3

Values, Attitudes, and Diversity in the Workplace

Corus Entertainment has a strong set of core values. How do these values affect the company's workplace?

LEARNING OUTCOMES

After studying this chapter, you should be able to:

- 1 Contrast Rokeach's terminal and instrumental values.
- Describe Hofstede's five value dimensions for assessing cultures.
- 3 Identify unique Canadian values.
- 4 Understand the three components of an attitude.
- 5 Describe key attitudes that affect organizational performance.
- 6 Summarize the main causes of job satisfaction.
- Identify the main consequences of job satisfaction.
- 8 Identify four employee responses to job dissatisfaction.
- 9 Describe how organizations can manage diversity effectively.
- 10 Identify the benefits of cultural intelligence.

oronto-based Corus Entertainment decided to partner with TD Bank in summer 2014 to support a program designed to aid Aboriginal children achieve literacy through summer camps. 1 The program, Frontier College, provides summer literacy camps to Aboriginal children in 80 communities across Canada. John Cassaday, president and CEO of Corus, explains that the company values "the healthy development and well-being of Canadian children."

> Corus, a media and entertainment company that creates, broadcasts, and licenses content around the world (for example, Cartoon Network (Canada), HBO Canada, and TELETOON), has five core values:



- Accountability: We do what we say we will do-no excuses.
- Knowledge: We believe in continuous learning and the sharing of our insights and ideas.
- Initiative: We empower employees to make great things happen.
- Innovation: We are committed to creative thinking that leads to breakthrough ideas and superior results.
- *Teamwork:* We believe that the greatest value is realized when we work together.

Corus also values having a diverse workforce. In fact, it was named one of Canada's Best Diversity Employers in 2014 and one of Greater Toronto's Best Employers that same year.

Generally, we expect that an organization's stated values, like those of an individual, will be reflected in its actions. For example, if a company states that it values environmental responsibility but has processes that are not environmentally friendly, we would question whether that value is really important to the company.

In Corus' case, the company backs up its value statements with concrete policies and actions to show support for its values. Does having strong values make for a better workplace?

In this chapter, we look carefully at how values influence behaviour and consider the relationship between values and attitudes. We also examine two significant issues that arise from our discussion of values and attitudes: how to enhance job satisfaction and manage workforce diversity.

THE BIG IDEA

Values affect our behaviours and attitudes, and can have a big impact on how people with different backgrounds get along in the workplace.



IS FOR EVERYONE

- How do countries differ in their values?
- Are Millennials really different from their elders?
- What can you learn about OB from Aboriginal culture?
- What would you need to know to set up a business in Asia?

Values

Is capital punishment right or wrong? Is a person's desire for power good or bad? The answers to these questions are value-laden.

Values represent basic convictions that "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." They contain a judgmental element in that they carry an individual's ideas as to what is right, good, or desirable. Values have both content and intensity attributes. The content attribute says a mode of conduct or end-state of existence is important. The intensity attribute specifies how important it is. When we rank an individual's values in terms of their intensity, we discover that person's value system. All of us have a hierarchy of values according to the relative importance we assign to values such as freedom, pleasure, self-respect, honesty, obedience, and equality.³

Values tend to be relatively stable and enduring. 4 Most of our values are formed in our early years—with input from parents, teachers, friends, and others. As children, we were told that certain behaviours or outcomes are *always* desirable or *always* undesirable. There were few grey areas. It is this absolute or "black-or-white" characteristic of values that more or less ensures their stability and endurance.

Below we examine two frameworks for understanding values: Milton Rokeach's terminal and instrumental values, and Kent Hodgson's general moral principles.

Rokeach Value Survey

Milton Rokeach created the Rokeach Value Survey (RVS), which consists of two sets of values, each containing 18 individual value items. 5 One set, called **terminal values**, refers to desirable end-states of existence. These are the goals that individuals would like to achieve during their lifetime. They include

- A comfortable life (a prosperous life)
- An exciting life (a stimulating, active life)
- A sense of accomplishment (lasting contribution)
- Equality (brotherhood, equal opportunity for all)
- Inner harmony (freedom from inner conflict)
- Happiness (contentedness)⁶

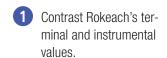
The other set, called **instrumental values**, refers to preferred modes of behaviour, or means for achieving the terminal values. They include

- Ambitious (hard-working, aspiring)
- Broad-minded (open-minded)
- Capable (competent, effective)
- Courageous (standing up for your beliefs)
- Imaginative (daring, creative)
- Honest (sincere, truthful)⁷

Each of us places value on both the ends (terminal values) and the means (instrumental values); a balance between the two is important. Which terminal and instrumental values are especially key vary by the person.

Hodgson's General Moral Principles

Ethics is the study of moral values or principles that guide our behaviour and inform us whether actions are right or wrong. Thus, ethical values are related to moral judgments about right and wrong.



values Basic convictions that 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

value system A hierarchy based on a ranking of an individual's values in terms of their intensity.

terminal values Goals that individuals would like to achieve during their lifetime.

instrumental values Preferable ways of behaving.

ethics The study of moral values or principles that guide our behaviour and inform us whether actions are right or wrong.

In recent years, there has been concern that individuals are not grounded in moral values. It is believed that this lack of moral roots has resulted in a number of business scandals, such as those at WorldCom, Enron, Hollinger International, and even in the sponsorship scandal of the Canadian government. We discuss the issue of ethics further in Chapter 12.

Management consultant Kent Hodgson has identified seven general moral principles that individuals should follow when making decisions. He calls these "the Magnificent Seven" and suggests that they are universal values that managers should use to make principled, appropriate, and defensible decisions.⁸ They are presented in OB in Action—The Magnificent Seven Principles.

Assessing Cultural Values

Corus Entertainment is committed to valuing diversity in its workplace, 10 which reflects a dominant value of Canada as a multicultural country. The approach to diversity is very different in the United States, which considers itself a melting pot with respect to different cultures. Corus' core values (accountability, knowledge, initiative, innovation, and teamwork) also guide employees. What do you know about the values of people from other countries? What values make Canadians unique?



- → Dignity of human life. The lives of **people are** to be respected.
- → Autonomy. All persons are **intrinsically** valuable and have the right to selfdetermination.
- → Honesty. **The truth should be told** to those who have a right to know it.
- → Loyalty. **Promises**, **contracts**, and **commit**ments should be honoured.
- → Fairness. People should be treated justly.
- → Humaneness. Our actions ought to accomplish good, and we should avoid doing evil.
- → *The common good.* Actions should accomplish the greatest good for the greatest number of people.9

In Chapter 1, we noted that managers have to become capable of working with people from different cultures. Thus, it is important to understand how values differ across cultures.

Hofstede's Framework for Assessing Cultures

One of the most widely referenced approaches for analyzing variations among cultures was developed in the late 1970s by Geert Hofstede. 11 He surveyed more than 116 000 IBM employees in 40 countries about their work-related values, and found that managers and employees vary on 5 value dimensions of national culture:

- Power distance. **Power distance** describes the degree to which people in a country accept that power in institutions and organizations is distributed unequally. A high rating on power distance means that large inequalities of power and wealth exist and are tolerated in the culture, as in a class or caste system that discourages upward mobility. A low power distance rating characterizes societies that stress equality and opportunity.
- *Individualism vs. collectivism.* **Individualism** is the degree to which people prefer to act as individuals rather than as members of groups and believe in individual rights above all else. Collectivism emphasizes a tight social framework in which people expect others in groups of which they are a part to look after them and protect them.
- Masculinity vs. femininity. Hofstede's construct of **masculinity** is the degree to which the culture favours traditional masculine roles, such as achievement, power, and control, as opposed to viewing men and women as equals. A high masculinity rating indicates the culture has separate roles for men and

Describe Hofstede's five value dimensions for assessing cultures.

power distance A national culture attribute that describes the extent to which a society accepts that power in institutions and organizations is distributed unequally.

individualism A national culture attribute that describes the degree to which people prefer to act as individuals rather than as members of groups.

collectivism A national culture attribute that describes a tight social framework in which people expect others in groups of which they are a part to look after them and protect them.

masculinity A national culture attribute that describes the extent to which the culture favours traditional masculine work roles of achievement, power, and control. Societal values are characterized by assertiveness and materialism.

women, with men dominating the society. A high **femininity** rating means the culture sees little differentiation between male and female roles and treats women as the equals of men in all respects.

- *Uncertainty avoidance.* The degree to which people in a country prefer structured over unstructured situations defines their uncertainty avoidance. In cultures that score high on uncertainty avoidance, people have an increased level of anxiety about uncertainty and ambiguity, and use laws and controls to reduce uncertainty. Cultures low on **uncertainty avoidance** are more accepting of ambiguity and are less rule-oriented, take more risks, and more readily accept change.
- Long-term vs. short-term orientation. This more recent addition to Hofstede's typology measures a society's long-term devotion to traditional values. People in a culture with **long-term orientation** look to the future and value thrift, persistence, and tradition. In a culture with **short-term orientation**, people value the here and now; they accept change more readily and don't see commitments as impediments to change.

More recently, Hofstede has added a sixth dimension, based on studies he has conducted over the past 10 years. 12

• Indulgence vs. restraint. This newest addition to Hofstede's typology measures society's devotion (or lack thereof) to indulgence. Cultures that emphasize indulgence encourage "relatively free gratification of basic and natural human desires related to enjoying life."13 Those that favour **restraint** emphasize the need to control the gratification of needs.

How do different countries score on Hofstede's dimensions? Exhibit 3-1 shows the ratings for the countries for which data are available. For example, power distance is higher in Malaysia than in any other country. Canada is tied with the Netherlands as one of the top five individualistic countries in the world, falling just behind the United States, Australia, and Great Britain. Canada also tends to be short term in orientation and is low in power distance (people in Canada tend not to accept built-in class differences among people). Canada is also relatively low on uncertainty avoidance, meaning that most adults are relatively tolerant of uncertainty and ambiguity. Canada has a much higher score on masculinity in comparison with Sweden and Norway, although its score is lower than that of the United States.

You will notice regional differences. Western and Northern nations such as Canada and the Netherlands tend to be more individualistic. Poorer countries such as Mexico and the Philippines tend to be higher on power distance. South American nations tend to be higher than other countries on uncertainty avoidance, and Asian countries tend to have a long-term orientation.

differ in their values?

How do countries

Hofstede's cultural dimensions have been enormously influential on OB researchers and managers. Nevertheless,

his research has been criticized. First, Hofstede's original work is over 40 years old and was based on a single company (IBM). Thus, people question its relevance to today. However, the work was updated and reaffirmed by a Canadian researcher at the Chinese University of Hong Kong (Michael Bond), who conducted research on values in 22 countries on 5 continents during the 1980s. 14 Between 1990 and 2002, the work was updated again by Hofstede and his colleagues with six major studies that each included a minimum of 14 countries. 15 These more recent studies used a variety of subjects: elites, employees and managers of corporations other than IBM; airline pilots; consumers; and civil servants. Hofstede notes that the more recent studies are consistent with the results of his original study. Second, few researchers have read the details of Hofstede's

femininity A national culture attribute that sees little differentiation between male and female roles; women are treated as the equals of men in all respects.

uncertainty avoidance A national culture attribute that describes the extent to which a society feels threatened by uncertain and ambiguous situations and tries to avoid them.

long-term orientation A national culture attribute that emphasizes the future, thrift, and persistence.

short-term orientation A national culture attribute that emphasizes the past and present, respect for tradition, and fulfillment of social obligations.

indulgence A national culture attribute that emphasizes the gratification of basic needs and the desire to enjoy life.

restraint A national culture attribute that emphasizes the importance of controlling the gratification of needs.

	Power Distance		Individualism versus Collectivism		Masculinity versus Femininity		Uncertainty Avoidance		Long- versus Short-Term Orientation	
Country	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank
Argentina	49	35–36	46	22–23	56	20–21	86	10–15		
Australia	36	41	90	2	61	16	51	37	31	22-24
Austria	11	53	55	18	79	2	70	24-25	31	22-24
Belgium	65	20	75	8	54	22	94	5–6	38	18
Brazil	69	14	38	26-27	49	27	76	21–22	65	6
Canada	39	39	80	4–5	52	24	48	41-42	23	30
Chile	63	24-25	23	38	28	46	86	10–15		
Colombia	67	17	13	49	64	11–12	80	20		
Costa Rica	35	42-44	15	46	21	48–49	86	10–15		
Denmark	18	51	74	9	16	50	23	51	46	10
Ecuador	78	8–9	8	52	63	13–14	67	28		
El Salvador	66	18–19	19	42	40	40	94	5–6		
Finland	33	46	63	17	26	47	59	31–32	41	14
France	68	15–16	71	10–11	43	35–36	86	10–15	39	17
Germany	35	42-44	67	15	66	9–10	65	29	31	22-24
Great Britain	35	42-44	89	3	66	9–10	35	47–48	25	28-29
Greece	60	27–28	35	30	57	18–19	112	1		
Guatemala	95	2–3	6	53	37	43	101	3		
Hong Kong	68	15–16	25	37	57	18–19	29	49–50	96	2
India	77	10–11	48	21	56	20–21	40	45	61	7
Indonesia	78	8–9	14	47–48	46	30–31	48	41–42		
Iran	58	29–30	41	24	43	35–36	59	31–32		
Ireland	28	49	70	12	68	7–8	35	47–48	43	13
Israel	13	52	54	19	47	29	81	19		
Italy	50	34	76	7	70	4–5	75	23	34	19
Jamaica	45	37	39	25	68	7–8	13	52		
Japan	54	33	46	22–23	95	1	92	7	80	4
Korea (South)	60	27–28	18	43	39	41	85	, 16–17	75	5
Malaysia	104	1	26	36	50	25–26	36	46	, ,	
Mexico	81	5–6	30	32	69	6	82	18		
The Netherlands	38	40	80	4–5	14	51	53	35	44	11–1
New Zealand	22	50	79	6	58	17	49	39–40	30	25–2
Norway	31	47–48	69	13	8	52	50	38	44	11-1

Scores range from 0 = extremely low on dimension to 100 = extremely high.

2–3

5-6

21-23

10-11

21-23

24-25

35-36

47-48

29-30

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15-16

28-29

Pakistan

Panama

Philippines

Portugal

Singapore

South Africa

Switzerland

United States

Peru

Spain

Sweden

Taiwan

Turkey

Thailand

Uruguay

Venezuela

Yugoslavia

East Africa

West Africa

Arab countries

Regions:

Note: 1 = highest rank. LTO ranks: 1 = China; 15–16 = Bangladesh; 21 = Poland; 34 = lowest.

Source: Geert Hofstede, Gert Jan Hofstede, Michael Minkov, "Cultures and Organizations, Software of the Mind," Third Revised Edition, McGrawHill 2010, ISBN 0-07-166418-1.

methodology closely and are therefore unaware of the many decisions and judgment calls he had to make (for example, reducing the number of cultural values to just five). Despite these concerns, many of which Hofstede refutes, 16 he has been one of the most widely cited social scientists ever, and his framework has left a lasting mark on OB.

RESEARCH FINDINGS: Hofstede

Recent research across 598 studies with more than 200 000 respondents has investigated the relationship of Hofstede's cultural values and a variety of organizational criteria at both the individual and national level of analysis. 17 Overall, the five original cultural dimensions were equally strong predictors of relevant outcomes, meaning that researchers and practising managers need to think about culture holistically and not just focus on one or two dimensions. The researchers also found that measuring individual scores resulted in much better predictions of most outcomes than assigning all people in a country the same cultural values. In sum, this research suggests that Hofstede's value framework may be a valuable way of thinking about differences among people, but we should be cautious about assuming that all people from a country have the same values.

The GLOBE Framework for Assessing Cultures

Begun in 1993, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) research program is an ongoing cross-cultural investigation of leadership and national culture. Using data from 825 organizations in 62 countries, the GLOBE team identified nine dimensions on which national cultures differ. 18 Some—such as power distance, individualism/collectivism, uncertainty avoidance, gender differentiation (similar to masculinity vs. femininity), and future orientation (similar to long-term vs. short-term orientation)—resemble the Hofstede dimensions. The main difference is that the GLOBE framework added dimensions, such as humane orientation (the degree to which a society rewards individuals for being altruistic, generous, and kind to others) and performance orientation (the degree to which a society encourages and rewards group members for performance improvement and excellence).

Which framework is better? That is hard to say, and each has its adherents. We give more emphasis to Hofstede's dimensions here because they have stood the test of time and the GLOBE study confirmed them. For example, a review of the organizational commitment literature shows that both the Hofstede and GLOBE individualism/ collectivism dimensions operated similarly. Specifically, both frameworks showed that organizational commitment (which we discuss later in the chapter) tends to be lower in individualistic countries. 19 This study shows that too often we make false assumptions about different cultures. Ultimately, both frameworks have a great deal in common, and each has something to offer.

The Ethical Dilemma on page 115 asks you to consider when something is a gift and when it is a bribe. Different cultures take different approaches to this question.

Values in the Canadian Workplace

Studies have shown that when individual values align with organizational values, the results are positive. Individuals who have an accurate understanding of the job requirements and the organization's values adjust better to their jobs, and have greater levels of satisfaction and organizational commitment. 20 In addition, shared values between the employee and the organization lead to more positive work attitudes,²¹ lower turnover,²² and greater productivity.²³

Individual and organizational values do not always align. Moreover, within organizations, individuals can have very different values. Two major factors lead to a potential clash of values in the Canadian workplace: generational differences and cultural differences.

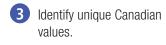


EXHIBIT 3-2 Dominant Work Values in Today's Workforce					
Cohort	Entered the Workforce	Approximate Current Age	Dominant Work Values		
Baby Boomers	1965–1985	Mid-40s to mid-60s	Success, achievement, ambition, dislike of authority; loyalty to career		
Generation Xers	1985–2000	Late 20s to early 40s	Work-life balance, team-oriented, dislike of rules; loyalty to relationships		
Millennials	2000 to present	Under 30	Confident, financial success, self- reliant but team-oriented; loyalty to both self and relationships		

Let's look at the findings and implications of generational and cultural differences in Canada.

Generational Differences

Research suggests that generational differences exist in the workplace among the Baby Boomers (born between the mid-1940s and the mid-1960s), Generation Xers (born between the mid-1960s and the late 1970s), and the Millennials (born between 1979 through 1994).²⁴ Exhibit 3-2 highlights the different work values of the three generations, and indicates when each entered the workforce. Because most people start working between the ages of 18 and 23, the eras also correlate closely with employee age.

Generation Xers are squeezed in the workplace between the much larger Baby Boomer and Millennial groups. With Millennials starting to climb the ladder in organizations,



under a grandfather, and then later found himself working with fellow Baby Boomers. Recently he has realized that Millennials are starting to make up a larger portion of Rona's dealers, and finds that it has changed his life to "have the chance to work with young people—to share ideas with them, their thoughts, their vision for the future." ²⁵ Dutton started the group Young Rona Business Leaders to help develop the talent that will be the future of Rona.

while Boomers are continuing to hold on to their jobs rather than retire, the impact of having these two large generations—one younger and one older—in the workplace is gaining attention. Bear in mind that our discussion of these generations presents broad generalizations, and you should certainly avoid stereotyping individuals on the basis of these generalizations. There are individual differences in values. For instance, there is no law that says a Baby Boomer cannot think like a Millennial. Despite these limitations, values do change over generations.²⁶ We can gain some useful insights from analyzing values this way to understand how others might view things differently from ourselves, even when they are exposed to the same situation.

Baby Boomers

Baby Boomers (or Boomers for short) are a large cohort born after World War II, when veterans returned to their families and times were good. Boomers entered the workforce from the mid-1960s through the mid-1980s. They brought with them the "hippie ethic" and distrust of authority. But they placed a great deal of emphasis on achievement and material success. Pragmatists who believe ends can justify means, they work hard and want to enjoy the fruits of their labours. Boomers see the organizations that employ them merely as vehicles for their careers. Terminal values such as a sense of accomplishment and social recognition rank high with them.

Generation X

The lives of Generation Xers (or *Xers* for short) have been shaped by globalization, two-career parents, MTV, AIDS, and computers. They value flexibility, life options, and the achievement of job satisfaction. Family and relationships are very important to this cohort. Xers are skeptical, particularly of authority. They also enjoy team-oriented work. In search of balance in their lives, Xers are less willing to make personal sacrifices for the sake of their employer than previous generations were. They rate high on the terminal values of true friendship, happiness, and pleasure.



When Sean Durfy announced that he was resigning as CEO of Calgary-based WestJet in 2011, he said it was for "family reasons." While that has often been code for "being let go," in Durfy's case it was more likely the truth. His wife had been ill for four years, and the couple has young children. Instead, there was talk that Durfy's announcement was the start of what might be expected from other Generation Xers, who "work to live rather than live to work." Baby Boomers were expected to sacrifice their family to climb the corporate ladder. But this may no longer be true of younger generations.

Millennials

The most recent entrants to the workforce, the Millennials, grew up during prosperous times. They have high expectations and seek meaning in their work. Millennials have life goals more oriented toward becoming rich (81 percent) and famous (51 percent) than do Xers (62 percent and 29 percent, respectively), but they also see themselves as socially responsible and are at ease with diversity. Millennials are the first generation to

take technology for granted. More than other generations, they tend to be questioning, electronically networked, and entrepreneurial. At the same time, some have described Millennials as entitled and needy. They grew up with parents who watched (and praised) their every move. They may clash with other generations over work attire and communication. They also like feedback. An Ernst & Young survey found that 85 percent of Millennials want "frequent and candid performance feedback," compared with only half of Boomers.²⁷

Are Millennials really different from their elders?

The Generations Meet in the Workplace

An understanding that individuals' values differ but tend to reflect the societal values of the period in which they grew up can be a valuable aid in explaining and predicting behaviour. Baby Boomers currently dominate the workplace, but their years of being in charge are limited. In 2013, half of them were at least 55 and 18 percent were over 60.²⁸



Although it's fascinating to think about generational values, remember that these classifications lack solid research support. Early research was plagued by methodological problems that made it difficult to assess whether differences actually exist. Recent reviews suggest many of the generalizations are either overblown or incorrect.²⁹ Studies that have found differences across generations often don't support popular conceptions of how generations differ. One study that used an appropriate longitudinal design did find the value placed on leisure has increased over generations from the Baby Boomers to the Millennials and work centrality has declined, but it did not find that Millennials had more altruistic work values as expected.³⁰ Generational classifications may help us understand our own and other generations better, but we must also appreciate their limits. A new generation will be coming to the workplace soon, and researchers suggest that this new generation may be the cause of revolution in the workplace. OB in the Street looks at Generation Z.



IN THE **STREET**

Generation Z: Coming to Your Workplace Soon

Will the next generation of employees be radically different from their older siblings? Ann Makosinski, just 16 years old and from Victoria, is already trying to start her own company.31 A friend from the Philippines was having trouble getting homework done and failed a grade, because she did not have access to electricity to study at night. Makosinski won Google's annual international science fair in 2013 with her battery-free "Hollow Flashlight," which is powered by body heat.

Makosinski is part of Generation Z, the group that comes after the Millennials, and was born starting in 1995. The oldest are 19, and just starting to enter the workplace. Makosinski's cohort is described by researchers as "educated, industrious, collaborative and eager to build a better planet," exactly what she is already doing.

Sparks & Honey, a New York City advertising agency, found that 60 percent of Gen Zers want jobs that had a social impact compared with 31 percent of Millennials. They are the first generation to have digital access from the crib, making them extremely comfortable in that world. While their parents feel anxious about how multitasking might affect thinking, Gen Zers see it as a natural action.

It's probably too early to define where Gen Z will go, but Makosinski is representative of her generation thus far. "I'm just very glad I've been able to inspire a few people," she says. "I think that's what really changed my life, now I'm more conscious of my actions and how I spend my time."

Cultural Differences

Canada is a multicultural country: In 2011, 20.6 percent of its population was foreignborn.³² This figure compares with 12.9 percent for the United States.³³ In 2011, 46 percent of Toronto's population, 40 percent of Vancouver's population, and 22.6 percent of Montreal's population were made up of immigrants.³⁴ The 2011 Census found that 20 percent of Canada's population spoke a language other than the country's two official languages at home. In Vancouver and Toronto, this rate was 31 percent and 32 percent, respectively, so nearly one-third of the population of those two cities does not speak either English or French as a first language.³⁵ In Canada, of those who speak other languages, the dominant languages are Punjabi, Chinese (not specified), Cantonese, and Spanish.³⁶ These figures indicate the very different cultures that are part of the Canadian fabric of life.

Although we live in a multicultural society, some tension exists among people from different races and ethnic groups. In a recent poll, 68 percent of Canadians reported having heard a racist comment in the past year. About 31 percent reported witnessing a racist incident. Young people aged 18 to 24 were more likely to report having heard racist comments (81 percent) and having witnessed racist incidents (50 percent).³⁷

Canadians often define themselves as "not Americans" and point out differences in the values of the two countries. Ipsos Reid recently conducted a national survey of Americans and Canadians, ages 18 to 34, and found a number of differences between the two countries' young adults. Both groups rated health care, education, and employment as their top concerns. "When we compare the lifestyles of young adults in the United States and Canada, one could describe the Americans as more 'traditional' and more 'domestic' in their values and focus, whereas Canadians are more of the 'free-spirit' type," said Samantha McAra, senior research manager with Ipsos Reid.³⁸ Exhibit 3-3 shows some of the other differences between Canadian and American young adults.

Next, we identify a number of cultural values that influence workplace behaviour in Canada. Be aware that these are generalizations, and it would be a mistake to assume that everyone coming from the same cultural background acts similarly. Rather, these overviews are meant to encourage you to think about cultural differences and similarities so that you can better understand people's behaviour.

Francophone and Anglophone Values

Quebec is generally seen as culturally, linguistically, politically, and legally distinct from the rest of Canada. 39 French, not English, is the dominant language in Quebec, and Roman Catholicism, not Protestantism, is the dominant religion. Unlike the rest of Canada, where the law is based on English common law principles, Quebec's legal system is based on the French civil code. From time to time, Quebec separatists threaten that the province will leave Canada. Thus, it will be of interest to managers and employees in Canadian firms to be aware of some of the potential cultural differences when managing in francophone environments compared with anglophone environments.

EXHIBIT 3-3 Differences between Canadian and American Young Adults, 18 to 34					
	Canada	United States			
Text messages per week (sent and received)	78.7	129.6			
Online social media	Facebook: 81% had registered a profile MySpace: 23% had registered a profile	Facebook: 57% had registered a profile MySpace: 54% had registered a profile			
Married	25%	39%			
Domestic partnerships	18%	7%			
Own a home	35%	45%			
Employed on a full- or part-time basis or self-employed	62%	64%			
Some post-secondary education	76%	68%			
Actively participate in a recycling program	88%	72%			
Use public transportation once a week or more often	33%	20%			
Favourite sport	NHL hockey (58%)	NFL football (57%)			

Source: Based on Ipsos Reid, A Check-up on the Habits and Values of North America's Young Adults (Part 1) (Calgary: Ipsos Reid, 2009), http://www.ipsos-na.com/news-polls/pressrelease.aspx?id=4532.

A number of studies have shown that English-speaking Canadians and Frenchspeaking Canadians have distinctive value priorities. In general, Canadian anglophone managers are seen to be more individualistic than Canadian francophone managers, ⁴⁰ although more recent research finds greater similarity between anglophone and francophone middle managers in terms of their individualistic-collectivistic orientation. 41 Francophones have also been shown to be more concerned about the interpersonal aspects of the workplace than task competence.⁴² They have also been found to be more committed to their work organizations. 43 Earlier studies suggested that anglophones took more risks, 44 but more recent studies have found that this point has become less true and that French-speaking Canadians had the highest values for "reducing or avoiding ambiguity and uncertainty at work."45

Canadian anglophone business people have been found to use a more cooperative negotiating style when dealing with one another, compared with Canadian francophone business people. 46 However, Canadian francophones are more likely than Canadian anglophones to use a more cooperative approach during cross-cultural negotiations.⁴⁷ Other studies indicate that anglophone managers tend to value autonomy and intrinsic job values, such as achievement, and thus are more achievement-oriented, while francophone managers tend to value affiliation and extrinsic job values, such as technical supervision.⁴⁸ A recent study conducted at the University of Ottawa and Laval University suggests that some of the differences reported in previous research may be decreasing. ⁴⁹ Another study suggests that anglophones and francophones are not very different personality-wise.⁵⁰ Yet another study indicates that French Canadians have become more like English Canadians in valuing autonomy and self-fulfillment.⁵¹ These studies are consistent with a recent study that suggests there are few differences between francophones and anglophones.⁵²

Professor Carolyn Egri of the business school at Simon Fraser University led a crosscultural study on the attitudes of managers toward different influence strategies.⁵³ The study found that Canadian anglophone and francophone managers tend to favour somewhat different influence strategies. Specifically, Canadian anglophone managers consider behaviour that is beneficial to the organization first and foremost as more acceptable than do Canadian francophone managers. By contrast, Canadian francophone managers favour behaviour that is beneficial to their own interests first. They also consider the following behaviours more acceptable than do Canadian anglophone managers: "destructive legal behaviours" (what the authors term a "get out of my way or get trampled" approach) and "destructive illegal behaviours" (what the authors term a "burn, pillage and plunder" approach). The study also found that Mexican managers score higher than Canadian francophone managers on their acceptance of destructive behaviours. Both American and Canadian anglophone managers consider destructive behaviours to be less acceptable. The results of this study suggest that Canadian francophone managers might serve as a bridge between Mexican managers at one end and American and Canadian anglophone managers on the other because of their level of acceptance of the different influence styles studied. The study's authors concluded that Canadian francophones would do well in "joint ventures, business negotiations, and other organizational interactions that involve members of more divergent cultural groups. For example, a national Canadian firm may find it strategically advantageous to utilize Canadian francophones in negotiating business contracts with Mexican firms."54

Despite some cultural and lifestyle value differences, both francophone and anglophone managers today would have been exposed to more of the same types of organizational theories during their training in post-secondary school, which might also influence their outlooks as managers. Thus we would not expect to find large differences in the way that firms in francophone Canada are managed, compared with those in the rest of Canada.

Aboriginal Values

Entrepreneurial activity among Canada's Aboriginal peoples has been increasing at the same time that there are more partnerships and alliances between Aboriginal and non-Aboriginal businesses. Because of these business interactions, it's important to examine the types of differences we might observe in how each culture manages its businesses. For instance, sustainability is an important value in Aboriginal logging companies. Chilanko Forks, BC-based Tsi Del Del, a logging company, received the 2011 Aboriginal Forest Products Business Leadership Award because of the substantial amount of

revenues the company put into education.⁵⁵ For every cubic metre harvested, the Alexis Creek First Nations-owned company puts 50 cents into a post-secondary educational fund. The fund is used to train the next generation of loggers. Andrew Gage, vice-president of the Forest Products Association of Canada, says that it's a wise investment for the company. "You are not going to find a group of people that are more committed to sustainable harvesting. They share those values that our industry has been trying to get to for the last decade or so."56

What can you learn about OB from Aboriginal culture?

Aboriginal values "are usually perceived [by non-Aboriginals] as an impediment to economic development and organizational effectiveness."57 These values include reluctance to compete, a time orientation different from the Western one, and an emphasis on consensus decision making.⁵⁸ Aboriginal people do not necessarily agree that these values are business impediments, however.

Specifically, although Canadian businesses and government have historically assumed that "non-Native people must teach Native people how to run their own organizations," the First Nations of Canada are not convinced. 59 They believe that traditional culture, values, and languages do not have to be compromised in the building of a self-sustaining economy. Moreover, they believe that their cultural values may actually be a positive force in conducting business.⁶⁰

In recent years, Canadian businesses facing Native land claims have met some difficulties in trying to accommodate demands for appropriate land usage. In some cases, accommodation can mean less logging or mining by businesses until land claims are worked out. Cliff Hickey and David Natcher, two anthropologists from the University of Alberta, collaborated with the Little Red River Cree Nation in northern Alberta to develop a new model for forestry operations on First Nations land and achieve better communication between businesses and Native leaders. 61 The anthropologists sought to balance the Native community's traditional lifestyle with the economic concerns of forestry operations. OB in Action— Ground Rules for Developing Business Partnerships with Aboriginal People outlines several of Hickey and Natcher's recommended ground rules, which they say could be used in oil and gas developments as well. Johnson Sewepegaham, chief of the Little Red River Cree, said his community would use these recommendations to resolve difficulties on treaty lands for which Vernon, BC-based Tolko Industries and Vancouverbased Ainsworth jointly hold forest tenure. The two companies presented their general development plan to the Cree in fall 2008.⁶² In 2009, the Cree were effective in persuading Tolko to revise its tree harvesting activities in a way that recognizes and respects the First Nations' ecological and cultural needs. 63

Lindsay Redpath of Athabasca University has noted that Aboriginal cultures are more collectivist in orientation than are non-Aboriginal cultures in Canada and the United States. 65 Aboriginal organizations are much more likely to reflect and advance the goals of the community. There is also a greater sense of family within the workplace, with greater affiliation and loyalty. Power distance in Aboriginal cultures is smaller than in non-Aboriginal cultures of Canada and the United States, and there is an emphasis on consensual decision making. Aboriginal cultures are lower on uncertainty avoidance than non-Aboriginal cultures in Canada and the United States. Aboriginal organizations and cultures tend to have fewer rules and regulations. Each of these differences suggests that businesses created by Aboriginal people will differ from non-Aboriginal businesses, and both research and anecdotal evidence support this conjecture.⁶⁶ For instance, Richard Prokopanko, director of government relations for Vancouver-based Alcan, says that shifting from handling issues in a generally legalistic, contract-oriented manner to valuing more dialogue and collaboration has helped ease some of the tension that had built up over 48 years between Alcan and First Nations people.67

Asian Values

The largest visible minority group in Canada are the Chinese. Over 1 million Chinese live in Canada, representing 26 percent of the country's visible minority population. The Chinese in this country are a diverse group; they come from different countries, speak different languages, and practise different religions. The Chinese are only one part of the entire East and Southeast Asian population that influences Canadian society. It's predicted that by 2017 almost one-half of all visible minorities in Canada will come from two groups, South Asian and Chinese, and that these groups will be represented in almost equal numbers. As well, many Canadian organizations, particularly those in



IN ACTION

Ground Rules for Developing Business Partnerships with Aboriginal People

- → Modify management operations to reduce negative impact on wildlife species.
- → Modify operations to ensure community access to lands and resources.
- → Protect all those areas identified by community members as having biological, cultural, and historical significance.
- → Recognize and protect Aboriginal and treaty rights to hunting, fishing, trapping, and gathering activities.
- → Increase forest-based economic opportunities for community members.
- → Focus feedback on performance, not personalities.
- → Increase the involvement of community members in decision making. 64

British Columbia, conduct significant business with Asian firms. Asian cultures differ from Canadian culture on many of the GLOBE dimensions discussed earlier. For instance, Asian cultures tend to exhibit greater power distance and greater collectivism. These differences in values can affect individual interactions.

Professor Rosalie Tung of Simon Fraser University and her student Irene Yeung examined the importance of guanxi (personal connections with the appropriate authorities or

What would you need to know to set up a business in Asia?

individuals) for a sample of North American, European, and Hong Kong firms doing business with companies in mainland China. 70 They suggest that their findings are also relevant in understanding how to develop relationships with firms from Japan, South Korea, and Hong Kong.

"Guanxi refers to the establishment of a connection between two independent individuals to enable a bilateral flow of personal or social transactions. Both parties must derive benefits from the transaction to ensure the continuation of such a relationship."⁷¹ Guanxi relations are based on reciprocation, unlike Western networked relationships, which may be characterized more by self-interest. Guanxi relationships are meant to be long-term and enduring, in contrast with the immediate gains sometimes expected in Western relationships. *Guanxi* also relies less on institutional law, and more on personal power and authority, than do Western relationships. Finally, *guanxi* relations are governed more by the notion of shame (that is, external pressures on performance), while Western relations often rely on guilt (that is, internal pressures on performance) to maintain agreements. Guanxi is seen as extremely important for business success in China—more than such factors as the right location, price, or strategy, or product differentiation and quality. For Western firms wanting to do business with Asian firms, an understanding of guanxi and an effort to build relationships are important strategic advantages.

Our discussion about differences in cross-cultural values should suggest to you that understanding other cultures matters. When Canadian firms develop operations across Canada, south of the border, or overseas, employees need to understand other cultures to work more effectively and get along with others.

Attitudes

Attitudes are evaluative statements—either positive or negative—about objects, people, or events. They reflect how we feel about something. When I say, "I like my job," I am expressing my attitude about work. Typically, researchers have assumed that attitudes have three components: cognition, affect, and behaviour. 72 Let's look at each.

The statement "My pay is low" is the **cognitive component** of an attitude—a description of or belief in the way things are. It sets the stage for the more critical part of an attitude—its **affective component**. Affect is the emotional or feeling segment of an attitude and is reflected in the statement "I'm angry over how little I'm paid." Finally, affect can lead to behavioural outcomes. The **behavioural component** of an attitude describes an intention to behave in a certain way toward someone or something—to continue the example, "I'm going to look for another job that pays better."

Viewing attitudes as having three components—cognition, affect, and behaviour—is helpful in understanding their complexity and the potential relationship between attitudes and behaviour. Keep in mind that these components are closely related, and cognition and affect in particular are inseparable in many ways. For example, imagine that you realized someone has just treated you unfairly. You are likely to have feelings about that, occurring virtually instantaneously with the realization. Thus, cognition and affect are intertwined.

Exhibit 3-4 illustrates how the three components of an attitude are related. In this example, an employee did not get a promotion he thought he deserved; a co-worker got it instead. The employee's attitude toward his supervisor is illustrated as follows:

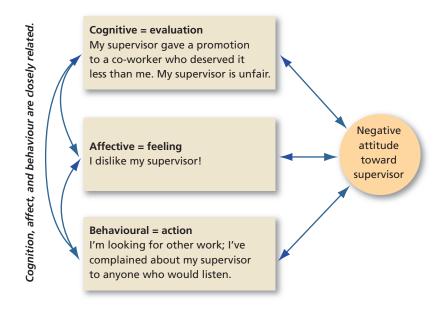
Understand the three components of an attitude.

attitudes Positive or negative feelings about objects, people, or events. cognitive component The opinion or belief segment of an attitude.

affective component The emotional or feeling segment of an attitude.

behavioural component An intention to behave in a certain way toward someone or something.

EXHIBIT 3-4 The Components of an Attitude



The employee thought he deserved the promotion (cognition), he strongly dislikes his supervisor (affect), and he has complained and taken action (behaviour). As we have noted, although we often think cognition causes affect, which then causes behaviour, in reality these components are difficult to separate.

In organizations, attitudes are important because they affect job behaviour.⁷³ Employees may believe, for example, that supervisors, auditors, managers, and timeand-motion engineers are all conspiring to make them work harder for the same or less money. This may then lead to a negative attitude toward management when an employee is asked to stay late for help on a special project.

Employees may also be negatively affected by the attitudes of their co-workers or clients. From Concepts to Skills on page 116 looks at whether it's possible to change someone's attitude, and how that might happen in the workplace.

A person can have thousands of attitudes, but OB focuses our attention on a limited number of work-related attitudes that tap positive or negative evaluations that employees hold about aspects of their work environments.⁷⁴ Below we consider five important attitudes that affect organizational performance: job satisfaction, organizational commitment, job involvement, perceived organizational support, and employee engagement.

Describe key attitudes that affect organizational performance.

Job Satisfaction

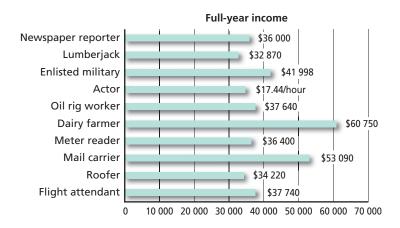
Our definition of **job satisfaction**—a positive feeling about a job resulting from an evaluation of its characteristics—is clearly broad.⁷⁵ A survey conducted by Mercer in 2011 found that Canadians are not all that satisfied: 36 percent said they were thinking about leaving their employers and another 20 percent were ambivalent about staying or going. ⁷⁶

What Causes Job Satisfaction?

Think about the best job you have ever had. What made it so? Chances are you liked the work you did and the people with whom you worked. Interesting jobs that provide training, variety, independence, and control satisfy most employees.⁷⁷ A recent European study indicated that job satisfaction is positively correlated with life satisfaction, in that your attitudes and experiences in life spill over into your job approaches and experiences.⁷⁸ Interdependence, feedback, social support, and interaction with co-workers outside the workplace are strongly related to job satisfaction even after accounting for Summarize the main causes of job satisfaction.

job satisfaction A positive feeling about a job resulting from an evaluation of its characteristics.

EXHIBIT 3-5 The Worst Jobs for Job Satisfaction, 2013*

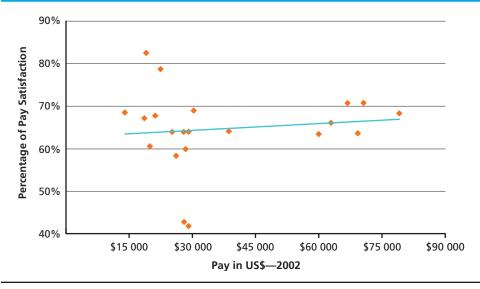


^{*}Based on physical demands, work environment, income, stress, and hiring outlook. Sources: L. Weber, "Best and Worst Jobs," Wall Street Journal, April 11, 2012, in the CareerCast.com Jobs Rated report, p. B6; and K. Kensing, "The Worst Jobs of 2013," CareerCast.com, 2013, http://www.careercast.com/jobs-rated/worst-jobs-2013.

characteristics of the work itself.⁷⁹ A look at the list of worst jobs for job satisfaction (Exhibit 3-5) may give you some indications of what people consider bad jobs.

You have probably noticed that pay comes up often when people discuss job satisfaction. For people who are poor (for example, living below the poverty line) or who live in poor countries, pay does correlate with job satisfaction and overall happiness. But once an individual reaches a level of comfortable living (in Canada, that occurs at about \$40 000 a year, depending on the region and family size), the relationship between pay and job satisfaction virtually disappears. People who earn \$80 000 are, on average, no happier with their jobs than those who earn close to \$40 000.80 Take a look at Exhibit 3-6. It shows the relationship between the average pay for a job and the average level of job satisfaction. As you can see, not much of a relationship exists





Source: T. A. Judge, R. F. Piccolo, N. P. Podsakoff, J. C. Shaw, and B. L. Rich, "Can Happiness Be 'Earned'? The Relationship between Pay and Job Satisfaction," working paper, University of Florida, 2005.



When asked "On a scale of 1 (not at all) to 7 (completely) how satisfied are you with your life?" Forbes magazine's "richest Americans" averaged 5.8 and an East African Maasai tribe, who engage in traditional herding and lead nomadic lives, averaged 5.7. The results of this study suggest that money does not buy life satisfaction.81

between pay and job satisfaction. One researcher even found no significant difference when he compared the overall well-being of the richest people on the Forbes 400 list with that of Maasai herders in East Africa. 82 Case Incident—Thinking Your Way to a Better Job on page 116 considers the effect state of mind has on a person's job satisfaction.

Money does motivate people, as we will discover in Chapter 4. But what motivates us is not necessarily the same as what makes us happy. A recent study found that people who work for companies with fewer than 100 employees, who supervise others, whose jobs include caregiving, who work in a skilled trade, and who are not in their 40s are more likely to be happy in their jobs.⁸³

Job satisfaction is not just about job conditions. Personality also plays a role. Research has shown that people who have positive core self-evaluations (see Chapter 2)—who believe in their inner worth and basic competence—are more satisfied with their jobs than those with negative core self-evaluations. Not only do they see their work as fulfilling and challenging, they are more likely to gravitate toward challenging jobs in the first place. Those with negative core self-evaluations set less ambitious goals and are more likely to give up when they confront difficulties. Thus, they are more likely to be stuck in boring, repetitive jobs than those with positive core self-evaluations.⁸⁴

So what are the consequences of job satisfaction? We examine this question below.

Job Satisfaction and Productivity

The authors of that review even labelled it "illusory." As several studies have concluded, happy workers are more likely to be productive workers. Some researchers used to believe the relationship between job satisfaction and job performance was a myth. But a review of more than 300 studies suggested the correlation between job satisfaction and job performance is quite strong, even across international contexts.⁸⁵ This conclusion also appears to be generalizable across international contexts. The correlation is higher for complex jobs that provide employees with more discretion to act on their attitudes. 86 As we move from the individual to the organizational level, we also find support for the satisfaction–performance relationship.⁸⁷ When we gather satisfaction and productivity data for the organization as a whole, we find organizations with more satisfied employees tend to be more effective than organizations with fewer.



Identify the main consequences of job satisfaction.

core self-evaluation The degree to which an individual likes or dislikes himself or herself, whether the person sees himself or herself as capable and effective, and whether the person feels in control of his or her environment or powerless over the environment.



Employees waving to guests at Hong Kong Disneyland are committed to the company and its goal of giving visitors a magical and memorable experience. Through careful hiring and extensive training, Disney ensures that employees identify with its priority of pleasing customers by serving them as special quests.

Job Satisfaction and Organizational Citizenship Behaviour

In Chapter 1, we defined **organizational citizenship behaviour (OCB)** as discretionary behaviour that is not part of an employee's formal job requirements, and is not usually rewarded, but that nevertheless promotes the effective functioning of the organization.⁸⁸ Individuals who are high in OCB will go beyond their usual job duties, providing performance that is beyond expectations. Examples of such behaviour include helping colleagues with their workloads, taking only limited breaks, and alerting others to work-related problems.⁸⁹ More recently, OCB has been associated with the following workplace behaviours: "altruism, conscientiousness, loyalty, civic virtue, voice, functional participation, sportsmanship, courtesy, and advocacy participation."90 OCB is important, as it can help the organization function more efficiently and more effectively.⁹¹

It seems logical to assume that job satisfaction should be a major determinant of an employee's OCB. 92 Satisfied employees would seem more likely to talk positively about an organization, help others, and go beyond the normal expectations in their jobs because they want to reciprocate their positive experiences. 93 Consistent with this thinking, evidence suggests that job satisfaction is moderately correlated with OCB; people who are more satisfied with their jobs are more likely to engage in OCB.⁹⁴ Why? Fairness perceptions help explain the relationship. 95 Those who feel their co-workers support them are more likely to engage in helpful behaviours, whereas those who have antagonistic relationships with co-workers are less likely to do so.⁹⁶ Individuals with certain personality traits are also more satisfied with their work, which in turn leads them to engage in more OCBs. 97 Finally, research shows that when people are in a good mood, they are more likely to engage in OCBs.⁹⁸

Job Satisfaction and Customer Satisfaction

As we noted in Chapter 1, employees in service jobs often interact with customers. Because service organization managers should be concerned with pleasing customers, it's reasonable to ask: Is employee satisfaction related to positive customer outcomes?

organizational citizenship behaviour (OCB) Discretionary behaviour that is not part of an employee's formal job requirements, but that nevertheless promotes the effective functioning of the organization.

For front-line employees who have regular contact with customers, the answer is yes. Satisfied employees increase customer satisfaction and loyalty. 99

A number of companies are acting on this evidence. The first core value of online retailer Zappos, "Deliver WOW through service," 100 seems fairly obvious, but the way in which Zappos does it is not. Employees are encouraged to "create fun and a little weirdness" and are given unusual discretion in making customers satisfied; they are encouraged to use their imaginations, like sending flowers to disgruntled customers. Zappos offers a \$2000 bribe to quit the company after training (to weed out the half-hearted).

Job Satisfaction and Absenteeism and Turnover

We find a consistent negative relationship between job satisfaction and absenteeism, but it is moderate to weak. 101 While it certainly makes sense that dissatisfied employees are more likely to miss work, other factors affect the relationship. Organizations that provide liberal sick leave benefits are encouraging all their employees—including those who are highly satisfied—to take days off. You can find work satisfying yet still want to enjoy a three-day weekend if those days come free with no penalties. When numerous alternative jobs are available, dissatisfied employees have high absence rates, but when there are few they have the same (low) rate of absence as satisfied employees. 102

The relationship between job satisfaction and turnover is stronger than between job satisfaction and absenteeism. 103 Recent research suggests that managers looking to determine who might be likely to leave should focus on employees' job satisfaction levels over time, because levels do change. A pattern of lowered job satisfaction is a predictor of possible intent to leave. Job satisfaction has an environmental connection too. If the climate within an employee's immediate workplace is one of low job satisfaction, there will be a "contagion effect." This research suggests managers should consider the job satisfaction patterns of co-workers when assigning new workers to a new area for this reason. 104

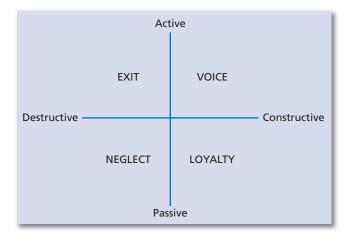
The satisfaction-turnover relationship also is affected by alternative job prospects. If an employee is presented with an unsolicited job offer, job dissatisfaction is less predictive of turnover because the employee is more likely leaving in response to "pull" (the lure of the other job) than "push" (the unattractiveness of the current job). Similarly, job dissatisfaction is more likely to translate into turnover when employment opportunities are plentiful because employees perceive it is easy to move. Also, when employees have high "human capital" (high education, high ability), job dissatisfaction is more likely to translate into turnover because they have, or perceive, many available alternatives. 105 Finally, employees' embeddedness in their jobs and communities can help lower the probability of turnover, particularly in collectivistic cultures. 106

How Employees Can Express Dissatisfaction

Job dissatisfaction and antagonistic relationships with co-workers predict a variety of behaviours organizations find undesirable, including unionization attempts, substance abuse, stealing at work, undue socializing, and tardiness. Researchers argue that these behaviours are indicators of a broader syndrome called deviant behaviour in the workplace (or counterproductive behaviour or employee withdrawal). 107 If employees don't like their work environment, they will respond somehow, although it's not always easy to forecast exactly how. One worker might quit. Another might use work time to surf the Internet or take work supplies home for personal use. In short, workers who don't like their jobs "get even" in various ways—and because those ways can be quite creative, controlling only one behaviour, such as with an absence control policy, leaves the root cause untouched. To effectively control the undesirable consequences of job dissatisfaction, employers should attack the source of the problem—the dissatisfaction—rather than try to control the different responses.

Exhibit 3-7 presents a model—the exit-voice-loyalty-neglect framework—that can be used to examine individual responses to job dissatisfaction along two dimensions: Identify four employee responses to job dissatisfaction.

EXHIBIT 3-7 Responses to Job Dissatisfaction



Source: "When Bureaucrats Get the Blues: Responses to Dissatisfaction among Federal Employees" by Caryl Rusbult, David Lowery. Journal of Applied Social Psychology 15, no. 1, p. 83. Copyright @ 1985, John Wiley and Sons.

whether they are constructive or destructive and whether they are active or passive. Four types of behaviour result: 108

- Exit. Actively attempting to leave the organization, including looking for a new position as well as resigning. This action is destructive from the point of view of the organization. Researchers study individual terminations and collective turnover, the total loss to the organization of employee knowledge, skills, abilities, and other characteristics. 109
- Voice. Actively and constructively attempting to improve conditions, including suggesting improvements, discussing problems with superiors, and some forms of union activity.
- **Loyalty**. Passively but optimistically waiting for conditions to improve, including speaking up for the organization in the face of external criticism and trusting the organization and its management to "do the right thing."
- **Neglect**. Passively allowing conditions to worsen, including chronic absenteeism or lateness, reduced effort, and increased error rate. This action is destructive from the point of view of the organization.

Exit and neglect behaviours reflect employee choices of lowered productivity, absenteeism, and turnover in the face of dissatisfaction. But this model also presents constructive behaviours such as voice and loyalty that allow individuals to tolerate unpleasant situations or to work toward satisfactory working conditions. It helps us understand situations, such as those we sometimes find among unionized workers, where low job satisfaction is coupled with low turnover. 110 Union members often express dissatisfaction through the grievance procedure or through formal contract negotiations. These voice mechanisms allow them to continue in their jobs while convincing themselves that they are acting to improve the situation.

Managers Often "Don't Get It"

Given the evidence we have just reviewed, it should come as no surprise that job satisfaction can affect the bottom line. One study by a management consulting firm

exit Dissatisfaction expressed by actively attempting to leave the organization.

voice Dissatisfaction expressed by actively and constructively attempting to improve conditions.

loyalty Dissatisfaction expressed by passively waiting for conditions to improve.

neglect Dissatisfaction expressed by passively allowing conditions to worsen

separated large organizations into high morale (where more than 70 percent of employees expressed overall job satisfaction) and medium or low morale (fewer than 70 percent). The stock prices of companies in the high morale group grew 19.4 percent, compared with 10 percent for the medium or low morale group. Despite these results, many managers are unconcerned about employee job satisfaction. Still others overestimate how satisfied employees are with their jobs, so they don't think there is a problem when there is. In one study of 262 large employers, 86 percent of senior managers believed their organization treated its employees well, but only 55 percent of the employees agreed. 111 Another study found 55 percent of managers thought morale was good in their organization, compared with only 38 percent of employees. 112 Managers first need to care about job satisfaction, and then they need to measure it rather than just assume that everything is going well. 113

Organizational Commitment

In organizational commitment an employee identifies with a particular organization and its goals, and wishes to remain a member. 114 Most research has focused on emotional attachment to an organization and belief in its values as the "gold standard" for employee commitment. 115

Professor John Meyer at the University of Western Ontario and his colleagues have identified and developed measures for three types of commitment: 116

- Affective commitment. An individual's emotional attachment to an organization and a belief in its values. For example, a PetSmart employee may be affectively committed to the company because of its involvement with animals.
- **Normative commitment**. The obligation an individual feels to stay with an organization for moral or ethical reasons. An employee spearheading a new initiative may remain with an employer because she feels she would "leave the employer in the lurch" if she left.
- **Continuance commitment**. An individual's perceived economic value of remaining with an organization. An employee may be committed to an employer because she is paid well and feels it would hurt her family to quit.

A positive relationship appears to exist between organizational commitment and job productivity, but it is a modest one. 117 A review of 27 studies found that the relationship between commitment and performance is strongest for new employees, and considerably weaker for more experienced employees. 118 Interestingly, research indicates that employees who feel their employers fail to keep promises to them feel less committed, and these reductions in commitment, in turn, lead to lower levels of creative performance. 119 And, as with job involvement, the research evidence demonstrates negative relationships between organizational commitment and both absenteeism and turnover. 120

Different forms of commitment have different effects on behaviour. One study found managerial affective commitment more strongly related to organizational performance than was continuance commitment. 121 Another study showed that continuance commitment was related to a lower intention to quit but an increased tendency to be absent and lower job performance. These results make sense in that continuance commitment is not really a commitment at all. Rather than an allegiance (affective commitment) or an obligation (normative commitment) to an employer, a continuance commitment describes an employee "tethered" to an employer simply because nothing better is available. 122

Point/Counterpoint on page 113 considers whether employer-employee loyalty is still relevant today.

organizational commitment The degree to which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization.

affective commitment An individual's emotional attachment to and identification with an organization, and a belief in its values.

normative commitment The obligation an individual feels to stay with an organization.

continuance commitment An individual's calculation to stay with an organization based on the perceived costs of leaving the organization.



A major focus of Nissan Motor Company's Diversity Development Office in Japan is helping female employees develop their careers. Nissan provides women such as the assembly-line workers shown here with oneon-one counselling services of career advisers and training programs to develop applicable skills. Women can also visit Nissan's corporate intranet to read interviews with "role models," women who have made substantial contributions to the company. Nissan believes that hiring more women and supporting their careers will contribute to the company's competitive edge.

Job Involvement

Related to job satisfaction is **job involvement**, ¹²³ which measures the degree to which people identify psychologically with their job and consider their perceived performance level important to self-worth. 124 Employees with a high level of job involvement strongly identify with and really care about the kind of work they do. Another closely related concept is **psychological empowerment**, employees' beliefs in the degree to which they influence their work environment, their competence, the meaningfulness of their job, and their perceived autonomy. 125 One study of nursing managers in Singapore found that good leaders empower their employees by fostering their self-perception of competence—through involving them in decisions, making them feel their work is important, and giving them discretion to "do their own thing." 126 Another study found, however, that for teachers in India, the self-perception of competence does not affect innovative behaviour, which would be a desired outcome. This research suggests that empowerment initiatives need to be tailored to the culture and desired behavioural outcomes.127

job involvement The degree to which a person identifies with a job, actively participates in it, and considers performance important to self-worth.

psychological empowerment Employees' belief in the degree to which they affect their work environment, their competence, the meaningfulness of their job, and their perceived autonomy in their work.

perceived organizational support (POS) The degree to which employees believe an organization values their contribution and cares about their well-being.

Perceived Organizational Support

Perceived organizational support (POS) is the degree to which employees believe the organization values their contributions and cares about their well-being. An excellent example has been related by R & D engineer John Greene of salesforce.com. When Greene was diagnosed with leukemia, CEO Marc Benioff and 350 fellow salesforce.com employees covered all out-of-pocket costs for his care, staying in touch with him throughout his recovery. No doubt stories like this one are part of the reason salesforce.com is on Fortune's 100 Best Companies to Work For list. 128

Research shows that people perceive their organization as supportive when rewards are deemed fair, when employees have a voice in decisions, and when employees view their supervisors as supportive. 129 Employees with strong POS perceptions have been found to engage in higher levels of organizational citizenship behaviour, exhibit lower levels of tardiness, and offer better customer service. 130 These outcomes seem to hold true mainly in countries where power distance is lower. In such countries, including Canada, people are more likely to view work as an exchange rather than a moral obligation. This is not to say that POS cannot be a predictor of work behaviours anywhere on a situation-specific basis. Although little cross-cultural research has been done, one study found that POS predicted only the job performance and organizational citizenship behaviour of untraditional or low power-distance Chinese employees—in short, those more likely to think of work as an exchange rather than a moral obligation. 131

Employee Engagement

A recent concept that comes out of the work on job involvement is **employee engage**ment, an individual's involvement with, satisfaction with, and enthusiasm for the work he or she does. To evaluate employee engagement, we might ask employees whether they have access to resources and the opportunities to learn new skills, whether they feel their work is important and meaningful, and whether their interactions with co-workers and supervisors are rewarding.¹³² Highly engaged employees have a passion for their work and feel a deep connection to their company; disengaged employees have essentially "checked out"—putting time but not energy or attention into their work. 133 Calgary-based Vista Projects, an engineering procurement and construction management firm, consults with its employees for engagement ideas. Doing so has resulted in educational initiatives, opportunities for company ownership, and time off for religious holidays. ¹³⁴ To encourage engagement, the president of Charlottetown, PEI-based Holland College visits the college's 13 sites routinely to give employees an opportunity to raise concerns. 135

Engagement is a real concern for most organizations because surveys indicate that few employees are highly engaged by their work. A 2012 survey of Canadians conducted by the Canadian Management Centre and Ipsos Reid found that "only 27 percent of employees are highly engaged and one in five are not engaged at all." 136 Engagement is highest in BC and Alberta, at 33 percent. Engagement is lowest for Millennials (24 percent) and Generation Xers (22 percent). Engagement is higher for Baby Boomers (29 percent), and Traditionalists (those 64 years or older) are the most engaged (49 percent). These numbers are consistent with the United States, but much higher than other countries. A 2013 survey by Gallup, conducted in 142 countries, found that only 13 percent of employees worldwide are engaged at work. 137 Most are disengaged: 63 percent are not engaged, and 24 percent are actively disengaged.

Toronto-based Molson Coors Canada found that engaged employees were five times less likely to have safety incidents, and when one did occur, it was much less serious, and less costly for the engaged employee than for a disengaged one (\$63 per incident vs. \$392). Molson proudly reported that its engagement went up in 2013 from 2012, reaching a high of 57 percent, compared with 51 percent in 2012.¹³⁸ Oakville, Ontario-based Ford Canada recently contracted with Charles "the Butler" MacPherson to help its employees develop more engaged customer service relationships, as OB in the Workplace illustrates.



Can a butler help salespeople engage more with their customers? Ford Canada recently hired Charles "the Butler" MacPherson to provide customer service training sessions to employees. 139 His first stop was Ottawa, and then 23 more Ford locations across Canada.

employee engagement An individual's involvement with, satisfaction with, and enthusiasm for the work he or she does.

MacPherson's role is to help employees in Ford's service departments engage more with their customers so that customers receive more personalized service. MacPherson explained why he was comfortable helping salespeople: "Whether you're serving food or whether you're presenting someone a proposal on a repair in the car, you still have to be able to do it in the same way about making sure that you're at ease, that we're listening to you, that you're able to speak your thoughts."

Ford Canada's national consumer experience manager, Gemma Giovinazzo, is enthusiastic about developing more engaged employees. "We know, based on statistical research, that a highly engaged employee will lead to a highly engaged customer. Highly engaged employees will bend over backwards for the company and its customers. In such a culture, there is no 'this is just my job; I am only going to do that."

Ford believes its investment in employees will also lead to more loyal customers.

Managers and scholars have become interested in facilitating employee engagement, believing something deeper than liking a job or finding it interesting drives performance. Studies attempt to measure this deeper level of commitment. However, the concept is relatively new and still generates active debate about its usefulness. Part of the reason for this debate is the difficulty of identifying what creates job engagement. For instance, the top two reasons for job engagement that participants gave in one recent study were (1) having a good manager they enjoy working for and (2) feeling appreciated by their supervisor. 140 Another study found that engagement is linked to an employee's belief that he or she is engaged in meaningful work. This belief is partially determined by job characteristics and access to sufficient resources to work effectively. 141 Another factor is a match between the individual's values and those of the organization. 142 Leadership behaviours that inspire workers to a greater sense of mission also increase employee engagement. 143

Recent research on engagement has set out to clarify the dimensions of employee engagement. For instance, a 2012 Australian study found that emotional intelligence is linked to job satisfaction, well-being, and employee engagement. 144 Another 2012 study suggested that engagement fluctuates partially due to daily challenge-seeking and demands. 145 This work has demonstrated that engagement is distinct from job satisfaction and job involvement and incrementally predicts job behaviours after we take these traditional job attitudes into account. 146 Moreover, engagement questionnaires usually assess motivation and absorption in a task, quite unlike job satisfaction questionnaires. Engagement may also predict important work outcomes better than traditional job attitudes. 147

Some critics note that engagement may have a "dark side," as evidenced by positive relationships between engagement and work-family conflict. 148 Individuals might grow so engaged in their work roles that family responsibilities become an unwelcome intrusion. Further research exploring how engagement relates to these negative outcomes may help clarify whether some highly engaged employees might be getting "too much of a good thing."

Managing Diversity in the Workplace

Corus Entertainment was recognized as one of Canada's Best Diversity Employers in each year from 2009 to 2014. 149 It was also recognized as one of Greater Toronto's Top Employers in 2010, 2011, 2013, and 2014. Corus uses a wide variety of strategies to focus managers and employees on diversity issues. The company has an equity plan, a diversity and inclusion policy, and an equity and diversity committee that includes employees from a variety of ranks. Corus is committed to developing leadership talent in its female employees, creating the "Corus Women's Leadership Network" (CWLN) with training and social networking events.

Corus supports the development of female managers and managers from visible minorities: 43.7 percent of its managers are women, and 11.83 percent of its managers are visible minorities. The company also has diversity programs for employees in the following groups: women, disabilities, visible minorities, and Aboriginal people. Why does managing diversity well make a difference?

Organizations increasingly face diversity concerns as workplaces become more heterogeneous. Biographical characteristics such as age, gender, race, disability, and length of service are some of the most obvious ways employees differ. Others include length of service (tenure), religion, sexual orientation, and gender identity. There is also diversity in ability, an individual's current capacity to perform the various tasks in a job. Earlier in the chapter, we discussed cultural and generational differences and their implications in the Canadian workplace.

Many organizations have attempted to incorporate workforce diversity initiatives into their workplaces to improve relations among co-workers. Toronto-based Corus Entertainment is one such company. Corus' policy on diversity states the following:

Corus is committed to promoting an equitable work environment based on the merit principle. Corus is also committed to conducting business and providing services in the communities where we operate in a manner that respects the dignity and independence of all employees and customers, including those with varying abilities.

Our collective commitment to respect and nurture a diverse and accessible work environment promotes Accountability, Innovation, Initiative, Teamwork and Knowledge across the organization. 150

Corus' statement on diversity is typical of statements found in company annual reports and employee information packets to signal corporate values to those who interact with the company. Some corporations choose to signal the value of diversity because they think it is an important strategic goal. Other organizations recognize that the purchasing power of diverse groups is substantial.

When companies design and then publicize statements about the importance of diversity, they are essentially producing value statements. The hope, of course, is that the statements will influence the behaviour of members of the organization, particularly since preference for people who are ethnically like ourselves may be ingrained in us at an early age. For example, in a study published in 2011, researchers from Concordia University and the University of Montreal found that Asian Canadian and French Canadian preschoolers preferred to interact with kids of their own ethnic group. 151

Little research indicates that values can be changed successfully. 152 Because values tend to be relatively stable, workplaces try to address diversity issues through education aimed at changing attitudes.

Effective Diversity Programs

Joan Vogelesang, CEO of Montreal-based animation software company Toon Boom, says that Canadian companies don't make use of the diversity in the employees they have. She thinks Canadian companies need to look beyond imperfect English and cultural customs when hiring. She practises what she preaches: Most of her executive team are first-generation immigrants. Her employees speak 20 languages among them. "Two of our staff members speak Japanese. You can hardly do business in Japan if you don't speak it," she says. 153

Vogelesang's description of diversity as a competitive advantage speaks to the need for effective diversity programs that have three distinct components. First, they should teach people about the legal framework for equal employment opportunity



Describe how organizations can manage diversity effectively.

biographical characteristics

Personal characteristics—such as age, gender, race, and length of tenure. These characteristics are representative of surface-level diversity.

ability An individual's capacity to perform the various tasks in a job.

and encourage fair treatment of all people, regardless of their demographic characteristics. Second, they should teach people how a diverse workforce will be better able to serve a diverse market of customers and clients. Third, they should foster personal development practices that bring out the skills and abilities of all workers, acknowledging how differences in perspective can be a valuable way to improve performance for everyone. 154 A 2011 study by researchers at the University of Toronto Scarborough found that focusing on the positive benefits of diversity, rather than telling people what they should and should not do, was more likely to reduce people's prejudices toward other groups. 155 The Experiential Exercise on page 114 considers what it feels like to be targeted or excluded based on demographic status.

Much concern about diversity has to do with fair treatment. 156 Most negative reactions to employment discrimination are based on the idea that discriminatory treatment is unfair. Regardless of race or gender, people are generally in favour of diversityoriented programs if they believe the policies ensure everyone has a fair opportunity to show their skills and abilities.

A major study of the consequences of diversity programs came to what might seem a surprising conclusion. 157 Organizations that provided diversity training were not consistently more likely to have women and minorities in upper management positions than organizations that did not. On closer examination, though, these results are not surprising. Experts have long known that one-shot training sessions without strategies to encourage effective diversity management back on the job are not likely to be very effective. Some diversity programs, such as those of Toronto-based Corus Entertainment, Ottawa-based Health Canada, Regina-based Information Services Corporation, and Brampton, Ontario-based Loblaw Companies, are truly effective in improving representation in management. They include strategies to measure the representation of women and visible minorities in managerial positions, and they hold managers accountable for achieving more demographically diverse management teams.



Joan Vogelesang, CEO of Montreal-based animation software company Toon Boom, says that Canadian companies do not make use of the diversity in employees they have. She thinks Canadian companies need to look beyond imperfect English and cultural customs when hiring. She practises what she preaches: Most of her executive team are first-generation immigrants. Her employees speak 20 languages among them. She is pictured with Francisco Del Cueto, CTO (left), and Steven Chu, COO (right).

EXHIBIT 3-8 Practices Used by a Selected Sample of Canada's Most Welcoming Places to Work					
Company (Location)	Industry	Number of Employees	Diversity Activities		
Jazz Aviation (Dartmouth, NS)	Aviation	4708	Launched a dedicated Aboriginal employee group and invited an Aboriginal elder to help develop the group's mission statement		
Cameco Corp. (Saskatoon)	Mining	3169	Works with Women in Mining and the Mining Human Resource Council to research employment barriers faced by women in the mining industry		
BC Hydro (Vancouver)	Electric utility (Crown Corporation)	4909	Maintains an in-house multicultural society as well as a cultural buddy program to provide support to employees from all walks of life		
Canadian Imperial Bank of Commerce (Toronto)	Commercial bank	34 418	Maintains "WorkAbility," an employee network for persons with disabilities, and hosts an annual "Abilities Marketplace" event that offers services for persons with disabilities		
Standard Aero (Winnipeg)	Aerospace industry	1425	Company's employment equity committee meets on a quarterly basis to review its employment equity plan		
Ontario Public Service (OPS) (Toronto)	Government support	61 037	Manages the OPS Pride Network to support LGBT employees and allies		
Sodexo Canada (Burlington, ON)	Food services	5943	Launched the "Willow Bean Café" in partnership with Vancouver Coastal Health and the Canadian Mental Health Association to provide employment opportunities and work experience to persons with mental health issues		
Northwest Territories Government (Yellowknife)	Government services	5269	Created a government-wide Traditional Knowledge Policy to ensure that Aboriginal knowledge, values and experience are handed down from generation to generation		
Newalta Corp. (Calgary)	Recycling and industrial waste management	1820	Established the Women's Leadership Network to support the advancement of female employees		

Source: Based on "The Year's Most Inspiring Workplace Inclusiveness Stories: Canada's Best Diversity Employers for 2014 Announced Today," February 10, 2014, http://www.newswire.ca/en/story/1302795/the-year-s-most-inspiring-workplace-inclusiveness-stories-canada-s-best-diversityemployers-for-2014-announced-today; and http://www.canadastop100.com/diversity/.

Organizational leaders should examine their workforce to determine whether the protected groups covered by Canada's Employment Equity Act (women, people with disabilities, Aboriginal people, and visible minorities) have been underutilized. If groups of employees are not proportionally represented in top management, managers should look for any hidden barriers to advancement. They can often improve recruiting practices, make selection systems more transparent, and provide training for those employees who have not had adequate exposure to necessary work-related experiences in the past. Exhibit 3-8 presents examples of what some of the leading companies are doing as part of their diversity initiatives. 158

protected groups The four groups designated by the Employment Equity Act as the beneficiaries of employment equity (women, people with disabilities, Aboriginal people, and visible minorities).

Management should also clearly communicate the company's diversity policies and their rationale to employees so they can understand how and why certain practices are followed. Communications should focus as much as possible on qualifications and job performance; emphasizing that certain groups need more assistance could well backfire.

To ensure the top-level management team represents the diversity of its workforce and client base, Safeway implemented the Retail Leadership Development (RLD) program, a formal career development program. This program is open to all employees, so it is inclusive, but women and underrepresented racial or ethnic groups are particularly encouraged to participate. Interested individuals take tests to determine whether they have management potential. Safeway managers are charged with providing promising RLD participants with additional training and development opportunities to ensure they have the skills needed for advancement, and are given performance bonuses if they meet concrete diversity goals. The RLD program has increased the number of white women store managers by 31 percent since its inception, and the number of women-of-colour store managers by 92 percent. 159 OB in the Street looks at what corporate boards in Canada can do to recruit more diverse members.



Why should corporate boards pay more attention to diversity? The Canadian Board Diversity Council together with KPMG recently published a study on the boards of 450 of the Financial Post 500 (FP500) companies. 160 The study found that women held 15 percent of board seats on the FP500 companies; visible minorities held 5.3 percent; persons with disabilities held 2.9 percent; and Aboriginal people (including First Nations, Inuit, and Métis) held 8 percent. With the exception of Aboriginal representation, the numbers were far fewer than the representation of these categories in society at large. Pamela Jeffery, founder and president of the council, called the results "disappointing."

Does the lack of diversity hurt the bottom line? Accounting firm Ernst & Young found that the lack of diversity on boards can make it difficult for companies to innovate. Directors who sat on FP500 boards that had more women, visible minorities, or Aboriginal diversity believed that the boards made better decisions because the diversity led to better discussions with more perspectives. Board members expressed some frustration about finding new directors and reported that "their own networks are almost exclusively made up of white men."

The council does not favour using quotas to change the situation. Instead, it recommends that with the large wave of retirements from boards expected in the next several years, FP500 boards should use rigorous, transparent recruiting processes "to replace one of every three retiring directors with a director of a diverse background."

Just because a company's managers value diversity does not mean that all employees will share that value. Consequently, even if they are required to attend diversity training, employees may exhibit negative attitudes toward individuals because of their gender or ethnicity. Additionally, what attitudes are appropriately displayed outside of the workplace may be questioned by some employers, as you will discover in Case Incident—You Cannot Do That on page 115.

Finally, the workplace is not the only place where people's attitudes toward racial diversity are displayed, underscoring that the responsibility for education about reacting

to diversity goes beyond employers. In September 2011, at an exhibition game between the Philadelphia Flyers and the Detroit Red Wings played in London, Ontario, someone from the audience threw a banana at Flyers' player Wayne Simmonds, one of the few black players in the NHL. Retired Montreal Canadiens forward Georges Laraque, when asked to comment on the incident, noted that "throughout [my] career, [I] had to endure the 'N' word a number of times."161

Cultural Intelligence

Are some individuals better than others at dealing with people from different cultures? Management professors Christopher Earley of the London School of Business and Elaine Mosakowski of the University of Colorado at Boulder have recently introduced the idea of **cultural intelligence (CQ)**, to suggest that people vary in how they deal with other cultures. CQ is defined as "the seemingly natural ability to interpret someone's unfamiliar and ambiguous gestures in just the way that person's compatriots and colleagues would, even to mirror them."162

Earley and Mosakowski suggest that CQ "picks up where emotional intelligence leaves off." Those with CQ try to figure out whether a person's behaviour is representative of all members of a group or just that person. Thus, for example, a person with high CQ who encounters two German engineers would be able to determine which of the engineers' conduct is explained by the fact of being an engineer, by being German, and by behaviour that is simply particular to the individual. A recent study found that CQ is particularly helpful to expatriates on international assignment because the ability to be confident about and interested in being in new cultural environments makes it easier to adjust to the demands of foreign assignments. 163

RESEARCH FINDINGS: Cultural Intelligence

According to researchers, "cultural intelligence resides in the body [the physical] and the heart [the emotional/motivational], as well as the head [the cognitive]."164 Individuals who have high cognitive CQ look for clues to help them identify a culture's shared understandings. Specifically, an individual does this by looking for consistencies in behaviours across a variety of people from the same cultural background. Individuals with high physical CQ learn the customs and gestures of those from other cultures and therefore act more like them. This increases understanding, trust, and openness between people of different cultures. One study found that job candidates who used some of the mannerisms of recruiters who had different cultural backgrounds from themselves were more likely to receive job offers than those who did not do so. 165 Those with high emotional/motivational CQ believe that they are capable of understanding people from other cultures, and will keep trying to do so, even if faced with difficulties in doing so.

Based on their research, Earley and Mosakowski have discovered that most managers fall into the following CQ profiles: 166

- Provincial. They work best with people of similar background, but have difficulties working with those from different backgrounds.
- Analyst. They analyze a foreign culture's rules and expectations to figure out how to interact with others.
- Natural. They use intuition rather than systematic study to understand those from other cultural backgrounds.
- Ambassador. They communicate convincingly that they fit in, even if they do not know much about the foreign culture.

10 Identify the benefits of cultural intelligence.

cultural intelligence (CQ) The ability to understand someone's unfamiliar and ambiguous gestures in the same way as would people from that person's culture.

EXHIBIT 3-9 Measuring Your Cultural Intelligence Rate the extent to which you agree with each statement, using the following scale: 1 = strongly disagree 2 = disagree3 = neutral4 = agree5 = strongly agree Before I interact with people from a new culture, I ask myself what I hope to achieve. If I encounter something unexpected while working in a new culture, I use this experience to figure out new ways to approach other cultures in the future. I plan how I'm going to relate to people from a different culture before I meet them. When I come into a new cultural situation, I can immediately sense whether something is going well or something is wrong. $\underline{}$ ÷ 4 = Cognitive CQ Total It's easy for me to change my body language (for example, eye contact or posture) to suit people from a different I can alter my expression when a cultural encounter requires it. I modify my speech style (for example, accent or tone) to suit people from a different culture. I easily change the way I act when a cross-cultural encounter seems to require it. Total $\div 4 = Physical CQ$ I have confidence that I can deal well with people from a different culture. I am certain that I can befriend people whose cultural backgrounds are different from mine. I can adapt to the lifestyle of a different culture with relative ease. I am confident that I can deal with a cultural situation that is unfamiliar. ÷ 4 = Emotional/motivational CQ Interpretation: Generally, an average of less than 3 would indicate an area calling for improvement, while an average of greater than 4.5 reflects a true CQ strength.

Source: P. C. Earley and E. Mosakowski, "Cultural Intelligence," Harvard Business Review 82, no. 10 (October 2004), pp. 139–146. Reprinted by permission of Harvard Business Review.

- Mimic. They control actions and behaviours to match others, even if they do not understand the significance of the cultural cues observed.
- Chameleon. They have high levels of all three CQ components. They could be mistaken as being from the foreign culture. According to research, only about 5 percent of managers fit this profile.

Exhibit 3-9 can help you assess your own CQ.

GLOBAL IMPLICATIONS

Although a number of topics were covered in this chapter, we review only three in terms of their application beyond Canada and the United States. First, we consider whether job satisfaction is simply a US concept. Second, we examine whether employees in Western cultures are more satisfied with their jobs than people from other cultures. Finally, we look at international differences in how diversity is managed.

Is Job Satisfaction a US Concept?

Most of the research on job satisfaction has been conducted in the United States. So, is job satisfaction a US concept? The evidence strongly suggests it is not; people in other cultures can and do form judgments of job satisfaction. Moreover, similar factors seem to cause, and result from, job satisfaction across cultures: We noted earlier that pay is positively, but relatively weakly, related to job satisfaction. This relationship appears to hold in other industrialized nations as well.

Are Employees in Western Cultures More Satisfied with Their Jobs?

Although job satisfaction appears relevant across cultures, that does not mean that no cultural differences exist in job satisfaction. Evidence suggests that employees in Western cultures have higher levels of job satisfaction than those in Eastern cultures. 167 Exhibit 3-10 provides the results of a global study of job satisfaction levels of employees in 15 countries. As the exhibit shows, the highest levels appear in Mexico and Switzerland. Do employees in these cultures have better jobs? Or are they simply more positive (and less self-critical)? Conversely, the lowest score in the study was for South Korea. South Korean culture tends to be conformist, and businesses tend to be rigidly hierarchical. Do these factors make for low job satisfaction?¹⁶⁸ It is possible, but low job satisfaction does not seem to translate into poor overall performance. South Korea is viewed as an economic success story, able to adapt to change quickly.

The amount of exposure the culture gets to diverse ways of life may affect job satisfaction in South Korea. The country has the highest percentage of wireless Internet broadband subscriptions of any country (100 percent, or 100 subscriptions per every 100 people), which indicates that people have access to worldwide contemporary business practices. South Korean employees may therefore know about autonomy, merit-based rewards, and benefits for workers in other countries that are unavailable to them. In contrast, Mexico, which has one of the highest job satisfaction scores, has

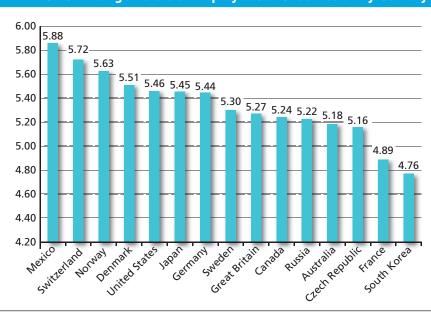


EXHIBIT 3-10 Average Levels of Employee Job Satisfaction by Country

Source: Based on J. H. Westover, "The Impact of Comparative State-Directed Development on Working Conditions and Employee Satisfaction," Journal of Management & Organization, July 2012, pp. 537-554.

the lowest percentage of Internet subscriptions (7.7 percent). 169 The higher job satisfaction rate in Mexico could still indicate that it has better jobs or that employees are more satisfied in lesser jobs because there is not as much opportunity for exposure to outside contemporary influences. As you can see, higher job satisfaction may somewhat reflect employee acceptance of the culture's business practices, whether the practices are traditional or cutting-edge contemporary. There are also many other potential contributing factors.

Does organizational commitment vary cross-nationally? A recent study explored this question and compared the organizational commitment of Chinese employees with that of Canadian and South Korean employees. 170 Although results revealed that the three types of commitment—normative, affective, and continuance—are present in all three cultures, they differ in importance. In addition, the study found that Canadians and South Koreans are closer to each other in values than either is with the Chinese. Normative commitment (an obligation to remain with an organization for moral or ethical reasons) and affective commitment (an emotional attachment to the organization and belief in its values) were highest among Chinese employees. Continuance commitment (the perceived economic value of remaining with an organization) was lower among Chinese employees than among Canadian, British, and South Korean employees.

Is Diversity Managed Differently across Cultures?

Besides the mere presence of diversity in international work settings, international differences exist in how diversity is managed. Each country has its own legal framework for dealing with diversity, and these frameworks are a powerful reflection of the diversity-related concerns of each country. Many countries require specific targets and quotas for achieving employment equity goals, whereas the legal framework in Canada specifically forbids their use. The types of demographic differences considered important for diversity management also vary across countries. For example, in India the nondiscrimination framework includes quotas and set-aside programs for individuals from lower castes. 171 A case study of the multinational Finnish company TRANSCO found that it was possible to develop a consistent global philosophy for diversity management. However, differences in legal and cultural factors across nations forced TRANSCO to develop unique policies to match the cultural and legal frameworks of each country in which it operated. 172

LESSONS LEARNED

- Values represent basic convictions about what is important, right, and good.
- Attitudes tend to predict behaviours.
- Job satisfaction leads to better performance.

Summary

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

Managers should be interested in their employees' attitudes because attitudes give warnings of potential problems and influence behaviour. Creating a satisfied workforce is hardly a guarantee of successful organizational performance, but evidence strongly suggests that whatever managers can do to improve employee attitudes will likely result in heightened organizational effectiveness all the way to high customer satisfaction—and profits.

Diversity management must be an ongoing commitment that crosses all levels of the organization. Policies to improve the climate for diversity can be effective, so long as they are designed to acknowledge all employees' perspectives.

SNAPSHOT SUMMARY

Values

- Rokeach Value Survey
- Hodgson's General Moral Principles

Assessing Cultural Values

- Hofstede's Framework for Assessing Cultures
- The GLOBE Framework for Assessing Cultures

Values in the Canadian Workplace

- Generational Differences
- Cultural Differences

Attitudes

- Job Satisfaction
- Organizational Commitment
- Job Involvement

- Perceived Organizational Support
- Employee Engagement

Managing Diversity in the Workplace

- Effective Diversity Programs
- Cultural Intelligence

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- Videos: Learn more about the management practices and strategies of real companies.
- **Simulations:** Practise management decision making in simulated business environments.

OB at Vork

for **Review**

- 1. What is the difference between Rokeach's terminal and instrumental values?
- **2.** What are Hofstede's five value dimensions for assessing cultures?
- **3.** What are the values that are unique to Canadian culture?
- **4.** What are the three components of an attitude? Are these components related or unrelated?
- 5. What are the key attitudes that affect organizational performance? In what ways are these attitudes alike? What is unique about each?
- **6.** What causes job satisfaction? For most people, is pay or the work itself more important?
- **7.** What outcomes does job satisfaction influence? What implications do the consequences of job satisfaction have for management?
- **8.** What are the four employee responses to job dissatisfaction?
- **9.** How do organizations manage diversity effectively?
- **10.** What are the benefits of cultural intelligence?

for **Managers**

- Pay attention to your employees' job satisfaction levels as determinants of their performance, turnover, absenteeism, and withdrawal behaviours.
- Measure employee job attitudes objectively and at regular intervals in order to determine how employees are reacting to their work.
- To raise an employee's job satisfaction, evaluate the fit between the employee's work interests and the intrinsic parts of his/her job to create work that is challenging and interesting to the employee.
- Consider the fact that high pay alone is unlikely to create a satisfying work environment.
- Understand your organization's anti-discrimination policies thoroughly and share them with your employees.
- Look beyond readily observable biographical characteristics and consider the individual's capabilities before making management decisions.
- Fully evaluate what accommodations a person with disabilities will need and then fine-tune a job to that person's abilities.
- Seek to understand and respect the unique biographical characteristics of your employees; a fair but individual-oriented approach yields the best performance.

for **You**

- You will encounter many people who have values different from yours in the classroom and in various kinds of activities in which you participate, as well as in the workplace. Try to understand value differences, and to figure out ways to work positively with people who are different from you.
- We indicated that a moderate number of Canadians are very satisfied with their jobs, and we mentioned the sources of some of the satisfactions. We also identified some of the reasons people are dissatisfied with their jobs. This information may help you understand your own feelings about whether you are satisfied with your job.
- You may be able to use some of the information on attitudes to think about how to better work with people from different cultures. An understanding of how cultures differ may provide insight when you observe people doing things differently from the way you do them.

Employer-Employee Loyalty Is an Outdated Concept

POINT



COUNTERPOINT



The word *loyalty* is horribly outdated. 173 Long gone are the days when an employer would keep an employee for life, as are the days when an employee would work for a single company for his or her entire career.

Workplace guru Linda Gratton says, "Loyalty is dead—killed off through shortening contracts, outsourcing, automation and multiple careers. Faced with what could be 50 years of work, who honestly wants to spend that much time with one company? Serial monogamy is the order of the day." Everyone agrees; in a recent study, only 59 percent of employers reported they felt very loyal to their employees, while a mere 32 percent believed their employers were loyal to them.

The commitment on each side of the equation is weak. For example, Renault ended the 31-year career of employee Michel Balthazard (and two others) on false charges of espionage. When the wrongness of the charges became public, Renault halfheartedly offered the employees their jobs back and a lame apology: "Renault thanks them for the quality of their work at the group and wishes them every success in the future."

As for employees' loyalty to their employers, that is worth little nowadays. One manager with Deloitte says that the current employee attitude is "I'm leaving, I had a great experience, and I'm taking that with me." An expectation of loyalty is not there. In fact, only 9 percent of recent college graduates would stay with an employer for more than a year if they did not like the job, research showed.

The sooner we see the employment experience for what it is (mostly transactional, mostly short to medium term), the better off we will be. The workplace is no place for fantasies.

Some employers and employees show little regard for each other. That each side can be uncaring or cavalier is hardly a revelation. No doubt such cynical attitudes are as old as the employment relationship itself.

But is that the norm? And is it desirable? The answer to both of these questions is no.

Management guru Tom Peters says, "Bottom line: loyalty matters. A lot. Yesterday. Today. Tomorrow." University of Michigan's Dave Ulrich says, "Leaders who encourage loyalty want employees who are not only committed to and engaged in their work but who also find meaning from it."

Is it true that the employer-employee relationship has changed? For example, (largely) gone are the days when employers provide guaranteed payout pensions to which employees contribute nothing. But is that such a bad thing? There is a big difference between asking employees to contribute to their pension plans and abandoning plans altogether (or firing without cause).

Moreover, it's not that loyalty is dead, but rather that employers are loyal to a different kind of employee. Gone are the days when an employer would refuse to fire a long-tenured but incompetent employee. But is that the kind of loyalty most employees expect today anyway? Companies are loyal to employees who do their jobs well, and that too is as it should be. Constantly training new employees wears down morale and profitability.

In short, employees still expect certain standards of decency and loyalty from their employers, and employers want engaged, committed employees in return. That is a good thing—and not so different from yesterday. Says workplace psychologist Binna Kandola, "Workplaces may have changed but loyalty is not dead—the bonds between people are too strong."

PERSONAL INVENTORY ASSESSMENT





BREAKOUT GROUP EXERCISES

Form small groups to discuss the following topics, as assigned by your instructor. Each person in the group should first identify 3 to 5 key personal values.

- 1. Identify the extent to which values overlap in your group.
- 2. Try to uncover with your group members the source of some of your key values (for example, parents, peer group, teachers, church).
- 3. What kind of workplace would be most suitable for the values that you hold most closely?

EXPERIENTIAL EXERCISE

Feeling Excluded

This 6-step exercise takes approximately 20 minutes.

Individual Work (Steps 1 and 2)

- 1. All participants are asked to recall a time when they have felt uncomfortable or targeted because of their demographic status. Ideally, situations at work should be used, but if no work situations come to mind, any situation will work. Encourage students to use any demographic characteristic they think is most appropriate, so they can write about feeling excluded on the basis of race, ethnicity, gender, age, disability status, religion, or any other characteristic. They should briefly describe the situation, what precipitated the event, how they felt at the time, how they reacted, and how they believe the other party could have made the situation better.
- 2. The instructor asks the students to then think about a time when they might have either deliberately or accidentally done something that made someone else feel excluded or targeted because of their demographic status. Once again, they should briefly describe the situation, what precipitated the event, how they felt at the time, how the other person reacted, and how they could have made the situation better.

Small Groups (Steps 3 and 4)

- 3. Once everyone has written their descriptions, divide the class into small groups of not more than 4 people. If at all possible, try to compose groups that are somewhat demographically diverse, to avoid intergroup conflicts in the class review discussion. Students should be encouraged to discuss their situations and consider how their experiences were similar or different.
- 4. After reading through everyone's reactions, each group should develop a short list of principles for how they personally can avoid excluding or targeting people in the future. Encourage them to be as specific as possible, and also ask each group to find solutions that work for everyone. Solutions should focus on both avoiding these situations in the first place and resolving them when they do occur.

Class Review (Steps 5 and 6)

- 5. Members of each group are invited to provide a very brief summary of the major principles of how they have felt excluded or targeted, and then to describe their groups' collective decisions regarding how these situations can be minimized in the future.
- 6. The instructor should lead a discussion on how companies might be able to develop comprehensive policies that will encourage people to be sensitive in their interactions with one another.

ETHICAL DILEMMA

Is It a Bribe or a Gift?

The Corruption of Foreign Public Officials Act prohibits Canadian firms from making payments to foreign government officials with the aim of gaining or maintaining business. 174 But payments are acceptable if they don't violate local laws. For instance, payments to officers working for foreign corporations are legal. Many countries don't have such legal guidelines.

Bribery is a common way of doing business in many underdeveloped countries. Government jobs there often don't pay very well, so it's tempting for officials to supplement their income with bribes. In addition, in many countries, the penalties for demanding and receiving bribes are few or nonexistent.

You are a Canadian who works for a large European multinational computer manufacturer. You are currently working to sell a \$5-million system to a government agency in Nigeria. The Nigerian official who heads up the team that will decide who gets this contract has asked you for a payment of \$20 000. He said this payment will not guarantee you get the order, but without it he could not be very encouraging. Your company's policy is very flexible on the issue of "gifts" to facilitate sales. Your boss says that it's okay to pay the \$20 000, but only if you can be relatively assured of the order.

You are not sure what you should do. The Nigerian official has told you specifically that any payment to him is not to be mentioned to anyone else on the Nigerian team. You know for certain that three other companies are also negotiating, but it's unconfirmed that two of those companies have turned down the payment request.

What would you do?

CASE INCIDENTS

You Cannot Do That

Paul Fromm is a high school teacher employed in one of the most ethnically diverse school districts in Canada. 175 He is an excellent teacher, and receives high ratings from his students.

During weekends and summer holidays, when he is not working, he participates in conferences held by white supremacists and anti-Semitic groups. For instance, he attended a conference at which swastikas were waving, and individuals gave Nazi salutes. Fromm also attended a celebration of Adolf Hitler's birthday.

Though it's known that Fromm attends these conferences, he has never expressed racist views in the classroom or discriminated against any student. "I am here to teach English, not to make a political statement. This is my job, that's what I do. And I do it very well," he says.

The school board and some of the teachers are upset with Fromm's behaviour. They feel that what he does, even though outside of work time, is not consistent with the school board's values of encouraging multicultural diversity. Some suggest that he should be fired.

Questions

- 1. What, if anything, should the school board do in this instance?
- 2. Should Fromm consider not going to further conferences of this sort?

Thinking Your Way to a Better Job

You have probably been dissatisfied with a job at one time or another in your life. 176 When faced with a dissatisfying job, researchers and job holders alike usually think in terms of job satisfaction: Ask for more pay, take control over your work, change your schedule, minimize contact with a toxic co-worker, or even change jobs. While each of these remedies may be appropriate in certain situations, increasingly researchers are uncovering an interesting truth about job satisfaction: It is as much a state of mind as a function of job conditions.

Here, we are not talking about the dispositional source of job satisfaction. It's true that some people have trouble finding any job satisfying, whereas others cannot be brought down by even the most onerous of jobs. However, by state of mind, we mean changeable, easily implemented ways of thinking that can affect your job satisfaction. Lest you think we have gone the way of selfhelp gurus Deepak Chopra and Wayne Dyer, think again. Some solid, albeit fairly preliminary, evidence supports the notion that our views of our job and life can be significantly impacted by changing the way we think.

One main area where this "state of mind" research might help you change the way you think about your job (or life) is in gratitude. Researchers have found that when people are asked to make short lists of things for which they are grateful, they report being happier, and the increased happiness seems to last well beyond the moments when people made the list.

Indeed, gratitude may explain why, when the economy is in bad shape, people actually become more satisfied with their jobs. One survey revealed that, from 2007 to 2008, when the economy slid into recession, the percentage of people reporting that they were "very satisfied" with their jobs increased to a whopping 38 percent (from 28 percent). When we see other people suffering, particularly those we see as similar to ourselves, it often leads us to realize that, as bad as things may seem, they can always be worse. As Wall Street Journal columnist Jeffrey Zaslow wrote, "People who still have jobs are finding reasons to be appreciative."

Questions

- 1. So, right now, make a short list of things about your job and life for which you are grateful. Now, after having done that, do you feel more positively about your job and your life?
- 2. Now try doing this every day for a week. Do you think this exercise might make a difference in how you feel about your job and your life?



FROM CONCEPTS TO SKILLS



Changing **Attitudes**

Can you change unfavourable employee attitudes? Sometimes! It depends on who you are, the strength of the employee's attitude, the magnitude of the change, and the technique you choose to try to change the attitude.



People are most likely to respond to changes suggested by someone who is liked, credible, and convincing. If people like you, they are more apt to identify and adopt your message. Credibility implies trust, expertise, and objectivity. So you are more likely to change someone's attitude if that person views you as believable, knowledgeable about what you are saying, and unbiased in your presentation. Finally, successful attitude change is enhanced when you present your arguments clearly and persuasively.



It's easier to change a person's attitude if he or she is not strongly committed to it. Conversely, the stronger the belief in the attitude, the harder it is to change it. Also, attitudes that have been expressed publicly are more difficult to change because doing so requires admitting having made a mistake.

It's also easier to change attitudes when the change required is not very significant. To get a person to accept a new attitude that varies greatly from

his or her current position requires more effort. It may also threaten other deeply held attitudes.



All attitude-change techniques are not equally effective across situations. Oral persuasion techniques are most effective when you use a positive, tactful tone; present strong evidence to support your position; tailor your argument to the listener; use logic; and support your evidence by appealing to the person's fears, frustrations, and other emotions. But people are more likely to embrace change when they can experience it. The use of training sessions where employees share and personalize experiences, and practise new behaviours, can be a powerful stimulant for change. Consistent with self-perception theory, changes in behaviour can lead to changes in attitudes.

Form groups of 2. Person A is to choose any topic that he or she feels strongly about and state his or her position on the topic in 30 words or less. Person B's task will be to try to change Person A's attitude on this topic. Person B will have 10 minutes to make his or her case. When the time is up, the roles are reversed. Person B picks the topic and Person A has 10 minutes to try to change Person B's attitude.

Potential topics (you can choose either side of a topic) include the following: politics; the economy; world events; social practices; or specific management issues, such as that organizations should require all employees to undergo regular drug testing, there is no such thing as organizational loyalty any more, the customer is always right, and layoffs are an indication of management failures.

Questions

- 1. Were you successful at changing the other person's attitude? Why or why not?
- 2. Was the other person successful at changing your attitude? Why or
- 3. What conclusions can you draw about changing the attitudes of yourself and others?
- 1. Try to convince a friend or relative to go with you to see a movie or play that you know he or she does not want to see.
- 2. Try to convince a friend or relative to try a different brand of toothpaste.













