. But these aspects also influence job satisfaction indirectly by making certain events more or less likely. For example, colleagues who refuse to carry their share of work, conflicting directions by different managers, and excessive time pressures put employees down, whereas events such as meeting a goal, getting support from colleagues, and receiving recognition for an accomplishment cheer employees up. By experiencing such work events and feeling accordingly, employees over time indirectly develop a sense of how satisfied they are with their work. Therefore, job satisfaction is determined both by the stable features of the work environment as well as by the daily events that occur within the work environment.

(b) Why is job satisfaction important? [30%]

Students should identify the following key points:

- Job Satisfaction is associated with a wide array of positive outcomes:
  - Better job performance and organizational performance
  - Greater levels of customer satisfaction
  - Generally lower absenteeism and turnover
  - Decreased instances of workplace deviance
- In addition, dissatisfaction has negative consequences. The Exit-Voice-Loyalty-Neglect Framework offers an understanding the consequences of dissatisfaction. The framework as four responses which differ from one another along two dimensions: constructive/destructive and active/passive.
  - Exit: The employee wants to leave the organization. The employee looks for a new job and resigns.
  - Voice: The employee actively and constructively attempts to improve conditions by making suggestions and engaging in union activities.

- Loyalty: The employee passively, but optimistically, waits for conditions to improve. The employee trusts the organization and its management to go in the right direction.
- Neglect: The employee passively allows the conditions to deteriorate. The employee is chronically absent and shows reduced effort and increased error rates.

(c) What comes first: attitudes such as job satisfaction or behaviour such as job performance? [40%]

Students should cite Festinger's (1957) Cognitive Dissonance Theory as well as Bem's (1972) Self-Perception Theory and identify the following points:

- Usually, attitudes are first. A person's attitude towards certain behaviour determines to some extent the probability that he/she engages in that behaviour.
- But sometimes behaviour is first. In these instances, observations of how one has behaved influence attitudes. This is particularly evident in people are confronted with information implying that they may have behaved in ways that are inconsistent with their attitudes, stupid, irrational, or immoral. In such instances, people experience discomfort, and this feeling is referred to as cognitive dissonance. There are three basic ways to reduce cognitive dissonance: By changing behaviour to bring it in line with the dissonant cognition/attitude; by changing our dissonant cognitions/attitudes in an attempt to justify our behaviour; or by adding new cognitions in an attempt to justify our behaviour. In the latter two cases, behaviour is first and influences subsequent attitudes.
- According to self-perception theory, under certain circumstances, people do not know their attitudes until they see how they behave.

2. (a) What is emotional intelligence? Provide an overview of the dimensions of emotional intelligence and give examples of why these dimensions matter in the work place. [30%]

Students should refer to key references (e.g., Mayer, Roberts & Barsade, 2008; Salovey & Mayer, 1990) and write a paragraph of explanation for each dimension. They should also provide examples why the specific ability matters in business.

- The ability to perceive emotions accurately
- The ability to use emotions to facilitate thinking and reasoning
- The ability to understand emotions
- The ability to manage emotions both in oneself and in others

(b) How do employees regulate their emotions? Explain the process of emotion regulation and the consequences of different emotion regulation strategies. [30%]

Students should refer to Gross's (1998) emotion regulation model and identify the following key points. In addition, students should provide examples how employees apply these emotion regulation strategies in the work place.

- Emotion regulation is a process that can be divided into five steps.
  - Four steps are antecedent-focused. These four steps include
    - Situation selection
    - Situation modification
    - Attentional deployment
    - Cognitive change (reappraisal)
  - The fifth step is response-focused. It entails modulating the physiological, behavioural, and experiential emotional response tendencies and, in particular, the suppression of emotions.
  - Research shows that antecedent-focused emotion regulation is generally a more effective emotion regulation strategy than response-focused emotion regulation. Specifically, reappraisal is associated with
    - better interpersonal functioning,
    - increased well-being,
    - less cognitive cost,
    - generally more healthy.
- In contrast, suppression is associated with
- emotional experience persists,
  - physiological responding increases in oneself and social partners around,
  - worse interpersonal functioning,
  - decreased well-being,
  - impaired memory.

(c) Should managers try to influence their subordinates' emotions? Explain your response by drawing on recent research on emotions in organizations. [40%]

Students should critically discuss the question and cite relevant research in their response.

- Recent research on emotions in organizations suggests that emotions play an important role for a wide array of organizationally relevant outcomes both at the individual and group level. For example, the emotions employees experience at work determine, to some extent, how well they perform their job, how much they help others, how quickly and effectively they make decisions, whether they withdraw from work and consider leaving their job, and how satisfied their customer is. The emotions shared in work groups determine, to some extent, how well the group performs, how

well the group members coordinate and cooperate, how often group members are absent and how well the group serves customers.

- Recent research also suggests that employees feel emotions while at work and respond emotionally to events that occur during work. Therefore, emotions are inherent aspect of work life and managers, if they like it or not, are a common source of such emotions.
- Therefore, managers should try to influence their subordinates' emotions for the benefit of both the well-being of these subordinates and the performance they individually and collectively achieve. However, they must avoid using their position of power to influence their subordinates' emotions in ways that are not ethical.

3. (a) What is leadership? Discuss the differences between leaders and managers. [30%]

Students should identify and explain the following points:

- Leadership is the ability to influence a group toward the achievement of a vision or a set of goals.
- Leaders are usually top executives who envision, initiate or sponsor strategic, transformational change. They create a vision and inspire people.
- Managers are usually functional specialists who carry forward and build support for the vision a leader has laid out. Thus they translate the vision into agendas and actions.
- The challenges of leaders and managers are different but complementary. Organizations need both strong leadership and strong management for optimal effectiveness. A good leader may tell the organization where to go, but it still takes good managers to ensure they get there together.

(b) Describe the process of charismatic leadership. How important is charisma? [40%]

Students should refer to Wasielewski (1985) and mention the following points:

- Charisma can be seen as a communication process during which a leader influences the emotions of followers in a speech in three steps:
  - First, the leader evokes emotions. Specifically, the leader speaks about a topic that others in the situation want to hear about. The leader displays the emotions expected in this situation. Thus, the leader becomes a living example of the emotional tenor socially expected within the group. A community of feeling emerges.
  - Second, the leader revokes emotions. Specifically, the leader questions the appropriateness of the emotions he/she has established. By introducing this

- confusion into the group and destabilizing the emotional consensus, the leader creates a need for new interpretation.
- Third, the leader reframes emotions. Specifically, the leader introduces an alternative interpretation of the situation to his/her followers. The leader models the emotions appropriate for the new interpretation. The emotions are adopted by followers, and are often connected to some collective action.
  - As a result of this process, followers attribute charisma to their leader.
- Charisma is an essential component of the new-genre leadership theories that emerged about thirty years ago when organizational scholars became frustrated that existing leadership theories, which focused on exchange relationships, goal setting, and providing direction, explained only a small portion of the variance in performance outcomes.
  - Charismatic leaders improve followers' motivation and performance.
  - If students add ethics are an important aspect to ensure positive outcomes of charismatic leadership and refer to the work by Howell and Avolio (1992), they show particular depth of knowledge and understanding.

(c) Apart from charisma, what other dimensions of leadership are important? [30%]

Students should refer to Bass and Avolio's work on the Full Range of Leadership Model and mention the following points:

- Charisma is not the only important aspect of leadership. The full range of leadership model suggests that other important components of leadership are intellectual stimulation and individualized consideration. Together, idealized influence and inspirational motivation, which resemble charisma, and intellectual stimulation and individualized consideration characterize a transformational leader.
- In addition, another component of leadership is that the leader specifies goals and rewards followers based on their performance. Such contingent rewards characterize a transactional leader.
- Transformational leadership contributes to performance outcomes beyond the effects of transactional leadership.

4. (a) Explain equity theory and discuss how employees might reduce perceived inequity. [30%]

Students should identify and explain the following points:

- Employees make comparisons of their job inputs and outcomes relative to those of others. They perceive what they get from a job situation in relation to what they put

into it, and then they compare outcome-input ratio with the outcome-input ratio of relevant others. If they perceive their ratio to be equal to that of the relevant others with whom they compare themselves, a state of equity is said to exist. They perceive their situation as fair. Equity tension arises when they perceive that this is not the case. When they see themselves as under-rewarded, the tension creates anger; when over-rewarded, the tension creates guilt. This negative state provides the motivation to do something to correct it.

- The referent that an employee selects adds to the complexity of equity theory. The four referent comparisons that an employee can use are comparisons to how that employee has been treated in the past in both the company he or she currently works for and in similar situations outside the company (the self-inside and the self-outside) and comparisons to others both within the company he or she currently works for and outside the company (the other-inside and the other-outside).
- When employees perceive an inequity, they can be predicted to make one of six choices. They may change their inputs. They may change their outcomes. They may distort perceptions of self. They may distort perceptions of others. They may choose a different referent, or they may leave the field.

(b) How can managers make jobs more motivating? Explain core job dimensions and suggest how job can be redesigned to be more motivating. [30%]

Students should identify and explain the following points:

- The Job Characteristics Model by Hackman and Oldham (1976) identifies five core job dimensions:
  - Skill variety
  - Task identity
  - Task significance
  - Autonomy
  - Feedback
- Jobs can be redesigned in several ways:
  - Combining tasks increases skill variety and task identity.
  - Forming natural work units increases task identity and task significance.
  - Establishing client relationships increases skill variety, autonomy and feedback.
  - Expanding jobs vertically increases autonomy.
  - Opening feedback channels increases feedback.

(c) Is money motivating? Critically discuss the role of monetary rewards for motivating employees. [40%]

Students should explain intrinsic and extrinsic rewards based on Cognitive Evaluation Theory (Boal & Cummings, 1981) and raise the following points:

- Generally, there are two patterns of motivation:
  - Intrinsic Motivation: The desire to engage in an activity because we enjoy it or find it interesting, not because of external rewards or pressures.
  - Extrinsic Motivation: The desire to engage in an activity because of external reasons, not because we enjoy the task or find it interesting.
- Monetary rewards increase extrinsic motivation.
- Monetary rewards are problematic, because people tend to view their behaviour as caused by compelling extrinsic reasons, making them underestimate the extent to which it was caused by intrinsic reasons (“overjustification effect”). Thus, when people are extrinsically rewarded, their intrinsic motivation decreases. However, this effect does not always occur. Rewards will undermine interest only if interest was initially high.
- The effectiveness of monetary rewards further depends on whether they are task-contingent or performance-contingent. Task-contingent rewards are given for performing a task, regardless of how well the task is done. Performance-contingent rewards are based on how well we perform a task. Performance-contingent rewards work much better than task-contingent rewards.

**END OF PAPER**

