

CHAPTER 5

Personality and Values

(Click on the title when connected to the Internet for online video teaching notes)

LEARNING OBJECTIVES (PPT5-1)

After studying this chapter, students should be able to:

1. Define *personality*, describe how it is measured, and explain the factors that determine an individual's personality.
2. Describe the Myers-Briggs Type Indicator personality framework and assess its strengths and weaknesses.
3. Identify the key traits in the Big Five personality model.
4. Demonstrate how the Big Five traits predict behavior at work.
5. Identify other personality traits relevant to OB.
6. Define *values*, demonstrate the importance of values, and contrast terminal and instrumental values.
7. Compare generational differences in values and identify the dominant values in today's workforce.
8. Identify Hofstede's five value dimensions of national culture.

INSTRUCTOR RESOURCES

Instructors may wish to use the following resources when presenting this chapter:

Text Exercises

- Myth or Science? "Entrepreneurs Are a Breed Apart"
- International OB: A Global Personality
- An Ethical Choice: What If I Have The "Wrong" Personality?
- Point/Counterpoint: Traits Are Powerful Predictors of Behavior
- Questions for Review
- Experiential Exercise: What Organizational Culture Do You Prefer?
- Ethical Dilemma: Hiring Based on Body Art

Text Cases

- Case Incident 1: The Nice Trap
- Case Incident 2: Reaching Out, Literally

Instructor's Choice

- Individual Differences in Teams

This section presents an exercise that is NOT found in the student's textbook. Instructor's Choice reinforces the text's emphasis through various activities. Some Instructor's Choice activities are centered on debates, group exercises, Internet research, and student experiences.

Some can be used in-class in their entirety, while others require some additional work on the student's part. The course instructor may choose to use these at anytime throughout the class—some may be more effective as icebreakers, while some may be used to pull together various concepts covered in the chapter.



WEB EXERCISES

At the end of each chapter of this Instructor's Manual, you will find suggested exercises and ideas for researching the WWW on OB topics. The exercises "Exploring OB Topics on the Web" are set up so that you can simply photocopy the pages, distribute them to your class, and make assignments accordingly. You may want to assign the exercises as an out-of-class activity or as lab activities with your class.

SUMMARY AND IMPLICATIONS FOR MANAGERS

Personality – What value, if any, does the Big Five model provide to managers? From the early 1900s through the mid-1980s, researchers sought a link between personality and job performance. "The outcome of those 80-plus years of research was that personality and job performance were not meaningfully related across traits or situations." However, the past 20 years have been more promising, largely due to the findings about the Big Five.

Screening job candidates for high conscientiousness—as well as the other Big Five traits, depending on the criteria an organization finds most important— should pay dividends. Of course, managers still need to take situational factors into consideration. Factors such as job demands, the degree of required interaction with others, and the organization's culture are examples of situational variables that moderate the personality–job performance relationship. You need to evaluate the job, the work group, and the organization to determine the optimal personality fit. Other traits, such as core self-evaluation or narcissism, may be relevant in certain situations, too.

Although the MBTI has been widely criticized, it may have a place in organizations. In training and development, it can help employees to better understand themselves, and it can help team members to better understand each other. And it can open up communication in work groups and possibly reduce conflicts.

Values – Why is it important to know an individual's values? Values often underlie and explain attitudes, behaviors, and perceptions. So knowledge of an individual's value system can provide insight into what makes the person "tick."

Employees' performance and satisfaction are likely to be higher if their values fit well with the organization. The person who places great importance on imagination, independence, and freedom is likely to be poorly matched with an organization that seeks conformity from its employees. Managers are more likely to appreciate, evaluate positively, and allocate rewards to employees who fit in, and employees are more likely to be satisfied if they perceive they do fit in. This argues for management to seek job candidates who have not only the ability, experience, and motivation to perform but also a value system compatible with the organization's.

This chapter opens with a discussion about application of the Big Five Personality Factors applied to the personality of the states in the U.S. After fact-finding efforts surveyed half a million people in each of the 50 states and the District of Columbia, they could be ranked by the responses by the Big Five traits.

BRIEF CHAPTER OUTLINE

I. Personality

A. What Is Personality? (ppt5-2)

1. Personality is a dynamic concept describing the growth and development of a person's whole psychological system; it looks at some aggregate whole that is greater than the sum of the parts.
2. Defining Personality
 - a. The text defines personality as the sum total of ways in which an individual reacts to and interacts with others.
3. Measuring Personality
 - a. The most important reason managers need to know how to measure personality is that research has shown personality tests are useful in hiring decisions and help managers forecast who is best for a job.
 - b. The most common means of measuring personality is through self-report surveys, with which individuals evaluate themselves on a series of factors.
4. Personality Determinants (ppt5-3)
 - a. Introduction
 - i. An early argument centered on whether or not personality was the result of heredity or of environment.
 - ii. Personality appears to be a result of both influences.
 - b. Heredity
 - i. Heredity refers to those factors that were determined at conception.
 - ii. The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.
 - c. Personality Traits (ppt5-4)
 - i. Introduction
 - (a) Early work revolved around attempts to identify and label enduring characteristics.
 - (b) Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal, and timid. These are personality traits.

B. The Myers-Briggs Type Indicator (ppt5-5)

1. One of the most widely used personality frameworks is the Myers-Briggs Type Indicator (MBTI).
2. Individuals are classified as: (ppt5-6)
 - a. Extraverted or introverted (E or I)
 - b. Sensing or intuitive (S or N)
 - c. Thinking or feeling (T or F)
 - d. Perceiving or judging (P or J)

C. The Big Five Model (ppt5-7)

1. An impressive body of research supports that five basic dimensions underlie all other personality dimensions. The five basic dimensions are:
 - a. Extraversion. Comfort level with relationships. Extraverts tend to be gregarious, assertive, and sociable. Introverts tend to be reserved, timid, and quiet.
 - b. Agreeableness. Individual's propensity to defer to others. High agreeableness people—cooperative, warm, and trusting. Low agreeableness people—cold, disagreeable, and antagonistic.
 - c. Conscientiousness. A measure of reliability. A high conscientious person is responsible, organized, dependable, and persistent. Those who score low on this dimension are easily distracted, disorganized, and unreliable.
 - d. Emotional stability. A person's ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure.

- e. Openness to experience. The range of interests and fascination with novelty. Extremely open people are creative, curious, and artistically sensitive. Those at the other end of the openness category are conventional and find comfort in the familiar.
2. How Do the Big Five Traits Predict Behavior? (ppt5-8)
 - a. Research has shown relationships between these personality dimensions and job performance.
 - b. Employees who score higher, for example, in conscientiousness develop higher levels of job knowledge.
 - c. Exhibit 5-1 suggests the traits that matter the most in buyout situations.
- D. Other Personality Traits Relevant to OB (ppt5-9)
 1. Core Self-Evaluation (Self-perspective)
 - a. People who have a positive core self-evaluation see themselves as effective, capable, and in control.
 - b. People who have a negative core self-evaluation tend to dislike themselves.
 - c. People with positive core self-evaluations perform better than others because they set more ambitious goals, are more committed to their goals, and persist longer in attempting to reach these goals.
 - d. Some can be too positive. In this case, someone can think he or she is capable, but he or she is actually incompetent. One study of Fortune 500 CEOs, for example, showed that many are overconfident, and their perceived infallibility often causes them to make bad decisions.
 2. Machiavellianism
 - a. Named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and use power.
 - b. An individual high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify means.
 - c. High Machs manipulate more, win more, are persuaded less, and persuade others more.
 3. Narcissism
 - a. Describes a person who has a grandiose sense of self-importance.
 - b. They “think” they are better leaders.
 - c. Often they are selfish and exploitive.
 4. Self-Monitoring (ppt5-10)
 - a. This refers to an individual’s ability to adjust his or her behavior to external, situational factors.
 - b. Individuals high in self-monitoring show considerable adaptability. They are highly sensitive to external cues, can behave differently in different situations, and are capable of presenting striking contradictions between their public persona and their private self.
 5. Risk Taking
 - a. The propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choice.
 6. Type A Personality (ppt5-11)
 - a. Type A personality is “aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so, against the opposing efforts of other things or other persons.”
 - b. They are always moving, walking, and eating rapidly, are impatient with the rate at which most events take place, are doing two or more things at once and cannot cope with leisure time.
 - c. They are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire.
 7. Proactive Personality

- a. Actively taking the initiative to improve their current circumstances while others sit by passively
 - b. Proactives identify opportunities, show initiative, take action, and persevere.
- II. Values (ppt5-12)
- A. Introduction
 1. Values Represent Basic Convictions
 2. A specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.
 3. They have both content and intensity attributes.
 - B. Importance of Values (ppt5-13)
 1. Values lay the foundation for the understanding of attitudes and motivation.
 2. Values generally influence attitudes and behaviors. We can predict reaction based on understanding values.
 3. Terminal versus Instrumental Values (ppt5-14)
 4. Rokeach Value Survey (Exhibit 5-3) (ppt5-15)
 - a. This instrument contains two sets of values; each set has 18 value items.
 - b. Terminal Values—refer to desirable end states of existence.
 - i. The goals that a person would like to achieve during his/her lifetime
 - c. Instrumental Values—refer to preferable modes of behavior.
 - C. Generational Values (ppt5-16)
 1. Contemporary Work Cohorts (Exhibit 5-5)
 2. Different generations hold different work values.
 - a. Veterans—entered the workforce from the early 1940s through the early 1960s.
 - b. Boomers—entered the workforce during the 1960s through the mid-1980s.
 - c. Xers—entered the workforce beginning in the mid-1980s.
 - d. The most recent entrants to the workforce, the Millennials (also called Netters, Nexters, Generation Yers, and Generation Nexters)
 3. Though it is fascinating to think about generational values, remember these classifications lack solid research support.
 - a. Over two years of collecting information, we found scores of press articles on generational values, and zero research articles.
 - b. Generational classifications may help us understand our own and other generations better, but we must also appreciate their limits.
- III. Linking an Individual's Personality and Values to the Workplace (ppt5-17)
- A. The Person-Job Fit:
 1. This concern is best articulated in John Holland's personality-job fit theory.
 2. Holland presents six personality types and proposes that satisfaction and the propensity to leave a job depends on the degree to which individuals successfully match their personalities to an occupational environment.
 3. The six personality types are: realistic, investigative, social, conventional, enterprising, and artistic. (Exhibit 5-6)
 - B. The Person-Organization Fit (Exhibit 5-7) (ppt5-18) (ppt5-19)
 1. Most important for an organization facing a dynamic and changing environment, and requiring employees who are able to readily change tasks and move fluidly between teams
 2. It argues that people leave jobs that are not compatible with their personalities.
- IV. Global Implications (ppt5-20)
- A. Personality
 1. Do personality frameworks like the Big Five Model transfer across cultures? There is a surprising amount of agreement across industrialized countries that they do.

2. Values differ across cultures; therefore, understanding these differences helps to explain and to predict behavior of employees from different countries.
- B. Values
1. Hofstede's Framework for Assessing Cultures
 - a. Five value dimensions of national culture:
 - i. Power distance: The degree to which people in a country accept that power in institutions and organizations is distributed unequally. (ppt5-21)
 - ii. Individualism versus collectivism: Individualism is the degree to which people in a country prefer to act as individuals rather than as members of groups. Collectivism equals low individualism. (ppt5-22)
 - iii. Masculinity versus femininity: Masculinity is the degree to which values such as the acquisition of money and material goods prevail. Femininity is the degree to which people value relationships and show sensitivity and concern for others. (ppt5-23)
 - iv. Uncertainty avoidance: The degree to which people in a country prefer structured over unstructured situations. (ppt5-24)
 - v. Long-term versus short-term orientation: Long-term orientations look to the future and value thrift and persistence. Short-term orientation values the past and present and emphasizes respect for tradition and fulfilling social obligations. (ppt5-25)
 - vi. And assessment (ppt5-26)
 2. The GLOBE Framework for Assessing Cultures (ppt5-27)
 - a. Hofstede's work is the basic framework for assessing cultures. However, it is nearly 30 years old. In 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) began updating this research with data from 825 organizations and 62 countries.
 3. Which Framework is Better?
 - a. We give more emphasis to Hofstede's dimensions here because they have stood the test of time and the GLOBE study confirmed them.
- V. Summary And Implications For Managers (ppt5-28)
- A. Personality
1. The Big Five provides a meaningful way for managers to examine personality.
 2. Managers should look for employees high on conscientiousness.
 3. Situational factors should be taken into consideration; they do impact personality-job performance.
 4. The MBTI can be used for teams to better understand each other.
- B. Values
1. Values influence a person's attitudes, perceptions, and behaviors.
 2. The Rokeach Values Survey can be used to measure an employee's values.
 3. Employees are often rewarded more often when their personal values match those of the organization.

EXPANDED CHAPTER OUTLINE

1. Personality

A. What Is Personality?

1. Personality is a dynamic concept describing the growth and development of a person's whole psychological system; it looks at some aggregate whole that is greater than the sum of the parts.
2. Defining Personality
 - a. Gordon Allport coined the most frequently used definition:
 - i. "The dynamic organization within the individual of those psychophysical systems that determine his unique adjustments to his environment"
 - b. The text defines personality as the sum total of ways in which an individual reacts to and interacts with others.
3. Measuring Personality
 - a. The most important reason managers need to know how to measure personality is that research has shown personality tests are useful in hiring decisions and help managers forecast who is best for a job.
 - b. The most common means of measuring personality is through self-report surveys, with which individuals evaluate themselves on a series of factors.
 - c. Though self-report measures work well when well constructed, one weakness is that the respondent might lie or practice impression management.
 - d. Another problem is accuracy. A perfectly good candidate could have just been in a bad mood when the survey was taken and that will make the test scores less accurate.
 - e. Observer-ratings surveys provide an independent assessment of personality.
4. Personality Determinants
 - a. Introduction
 - i. An early argument centered on whether or not personality was the result of heredity or of environment.
 - ii. Personality appears to be a result of both influences.
 - b. Heredity
 - i. Heredity refers to those factors that were determined at conception.
 - ii. The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.
 - iii. Three different streams of research lend some credibility to the heredity argument:
 - (a) The genetic underpinnings of human behavior and temperament among young children. Evidence demonstrates that traits such as shyness, fear, and distress are most likely caused by inherited genetic characteristics.
 - (b) One hundred sets of identical twins that were separated at birth were studied. Genetics accounts for about 50 percent of the variation in personality differences and over 30 percent of occupational and leisure interest variation.
 - (c) Individual job satisfaction is remarkably stable over time. This indicates that satisfaction is determined by something inherent in the person rather than by external environmental factors.
 - c. Personality Traits
 - i. Introduction
 - (a) Early work revolved around attempts to identify and label enduring characteristics.

- (b) Popular characteristics include shy, aggressive, submissive, lazy, ambitious, loyal, and timid. These are personality traits.
 - (c) The more consistent the characteristic, the more frequently it occurs, the more important it is.
 - (d) Researchers believe that personality traits can help in employee selection, job fit, and career development.
- B. The Myers-Briggs Type Indicator
1. One of the most widely used personality frameworks is the Myers-Briggs Type Indicator (MBTI).
 2. It is a 100-question personality test that asks people how they usually feel or act in particular situations.
 3. Individuals are classified as:
 - a. Extraverted or introverted (E or I)
 - b. Sensing or intuitive (S or N)
 - c. Thinking or feeling (T or F)
 - d. Perceiving or judging (P or J)
 4. These classifications are then combined into sixteen personality types. For example:
 5. INTJs are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn.
 6. ESTJs are organizers. They are realistic, logical, analytical, decisive, and have a natural head for business or mechanics.
 7. The ENTP type is a conceptualizer. He or she is innovative, individualistic, versatile, and attracted to entrepreneurial ideas. This person tends to be resourceful in solving challenging problems but may neglect routine assignments.
 8. MBTI is widely used in practice. Some organizations using it include Apple Computer, AT&T, Citigroup, GE, 3M Co., and others.
- C. The Big Five Model
1. An impressive body of research supports that five basic dimensions underlie all other personality dimensions. The five basic dimensions are:
 - a. **Extraversion.** Comfort level with relationships. Extraverts tend to be gregarious, assertive, and sociable. Introverts tend to be reserved, timid, and quiet.
 - b. **Agreeableness.** Individual's propensity to defer to others. High agreeableness people—cooperative, warm, and trusting. Low agreeableness people—cold, disagreeable, and antagonistic.
 - c. **Conscientiousness.** A measure of reliability. A high conscientious person is responsible, organized, dependable, and persistent. Those who score low on this dimension are easily distracted, disorganized, and unreliable.
 - d. **Emotional stability.** A person's ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure.
 - e. **Openness to experience.** The range of interests and fascination with novelty. Extremely open people are creative, curious, and artistically sensitive. Those at the other end of the openness category are conventional and find comfort in the familiar.
 2. How Do the Big Five Traits Predict Behavior?
 - a. Research has shown relationships between these personality dimensions and job performance.
 - b. Employees who score higher, for example, in conscientiousness develop higher levels of job knowledge.
 - c. Exhibit 5-1 suggest the traits that matter the most in buyout situations.
 - d. Although conscientiousness is the Big Five trait most consistently related to job performance, the other traits are related to aspects of performance in some

situations. All five traits also have other implications for work and for life. Let's look at these one at a time. Exhibit 5-2 summarizes the discussion.

- D. Other Personality Traits Relevant to OB
1. Core Self-Evaluation (Self-perspective)
 - a. People who have a positive core self-evaluation see themselves as effective, capable, and in control.
 - b. People who have a negative core self-evaluation tend to dislike themselves.
 - c. People with positive core self-evaluations perform better than others because they set more ambitious goals, are more committed to their goals, and persist longer in attempting to reach these goals.
 - d. Some can be *too* positive. In this case, someone can think he or she is capable, but he or she is actually incompetent. One study of Fortune 500 CEOs, for example, showed that many are overconfident, and their perceived infallibility often causes them to make bad decisions.
 2. Machiavellianism
 - a. Named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and use power.
 - b. An individual high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify means.
 - c. High Machs manipulate more, win more, are persuaded less, and persuade others more.
 - d. High Mach outcomes are moderated by situational factors and flourish when they interact face-to-face with others, rather than indirectly, and when the situation has a minimum number of rules and regulations, thus allowing latitude for improvisation.
 - e. High Machs make good employees in jobs that require bargaining skills or that offer substantial rewards for winning.
 3. Narcissism
 - a. Describes a person who has a grandiose sense of self-importance.
 - b. They "think" they are better leaders.
 - c. Often they are selfish and exploitive.
 4. Self-Monitoring
 - a. This refers to an individual's ability to adjust his or her behavior to external, situational factors.
 - b. Individuals high in self-monitoring show considerable adaptability. They are highly sensitive to external cues, can behave differently in different situations, and are capable of presenting striking contradictions between their public persona and their private self.
 - c. Low self-monitors cannot disguise themselves in that way. They tend to display their true dispositions and attitudes in every situation resulting in a high behavioral consistency between who they are and what they do.
 - d. The research on self-monitoring is in its infancy, so predictions must be guarded. Preliminary evidence suggests:
 - e. High self-monitors tend to pay closer attention to the behavior of others.
 - f. High self-monitoring managers tend to be more mobile in their careers and receive more promotions.
 - g. High self-monitors are capable of putting on different "faces" for different audiences.
 5. Risk Taking
 - a. The propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choice.
 - b. High risk-taking managers make more rapid decisions and use less information in making their choices.

- c. Managers in large organizations tend to be risk averse; especially in contrast with growth-oriented entrepreneurs.
- d. Makes sense to consider aligning risk-taking propensity with specific job demands.
- 6. Type A Personality
 - a. Type A personality is “aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so, against the opposing efforts of other things or other persons.”
 - b. They are always moving, walking, and eating rapidly, are impatient with the rate at which most events take place, are doing two or more things at once and cannot cope with leisure time.
 - c. They are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire.
 - d. In contrast to the Type A personality is the Type B Personality.
 - e. Type B’s never suffer from a sense of time urgency with its accompanying impatience.
 - f. Type A’s operate under moderate to high levels of stress. Type B’s play for fun and relaxation, rather than exhibit their superiority at any cost.
 - g. Type A’s are fast workers because they emphasize quantity over quality.
 - h. In managerial positions, Type A’s demonstrate their competitiveness by working long hours and, not infrequently, making poor decisions to new problems.
 - i. Type A’s do better than Type B’s in job interviews because they are more likely to be judged as having desirable traits such as high drive, competence, aggressiveness, and success motivation.
- 7. Proactive Personality
 - a. Actively taking the initiative to improve their current circumstances while others sit by passively
 - b. Proactives identify opportunities, show initiative, take action, and persevere.
 - c. Create positive change in their environment.
 - d. More likely to be seen as leaders and change agents
 - e. More likely to achieve career success

II. Values

A. Introduction

1. Values Represent Basic Convictions
2. A specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.
3. They have both content and intensity attributes.
4. An individual’s set of values ranked in terms of intensity is considered the person’s value system.
5. Values have the tendency to be stable.
6. Many of our values were established in our early years from parents, teachers, friends, and others.

B. Importance of Values

1. Values lay the foundation for the understanding of attitudes and motivation.
2. Values generally influence attitudes and behaviors. We can predict reaction based on understanding values.

C. Terminal versus Instrumental Values

1. Rokeach Value Survey (Exhibit 5–3)
2. This instrument contains two sets of values; each set has 18 value items.
3. Terminal Values—refer to desirable end states of existence.
4. The goals that a person would like to achieve during his/her lifetime
5. Instrumental Values—refer to preferable modes of behavior.
6. Means of achieving the terminal values

7. Several studies confirm that the RVS values vary among groups. (Exhibit 5-4)
8. People in the same occupations or categories tend to hold similar values.
9. Although there may be overlap among groups, there are some significant differences as well.

D. Generational Values

1. Contemporary Work Cohorts (Exhibit 5-5)
 - a. Different generations hold different work values.
 - b. Veterans—entered the workforce from the early 1940s through the early 1960s.
 - c. Boomers—entered the workforce during the 1960s through the mid-1980s.
 - d. Xers—entered the workforce beginning in the mid-1980s.
 - e. The most recent entrants to the workforce, the *Millennials* (also called *Netters*, *Nexters*, *Generation Yers*, and *Generation Nexters*)
2. Though it is fascinating to think about generational values, remember these classifications lack solid research support. Over two years of collecting information, we found scores of press articles on generational values, and *zero* research articles. Generational classifications may help us understand our own and other generations better, but we must also appreciate their limits.

III. Linking An Individual's Personality And Values To The Workplace

A. The Person-Job Fit:

1. This concern is best articulated in John Holland's personality-job fit theory.
2. Holland presents six personality types and proposes that satisfaction and the propensity to leave a job depends on the degree to which individuals successfully match their personalities to an occupational environment.
3. The six personality types are: realistic, investigative, social, conventional, enterprising, and artistic (Exhibit 5-6)
4. Each one of the six personality types has a congruent occupational environment.
5. Vocational Preference Inventory questionnaire contains 160 occupational titles. Respondents indicate which of these occupations they like or dislike; their answers are used to form personality profiles. (Exhibit 5-7)
6. The theory argues that satisfaction is highest and turnover lowest when personality and occupation are in agreement.
7. The key points of this model are that:
 - a. There do appear to be intrinsic differences in personality among individuals,
 - b. There are different types of jobs, and
 - c. People in jobs congruent with their personality should be more satisfied and less likely to voluntarily resign than people in incongruent jobs.

B. The Person-Organization Fit

1. Most important for an organization facing a dynamic and changing environment, and requiring employees who are able to readily change tasks and move fluidly between teams
2. It argues that people leave jobs that are not compatible with their personalities.
3. Using the Big Five terminology, for instance, we could expect that people high on extraversion fit well with aggressive and team-oriented cultures, that people high on agreeableness match up better with a supportive organizational climate than one focused on aggressiveness, and that people high on openness to experience fit better in organizations that emphasize innovation rather than standardization.
4. Research on person-organization fit has also looked at whether people's values match the organization's culture. This match predicts job satisfaction, commitment to the organization, and low turnover.

IV. Global Implications

A. Personality

1. Do personality frameworks like the Big Five Model transfer across cultures? There is a surprising amount of agreement across industrialized countries that they do.
2. Values differ across cultures; therefore, understanding these differences helps to explain and to predict behavior of employees from different countries.
3. Comprehensive review of studies covering people from what was then the 15-nation European Community found conscientiousness a valid predictor of performance across jobs and occupational groups.

B. Values

1. Hofstede's Framework for Assessing Cultures
 - a. Five value dimensions of national culture:
 - i. **Power distance:** The degree to which people in a country accept that power in institutions and organizations is distributed unequally.
 - ii. **Individualism** versus **collectivism:** Individualism is the degree to which people in a country prefer to act as individuals rather than as members of groups. Collectivism equals low individualism.
 - iii. **Masculinity** versus **femininity:** Masculinity is the degree to which values such as the acquisition of money and material goods prevail. Femininity is the degree to which people value relationships and show sensitivity and concern for others.
 - iv. **Uncertainty avoidance:** The degree to which people in a country prefer structured over unstructured situations.
 - v. **Long-term** versus **short-term orientation:** Long-term orientations look to the future and value thrift and persistence. Short-term orientation values the past and present and emphasizes respect for tradition and fulfilling social obligations.
 - b. Hofstede Research Findings: (Exhibit 5-8)
 - i. Asian countries were more collectivist than individualistic.
 - ii. United States ranked highest on individualism.
 - iii. Germany and Hong Kong rated high on masculinity.
 - iv. Russia and The Netherlands were low on masculinity.
 - v. China and Hong Kong had a long-term orientation.
 - vi. France and the United States had short-term orientation.
2. The GLOBE Framework for Assessing Cultures
 - a. Hofstede's work is the basic framework for assessing cultures. However, it is nearly 30 years old. In 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) began updating this research with data from 825 organizations and 62 countries.
 - b. GLOBE Framework for Assessing Cultures
 - i. **Assertiveness:** The extent to which a society encourages people to be tough, confrontational, assertive, and competitive versus modest and tender.
 - ii. **Future orientation:** The extent to which a society encourages and rewards future-oriented behaviors such as planning, investing in the future and delaying gratification.
 - iii. **Gender differentiation:** The extent to which a society maximized gender role differences.
 - iv. **Uncertainly avoidance:** Society's reliance on social norms and procedures to alleviate the unpredictability of future events.
 - v. **Power distance:** The degree to which members of a society expect power to be unequally shared.
 - vi. **Individualism/collectivism:** The degree to which individuals are encouraged by societal institutions to be integrated into groups within organizations and society.

- vii. **In-group collectivism:** The extent to which society's members take pride in membership in small groups such as their families and circles of close friends, and the organizations where they are employed.
 - viii. **Performance orientation:** The degree to which society encourages and rewards group members for performance improvement and excellence.
 - ix. **Humane orientation:** The degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.
- c. Which Framework is Better?
- i. We give more emphasis to Hofstede's dimensions here because they have stood the test of time and the GLOBE study confirmed them.
 - ii. Researchers continue to debate the differences between these frameworks, and future studies may, in time, favor the more nuanced perspective of the GLOBE study.

V. Summary and Implications for Managers

A. Personality

1. The Big Five provides a meaningful way for managers to examine personality.
2. Managers should look for employees high on conscientiousness.
3. Situational factors should be taken into consideration; they do impact personality-job performance.
4. The MBTI can be used for teams to better understand each other.

B. Values

1. Values influence a person's attitudes, perceptions and behaviors.
2. The Rokeach Values Survey can be used to measure an employee's values.
3. Employees are often rewarded more often when their personal values match those of the organization.