LEARNING OUTCOMES

1. What are values?
2. How can we understand values across cultures?
3. Are there unique Canadian values?
4. What are attitudes and why are they important?

At SaskGaming, diversity is valued and respected. How does this affect the company’s workplace?
 Regina-based SaskGaming, which operates two casinos (Casino Regina and Casino Moose Jaw), faces an interesting perception problem.¹ Not everyone thinks that gambling is okay, and a number of studies show the negative impact of gambling. Still, gambling is legal, and SaskGaming is committed to being a good employer. In fact, it was named one of Canada’s Top 100 Employers in both 2008 and 2009, one of Saskatchewan’s Top 10 Employers for the third year in a row in 2009, and one of Canada’s Best Diversity Employers in 2010.

SaskGaming lists its four organizational values on its website: respect, integrity, passion, and innovation. These values operate under the company’s mandate: to “offer casino entertainment in a socially responsible manner, generating quality employment, economic benefit to the community and profit for Saskatchewan people in partnership with First Nations.”

Generally, we expect that an organization’s values, like those of an individual, will be reflected in corresponding behaviour and attitudes. If a company stated that it valued workforce diversity, and yet no behaviour followed from that statement, we would question whether that value was really so important to the company. However, in SaskGaming’s 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 more carefully at how values influence behaviour and consider the relationship between values and attitudes. We then consider two specific issues that arise from our discussion of values and attitudes: job satisfaction and organizational commitment.

THE BIG IDEA

Values and attitudes affect behaviour and can have a big impact on how much people are committed to and engaged in their jobs.

OB IS FOR EVERYONE

- How do countries differ in their values?
- Are Gen-Ys 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?

SELF-ASSESSMENT LIBRARY

LEARNING ABOUT YOURSELF

- Values
- Attitudes
- Job Satisfaction
- Engagement
Values

Is capital punishment right or wrong? How about employment equity guidelines in hiring? If a person likes power, is that good or bad? The answers to these questions are value-laden. Some might argue, for example, that capital punishment is right because it is a suitable punishment for crimes such as murder. However, others might argue just as strongly that no government has the right to take anyone’s life.

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 obtain that person’s value system. All of us have a hierarchy of values that forms our value system, and these influence our attitudes and behaviour.

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

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. 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)

The other set, called instrumental values, refers to preferable ways of behaving, 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)

Several studies confirm that RVS values vary among groups. People in the same occupations or categories (corporate managers, union members, parents, students) tend to hold similar values. One study compared corporate executives, members of the steelworkers’ union, and members of a community activist group. Although there

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 existence.
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.
imstrumental values Preferable ways of behaving.
was a good deal of overlap among the three groups, there were also some very significant differences (see Exhibit 3-1). The activists ranked “equality” as their most important terminal value; executives and union members ranked this value 12 and 13, respectively. Activists ranked “helpful” as their second-highest instrumental value. The other two groups both ranked it 14. Because executives, union members, and activists all have a vested interest in what corporations do, these differences can create serious conflicts when these groups have to reach agreement on the organization’s economic and social policies.

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.

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 in the sponsorship scandal of the Canadian government. We discuss the issue of ethics further in Chapter 9.

Management consultant Kent Hodgson has identified seven general moral principles that individuals should follow when making decisions about behaviour. He calls these “the Magnificent Seven” and suggests that they are universal values that managers should use to make principled, appropriate, and defensible decisions. They are presented in *OB in Action—The Magnificent Seven Principles*. With these principles in mind, *OB in the Street* considers whether management was right to fire employees who participated in the Stanley Cup riots in Vancouver.

### EXHIBIT 3-1 Value Ranking of Executives, Union Members, and Activists (Top Five Only)

<table>
<thead>
<tr>
<th>EXECUTIVES</th>
<th>UNION MEMBERS</th>
<th>ACTIVISTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Terminal</strong></td>
<td><strong>Instrumental</strong></td>
<td><strong>Terminal</strong></td>
</tr>
</tbody>
</table>


**OB in the STREET**

**Stanley Cup Rioting Leads to Employee Firing**

*Should an ethical lapse in your nightlife affect your day job?* After the Vancouver Canucks lost in Game 7 of the Stanley Cup finals in 2011, riots broke out throughout Vancouver’s downtown core. Many of the rioters were young men and women in their teens and early 20s. Many Vancouverites were appalled at the rioting, the looting, the fires, and the attacks on police and firefighters.
Many of the rioters boasted about their behaviour on Facebook, and even posted pictures of their activities. Others were shown in videos taken at the scene and then posted to YouTube and other social media sites. As perpetrators were identified, law-abiding citizens started calling for justice—customers and clients complained to companies where some of these individuals were employed.

One young woman, a part-time receptionist at a downtown Vancouver Toyota dealership, lost her job because she was seen gleefully stealing clothing in a video clip taken at the scene. One young man, who apparently did not engage in the riots, provided status updates on Facebook live from the scene; his comments applauding the riots included “awesome” and “vancouver needed remodeling anyway. . . .” He was fired. His employer, Delta, BC-based RiteTech, was listed on his Facebook page and received more than 100 emails and 20 phone calls complaining about the 21-year-old’s postings.

Employees did these activities outside their work time and may not have expected their employers to respond so harshly. Managers, on the other hand, found that the rioters’ actions could negatively affect their business and harm other employees, and may have considered their response to be in the best interest of the common good.

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.

**Assessing Cultural Values**

SaskGaming’s decision to value diversity in its workplace 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. SaskGaming has other values that guide employees. These include respect, integrity, passion, and innovation. What do we know about the values of other countries? What values make Canada unique?

In Part 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 done in the late 1970s by Geert Hofstede. He surveyed more than 116,000 IBM employees in 40 countries about their work-related values and found that managers and employees vary on five 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 of its citizens. 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 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 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 added a sixth dimension to his typology based on studies he has conducted over the past 10 years: 16

• **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." 17 Those that favour restraint emphasize the need to control the gratification of needs.

How do different countries score on Hofstede's dimensions? Exhibit 3-2 shows the ratings for the countries for which data are available. For example, power distance is higher in Malaysia and Slovak Republic than in any other countries. 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 scores relatively high on masculinity (meaning that most people emphasize traditional gender roles) in comparison with countries such as Denmark, Finland, Norway, and Sweden, 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. North and South America tend to show more indulgence, as does Western Europe. Restraint is characteristic of Eastern Europe, Asia, and the predominantly Muslim countries.

Hofstede's cultural dimensions have been enormously influential on OB researchers and managers. Nevertheless, his research has been criticized. First, Hofstede’s...
## EXHIBIT 3-2 Hofstede’s Cultural Values by Nation

<table>
<thead>
<tr>
<th>Country</th>
<th>Power Distance Index</th>
<th>Individualism Index</th>
<th>Masculinity Index</th>
<th>Uncertainty Avoidance Index</th>
<th>Long-Term Orientation Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>49</td>
<td>46</td>
<td>56</td>
<td>86</td>
<td>20</td>
</tr>
<tr>
<td>Australia</td>
<td>36</td>
<td>90</td>
<td>61</td>
<td>51</td>
<td>21</td>
</tr>
<tr>
<td>Austria</td>
<td>11</td>
<td>55</td>
<td>79</td>
<td>70</td>
<td>60</td>
</tr>
<tr>
<td>Belgium</td>
<td>65</td>
<td>75</td>
<td>54</td>
<td>94</td>
<td>82</td>
</tr>
<tr>
<td>Brazil</td>
<td>69</td>
<td>38</td>
<td>49</td>
<td>76</td>
<td>44</td>
</tr>
<tr>
<td>Canada</td>
<td>39</td>
<td>80</td>
<td>52</td>
<td>48</td>
<td>36</td>
</tr>
<tr>
<td>Canada French</td>
<td>54</td>
<td>73</td>
<td>45</td>
<td>60</td>
<td>na</td>
</tr>
<tr>
<td>Chile</td>
<td>63</td>
<td>23</td>
<td>28</td>
<td>86</td>
<td>31</td>
</tr>
<tr>
<td>China</td>
<td>80</td>
<td>20</td>
<td>66</td>
<td>30</td>
<td>87</td>
</tr>
<tr>
<td>Colombia</td>
<td>67</td>
<td>13</td>
<td>64</td>
<td>80</td>
<td>13</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>35</td>
<td>15</td>
<td>21</td>
<td>86</td>
<td>na</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>57</td>
<td>58</td>
<td>57</td>
<td>74</td>
<td>70</td>
</tr>
<tr>
<td>Denmark</td>
<td>18</td>
<td>74</td>
<td>16</td>
<td>23</td>
<td>35</td>
</tr>
<tr>
<td>Ecuador</td>
<td>78</td>
<td>8</td>
<td>63</td>
<td>67</td>
<td>na</td>
</tr>
<tr>
<td>El Salvador</td>
<td>66</td>
<td>19</td>
<td>40</td>
<td>94</td>
<td>20</td>
</tr>
<tr>
<td>Finland</td>
<td>33</td>
<td>63</td>
<td>26</td>
<td>59</td>
<td>38</td>
</tr>
<tr>
<td>France</td>
<td>68</td>
<td>71</td>
<td>43</td>
<td>86</td>
<td>63</td>
</tr>
<tr>
<td>Germany</td>
<td>35</td>
<td>67</td>
<td>66</td>
<td>65</td>
<td>83</td>
</tr>
<tr>
<td>Great Britain</td>
<td>35</td>
<td>89</td>
<td>66</td>
<td>35</td>
<td>51</td>
</tr>
<tr>
<td>Greece</td>
<td>60</td>
<td>35</td>
<td>57</td>
<td>112</td>
<td>45</td>
</tr>
<tr>
<td>Guatemala</td>
<td>95</td>
<td>6</td>
<td>37</td>
<td>101</td>
<td>na</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>68</td>
<td>25</td>
<td>57</td>
<td>29</td>
<td>61</td>
</tr>
<tr>
<td>India</td>
<td>77</td>
<td>48</td>
<td>56</td>
<td>40</td>
<td>51</td>
</tr>
<tr>
<td>Indonesia</td>
<td>78</td>
<td>14</td>
<td>46</td>
<td>48</td>
<td>62</td>
</tr>
<tr>
<td>Iran</td>
<td>58</td>
<td>41</td>
<td>43</td>
<td>59</td>
<td>14</td>
</tr>
<tr>
<td>Ireland</td>
<td>28</td>
<td>70</td>
<td>68</td>
<td>35</td>
<td>24</td>
</tr>
<tr>
<td>Israel</td>
<td>13</td>
<td>54</td>
<td>47</td>
<td>81</td>
<td>38</td>
</tr>
<tr>
<td>Italy</td>
<td>50</td>
<td>76</td>
<td>70</td>
<td>75</td>
<td>61</td>
</tr>
<tr>
<td>Jamaica</td>
<td>45</td>
<td>39</td>
<td>68</td>
<td>13</td>
<td>na</td>
</tr>
<tr>
<td>Japan</td>
<td>54</td>
<td>46</td>
<td>95</td>
<td>92</td>
<td>88</td>
</tr>
<tr>
<td>Korea (South)</td>
<td>60</td>
<td>18</td>
<td>39</td>
<td>85</td>
<td>100</td>
</tr>
<tr>
<td>Malaysia</td>
<td>104</td>
<td>26</td>
<td>50</td>
<td>36</td>
<td>41</td>
</tr>
<tr>
<td>Mexico</td>
<td>81</td>
<td>30</td>
<td>69</td>
<td>82</td>
<td>24</td>
</tr>
<tr>
<td>Netherlands</td>
<td>38</td>
<td>80</td>
<td>14</td>
<td>53</td>
<td>67</td>
</tr>
<tr>
<td>New Zealand</td>
<td>22</td>
<td>79</td>
<td>58</td>
<td>49</td>
<td>33</td>
</tr>
<tr>
<td>Norway</td>
<td>31</td>
<td>69</td>
<td>8</td>
<td>50</td>
<td>35</td>
</tr>
<tr>
<td>Pakistan</td>
<td>55</td>
<td>14</td>
<td>50</td>
<td>70</td>
<td>50</td>
</tr>
<tr>
<td>Panama</td>
<td>95</td>
<td>11</td>
<td>44</td>
<td>86</td>
<td>na</td>
</tr>
<tr>
<td>Peru</td>
<td>64</td>
<td>16</td>
<td>42</td>
<td>87</td>
<td>25</td>
</tr>
<tr>
<td>Philippines</td>
<td>94</td>
<td>32</td>
<td>64</td>
<td>44</td>
<td>27</td>
</tr>
<tr>
<td>Poland</td>
<td>68</td>
<td>60</td>
<td>64</td>
<td>93</td>
<td>38</td>
</tr>
<tr>
<td>Portugal</td>
<td>63</td>
<td>27</td>
<td>31</td>
<td>104</td>
<td>28</td>
</tr>
<tr>
<td>Singapore</td>
<td>74</td>
<td>20</td>
<td>48</td>
<td>8</td>
<td>72</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>104</td>
<td>52</td>
<td>110</td>
<td>51</td>
<td>77</td>
</tr>
<tr>
<td>South Africa (white)</td>
<td>49</td>
<td>65</td>
<td>83</td>
<td>49</td>
<td>na</td>
</tr>
<tr>
<td>Spain</td>
<td>57</td>
<td>51</td>
<td>42</td>
<td>86</td>
<td>48</td>
</tr>
<tr>
<td>Sweden</td>
<td>31</td>
<td>71</td>
<td>5</td>
<td>29</td>
<td>53</td>
</tr>
<tr>
<td>Switzerland</td>
<td>34</td>
<td>68</td>
<td>70</td>
<td>58</td>
<td>74</td>
</tr>
<tr>
<td>Taiwan</td>
<td>58</td>
<td>17</td>
<td>45</td>
<td>69</td>
<td>93</td>
</tr>
<tr>
<td>Thailand</td>
<td>64</td>
<td>20</td>
<td>34</td>
<td>64</td>
<td>32</td>
</tr>
<tr>
<td>Turkey</td>
<td>66</td>
<td>37</td>
<td>45</td>
<td>85</td>
<td>46</td>
</tr>
<tr>
<td>United States</td>
<td>40</td>
<td>91</td>
<td>62</td>
<td>46</td>
<td>26</td>
</tr>
<tr>
<td>Uruguay</td>
<td>61</td>
<td>36</td>
<td>38</td>
<td>210</td>
<td>26</td>
</tr>
<tr>
<td>Venezuela</td>
<td>81</td>
<td>12</td>
<td>73</td>
<td>76</td>
<td>16</td>
</tr>
<tr>
<td>Vietnam</td>
<td>70</td>
<td>20</td>
<td>40</td>
<td>30</td>
<td>57</td>
</tr>
</tbody>
</table>

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

original work is nearly 40 years old and was based on a single company (IBM). So people question its relevance 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. 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. 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 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). Some results are unexpected. For example, Japan, which is often considered a highly collectivistic nation, is considered only average on collectivism under Hofstede’s dimensions. Despite these concerns, many of which Hofstede refutes, he has been one of the most widely cited social scientists ever, and his framework has left a lasting mark on OB.

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. 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. However, researchers continue to debate the differences between these frameworks, and future studies may, in time, favour the more nuanced perspective of the GLOBE study.

In this chapter’s Working with Others Exercise on page 100, you have the opportunity to compare the cultural values of two countries and determine how differences might affect group behaviour. The Ethical Dilemma Exercise on page 101 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. In addition, shared values between the employee and the organization lead to more positive work attitudes, lower turnover, and greater productivity.

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 workplace: generational differences and cultural differences. OB in the Workplace considers the difficulties the nonprofit sector has had in retaining younger people and minorities.
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), the Generation Xers (born between the mid-1960s and the late 1970s), and the Generation Ys (born between 1979 through 1994). Gen-Xers are squeezed in the workplace between the much larger Baby Boomer and Gen-Y groups. As the Baby Boomers retire from the nonprofit sector, efforts are underway to increase the number of younger and diverse employees in the sector’s labour force.

Avnish Mehta joined the board of directors of the HR Council to get involved in its diversity project. “I’m a visible minority, but I’m a born-and-raised Calgarian . . . and I thought I would be able to bring a little bit of a different flair to the way that things are being built,” says Mehta. “My goal is to be able to lend the voice of young people in this sector, to show there are people who are motivated,” he adds.

As a member of the HR Council’s diversity project, Mehta is trying to find ways to recruit more diverse employees. The project found that first-year turnover rates for new immigrants and visible minorities were higher than for other groups.

Tanara Pickard, a project manager for the HR Council, said that part of the problem for immigrants and minorities relates to “cultural differences in workplace etiquette.” As well, there is the question of values. “What we were finding is that because the not-for-profit sector is so values-driven, rather than focused on cost and the bottom line, they’re looking for people to have a good fit within their organization,” Pickard says.

Mehta suggests that nonprofits may need to consider changing their organizational structure to be more inclusive. “Maybe some of the [organizational] structures that we’ve relied on for such a long time are maybe not the best ones for motivating us [minorities] to stick around.”

Let’s look at the findings and implications of generational and cultural differences in Canada.
Baby Boomers
Baby Boomers (called 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 a large measure of the “hippie ethic” and distrust of authority. But they placed a great deal of emphasis on achievement and material success. They work hard and want to enjoy the fruits of their labours. They are pragmatists who believe ends can justify means. 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 Gen-Xers (Generation Xers) 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. Gen-Xers are skeptical, particularly of authority. They also enjoy team-oriented work. In search of balance in their lives, Gen-Xers are less willing to make personal sacrifices for the sake of their employer than previous generations were. On the Rokeach Value Survey, they rate high on the terminal values of true friendship, happiness, and pleasure.

Generation Y
The most recent entrants to the workforce, Generation Y (also called Millennials, Netters, Nexters, and Generation Nexters), grew up during prosperous times. They have high
expectations and seek meaning in their work. Gen-Ys have life goals more oriented toward becoming rich (81 percent) and famous (51 percent) than do Generation Xers (62 percent and 29 percent, respectively), but they also see themselves as socially responsible. Gen-Ys are at ease with diversity and 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 Gen-Ys as entitled and needy. They grew up with parents who watched (and praised) their every move. One employer said, “This is the most high-maintenance workforce in the history of the world. The good news is they’re also going to be the most high-performing.”

Bruce Tulgan, author of *Not Everyone Gets a Trophy: How to Manage Generation Y*, suggests that managers need to give Gen-Ys extra direction, encouragement, and feedback to keep them focused and loyal.  

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 will be at least 55 and 18 percent will be over 60. Recent research suggests that Baby Boomers and Generation Y have a significant amount in common in their views toward the workplace, and that this might have profound effects on the organization of the workplace in the future. Members of these two generations, much more than those from Generation X, want more flexible workplaces, more opportunity for time off to explore themselves, and more work-life balance. Generation Y will certainly change the face of the workplace in significant ways. Its members have mastered a communication and information system that many of their parents have yet to understand. In Chapter 4, we discuss further motivational differences between the Baby Boomers and Gen-Ys.
Cultural Differences

Canada is a multicultural country. One in five Canadians is an immigrant, according to the 2006 Census. In 2006, 46 percent of Metropolitan Toronto’s population, 40 percent of Vancouver’s population, and 21 percent of Montreal’s population were made up of immigrants. The 2006 Census found that 20.1 percent of Canada’s population spoke neither of the country’s two official languages as their first language. In Vancouver and Toronto, this rate was 41 percent and 44 percent, respectively, so considerably more than one-third of the population of those two cities does not speak either English or French as a first language. Of those who speak other languages, 16 percent speak Chinese (mainly Mandarin or Cantonese). The other dominant languages in Canada are Italian (in fourth place), followed by German, Punjabi, and Spanish. These figures indicate the very different cultures that are part of the Canadian fabric of life.

Though we live in a multicultural society, there are some tensions among people from different races and ethnic groups. For instance, a Statistics Canada survey on ethnic diversity found that while most Canadians (93 percent) say they have never or rarely experienced unfair treatment because of their ethnicity or culture, 20 percent of visible minorities reported having been unfairly treated sometimes or often.

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. Exhibit 3-3 shows some of the other differences between Canadian and American young adults.

**EXHIBIT 3-3 Differences between Canadian and American Young Adults, 18 to 34**

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

In his book *Fire and Ice*, pollster Michael Adams finds that there is a growing dissimilarity between Canadian and American values. The two groups differ in 41 of the 56 values that Adams examined. For 24 values the gap actually widened between 1992 and 2000, indicating that Canadians’ social values are growing more distinct from those of Americans. Adams suggests that the September 11, 2001, attacks have affected the personality of Americans. He finds Americans are more accepting of patriarchy and hierarchy these days, and he concludes that it is “the supposedly bold, individualistic Americans who are the nodding conformists, and the supposedly shy, deferential and law-abiding Canadians who are most likely to assert their personal autonomy and political agency.”

In what follows, 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. 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 is important for 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.

A number of studies have shown that English-speaking Canadians and French-speaking Canadians have distinctive value priorities. In general, Canadian anglophone managers are seen to be more individualistic than Canadian francophone managers, although more recent research finds greater similarity between anglophone and francophone middle managers in terms of their individualistic-collectivistic orientation. Francophones have also been shown to be more concerned about the interpersonal aspects of the workplace than task competence. They have also been found to be more committed to their work organizations. Earlier studies suggested that anglophones took more risks, 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.”

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. However, Canadian francophones are more likely than Canadian anglophones to use a more cooperative approach during cross-cultural negotiations. 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. 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. Another study suggests that anglophones and francophones are not very different personality-wise. Yet another study indicates that French Canadians have become more like English Canadians in valuing autonomy and self-fulfillment. These studies are consistent with a recent study that suggests there are few differences between francophones and anglophones.

Professor Carolyn Egri of the business school at Simon Fraser University led a cross-cultural study on the attitudes of managers toward different influence strategies. 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 and American or 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.”

Despite some cultural and lifestyle value differences, both francophone and anglophone managers today have been exposed to similar types of organizational theories during their post-secondary school training, which might also influence their outlook 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. Throughout this text, you will see a number of examples of Quebec-based businesses that support this conclusion.

**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 is 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.  

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."  

"Aboriginal values are usually perceived (by non-Aboriginals) as an impediment to economic development and organizational effectiveness." These values include reluctance to compete, a time orientation different from the Western one, and an emphasis on consensus decision making. 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. They believe that traditional culture, values, and languages can help build a self-sustaining economy. Moreover, they believe that their cultural values may actually be a positive force in conducting business.

In recent years, Canadian businesses facing Native land claims have met some difficulties in trying to accommodate demands for appropriate land use. In some cases, accommodation can mean less logging or mining by businesses until land claims are worked out. In order to achieve better communication between businesses and Native leaders, 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. 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 Sewepagaham, 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 Vancouver-based Ainsworth jointly hold forest tenure. The two companies presented their General Development Plan to the Cree in fall 2008. 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.

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. 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 view. For instance, Richard Prokopanko, director of government relations for Montreal-based Alcan, says that a move 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.

Asian Values

The largest visible minority group in Canada are the Chinese. Over 1 million people of this group live in Canada and represent 26 percent of the country’s visible minority population. The Chinese in this country are a diverse group; they come from different countries (for example, China, Hong Kong, Malaysia), speak different languages, and practise different religions. The Chinese are only one part of the entire influence 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 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 individuals) for a sample of North American, European, and Hong Kong firms doing business with companies in mainland China. 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.” 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 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 in order to work more effectively and get along with others.

Attitudes

Despite recognition over the years as a good employer, the employees at SaskGaming’s Casino Regina went on strike for almost two months in June and July 2010. The employees had been without a collective agreement since May 2009.

Fran Mohr, spokesperson for the Public Service Alliance of Canada (PSAC), which represents the striking employees, was relieved to see the strike end. “We are happy it’s finally over. I feel like a lot of weight has been lifted off my shoulders,” said Mohr. “It’s a big thing having 400 people walking a picket line day after day. It’s a really good feeling to be going back. It feels like we’ve been gone a long time.”

Though the casino had to run much shorter hours, public attitude seemed to favour the employees during the course of the strike. Those on the picket line received frequent donations of food and money. Mohr, a cashier at the casino, said the public understood why the employees went on strike. “We love what we do and no one wants to go on strike, but at some point you have to stand up for yourself. We have our families to consider and I think our clientele really respects that.” The attitudes of the striking employees toward their employer were considerably negative before the strike began and became stronger as the strike progressed. So how do employees’ attitudes get formed, and can they really be changed?

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.

Specific attitudes tend to predict specific behaviours, whereas general attitudes tend to predict general behaviours. For instance, asking an employee about her intention to stay with an organization for the next six months is likely to better predict turnover for that person than asking her how satisfied she is with her job. On the other hand, overall job satisfaction would better predict a general behaviour, such as whether the employee is engaged in her work or motivated to contribute to her organization.

In organizations, attitudes are important because they affect job behaviour. Employees may believe, for example, that supervisors, auditors, managers, and time-and-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 and 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 pages 102–103 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. Below we consider four important attitudes that affect organizational performance: job satisfaction, organizational commitment, job involvement, and employee engagement.

Job Satisfaction

Our definition of job satisfaction—a positive feeling about a job resulting from an evaluation of its characteristics—is clearly broad. A 2011 survey conducted by
Mercer 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.  

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. There is also a strong correspondence between how well people enjoy the social context of their workplace and how satisfied they are overall. Interdependence, feedback, social support, and interaction with co-workers outside the workplace are strongly related to job satisfaction even after accounting for characteristics of the work itself.  

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. High-paying jobs have average satisfaction levels no higher than those that pay much less. 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.

Case Incident—Thinking Your Way to a Better Job on page 101 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 poll found that entering first-year university students rated becoming “very well off financially” first on a list of 19 goals, ahead of choices such as helping others, raising a family, or becoming proficient in an academic pursuit. Maybe your goal isn’t to be happy. But if it is, money is probably not going to do much to get you there.

Job satisfaction is not just about job conditions. Personality also plays a role. Research has shown that people who have positive core self-evaluations—who

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.
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 confronting difficulties. Thus, they are more likely to be stuck in boring, repetitive jobs than those with positive core self-evaluations.\(^{89}\)

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

**Job Satisfaction and Productivity**

The idea that “happy workers are productive workers” developed in the 1930s and 1940s, largely as a result the Hawthorne studies at Western Electric. Based on those conclusions, managers focused on working conditions and the work environment to make employees happier. Then, in the 1980s, an influential review of the research suggested that the relationship between job satisfaction and job performance was not particularly high. The authors of that review even labelled it “illusory.”\(^{90}\)

More recently, a review of more than 300 studies corrected some errors in that earlier review and found the correlation between job satisfaction and job performance to be moderately strong, even across international contexts. 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.\(^{91}\) A review of 16 studies that assessed job performance and satisfaction over time also linked job satisfaction to job performance\(^{92}\) and suggested the relationship mostly works one way: Satisfaction was a likely cause of better performance, but higher performance was not a cause of higher job satisfaction.

We cannot be entirely sure, however, whether satisfaction causes productivity or productivity causes satisfaction.\(^{93}\) In other words, if you do a good job, you
intrinsically feel good about it. In addition, your higher productivity should increase your recognition, your pay level, and your likelihood of promotion. Cumulatively, these rewards, in turn, increase your level of satisfaction with the job. Most likely, satisfaction can lead to high levels of performance for some people, while for others, high performance is satisfying. Point/Counterpoint on page 98 further explores the debate on whether job satisfaction is created by the situation or by an individual’s characteristics.

As we move from the individual to the organizational level, we also find support for the satisfaction-performance relationship. 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 less satisfied employees.

**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. 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. More recently OCB has been associated with the following workplace behaviours: “altruism, conscientiousness, loyalty, civic virtue, voice, functional participation, sportsmanship, courtesy, and advocacy participation.” Organizational citizenship is important, as it can help the organization function more efficiently and more effectively. Recent work by York University professors Sabrina Salamon and Yuval Deutsch suggest that OCB may be a way for individuals to signal to managers and co-workers abilities that might not be immediately observable.

It seems logical to assume that job satisfaction should be a major determinant of an employee’s OCB. Satisfied employees would seem more likely to talk positively about an organization, help others, and go beyond the normal expectations in their jobs. They might go beyond the call of duty because they want to reciprocate their positive experiences. Consistent with this thinking, evidence suggests job satisfaction is moderately correlated with OCBs; people who are more satisfied with their jobs are more likely to engage in OCBs. Why? Fairness perceptions help explain the relationship. 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.

**Job Satisfaction and Customer Satisfaction**

As we noted in Chapter 1, employees in service jobs often interact with customers. Since managers of service organizations should be concerned with pleasing those customers, it is reasonable to ask: Is employee satisfaction related to positive customer outcomes? For front-line employees who have regular contact with customers, the answer is yes. Satisfied employees increase customer satisfaction and loyalty.

Why? In service organizations, customer retention and defection are highly dependent on how front-line employees deal with customers. Satisfied employees are more likely to be friendly, upbeat, and responsive—which customers appreciate. Because satisfied employees are less prone to turnover, customers are more likely to encounter familiar faces and receive experienced service. These qualities build customer satisfaction and loyalty. In addition, the relationship seems to apply in reverse: Dissatisfied customers can increase an employee’s job dissatisfaction. Employees who interact with rude, thoughtless, or unusually demanding customers report lower job satisfaction.

**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.
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 employee withdrawal). If employees don’t like their work environment, they will respond somehow, though it is 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 3-4 presents a model—the exit-voice-loyalty-neglect framework—that can be used to examine individual responses to dissatisfaction along two dimensions: whether they are constructive or destructive and whether they are active or passive. Four types of behaviour result:

- **Exit.** Actively attempting to leave the organization, including looking for a new position as well as resigning. This is a destructive action from the point of view of the organization.
- **Voice.** Actively and constructively trying 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.

Service organizations know that whether customers are satisfied and loyal depends on how front-line employees deal with customers. Singapore Airlines has earned a reputation among world travellers for outstanding customer service. The airline’s “putting people first” philosophy applies to both its employees and customers. In recruiting flight attendants, the airline selects people who are warm, hospitable, and happy to serve others. Through extensive training, Singapore Airlines moulds recruits into attendants focused on complete customer satisfaction.
• **Neglect.** Passively allowing conditions to worsen, including chronic absenteeism or lateness, reduced effort, and increased error rate.

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. 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.

**Organizational Commitment**

In **organizational commitment** an employee identifies with a particular organization and its goals, and wishes to remain a member. Professor John Meyer at the University of Western Ontario and his colleagues have identified and developed measures for three types of commitment:

- **Affective commitment.** An individual’s emotional attachment to the 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 staying with the 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. A review of 27 studies suggested that the

---

**EXHIBIT 3-4 Responses to Job Dissatisfaction**


---

- **neglect** Dissatisfaction expressed by passively allowing conditions to worsen.
- **organizational commitment** A state in 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.
relationship between commitment and performance is strongest for new employees, and considerably weaker for more experienced employees.\textsuperscript{113} The research evidence demonstrates negative relationships between organizational commitment and both absenteeism and turnover.\textsuperscript{114}

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.\textsuperscript{115} 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 really isn’t 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 there isn’t anything better available.\textsuperscript{116}

How can companies increase organizational commitment? Research on a number of companies known for employees with high organizational commitment identified five reasons why employees commit themselves:\textsuperscript{117}

- They are proud of [the company’s] aspirations, accomplishments, and legacy; they share its values.
- They know what each person is expected to do, how performance is measured, and why it matters.
- They are in control of their own destinies; they savour the high-risk, high-reward work environment.
- They are recognized mostly for the quality of their individual performance.
- They have fun and enjoy the supportive and highly interactive environment.

These findings suggest a variety of ways for organizations to increase the commitment of employees. Earlier in the chapter we discussed the role of satisfaction.

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 one-on-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.
on organizational citizenship behaviour (OCB). We should also note that when individuals have high organizational commitment, they are likely to engage in more OCB.

Job Involvement

Related to job satisfaction is job involvement, which measures the degree to which people identify psychologically with their job and consider their perceived performance level important to self-worth. 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. High levels of both job involvement and psychological empowerment are positively related to organizational citizenship and job performance. High job involvement is also related to reduced absences and lower resignation rates.

Employee Engagement

A new concept that comes out of the work on job involvement is employee engagement, an individual’s involvement with, satisfaction with, and enthusiasm for the work he or she does. For example, we might ask employees about the availability of 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. 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. Calgary-based Vista Projects, an engineering procurement and construction management firm, consults with its employees for engagement ideas. Doing so has resulted in education initiatives, opportunities for company ownership, and time off for religious holidays. To encourage engagement, the president of Charlottetown, PEI-based Holland College visits the college’s 24 sites routinely to give employees an opportunity to raise concerns.

A study of nearly 8000 business units in 36 companies found that those whose employees had high average levels of engagement had higher levels of customer satisfaction, were more productive, had higher profits, and had lower levels of turnover and accidents than at other companies. 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).

Such promising findings have earned employee engagement a following in many business organizations and management consulting firms. However, the concept is relatively new and still generates active debate about its usefulness. One review of the literature concluded that the meaning of the term is ambiguous for both practitioners and academics, while another reviewer called engagement “an umbrella term for whatever one wants it to be.” Still, a 2011 study that draws from the best current research to create a model of work engagement suggests that there is a lot of promise to this concept.

Organizations will likely continue using employee engagement, and it will remain a subject of research. The ambiguity surrounding it arises from its newness and may also, ironically, reflect its popularity. Engagement is a very general concept, perhaps broad enough to capture the intersection of the other variables we have discussed. In other words, it may be what these attitudes have in common.

LESSONS LEARNED

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

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.

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

1. **What are values?** Values guide how we make decisions about and evaluations of behaviours and events. They represent basic convictions about what is important, right, and good to the individual. Although they do not have a direct impact on behaviour, values strongly influence a person’s attitudes. So knowledge of an individual’s values can provide insight into his or her attitudes.

2. **How can we understand values across cultures?** Geert Hofstede found that managers and employees vary on five value dimensions of national culture: power distance, individualism vs. collectivism, masculinity vs. femininity, uncertainty avoidance, and long-term vs. short-term orientation. His insights were expanded by the GLOBE research program, an ongoing cross-cultural investigation of leadership and national culture.

3. **Are there unique Canadian values?** Recent research suggests that Canadian values tend to be affected by generational and cultural differences. The three dominant age groups of adults in the Canadian workplace are the Baby Boomers (born between the mid-1940s and mid-1960s), the Generation Xers (born between the mid-1960s and the late 1970s), and the Generation Ys (born between 1979 through 1994). Canada is a multicultural country, and there are a number of groups that contribute to its diverse values, such as Aboriginal people, French Canadians, and various immigrant groups. Canadian values differ from American values and those of its other trading partners in a variety of ways.

4. **What are attitudes and why are they important?** Attitudes are positive or negative feelings about objects, people, or events. Attitudes affect the way people respond to situations. When I say “I like my job,” I am expressing my attitude to work and I am likely to be more committed in my behaviour than if my attitude was one of not liking my job. A person can have thousands of attitudes, but OB focuses our attention on a limited number of job-related attitudes. These job-related attitudes tap positive or negative evaluations that employees hold about aspects of their work environment. Most of the research in OB has been concerned with four attitudes: job satisfaction, organizational commitment, job involvement, and employee engagement.
1. Describe the five value dimensions of national culture proposed by Geert Hofstede.

2. Compare Aboriginal and non-Aboriginal values.

3. How might differences in generational values affect the workplace?

4. Describe the profile of Generation-Y employees.

5. What might explain low levels of employee job satisfaction in recent years?

6. Are satisfied employees productive employees? Explain your answer.

7. What is the relationship between job satisfaction and absenteeism? Job satisfaction and turnover? Which is the stronger relationship?

8. Contrast exit, voice, loyalty, and neglect as employee responses to job satisfaction.

1. “Thirty-five years ago, young employees we hired were ambitious, conscientious, hard-working, and honest. Today’s young employees don’t have the same values.” Do you agree or disagree with this manager’s comments? Support your position.

2. Do you think there might be any positive and significant relationship between the possession of certain personal values and successful career progression in organizations such as Merrill Lynch, the Canadian Union of Postal Workers (CUPW), and the City of Regina’s police department? Discuss.

3. “Managers should do everything they can to enhance the job satisfaction of their employees.” Do you agree or disagree? Support your position.

4. When employees are asked whether they would again choose the same work or whether they would want their children to follow in their footsteps, fewer than half typically answer “yes.” What, if anything, do you think this implies about employee job satisfaction?

- You will encounter many people who have values different from yours in the classroom, in various kinds of activities in which you participate, as well as in the workplace. You should try to understand value differences and to figure out ways to work positively with people who are different from you.

- Though we often try to generalize about people’s values based on either their generation or their culture, not all people in a group hold the same values. Be prepared to look beyond the group characteristics to understand the person.

- The variety of possible responses to dissatisfaction (exit, voice, loyalty, neglect) gives you alternatives to consider when you are feeling dissatisfied with a situation. Neglect may be an easy way to respond, but consider whether voice might be more effective.
Part 1 Understanding the Workplace

Managers Create Job Satisfaction

A review of the evidence has identified four factors conducive to high levels of employee job satisfaction: mentally challenging work, equitable rewards, supportive working conditions, and supportive colleagues.  

Management is able to control each of these factors.

Mentally challenging work. Generally, people prefer jobs that give them opportunities to use their skills and abilities and offer a variety of tasks, freedom, and feedback on how well they are doing. These characteristics make work mentally challenging.

Equitable rewards. Employees want pay systems that they perceive as just, unambiguous, and in line with their expectations. When they see pay as fair—based on job demands, individual skill level, and community pay standards—satisfaction is likely to result.

Supportive working conditions. Employees want their work environments to be safe and personally comfortable and to facilitate their doing a good job. Most employees prefer working relatively close to home, in clean and up-to-date facilities, with adequate tools and equipment.

Supportive colleagues. People get more out of work than merely money or tangible achievements. Work also fills the need for social interaction. Not surprisingly, therefore, friendly and supportive co-workers lead to increased job satisfaction. The boss’s behaviour is also a major factor; employee satisfaction is increased when the immediate supervisor is understanding and friendly, offers praise for good performance, listens to employees’ opinions, and shows a personal interest in employees.

Satisfaction Is Individually Determined

The notion that managers and organizations can control the level of employee job satisfaction is inherently attractive. It fits nicely with the view that managers directly influence organizational processes and outcomes. Unfortunately, a growing body of evidence challenges this idea.

The most recent findings indicate that job satisfaction is largely genetically determined. Approximately 50 to 80 percent of people’s differences in happiness, or subjective well-being, has been found to be attributable to their different genes. Identical twins, for example, tend to have very similar careers, report similar levels of job satisfaction, and change jobs at similar rates.

Analysis of satisfaction data for a selected sample of individuals over a 50-year period found that individual results were stable over time, even when subjects changed employers and occupations. This and other research suggests that an individual’s disposition toward life—positive or negative—is established by his or her genetic makeup, holds over time, and influences disposition toward work.

Given these findings, most managers can do little to influence employee satisfaction. Despite their manipulating job characteristics, working conditions, and rewards, people will inevitably return to their own “set point.” A bonus may temporarily increase the satisfaction level of a negatively disposed employee, but it is unlikely to sustain it. Sooner or later, a dissatisfied employee will find new fault with the job.

The only place managers will have any significant influence is in the selection process. If managers want satisfied employees, they need to screen out negative people who derive little satisfaction from their jobs, irrespective of work conditions.
LEARNING ABOUT YOURSELF EXERCISE

What Do You Value?

There are 16 items in the list below. Rate how important each one is to you on a scale of 0 (not important) to 100 (very important). Write a number between 0 and 100 on the line to the left of each item.

<table>
<thead>
<tr>
<th>Not Important</th>
<th>Somewhat Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 10 20 30 40 50 60 70 80 90 100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. An enjoyable, satisfying job.
2. A high-paying job.
3. A good marriage.
4. Meeting new people; social events.
5. Involvement in community activities.
7. Exercising, playing sports.
8. Intellectual development.
9. A career with challenging opportunities.
10. Nice cars, clothes, home, and so on.
11. Spending time with family.
12. Having several close friends.
13. Volunteer work for nonprofit organizations, such as the Canadian Cancer Society.
14. Meditation, quiet time to think, pray, and so on.
15. A healthy, balanced diet.
16. Educational reading, television, self-improvement programs, and so on.

Scoring Key:

Transfer the numbers for each of the 16 items to the appropriate column; then add up the 2 numbers in each column.

<table>
<thead>
<tr>
<th>Professional</th>
<th>Financial</th>
<th>Family</th>
<th>Social</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2.</td>
<td>3.</td>
<td>4.</td>
</tr>
<tr>
<td>9.</td>
<td>10.</td>
<td>11.</td>
<td>12.</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>Spiritual</td>
<td>Physical</td>
<td>Intellectual</td>
</tr>
<tr>
<td>5.</td>
<td>6.</td>
<td>7.</td>
<td>8.</td>
</tr>
<tr>
<td>13.</td>
<td>14.</td>
<td>15.</td>
<td>16.</td>
</tr>
<tr>
<td>Totals</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The higher the total in any value dimension, the higher the importance you place on that value set. The closer the numbers are in all 8 dimensions, the more well rounded you are.

More Learning About Yourself Exercises

Additional self-assessments relevant to this chapter appear on MyManagementLab.

IV.C.1 What’s My Attitude toward Older People?
I.B.3 How Satisfied Am I with My Job?
IV.B.1 Am I Engaged?
I.E.1 What’s My Emotional Score?

When you complete the additional assessments, consider the following:
1. Am I surprised about my score?
2. Would my friends evaluate me similarly?

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?

UNDERSTANDING CULTURAL VALUES EXERCISE

Understanding Cultural Values

Objective To compare the cultural values of two countries, and determine how differences might affect group behaviour.

Time Approximately 30 minutes.

Procedure
1. Break into groups of 5 or 6.
2. Pretend that you are a group of students working on a project. Half of you are from Canada and hold typically “Canadian” cultural values; the other half are from the country assigned and hold that country’s cultural values.
3. Consider the values of power distance, individualism/collectivism, and uncertainty avoidance, and discuss the differences between Canadian cultural values and the values of the country assigned to you. (Refer to Exhibit 3-2 on page 78 to identify the values of your assigned country.)
4. Answer the following questions:
   What challenges might you expect in working together?
   What steps could be taken to work together more effectively?
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. 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 says this payment will not guarantee you get the order, but without it he cannot 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 whether two of those companies have turned down the payment request.

What would you do?

Thinking Your Way to a Better Job

You have probably been dissatisfied with a job at one time or another in your life. When faced with a dissatisfying job, researchers and job holders alike usually think about how to increase 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. In case you think we have gone the way of self-help gurus Deepak Chopra and Wayne Dyer, think again. There is some solid, albeit fairly preliminary, evidence supporting the idea 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 to 38 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. 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 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 in which employees share and personalize experiences, and practise new behaviours, can be powerful stimulants for change. Consistent with self-perception theory, changes in behaviour can lead to changes in attitudes.

Practising Skills

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 in changing the other person’s attitude? Why or why not?

2. Was the other person successful in changing your attitude? Why or why not?

3. What conclusions can you draw about changing the attitudes of yourself and others?
Chapter 3 Values, Attitudes, and Their Effects in the Workplace 103

Reinforcing Skills

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.